

**ANNUAL
REPORT
2020**

*Embracing
the Future*

 **Standard Bank Limited**



Embracing the Future

Financial sector is marching towards a paradigm shift in line with changing business dynamics emanating from stringent local and global requirements. Sustaining in the ever changing business environment requires forward looking approach keeping the core competencies, ethical values and commitments intact.

Standard Bank Limited always strives to facilitate country's growth as a major development partner. Keeping that objective in view, it prioritize financial supremacy driven by innovative solutions for inclusive growth and widening business horizon.



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BRANCH NETWORK

The background of the entire page is a teal color with a pattern of concentric, overlapping circles that resemble ripples on water. The circles vary in size and are more densely packed in some areas, creating a textured, organic feel. The color transitions from a darker teal at the top to a lighter, almost white-teal at the bottom.

INTRODUCTION



LETTER OF TRANSMITTAL

All Shareholders, Bangladesh Bank
Bangladesh Securities and Exchange Commission
Financial Reporting Council
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited

Sub: Annual Report of Standard Bank Ltd, for the year ended on December 31, 2020

Dear Sir(s),

Thank you for being with us in the year 2020.

It is our immense pleasure to present before you a copy of the Bank's Annual Report 2020 along with the audited financial statements including consolidated and separate balance sheet as at 31st December 2020, profit and loss account, cash flow statement, statement of changes in equity, liquidity statement for the year ended 31st December 2020 with the notes thereto of Standard Bank Limited and its subsidiaries for your kind information and record.

We hope that the report will be of use to you today and glorious tomorrow.

Best Regards,

Md. Ali Reza, FCMA, CIPA
Acting Company Secretary



NOTICE OF THE 22nd ANNUAL GENERAL MEETING

Notice is hereby given to all the members that the 22nd (Twenty Second) Annual General Meeting (AGM) of the honorable shareholders of Standard Bank Ltd. will be held on Thursday, the 29th July, 2021 at 11:00 am virtually by using digital platform through the link <https://sbl.bdvirtualagm.com> to transact the following business and to adopt necessary resolutions:

AGENDA

ORDINARY BUSINESS

- i. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st December, 2020 along with the Auditors' Report and the Director's Report thereon.
- ii. To declare dividend for the year ended 31st December, 2020 as recommended by the Board of Directors.
- iii. To retire/elect/re-elect of Directors in accordance with the provision of the law and the Articles of Association of the company.
- iv. To appoint External Auditor of the Company for the term until conclusion of the next AGM and fix their remuneration.
- v. To appoint Corporate Governance Compliance Auditors for the year 2021 and to fix up their remuneration.
- vi. To consider and approve the loan proposals of the Directors as recommended by the Board.
- vii. To transact any other business with the permission of the chair.

SPECIAL BUSINESS:

viii. To consider and, if thought fit, pass the following resolution as a Special Resolution:

Resolved that "the issuance of 1st Standard Bank unsecured, conditional convertible, floating rate Mudaraba Perpetual Bond (Debt) of Tk. 500.00 Crore (Five Hundred Crore) as Additional Tier- I Capital as per Guidelines on Risk based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel-III) of Bangladesh Bank, subject to obtainment of No Objection Certificate (NOC) from Bangladesh Bank and BSEC as well as compliance with the relevant laws and regulatory requirements and also adherence to the conditions imposed by BSEC under Section 20A of the Securities and Exchange Ordinance, 1969 (XVII of 1969). The purpose of the proposed bond is to strengthen the capital base of the Bank

All the shareholders of the company are requested to join the meeting on date, time by using the digital platform through the link <https://sbl.bdvirtualagm.com>

Dated: June 29, 2021
Dhaka

By order of the Board of Directors

Md. Ali Reza, FCMA, CIPA
Acting Company Secretary

NOTES:

- i. The Board of Directors has recommended 5% Dividend in the form of 2.5% Cash Dividend & 2.5% Stock Dividend for the year ended 31st December, 2020 subject to approval in the 22nd AGM.
- ii. The Record date for the 22nd AGM was Sunday, June 06, 2021. The shareholders whose name was appeared in the Register of members of the Company or in the Depository (CDBL) on record date are eligible to attend/join the 22nd AGM and entitle for dividend as mentioned above.
- iii. Pursuant to the Bangladesh Securities & Exchange Commission's Order No: SEC/SRMIC/94-231/91 dated 31.03.2021 to avoid health risk of pandemic Covid 19, the AGM will be virtual meeting of the Members which will be conducted via live telecast by using Digital platform.
- iv. The Shareholders will join the virtual AGM through the link <https://sbl.bdvirtualagm.com> and able to submit their questions/comments electronically before 24 (twenty Four) hours of commencement of the AGM through this link and also during the Annual General Meeting. In order to login for the virtual AGM, the shareholders need to click on the link <https://sbl.bdvirtualagm.com> and provide their 16 digit Beneficiary Owners (BO) account number or 5 digit folio number, name of shareholders and their number of shares.
- v. A Member entitled to attend and vote at the AGM may appoint a Proxy to attend in his/her stead. The scanned copy of "Proxy Form" duly filled, signed and affixed with BDT 20 revenue stamp must be sent through email to Standard Bank Ltd, Share Division at share@standardbankbd.com no later than 72 hours before commencement of AGM.
- vi. As per Bangladesh Securities and Exchange Commission Notification No: BSEC/CMRRCD/2006-158/208/Admin/81, dated June 20, 2018 soft copies of the Annual Report 2020 along with the Attendance Slip, Proxy Form and the Notice will be forwarded to all the members at their respective email address available with their respective email addresses through their respective Depository Participant (DP). The soft copy of the Annual Report 2020 will also be available in the website of the Bank: www.standardbankbd.com
- vii. Merchant Bank and Depository participant (DP's) are requested to email the soft copy of their margin list (in MS Excel Format) as on record date at share@standardbankbd.com by Monday, July 19, 2021 for facilitating the payment of cash dividend.
- viii. In compliance with the Bangladesh Securities and Exchange Commission Circular No: SEC/CMRRCI/2009-193/154 dated October 2013, No benefit in cash or kind shall be paid/offered in the 22nd AGM of the Bank.



VISION

To be a modern bank having the object of building a sound national economy and to contribute significantly to the Public Exchequer.

MISSION

To be the best private commercial bank in Bangladesh in terms of efficiency, capital adequacy, asset quality, sound management and profitability.

CORE VALUES

OUR CUSTOMER:

To become most caring bank by providing the most courteous and efficient service in every area of our business.

COMMUNITY:

Assuring our socially responsible corporate entity in a tangible manner through close adherence to national policies and objectives.

OUR EMPLOYEE:

By promoting the well being of the members of the staff.

OUR SHAREHOLDERS:

By ensuring fair return on their investment through generating stable profit.



CODE OF CONDUCT

Values of SBL are defined in line with what we stand for everywhere we do business. They are reflected in our behavior and the way we build relationships and deliver value to all our stakeholders, clients, employees, shareholders, communities and others we deal with. In striving for outstanding performance and results, we do not compromise our ethics or principles. SBL places great importance on honesty, integrity, quality and trust. In doing this, we follow a well-set of code of conduct. SBL's Code of Conduct incorporates SBL's Values, and in particular our Value of Integrity, to guide our day-to-day actions and decisions so we can always do the right thing. The Code provides a practical set of guiding principles to help us make decisions in day to day work, whatever we do and wherever we do it. It, basically, aligns the behavior or conduct of employees to the standard as desired by the management in achieving common goal of the bank.

All employees of SBL are required to display the highest standard of conduct in all dealings within and outside the bank. The success of the Bank is dependent on maintaining a high level of public trust. The following Code of Conduct Guiding Principles of SBL is in place:

PERSONAL RESPONSIBILITIES:

- Maintain high level of integrity and ethics
- Be punctual, well dressed and placid mannered
- Stick to company policies, instructions and guidelines of the bank
- Do not submerge bank's interest with personal interest Workplace Responsibilities:
- Ensure appropriate use and safeguarding bank's property
- Behave with decorum and decency with other colleagues
- Do not harass and be not be ill-mannered to female colleagues
- Do not engage in any kind of business, gambling, racing, betting or wagering contracts
- No insider trading, workplace violence is allowed
- Follow proper procedures in raising grievance and disciplinary action Marketplace

RESPONSIBILITIES:

- Report all sorts of fraud, anti-money laundering and terrorist financing, theft or illegal activities to concerned authority
- Be ever responsive to all requirements of customers
- Maintain customers' confidentiality
- Maintain utmost secrecy and confidentiality in dealing with bank's affairs
- Report all records, accounts or books accurately abiding by law

CORPORATE CITIZENSHIP:

- Respond to all public or corporate enquiries timely
- Extend all-out assistance for business communities
- Emphasize on green banking to save environment



STRATEGIC PRIORITIES

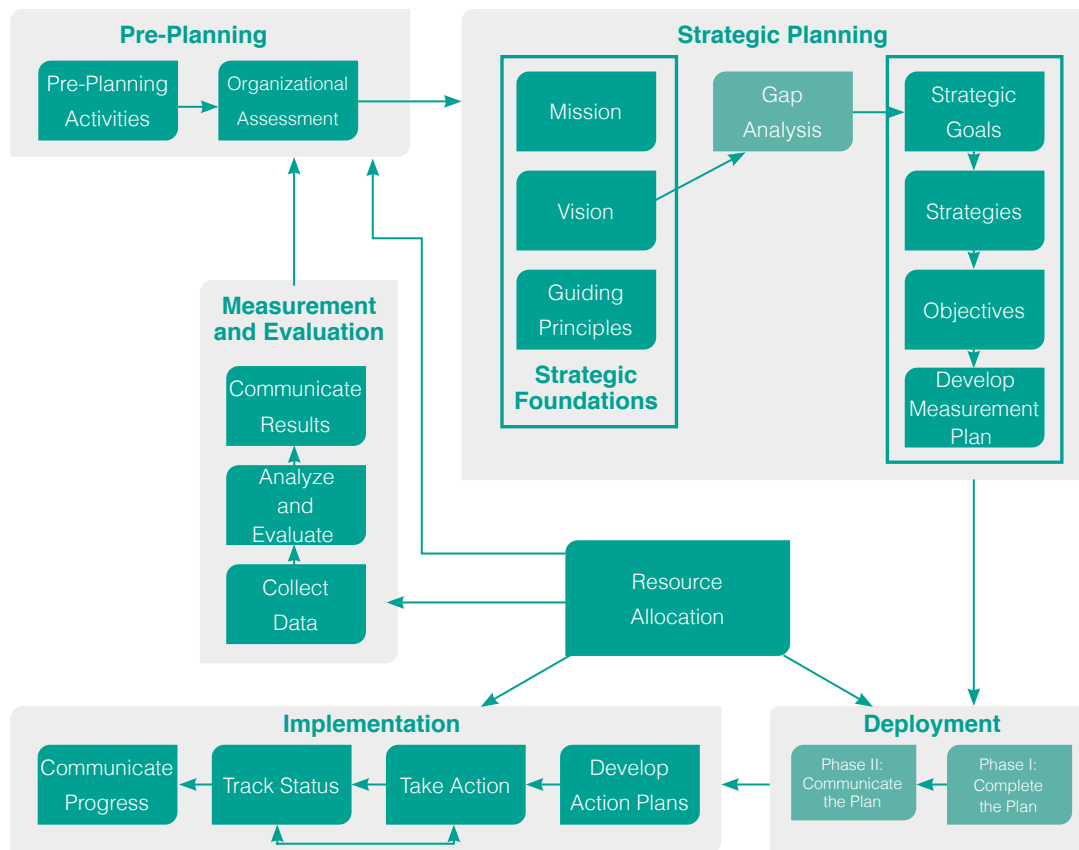
- a) To strive for sustainable business growth by ensuring customer satisfaction through quality and timely services.
- b) To ensure capital stewardship by Preservation and enlargement of multiple forms of capital; like intellectual, natural, financial, organizational, social; all of which contribute to longterm value creation.
- c) To give strong focus on extremely cost-efficient and green services through Internet banking, electronic fund transfer, automated cheques clearing, e-bank statement, SMS alert etc.
- d) To ensure effective and efficient risk management for sustainable business growth
- e) To ensure well diversified loan portfolio through structured finance and expansion of Corporate, SME, Agriculture and Retail businesses.
- f) To mount state-of-the-art technologies and adopt innovative ideas for financial inclusion.
- g) To endeavor synergies between new knowledge and human capital for sustainable economic growth.
- h) To increase brand visibility by creating positive image of the Bank.
- i) To be a trend-setter in serving the society and remain responsive to the environment.
- J) To ensure sound corporate governance.
- k) To accelerate progress towards financial inclusion with technology by up-gradation of internet, Mobile Banking and Agent banking.
- l) To add value for all stakeholders.



STRATEGIC MANAGEMENT MODEL

Strategic management is a systems approach to identifying and making the necessary changes and measuring the organization's performance as it moves toward its vision. It has been defined as a Management system that links strategic planning and decision making with the day-to-day business of operational management"

The following model depicts the five processes of strategic management which are pre-planning, strategic planning, deployment, implementation, and measurement and evaluation.





STATEMENT REGARDING FORWARD LOOKING

The material in the Annual Report includes certain forward looking statement concerning current goals of the Bank and its future plans, strategies and policies. We wish to caution you that these statements are based on managements expectations, estimates, projections and assumptions. Words such as “expects,” “anticipates” “plans,” “believes,” “scheduled,” “estimates” and variations of these words and similar expressions are intended to identify forward-looking statements, which include but are not limited to projections of revenues earnings, cash flows. These statements are not guarantees of future performance and involve certain risks and uncertainties, which are difficult to predict Therefore, actual future results and trends may differ materially from what is forecast in forward-looking statements due to a variety of factors, which are:

- a) The possibility of adverse economic and business conditions that may increase the default and delinquency risk in loan portfolio;
- b) Changes in monetary & fiscal policies and action of government or regulatory authorities;
- c) Increase in rate of Tax and VAT on corporate and Bank’s services;
- d) Increase in regulatory capital requirement, CRR and SLR of the Banks;
- e) Increase in competition within the financial industry;
- f) Changes in technology and evolving banking industry standards;
- g) Unfavourable movement of foreign exchange rates and interest rates;
- h) Rise in price of essential products in the local and international market;
- i) Effect on remittance flow due to political and economic unrest in different countries around the world;
- j) Volatility in Capital Market and Money Market;
- k) Increase in inflationary pressure;
- l) Constraints in access to external funding to meet liquidity requirement;
- m) Changing demographic developments including changing consumer spending, saving and borrowing habits;
- n) Changes in accounting standards or practices;
- o) Underutilization and change of different Risk Management tools.

The preceding list of important factors is not exhaustive. When relying on forward looking statements to make decisions with respect to the Bank and its securities, investors and others should carefully consider the preceding factors, other uncertainties and potential events. The Bank does not undertake to update any forward looking statements, whether written or oral, that may be made from time to time by or on its behalf.



CORPORATE PROFILE

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Name of the Company
Standard Bank Limited

02

Chairman of the Bank
Ln. Kazi Akram Uddin Ahmed

03

Managing Director & CEO
Khondoker Rashed Maqsood

04

Legal Form
A public limited company incorporated in Bangladesh on 11th May, 1999 under the Companies Act 1994, Subsequently listed in Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

05

Commencement of Business
3rd June, 1999

06

Registered Office
Metropolitan Chamber Building
(3rd floor)
122-124, Motijheel C/A, Dhaka-1000

07

Web Page
www.standardbankbd.com

08

Barrister-at-Law
Dr. Kamal Hossain & Associates

09

Tax Consultant
Alhaj Md. Serajul Islam

10

Auditor
M/s. Shafiq Basak & Co.
(Chartered Accountants)

11

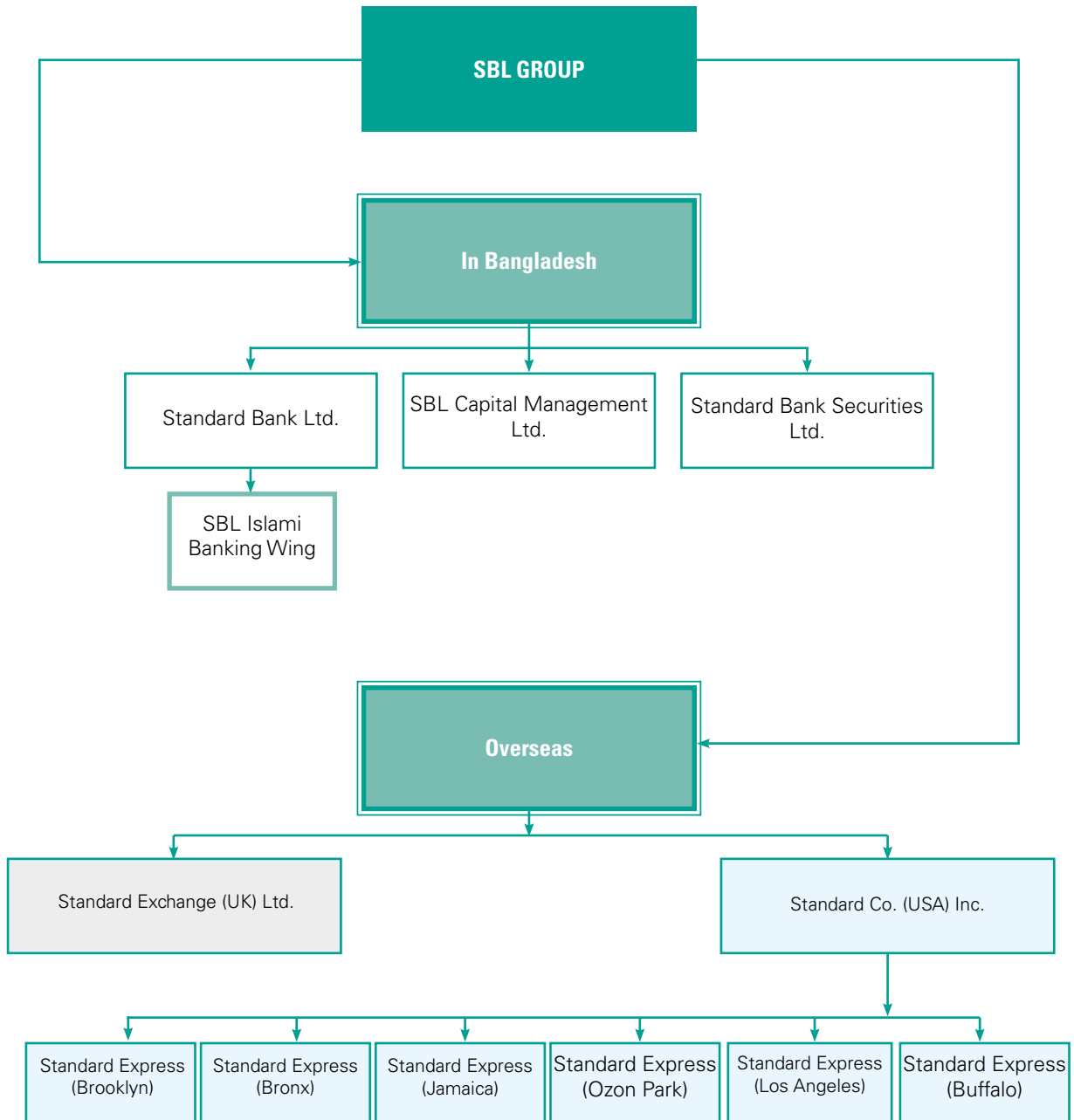
Legal Advisor
Barrister Ashraful Hadi

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Rating Agency
ARGUS Credit Rating Services Ltd.



GROUP CORPORATE STRUCTURE





CORPORATE ORGANOGRAM

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Corporate Governance

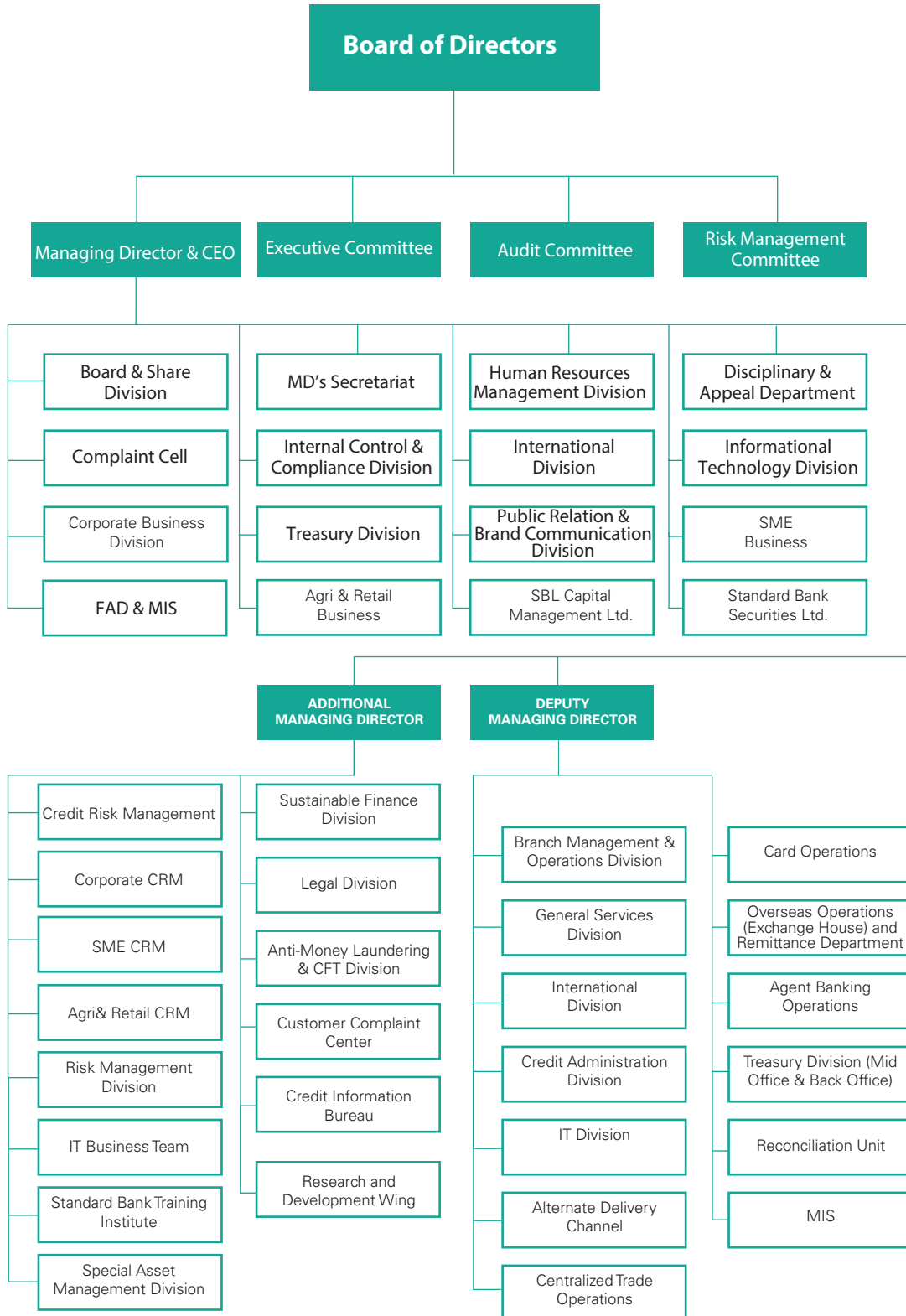
Risk Governance

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PRODUCT PORTFOLIO



Asset Products

- **General Corporate Finance**

- ▣ **Short Term Finance**

- » CC (Hypo)
- » Time Loan
- » SOD (Gen)
- » SOD (FO)
- » Long Term Finance
- » Term Loan
- » Lease Finance (Machineries, Vehicles)
- » Hire Purchase

- **Foreign Trade Finance**

- ▣ **Export Finance**

- » BTB L/C
- » EDF Loan
- » Packaging Credit
- » SOD (Export)
- » LDBP & FDBP
- » Import Finance
- » Import L/C (Sight/Deferred/UPAS)
- » LTR

- **Industrial Project Finance**

- ▣ **Project Implementation Finance**

- » L/C (Sight/deferred)
- » LTR
- » Term Loan
- » Lease Finance

- ▣ **Working Capital Finance**

- » CC (H)
- » L/C (Local/Foreign)
- » LTR

- **Work Order Finance**

- » Bid Bond
- » BG/PG
- » APG
- » SOD(EM)
- » SOD(WO)

- **Housing/Real Estate Finance**

- » House Building Loan (Commercial)
- » House Building Loan (Residential)

- **Syndication, Consortium, Club & Structured Finance**

- » CC(H)
- » L/C (Local-sight/deferred)
- » L/C (Foreign-sight/deferred)
- » L/C (UPAS)
- » LTR
- » Term Loan
- » Lease Finance
- » Hire Purchase

- **Islami Banking Investment Products**

- » Bai-Murabaha
- » Bai-Muajjal
- » Bai-Salam
- » Hire Purchase under Shirkatul Melk
- » Quard against MTDR

- **Small & Medium Enterprise (SME) Financing**

- **FI 10 Taka Account Loan**

- **Agriculture Credit**

- **Green Banking Products**

- **Social and Environmental**

- **Infrastructure Finance**



Liability Products

- **Conventional Banking**
 - **Savings Deposit**
 - **Current Deposit**
 - **Short Notice Deposit (SND)**
 - **Fixed Term Deposit**
 - **SBL Savings Deposit Products:**
 - » SBL Bondhon Savings
 - » SBL Savings Premium
 - » SBL Savings Premium Plus
 - » SBL Super Savers Savings
 - » SBL Women Savings
 - » SBL Classic Savings
 - » SBL Golden Age Savings
 - **SBL Scheme Deposit Products:**
 - » SBL DPS (Sarbojonin)
 - » SBL DPS (Projonmo)
 - » SBL DPS (Ghoroni)
 - » SBL Lakhopati Plus
 - » SBL Millionaire Plus
 - » SBL Kotipotri Plus
 - » SBL DPS (Bondhon)
 - » SBL Monthly Income PROTTASHA
 - » SBL Monthly Income SHRODDHA
 - » SBL DIGUN SHOMRIDDHI
 - **School Banking**
 - **SBL -Garments Workers –SHOFOL**
 - **SBL-Leather & Footwear SHEBA**
 - **SBL-10 Taka Account**
 - **NFCD Accounts**
 - **RFCD Accounts**
 - **Private Foreign Currency Account**
 - **Convertible Taka Account**
 - **Non-Convertible Taka Account**
 - **Non Resident Block Account**
 - **Exporter FC Deposit**
 - **SBL Off Shore Banking**
- **Islamic Banking**
 - » Al-Wadiah Current Account
 - » Mudaraba Savings Account (MSA)
 - » Mudaraba Special Notice Deposit Account (MSND)
 - » Mudaraba Term Deposit Receipt Account (MTDR)
 - » Mudaraba Monthly Savings Scheme (MMSS)
 - » Mudaraba Regular Income Program (MRIP)
 - » Mudaraba Hajj Savings Scheme (MHSS)
 - » NFCD Accounts
 - » RFCD Accounts



Technology Products

- **Internet Banking**
- **SMS Banking**
- **DigiBanking**
- **Spotcash**
- **ATM Banking**
- **POS Banking**
- **“SBL Express” Booth**
- **NPS Connectivity**



Card Products

- **Visa Credit Card**
 - **Visa Platinum**
 - **Visa Gold**
 - » Zero Pay (EMI)
 - » Credit Shield Premium
 - » Balance Transfer
 - » 2FA
- **Visa Prepaid Card**
 - » Visa Travel Card
 - » Visa Hajj Card
- **Debit Card**

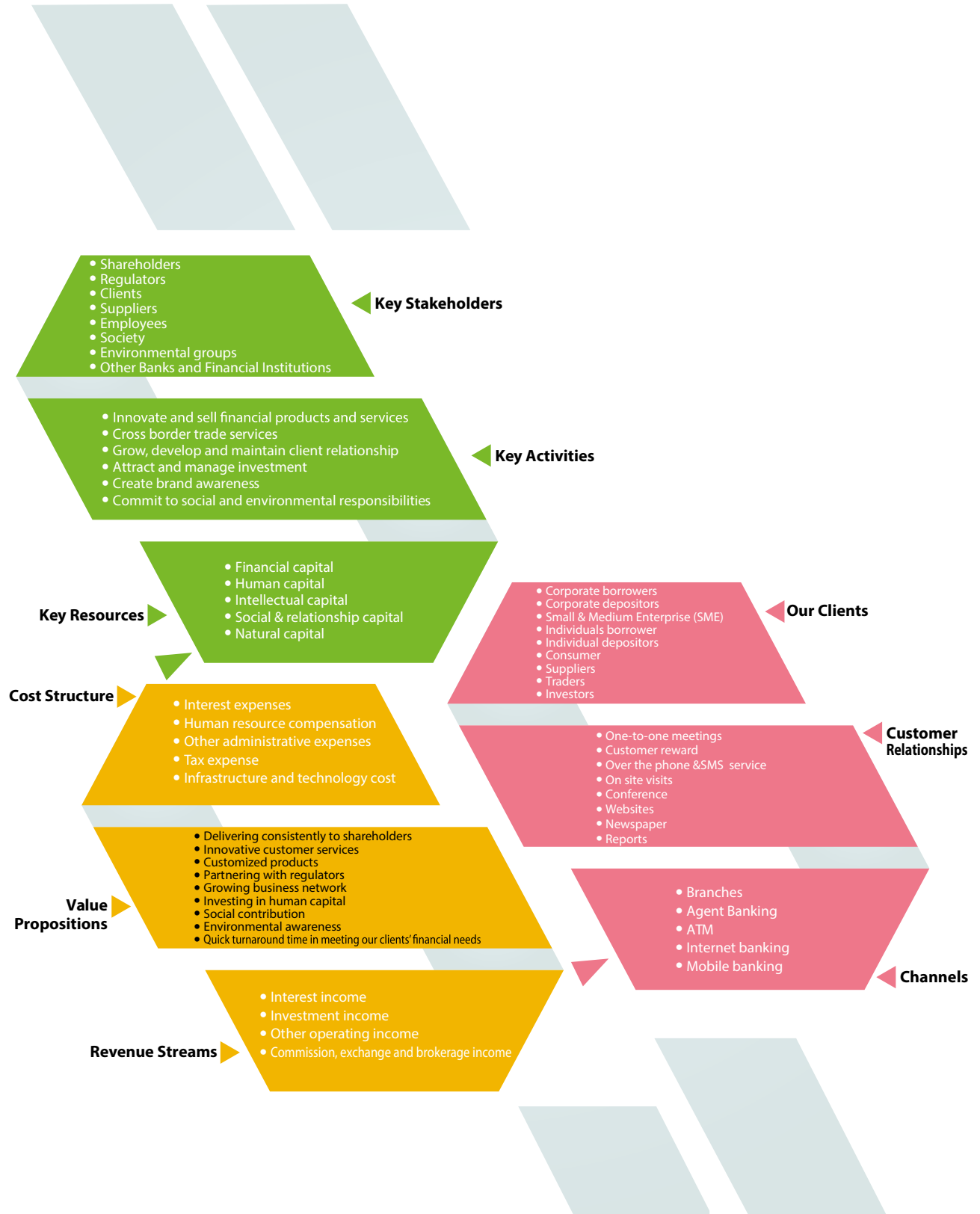


Other Products

- **Agent Banking SBL**



OUR VALUE DRIVEN BUSINESS MODEL





SBL Highlights 2020

Introduction

Corporate Governance

Risk Governance

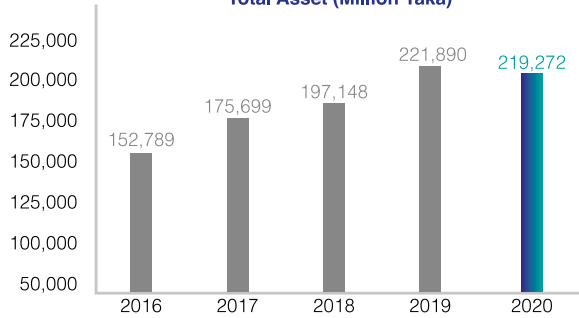
Management Retrospection

Stakeholders' Information

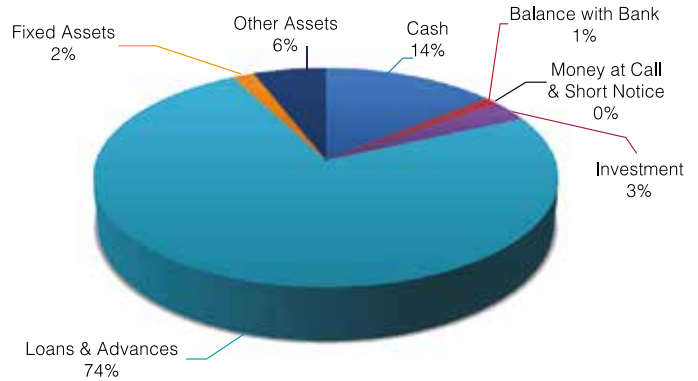
Sustainability

Financial Information

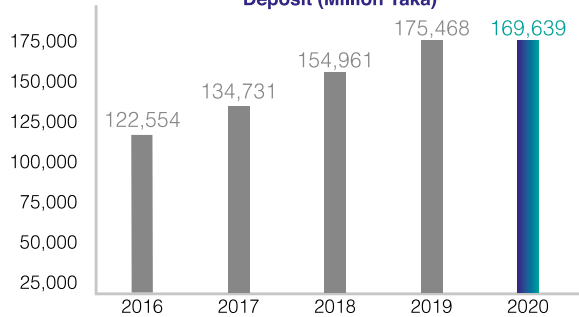
Total Asset (Million Taka)



Assets Mix-2020



Deposit (Million Taka)



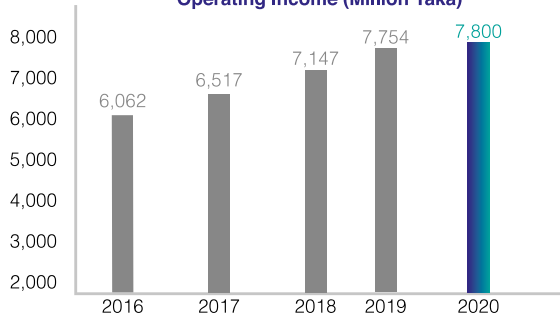
Profit After Tax

1,082
million taka

Operating Profit

3,115
million taka

Operating Income (Million Taka)



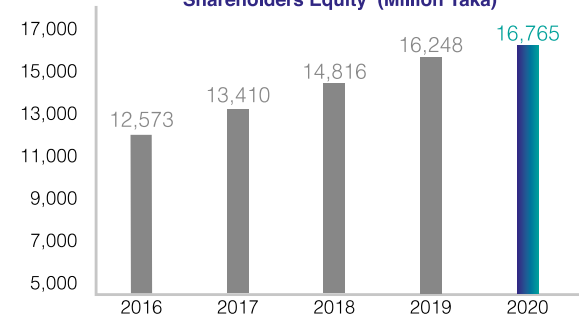
Paid-up capital

10,060
million taka

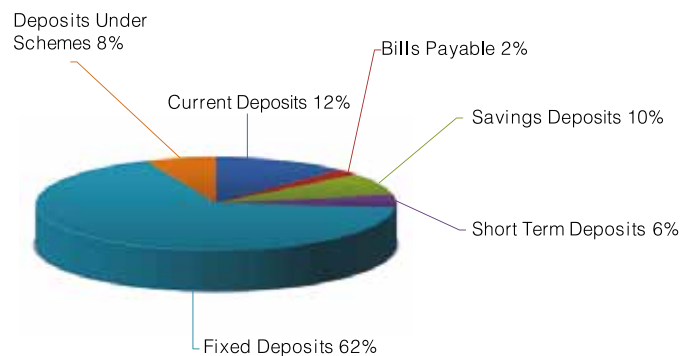
Loans & Advances

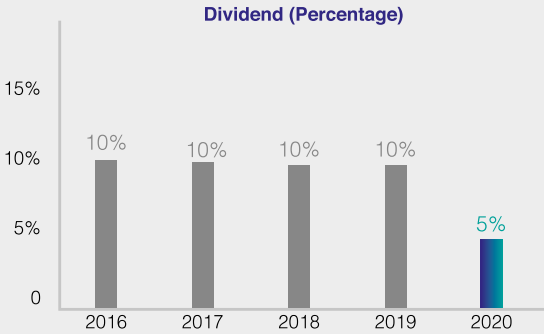
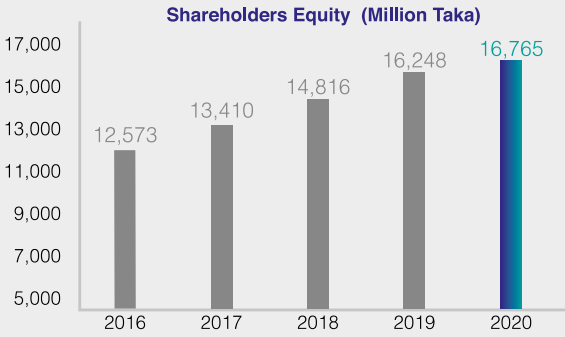
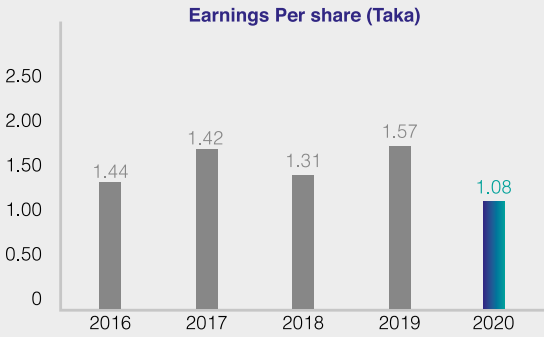
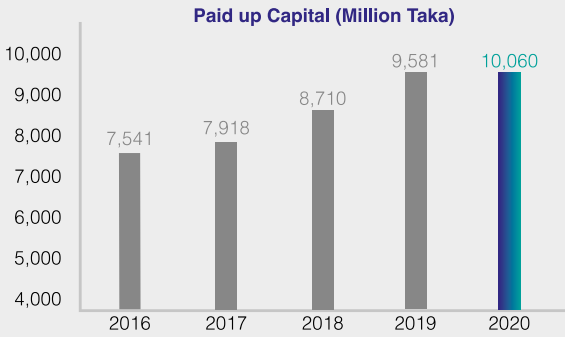
162,397
million taka

Shareholders Equity (Million Taka)

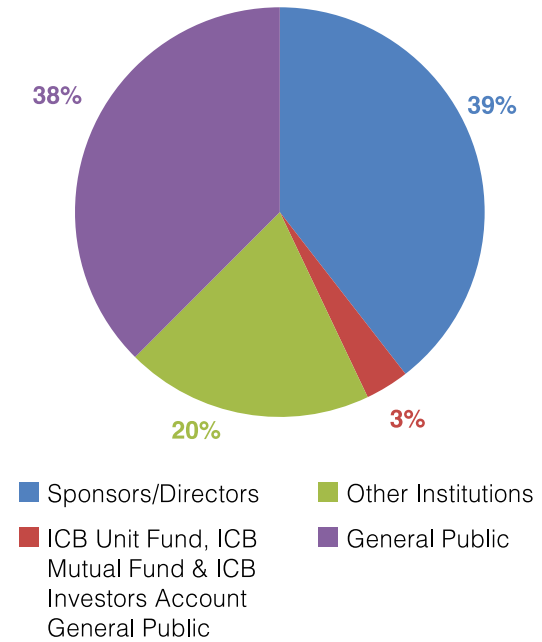


Deposit Portfolio Mix - 2020

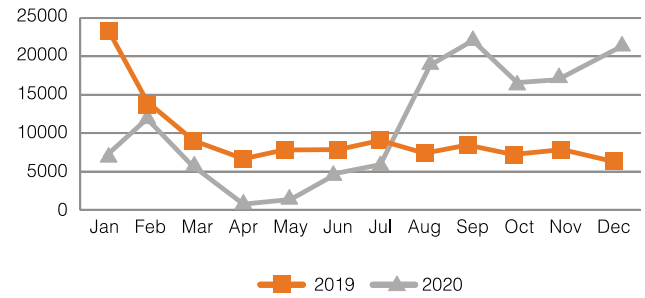




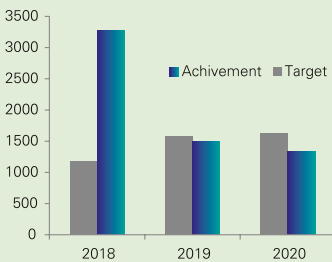
DISTRIBUTION OF SHAREHOLDING



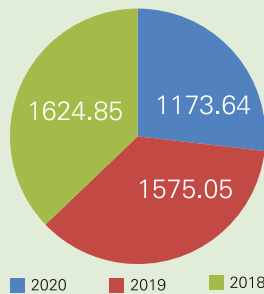
Month wise Turn over (DSE)



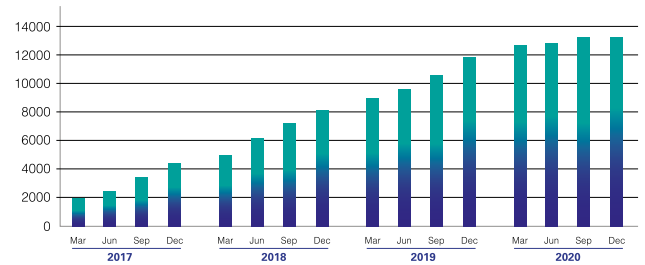
SME Performance



Achievement (in Crore Amount)



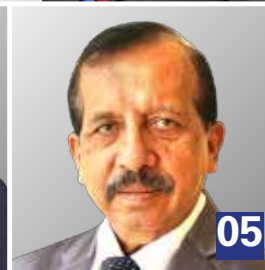
Number of Accounts





CORPORATE GOVERNANCE

BOARD OF DIRECTORS



01. Mr. Kazi Akram Uddin Ahmed, Chairman
02. Mr. Md. Zahedul Hoque, Vice Chairman
03. Mr. Kamal Mostafa Chowdhury, Director
04. Mr. Ashok Kumar Saha, Director
05. Mr. Ferozur Rahman, Director
06. Mr. Md. Monzurul Alam, Director
07. Mr. S.A.M. Hossain, Director
08. Mr. Mohammed Abdul Aziz, Director
09. Al-Haj Mohammed Shamsul Alam, Director

10. Mr. Gulzar Ahmed, Director
11. Al-Haj Md. Yousuf Chowdhury, Director
12. Mr. Ferdous Ali Khan, Director
13. Mr. Kazi Khurram Ahmed, Director
14. Mr. Md. Abul Hossain, Director
15. Mr. Najmul Huq Chaudhury, Independent Director
16. Mr. Md. Nazmus Salehin, Independent Director
17. Mr. Khondoker Rashed Maqsood, Managing Director & CEO



DIRECTORS' PROFILES



Ln. Kazi Akram Uddin Ahmed Chairman

A tremendous energetic and an outstanding charismatic personality with amiable disposition Mr. Kazi Akram Uddin Ahmed is the founder Chairman of Standard Bank Limited. He is a man with distinctive vision, dynamism, commitment and innovative ideas. He comes from a very prominent and respectable Kazi family of Kotalipara, Gopalganj. Mr. Akram Uddin Ahmed did his MSc. in Physics from Dhaka University in 1963 and thereafter received several local and foreign professional diplomas and training. He did Diploma in Personnel Management from Oxford University (UK) in 1973 and Higher Training in Industrial Management from Switzerland in 1980. Initially, he started his career as a lecturer in the then Jagannath College, Dhaka and after a short spell of teaching profession, he switched over to administrative career in the Industrial Sector, in Mohammodi Steel Chattogram in 1964. He left his service life in 1981 while he was General Manager of Bangladesh Steel and Engineering Corporation for embarking upon as an entrepreneur in the field of Industrial Manufacturing, Banking and other businesses.

As a Chairman of Standard Bank Limited he has brought along with him a vast wealth of experience and expertise of managing a number of Industries of his own and of Bangladesh Steel and Engineering Corporation, prominent business houses and enterprises of diversified nature.

Today he is a very successful entrepreneur and an eminent industrialist of the country. He is the Managing Director of Eastern Engineering Group, Bright Steel Wire Rope Mfg. Co. Ltd., Chattogram, Bright

Trader (Overseas), Chattogram. He is one of the Former Directors of Padma Oil Co. Limited, the largest subsidiary enterprise of Bangladesh Petroleum Corporation for two terms for 6 years.

He held many key positions in different local and international organizations including Former President of The Federation of Bangladesh Chambers of Commerce & Industry (FBCCI) (2012-2015), the apex trade body representing all Business Chambers and Associations of Bangladesh consisting of 30 million business people, former Chairman of Bangladesh Association of Banks (BAB) and during his tenure he has made immense contribution in turning this organization into a very lively and vital forum of the Chairman and Directors of Private Commercial Banks in Bangladesh.

In the arena of Social Service, presently he is the International Director for the period of three consecutive years from 2018 to 2021 of Lions Clubs International (LCI), the largest Voluntary Service Organization of the world as declared by the UN. He is also the Chairman of Technology Committee of LCI and was the Chairman of Planning Committee of the just concluded 47th ISAME (India, South Asia and Middle East) Forum at Chennai, India. He is also the Chairman of 48th ISAME Forum 2021 to be held in Dhaka, Bangladesh, which is unique in the history of Lionism to be Chairman of consecutive forums. Moreover, he is the Area Leader of Campaign 100 of Constitutional Area 6A of Lions Clubs International Foundation (LCIF) and Second Century Ambassador of LCI. A resplendent lion leader PMJF Kazi Akram Uddin Ahmed has served LCI as the District Governor of District 315B4 in 1993-94 and Council Chairman of MD315, Bangladesh in 1994-95. He is the recipient of numerous Presidential Medals and Accolades from International Presidents of LCI for his splendid contributions towards this great organization.

In the political arena, he is the Member of Advisory Council of the ruling party of Bangladesh Awami League since long & Chairman, Industry & Commerce Sub Committee of the said party.

He is the Founder & Life Member of Dhaka and Lions Blood Bank, Former Chairman of Chattogram Lions Foundation, Eye Hospital, the biggest Lion Eye Hospital of the Country, Life Member of Bangladesh Lions Foundation, Advisor of Chattogram Diabetes Association, Life Member of Bangladesh Red Crescent Society, Bangladesh Family Planning Samity, Bangladesh Diabetic Samity, Chattogram Shishu Hospital and Permanent Member of Chattogram Club Ltd. He is one of the Trusty Board Members of Dhaka Shishu Hospital.

He is the Chairman, founder, donor, patron & trustee of so many educational institutions, Madrasa and charitable hospitals of the country. He was the Senate Member of Dhaka University for two terms of 6 years. He was also the former Regent Board Member of the Gopalganj University of Science & Technology.

He is a valiant freedom fighter who actively participated in the liberation war in 1971 and made significant contributions. During his course of journey to training camp in India, he lost his beloved son who died on the way.

He was awarded with the UNESCO Gold Medal, Scientist Sir Jagadish Chandra Bose National Smrity Memorial Gold Medal, Shahid Suhrawardi National Gold Medal, World Quality Commitment Award in Gold Category from Paris, France in 2009 as outstanding banker.

A top leader of the business delegation, he accompanied the Honorable Prime Minister of Bangladesh and visited numerous countries including India, Germany, Japan, China, Italy and USA. As an entourage of the Honorable Prime Minister of Bangladesh he attended 65th, 67th, 68th & 69th (2014) UN General Assembly at New York, USA.



MD. ZAHEDUL HOQUE

Vice Chairman

Mr. Md. Zahedul Hoque a young & promising professional and well established business man was born in a renowned family. He completed his Bachelors of Business Administration majoring in Industrial Management in December, 1992 from Northeast Louisiana University, Monroe, Louisiana, USA. His father Al-Haj Md. Nurul Hoque Sowdagar was also a prominent and well established businessman both at home and abroad. He was one of the Sponsor Directors of the Bank and is the founder of Hazi Mohammed Nurul Hoque Degree College, Shakpura, Boalkhali, Chattogram and Amenia Forkania and Nuria Madrasha, West Shakpura, Boalkhali, Chattogram.

Mr. Zahedul Hoque is the proprietor of M/S Zahed Brothers (import of food grains, spices, betel nut, sugar & vegetable oil) and M/S NLZ Fashion (computerized embroidery unit). He is also the Managing Director of M/S NLZ Fashion Limited (100% export oriented readymade garments in Chattogram Export Processing Zone) and Director of M/S Noor Oil and Food Products Limited, M/S Arafat Limited (Iodized Salt Industries). Mr. Md. Zahedul Hoque is associated with many renowned social organizations and also devoted to social works as well as involved with the following institutions in different capacities:

- Vice Chairman of the Khatungonj Trade and Finance Industries
- Director of the Chittagong Chamber of Commerce and Industries (CCCI)
- Member of the governing body of Hazi Mohammed Nurul Hoque Degree College, Shakpura, Boalkhali, Chattogram.
- Life Member of Army Golf Club, Dhaka
- Permanent Member of Chittagong Boat Club
- Permanent member of Chittagong Club Ltd.
- Permanent Member of Chittagong Seniors Club Limited, Chittagong
- Permanent member of The Chittagong Collegiate School '85
- Life member of Maa o Shishu Hospital, Agrabad, Chittagong
- Member of Bangladesh Garments Manufacturing & Export Association (BGMEA)



KAMAL MOSTAFA CHOWDHURY

Director

Mr. Kamal Mostafa Chowdhury, a distinguished business personality comes of a respectable Muslim family of Kazim Chowdhury Bari at Gunagari, Banshkhali in Chattogram district. While Mr. Chowdhury was studying in Chittagong University, he started his business career in import-export and shipping sector. He has taken part in establishing a good number of business entities including bank. He is the Founder Vice Chairman & Chairman of Executive Committee of Standard Bank Ltd., former Managing Director of Raja Securities Ltd., Proprietor of Raja Corporation and KMC International, Director of Holy Crescent Hospital in Chattogram. He is a highly experienced professional with successful track record in international trading.

Mr. Chowdhury is well-known in various social and philanthropic activities in addition to his business arena. He is the founder of Ahamadia Sunni Madrasa, Banshkhali, Gunagari and former member of Kokdandi Gunagari High School Committee at Banshkhali in Chattogram, Member of Chittagong Club Limited, Chittagong Seniors Club Limited, Chittagong Boat Club Limited, Mainamati Golf and Country Club, Cumilla, Army Golf Club, Dhaka and Life Member of Chittagong Press Club, Rifles Club, Chittagong Diabetic Hospital, Chittagong Maa-O- Shishu Hospital, Lion Blood Bank, former Vice Chairman of advisory committee for Chattogram Samity in Dhaka. He is the former President of Banshkhali Samity in Dhaka.

Mr. Chowdhury, a vibrant business leader is associated with a number of trade bodies and associations devoted to business development of the country. He is the Senior Director of Chittagong Chamber of Commerce and Industries, former Director of Bangladesh Malaysia Chamber of Commerce & Industry, Member of International Business Forum of Bangladesh (IBFB) and former member of Federation of Bangladesh Chambers of Commerce & Industry (FBCCI).

Mr. Chowdhury is a widely traveled person across the globe. As a business representative, he extensively visited many countries including India, Malaysia, Saudi Arabia, United States of America, United Kingdom, China, Thailand, Bhutan, Japan and Taiwan. By virtue of religious devotion, he has performed holy Hajj thrice.



ASHOK KUMAR SAHA

Director

Mr. Ashok Kumar Saha, a thorough professional and prominent Industrialist, was born in a renowned Hindu family at Ghatforhadbegh, Chattogram. He completed his post graduation in Chemistry from University of Chattogram, B.Sc. Engineering (Electrical) from Ohio University, Ohio, USA and Master of Business Administration from University of New Haven, Connecticut, USA. He became as a Director of Standard Bank Limited on 12.10.2009 in place of his father Late Nani Gopal Saha who was a Sponsor Director of the Bank and well known Industrialist of the country as well as declared CIP (Commercially Important Person) by the Government & was the highest Taxpayer of Chattogram region twice. Mr. Ashok Kumar Saha is widely known in the business arena in Chattogram who is a Chairman of A. K. Saha Steel Industries (Pvt.) Limited, Director of NG Saha Steel Industries (Pvt.) Limited & NGS Cement Industries Limited and Managing Director of NGS Industries Limited & Uttam Oil Limited. He gained phenomenal experience regarding Marketing Survey Reports of various companies in USA during MBA Degree and accomplished some logical Digital projects for Electrical and Computer Engineering in Ohio, USA. He is well connected with various social and religious activities specially served as host Leader in Bangladesh Special Olympic Team, New Heaven, Connecticut, USA and contributed for Sports of Bangladesh Olympic Association, Dhaka on 2009.



FEROZUR RAHMAN

Director

Mr. Ferozur Rahman, an eminent business personality comes of a reputable Muslim family. Mr. Rahman, is a dynamic and visionary leader of banking and other business arena. He is cheerful, good-humored and exuberant character. He established himself as a star, flamboyant hotel businessman in Bangladesh. He has a wide range of experience in several businesses. He is the sponsor shareholder of Sonali Insurance Company Limited, Director of Hotel Golden Dragon Limited, Hotel Eram International Limited and Hotel Peacock Limited. He is also the proprietor of Olio Enterprise and Hotel Oli Dream Heaven.

Mr. Rahman has been involved with many prominent social organizations and is a dedicated social worker. He is very popular Upazilla Chairman of B.Baria. He is an angelic face to the society and forward footstep for the wellbeing of his neighbor since he has been discernible with the following institution:

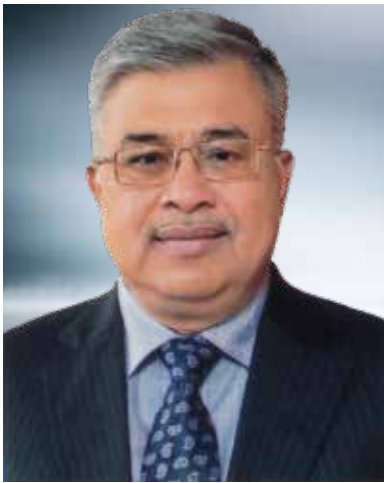
- Upazilla Chairman of B.Baria
- Vice-Chairman and Chairman of New Model Bohumukhi High School, Dhanmondi, Dhaka for 37 years
- Former Vice-Chairman and Former EC Chairman of Standard Bank Ltd.
- Past District Governor, District 315 B2 as well as PMJF LCI
- Former Chairman of Sultanpur Union Parishad, Brahmanbaria for about 23 years
- Founder Chairman of Ferozur Rahman Fund and Foundation
- Founder and Chairman of Ferozur Rahman Residential Academy School and College in B'baria



MD. MONZURUL ALAM

Director

Mr. Md. Manzurul Alam is a renowned Industrialist having over 37 years of business experience. He is the Chairman of H. M. Steel & Industries. Limited, Alhaj Mostafa Hakim Bricks Limited & Managing Director of Golden Ispat Ltd, Golden LPG Ltd. Jaher & Co. Limited, Golden Brickworks Limited, Golden Steel Alloy Works Limited, Al-Haj Mostafa Hakim Housing & Real Estate Limited, Golden Oxygen Limited, Al-Haj Mostafa Hakim Cement Ind. Limited and Golden Iron Works Limited, Eagle Star Textile Mills Limited and Mutual Jute Spinners Ltd. He is also the Proprietor of M/s. Monzur Alam. Besides, he is a General Member of Chattogram Chamber of Commerce & Industry. Mr Alam is also actively associated with several distinguished educational and socio cultural organizations. He is a philanthropist and does a lot of charity to variety of organizations. He is the founder of Mostafa Hakim College and Alhaj Mostafa Hakim Welfare Foundation. He was elected as Mayor of Chattogram City Corporation.



S.A.M. HOSSAIN

Director

Mr. S.A.M. Hossain is a prominent, innovative and successful businessman of the country. He holds a Bachelor Degree in Commerce. He was born in a glorious and highly respectable Muslim family of Noapara, Raozan Thana under Chattogram district. He has started his glorifying business career in the Field of Electronics around 37 years ago and excels in this field like a star. Now his organization Victor Electronics and Victor International have become the trusted names across the country. He has expanded his business into many dimensions. He is the Chairman of Hotel Victory Ltd., Link Up Steel Mills Ltd., Eastern Metal Ind. (Ctg.) Ltd., and A & B Pumps Ltd. He is the Director of Standard Bank Securities Ltd. and SBL Capital Management Ltd., Prime Insurance Co. Ltd., Central Hospital Ltd., Eastern Paper and Board Mills (Ctg.) Ltd., Intercontinental Securities Ltd., Human Resource Development Co. Ltd., and Surprise Industrial Corporation. He is the Proprietor of Victor Electronics, Victor International and Samira Electronics. He is actively associated with several distinguished educational and socio-cultural organizations. He is the life member of Army Golf Club Dhaka and Chattogram Club.

He is a philanthropist and does a lot of charity to variety of organizations. He is the founder of Aslam Smriti Foundation at Noapara, Chattogram. He has been relentlessly contributing in the field of education and holds very key post in many institutions. He is the founder member of Noapara Muslim High School and Executive member of Noapara University College. He has been working for the improvement of the downtrodden at his village in Noapara.

With his brilliance and prudence, he has been contributing in Standard Bank to reach its vision through providing best banking services.



MOHAMMED ABDUL AZIZ

Director

A man of pleasant personality with strong determination Mr. Mohammed Abdul Aziz is the Sponsor Director of Standard Bank Limited. He is a man with a sterling vision & commitment and a selfless social Leader.

Ln. Aziz completed his SSC examination from renowned Galimpur Rahmania High School in the year 1968. Later he completed his HSC from Govt. Dhaka College in the year 1970. He was a valiant freedom fighter who participated in the Liberation War of 1971. He successfully obtained graduation in Commerce in the year 1972 from Dhaka College. After completing his education instead of joining any service, he started his own business. By dint of his untiring efforts and hard work, sincerity he established himself as a successful entrepreneur of Dhaka city. He is one of the pioneer importers of industrial, commercial raw materials till date. In 1998 he joined Midland Credit Cooperative Society as Managing Director & Chairman. By his effort & leadership skills he made it a top leading cooperative society in Bangladesh. Furthermore, he focused on different business ventures including hotel industry, garments sector and so on. He is a former Vice Chairman of Moon Lux Knit Composite Garments Ltd. He is also the founder member of Board of trustee of Fareast International University.

Ln. Aziz joined Lionism in the year 1985 as a member of Lions Club of Dhaka Progressive. Since then his service towards the distressed humanity made him reach the different positions of Lions Clubs International District 315B2, Bangladesh. He was elected unopposed District Governor for the term 2005-06. He made his call Light the Blind as a District Governor for the year 2005-06 where he has completed 4500 cataract operations of the needy and poor patients free of cost throughout the country. Besides being an active humanitarian and social worker, Ln. Aziz devoted himself into many other social and welfare works with the following that include:

- Major donor & member of governing body of Arambagh Girls' High School
- Vice Chairman of Dhaka Progressive Lions Eye Hospital
- Former Vice Chairman 1st division Arambagh Football Club
- Donor of Ln. Ferozur Rahman Residential Academy, Brahmanbaria

He is a widely travelled person who travelled SAARC region, USA, UK, Australia and Morocco. As a Lion and a reputed business personality, Lion Aziz received numerous awards and recognitions.



AL-HAJ MOHAMMED SHAMSUL ALAM

Director

A man of pleasant personality with strong determination Mr. Al-Haj Mohammed Shamsul Alam was born in 1953 at Noapara, Raozan, Chattogram and he is in business since 1972. His father and grandfather Late Haji Abul Bashar Sowdagar and Late Abdur Rouf Sufi respectively were also the renowned businessmen at their own domain. Mr. Mohammed Shamsul Alam in his first business life belonged to his family business "Trading of Clothes" at Kurbanigong, Chattogram.

Mr. Alam is a Sponsor Director of Standard Bank Limited. He is also the Managing Partner of M/s Radio Vision, Managing Director of PAM Complex (Pvt.) Ltd. which is the manufacturer of Garments poly bag and others accessories, CIDER Education Services Ltd., Chattogram and Partner of AB Electronics. He was also Ex-Director and Ex-member of Executive Committee of MIDAS Financing Limited. Recently he involved with Telecommunication business and became the partner of the "G" Telecom, "G" Distribution, "GNET" Digital Communications Center, Chattogram, etc.

Mr. Mohammed Shamsul Alam is also a devoted social worker and involved with the following institutions:

- Founder President of "Amena Bashar Boyoshka Punarbashan Kendra" an exclusive self-financial project in Noapara Raozan, Chattogram
- Member of the Lions Clubs of Chattogram
- Associate Member of the Chattogram Chamber of Commerce & Industry



MR. GULZAR AHMED

Director

Mr. Gulzar Ahmed is a renowned business personality in Bangladesh. He is the Proprietor of APAN Jewellers, Gulshan Avenue, Dhaka. Apan Jewellers has been in the jewellery business since 1982 and it has expanded 7 branches in Dhaka city. Mr. Gulzar Ahmed has got practical experience of over 35 years in different business sectors. He is the Director and Ex Vice Chairman of Standard Bank Ltd.



AL-HAJ MD. YOUSUF CHOWDHURY

Director

Al-Haj Md. Yousuf Chowdhury, a renowned and well established business personality comes from a respectable Muslim family at Chittagong who has more than 35 years of proven business experience in different kinds. He has got vast experience in hotel business and is the Chairman of Hotel Royal Palace Limited, Dhaka. He is also the Chairman of Chittagong Board & Paper Mills Limited. He owned the 100% Proprietorship of M/s. Lucky Traders, M/s. Lucky Trading and Royal Tower. He is the Director of Central Insurance Co. Limited. Mr. Chowdhury is actively associated with many renowned social organizations and is a dedicated social worker and member of Army Golf Club, Dhaka. He contributes in many educational institutions, madrasa and different charitable organizations. He is continuously helping the disaster people around the country.



FERDOUS ALI KHAN Director

Mr. Ferdous Ali Khan is a reputed businessman hails from a very respectable Muslim family of Dinajpur. All of his brothers, sisters are highly educated and well placed in the society.

His father late Siddique Ali Khan was an educated businessman of Dinajpur. In order to gain expertise in Tailoring, Mr. Khan started his career as a maker in a Tailoring Factory in Dhaka in the year 1972. After five years, he worked as a Cutting Master and worked till 1980. In the year 1980, September 18th he started his own Tailoring shop at Jahan Mansion, 29 Mirpur Road, Dhaka-1205. His devotion and dedication, helped him gaining far and wide reputation as an Iconic Tailoring House in the city. In September 1986, he opened his 2nd branch at the diplomatic area of Gulshan. Since then, he has been marching forward and opened branches in Chattogram port city, Hotel Isha Kha Market, VIP Road, Kakrail, Panthapath Dhanmondi & Kuril.

For his proposed factory & branch, he already purchased floor spaces for another branch at Kazi Shopping Center, Progoti Sharani (Bishwa Road), Badda, Dhaka- 1229 in June, 2006. He has already started a world class central factory & showroom. He is a sponsor Director of Standard Bank Ltd., member of Uttara Club Ltd., Army Golf Club and BCI, Dhaka. Mr. Khan is married and a proud father of two daughters and one son.



KAZI KHURRAM AHMED Director

Mr. Kazi Khurram Ahmed is a Computer Engineering alumnus of Purdue University, USA. He is a Fellow of National Defense College. He is also the honorary consul of Gambia in Bangladesh. Mr. Ahmed is the author of Amazon.com's number one best seller book "The Dark Science of Logical Fallacies" which is now part of the syllabus at University of Dhaka and Canadian University of Bangladesh.

He was recognized as one of the "Leading Professionals of the World" by International Biographical Centre of UK in 2010. American Biographical Institute named him "Man of the Year" in the same period. Prior to his induction into the Board of Standard Bank Limited, Mr. Ahmed has been serving as a Director of SBL Capital Management Limited and Member of Shariah Supervisory Committee of Standard Bank Limited and left his mark on different policy aspects of the Bank since long. As the only son of Mr. Kazi Akram Uddin Ahmed, honorable Chairman of the Bank & International Director of Lions Clubs International, Mr. Kazi Khurram Ahmed also embraced Lionism at a very early stage of his life and has been involved in a host of humanitarian activities.

He has been involved in multifarious business activities for more than 17 years. Presently, he is the Director of Eastern Engineering Works Limited, Proprietor of Ahmed & Sons and Chairman & Managing Director of EMX Limited. He was also the Chairman of Standing Committee on International Affairs of Federation of Bangladesh Chambers of Commerce and Industries (FBCCI).

Mr. Ahmed has keen interest in global financial markets with particular focus on global foreign exchange and commodity markets. He has in-depth knowledge of the operational mechanics of commodity market, forex market and exchange- traded financial products. He is married with a son.



MD. ABUL HOSSAIN

Director

Md. Abul Hossain has joined as Managing Director of Investment Corporation of Bangladesh (ICB) on 21 August, 2019. He started his career as a System Analyst/Senior Principal Officer in ICB on 19-02-1998 and served different position in the same organization. Before his joining he acted as Managing Director at Karmasangsthan Bank (KB), During his service life, he served different Banks and Financial Institutions. He served as Managing Director (Additional Charge) and Deputy Managing Director at Bangladesh Krishi Bank (BKB). In addition to that Md. Abul Hossain served as System Manager/Deputy General Manager and General manager at Investment Corporation of Bangladesh (ICB). He completed his B.Sc (Hon's) and M.Sc degree in Statistics from Jahangirnagar University.

He has over 30 years of diversified experience in investment banking, specialized and commercial banking, Islamic banking, Asset management and ICT works. He were always instilled by the changed and research oriented, dynamic management that focused innovations, creativity and organizational increased efficiency and effectiveness, resulted in higher value addition to the organizational, stakeholders and the society as well.

During the long journey, he served 16 (sixteen) organizations with different capacities. He served as a chairman of 03 (three) organizations before of which two are the subsidiaries of ICB (ICB Asset Management Company Limited & ICB Securities Trading Company Limited) and the others is Aziz Pipes Limited. In addition to this, he served as a Director to a number of organizations like Islami Bank Bangladesh Limited, The Farmers Bank Limited (Now Padma Bank), Nitol Insurance Company Limited, AllTex Industries Limited, ICB Securities Trading Company Limited, Aramit Limited, Kay & Que (Bangladesh) Limited, Business Automation Limited, DNS Satcomm Limited and Upload Yourself Systems Limited.

He has been contributing his professional expertise as the Chairman of ICB Capital Management Ltd. Apart from that he is now serving as the Director of British American Tobacco Bangladesh Co. Ltd. (BATBC), GlaxoSmithKline Bangladesh Ltd. (GSK), National Tea Company Limited (NTC), Apex Tannery Limited, Apex Footwear Limited, United Power Generation & Distribution Company Limited (UPGDCL), Aramit Limited, The Peninsula Chittagong Limited, Ratanpur Steel Re-rolling Mills Limited (RSRM), Heidelberg Cement Bangladesh Limited.



NAJMUL HUQ CHAUDHURY

Independent Director

Ln. Najmul Huq Chaudhury MJF. son of Late Alhaj Aminul Huq Chaudhury comes of a very respectable Muslim Zaminder family of Chattogram, Nazir's Family in North-Kattali. He obtained his graduation in Commerce (B.com) from St. Xaviers College of Calcutta. He undertook a number of training courses on Business Administration and Industrial Management. He attended number of seminars & symposium on Business Administration and Industrial Management in the country and abroad. Ln. Chaudhury played a vital role during the Liberation war in 1971 and after Liberation of Bangladesh, he joined as Managing Director of 2 (two) joint venture Companies viz. Van Ommeren Tank Terminal Bangladesh Ltd.(VOTT-B) & International Oil Mills Ltd. (IOM), North Patenga, Chattogram as a nominee of Foreign Shareholders (USA & Dutch).

At present he has been serving as

- Honorary Chairman, Chittagong Lions Foundation & Lions Charitable Eye Hospital since 2009
- Resident Director & Advisor, SKM Jute Mills Limited, Sitakund, Chattogram, since 2004
- General Secretary, Anjumane Mufidul Islam, Chattogram, since 2013
- Governing Body Member of Latifa Siddiqi Degree College, Chattogram, since 2014, Latifa Siddiqi Girls' High School, Chattogram, since 2014, Imdad Sitara Khan Lions Kidney Center, CLF Complex, Chattogram, since 2014 & Lions service complex, Chattogram, since 1990
- Vice Chairman & Member of Trustee Board, Lions Anowara Taher Physiotherapy Clinic CLF Complex, Chattogram, since 2009
- EC Member, Chattogram Rifles Club, since 2008
- Permanent Member of Chattogram Club Ltd. since 1993 and Donor Member of Kattali Nurul Huq Chy High School Chattogram, since 1985.
- Ex-Administrator, Bangladesh Tank Terminal Limited, Patenga, Chattogram, (1975 & 1976)



MD. NAZMUS SALEHIN

Independent Director

Mr. Md. Nazmus Salehin, a top notch public sector banker of the country, who has been active in banking service for the last 39 years, has joined in Standard Bank Limited as Deputy Managing Director. Because of his extra ordinary services and distinctive contributions to the bank he was promoted to Additional Managing Director. He was the honorable Managing Director of Standard Bank Limited.

Mr. Salehin started his career with Sonali Bank in 1979 as a Probationary Officer after receiving his MSc in Physics from Dhaka University. He held various Senior and Top Management Executive Positions in many high profile branches, Zonal Offices and Head Offices of the 3 (three) major Nationalized Commercial Banks i.e. Sonali, Agrani and Janata Bank. Because of his outstanding performance and distinctive competence in banking career, he became the Deputy Managing Director of Janata Bank. Prior to this he was the General Manager of Sonali and Agrani Bank respectively. He participated in many training programs on different areas of banking in different institutions both at home and abroad. He is actively associated with many sociocultural organizations and traveled many countries on personal and professional trips.

Mr. Salehin hailed from Khoksha Upazila of Kushtia, bears an amiable and pleasant personality and blessed with one daughter Dr. Dilshad Afroze and one son Musfeq-us-Salehin a BBA graduate from DU now serving in Bangabandhu Medical University & settled in Canada respectively.



KHONDOKER RASHED MAQSOOD

Managing Director & CEO

Mr. Khondoker Rashed Maqsood, a prominent banker with 29 years of proven experience in banking both in Bangladesh and abroad, has been appointed as Managing Director & CEO of Standard Bank Limited. A prudent banker by virtue of possessing diverse knowledge, deep insight into the financial sector, Mr. Rashed completed his MBA in Finance from IBA of University of Dhaka and started his career with AMERICAN EXPRESS BANK as a Management Trainee in 1992. Prior joining SBL, he was the Managing Director of NRBC Bank Limited and also worked as the Managing Director & Citi Country Officer of Citibank N. A. Bangladesh.

Throughout his illustrious banking career, Mr. Rashed has held senior management positions in different capacities in Corporate Banking Group and Financial Institutions Group Head at Citibank N. A. For his charismatic leadership and quality, he became the Director & Head of Global Transaction of the same bank in Bangladesh. Then he became Managing Director of Citibank N. A. Jakarta office, Indonesia. In 2011, Mr Rashed had been appointed as Managing Director & Citi Country Officer of the Citibank, Bangladesh. He was also an Advisor to the Board of Directors of MIDAS Finance Ltd., Dhaka, Bangladesh.

His imaginative sense, all round knowledge, inspiring leadership and innovative ideas led him to continuous and sustainable growth in every organizations he worked for. Mr. Rashed passed SSC from Saint Joseph High School, Dhaka in 1983 and HSC from Notre Dame College in 1985. Then he completed his B.Com from Dhaka University. During his long career, Mr. Rashed attended innumerable seminars, workshops and training programs both at home and abroad. Mr. Rashed is happily married and blessed with two daughters.



SPONSORS OF THE BANK

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Sustainability

Financial Information



Ln. Kazi Akram Uddin Ahmed
Sponsor & founder Chairman



Harun Rashid Chowdhury
Sponsor



Late Al-haj Md. Nurul Haque Sowdagar
Sponsor



Kamal Mostafa Chowdhury
Sponsor & Founder Vice Chairman



Md. Monzurul Alam
Sponsor



Ferdous Ali Khan
Sponsor



Mohammad Nurul Islam
Sponsor



S.A.M. Hossain
Sponsor



Harun-Or- Rashid
Sponsor



Late Nani Gopal Saha
Sponsor



Mohammed Abdul Aziz
Sponsor



Late Mahabub Uddin Molla
Sponsor



Al-haj Mohammad Ayub
Sponsor



Al-haj Mohammed Shamsul Alam
Sponsor



Farzana Yousuf
Sponsor



Ferozur Rahman
Sponsor

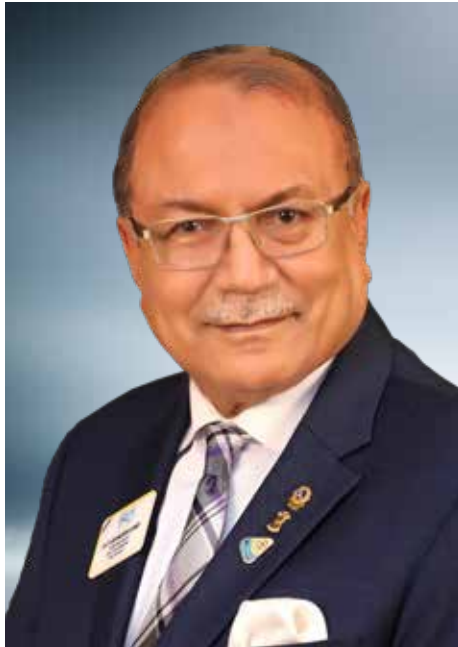


Late Abdul Ahad
Sponsor



COMMITTEES OF THE BOARD OF DIRECTORS

RISK MANAGEMENT COMMITTEE



Mr. Kazi Akram Uddin Ahmed
Chairman



Mr. S.A.M. Hossain
Member



Mr. Mohammed Abdul Aziz
Member



Mr. Ferdous Ali Khan
Member



Mr. Md. Nazmus Salehin
Member



Mr. Md. Ali Reza
Member Secretary

SHARIAH SUPERVISORY COMMITTEE



Mr. Kazi Akram Uddin Ahmed
Chairman



Janab Hafiz Kazi Muhammad Ibrahim
Member



Janab Kazi Khurram Ahmed
Member



Janab Dr. Muhammad Saifullah
Member



Mr. Md. Ali Reza
Member Secretary



EXECUTIVE COMMITTEE



Mr. S.A.M. Hossain
Chairman



Mr. Kamal Mostafa Chowdhury
Member



Mr. Ashok Kumar Saha
Member



Mr. Ferozur Rahman
Member



Mr. Mohammed Abdul Aziz
Member



Mr. Md. Zahedul Hoque
Member



Mr. Md. Ali Reza
Member Secretary

AUDIT COMMITTEE



Mr. Md. Nazmus Salehin
Chairman



Al-haj Mohammed Shamsul Alam
Member



Mr. Ferdous Ali Khan
Member



Mr. Kazi Khurram Ahmed
Member



Mr. Najmul Huq Chaudhury
Member



Mr. Md. Ali Reza
Member Secretary



MANAGEMENT COMMITTEE

SL	Name	Designation
1	Mr. Khondoker Rashed Maqsood	Managing Director & CEO
2	Mr. Md. Touhidul Alam Khan, FCMA	Additional Managing Director, CRO & CAMLCO
3	Mr. Mohammad Rafiqul Islam	Deputy Managing Director & COO
4	Mr. Md. Mohon Miah	Coordinator, Islami Banking Conversion Project
5	Ms. Haider Nurun Naher	SEVP & Coordinator, Investment Risk Management
6	Ms. Alkona K. Choudhuri	SEVP & Head of HRD
7	Mr. Bidyut Kumar Das	EVP & Head of IAD
8	Mr. Sufi Tofail Ahmed	EVP & CITO
9	Mr. Md. Tariqul Islam	EVP & Head of SAMD
10	Mr. Syed Murtaza Hassan	EVP & Head of Corporate Business Division
11	Mr. Md. Bahar Mahmud	EVP & Head of Investment Risk Management
12	Mr. Mohammed Tarekuzzaman	EVP & Regional Manager, Chattogram
13	Mr. Md. Ali Reza, FCMA, CIPA	SVP & CFO, Head of FAD & Acting Company Secretary
14	Mr. Mesbah UI Alam	SVP & Head of ICCD (Acting)
15	Mr. A.T.M. Jamal Uddin	SVP & Head of SME
16	Mr. Sk. Tareq Nawaz	VP & Head of Legal
17	Mr. Mominul Abedin	VP & Head of AML & CFT
18	Mr. Shah Rahat Uddin Ahmed	VP & Head of Treasury
19	Major Md. Saiful Islam (Retd.)	Head of General Services Division



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Managing Director & CEO

Mr. Khondoker Rashed Maqsood

Additional Managing Director

Mr. Md. Touhidul Alam Khan, FCMA

Deputy Managing Director

Mr. Mohammad Rafiqul Islam

Coordinator-IBCP

Mr. Md. Mohon Miah

Sr. Executive Vice President

Alkona K. Choudhuri

Ms. Haider Nurun Naher

Executive Vice President

Mr. Sk. Sirajul Kabir

Mr. Md. Forhad Hossain

Mr. Bidyut Kumar Das

Mr. Sufi Tofail Ahamed

Mr. Md. Tariqul Islam

Mr. Syed Murtaza Hassan

Mr. Mohammed Tarekuzzaman

Mr. Md. Ramiz Uddin Miah

Mr. Md. Bahar Mahmud

Sr. Vice President

Mr. Md. Ali Reza, FCMA, CIPA

Mr. Md. Ibrahim Khalil

Mr. Mohammad Mahmud Alam

Mr. Md. Iqbal

Mr. Ali Mohammad Nurul Huda

Mr. Mohammad Iklas Uddin

Mr. Mesbah Ul Alam

Mr. A.T.M. Zamal Uddin

Vice President

Mr. Md. Rafiqul Islam

Mr. Golam Rahman

Mr. Md. Shafiqul Hassan

Mr. Tapas Kumar Mandal

Mr. Md. Moyeedul Islam

Mr. M. S. Shahriar

Mr. Shah Rahat Uddin Ahmed

Mr. Ashek Abedin

Mr. Md. Nayeem Bhuiya

Mr. Syed Mosnoon Ali

Mr. Md. Rezaul Hoque

Mr. Md. Zahidul Hassan

Mr. Munir Hossain

Ms. Rubina Khan

Ms. Rebeka Sultana

Mr. Md. Abu Hena Nazim Uddin

Mr. Muhammad Golam Mustafa

Mr. Md. Suruj Ali

Mr. Mohammad Ali

Mr. Md. Mahbubur Razzak

Mr. S. M. Nazrul Islam

Mr. Md. Farhad Hussain

Mr. Muhammad Muzibur Rahman

Mr. Md. Mahmudul Haque

Mr. Mohammad Shohrab Hossain

Mr. Mohammad Faisal

Ms. Quamrun Nahar Hasmi

Mr. A.K.M. Manjur Alam

Mr. Md. Hamidul Haque

Mr. Md. Miganur Rohman

Mr. Mominul Abedin

Mr. Shabbir Ahmad Chowdhury

Mr. Shuvra Chakraborty

Mr. Mohammed Azharul Islam Khan

Major Md. Saiful Islam (Retd.)

Mr. M.A. Goffer Daria

Mr. Sk. Tareq Nawaz

General Manager (Cont.)

Mr. Nesar Ahmed Mridha



Senior Assistant Vice President

Mr. Mir Mohammad Emrul Kayes
 Mr. Shahnur Md. Oleul Hassan
 Mr. Md. Khorshed Alam
 Mr. Mohammad Jahangir Alam
 Mr. Mrinal Kanti Sutradhar
 Mr. Aziz Ahmed
 Ms. Sultana Jahan
 Mr. Md. Touhidul Huq
 Mr. Rafique Mahmud
 Ms. Farida Parvin
 Mr. Md. Saiduzzaman Chowdhury
 Mr. Abu Nayem Md. Ibrahim
 Mr. Mohammad Shafiqul Islam
 Mr. Parvez Mahfuz
 Mr. Md. Shahjalal Khan Mojlish
 Mr. Khan Md. Zahurul Haque
 Mr. Sk. Mustafizul Islam
 Mr. Md. Abu Sayeed
 Mr. Sharif Zahirul Islam
 Mr. Md. Hasibul Hasan
 Mr. Mohammad Amzad Hossain Fakir
 Mr. Md. Jaynul Abedin
 Mr. Nur Mohammad Rahat Hossain
 Mr. Mohammad Zakir Hossain
 Mr. Khandaker Amir Entezam
 Mr. Saiful Islam Manik
 Mr. Md. Habibullah Sayed
 Mr. Mir Md. Abbas Ali
 Mr. Shakh Anwar Hossain
 Mr. Kawsar Ahamad
 Mr. Md. Munir Hassan
 Mr. Pijush Kanti Dey

Assistant Vice President

Mr. Joarder Elias Rahman
 Mr. Yakub Md. Shahjahan
 Mr. Md. Touhid Hossain
 Ms. Aliya Sultana
 Mr. Augustin Sardar
 Mr. Md. Golam Mostafa Bhuiyan
 Mr. Mohammed Idrich
 Mr. Bazal Ahmed
 Ms. Syeda Sanjida Parveen
 Mr. Mohammed Forman Elahi
 Mr. Mohammed Khurshed Alam
 Mr. Md. Mezbaul Kashem
 Mr. Muhammad Masud Meah
 Mr. Md. Shah Alam Khan Chowdhury
 Mr. Mohammad Rajib Ahsan
 Ms. Nur-Un-Nahar Begum
 Ms. Shahina Momtaj
 Mr. Md. Abdul Halim
 Mr. A K M Mahiuddin Alamgir
 Mr. Mohammed Shohid Ullah

Ms. Nargis Akter
 Mr. Sanjoy Kumar Datta
 Mr. Badiuzzaman Sharif
 Mr. Md. Wahidul Huda
 Ms. Papia Chameli
 Ms. Sabitri Rani Karmaker
 Mr. Kayum Mahmud
 Mr. Mohammad Shafiullah
 Mr. Abu Hena Mostofa Kamal
 Ms. Nila Dey
 Mr. Golam Mostafa
 Mr. Pintu Kumar Saha
 Ms. Taoheeda Islam
 Mr. Md. Masum Billah
 Mr. Md. Mostafa Kamal
 Mr. Md. Saiful Hasan
 Mr. Md Emdadul Haque
 Mr. Md. Arifur Rahman
 Ms. Sania Noor Suchi
 Mr. Hasan Mahmud
 Mr. Molla Mahbub Al Hossain
 Mr. Mohammad Ataur Rahman
 Mr. Sayed Md. Abdullahel Quafi
 Mr. Md. Mahmudur Rahman
 Mr. Ratan Kumar Saha
 Ms. Aklima Begum Hera
 Mr. Ashraf Uddin Ahmed
 Mr. Md. Billal Hossain
 Mr. Md. Iftekharul Alam
 Mr. Md. Abdul Khaleque
 Mr. S.M. Zahid Hossain
 Mr. Syed Waliduzzaman
 Mr. Margub Ahmed
 Mr. Nurul Murshid Rajee
 Mr. Mohammed Anisur Rahman
 Mrs. Mahmuda Begum
 Mr. Khandoker Didarul Islam
 Mr. Md. Shahadat Hossain
 Mr. Md. Shafiqul Islam
 Mr. Md. Kazi Shahed Ali
 Mr. Monjur Morshed Khan
 Mr. Mohammed Anisuzzaman Chowdury
 Mr. Sheikh Mohammed Mohsin
 Mr. Syed Abdullah Al Mamun
 Mr. Mohammad Humayun Kabir
 Mr. Fachihul Alam Chowdhury
 Mr. Kazi Rayhanul Haque
 Mr. Md. Kamal Uddin
 Mr. Abul Bashar Md. Atikul Islam
 Mr. Mohammed Showkat Osman Haidor
 Mr. Md. Ramzan Ali
 Mr. Md. Mafidul Islam
 Mr. AT M Khairul Islam
 Ms. Elora Abedin
 Mr. Mohammad Mafujur Rahman Bhuiyan
 Mr. Mohammad Badruzzaman
 Mr. Mohammed Faisal Abedin
 Mr. Farhadur Reza
 Mr. Mollah Asaduzzaman
 Mr. Md. Maksodur Rahman ACA
 Mr. K.M. Rahmatullah
 Mr. Sohel Ahmed Rahmani



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মাননীয় চেয়ারম্যান মহোদয়ের বক্তব্য

বিস্মিল্লাহির রাহমানির রাহিম,

সম্মানিত শেয়ারহোল্ডারবৃন্দ, পরিচালনা পর্ষদের সম্মানিত সদস্যবৃন্দ, ব্যবস্থাপনা কর্তৃপক্ষ ও শ্রদ্ধেয় অতিথিবৃন্দ,
আস্-সালামু আলাইকুম।

শ্রাবণের এই শুভ সকালে স্ট্যাণ্ডার্ড ব্যাংক লিমিটেডের ২২তম বার্ষিক সাধারণ সভায় পরিচালনা পর্ষদের পক্ষ থেকে আপনাদের স্বাগত জানাতে পেরে আমি অত্যন্ত আনন্দিত ও সম্মানিত বোধ করছি। আমি কৃতজ্ঞতা ও শ্রদ্ধা নিবেদন করছি তাদের উদ্দেশ্যে, যাদের অব্যাহত সমর্থন, সক্রিয় সহযোগিতা ও উদ্দীপনা, বিগত বছরগুলিতে আমাদের অগ্রগতি অর্জনে সহায়ক ভূমিকা পালন করেছে। যাদের অকুণ্ঠ সমর্থন ও অনুপ্রেরণাই আমাদেরকে কঠিন চ্যালেঞ্জ সফলভাবে মোকাবিলার শক্তি জুগিয়েছে, যা আমাদেরকে উত্তরোত্তর সাফল্য ও অগ্রগতির ধারায় নিয়ে এসেছে। আমার প্রত্যাশা, আগামীতেও ব্যাংক আপনাদের সকলের পক্ষ থেকে আরো আন্তরিক সমর্থন ও সক্রিয় সহযোগিতায় সমৃদ্ধ হবে।

আপনারা নিশ্চয়ই অবগত আছেন, মহান সৃষ্টিকর্তার ইচ্ছায় গত ১লা জানুয়ারী ২০২১ ইং হতে স্ট্যাণ্ডার্ড ব্যাংক লিমিটেড একটি পরিপূর্ণ শরীয়াহ্ ভিত্তিক ইসলামী ব্যাংক হিসেবে আত্মপ্রকাশ করেছে।

কল্যাণধর্মী ইসলামী শরীয়াহ্ ভিত্তিক বাণিজ্যিক ব্যাংক হিসেবে দেশের আর্থসামাজিক উন্নয়নে অবদান রাখার পাশাপাশি স্ট্যাণ্ডার্ড ব্যাংককে একটি শীর্ষস্থানীয় ও বিশ্বমানের শরীয়াহ্ ভিত্তিক ইসলামিক ব্যাংক হিসেবে রূপ দেয়ার ক্ষেত্রে আমাদের প্রচেষ্টা নিরন্তর। ব্যাংকের বর্তমান কার্যক্রম এবং আগামী দিনে ব্যাংকের সম্ভাবনার বিষয়ে প্রতিবেদন আপনাদের সামনে উপস্থাপন করার সুযোগ পেয়ে আমি অত্যন্ত আনন্দিত ও গর্বিত। আপনাদের মূল্যবান মতামত ও অনুমোদনের জন্য স্ট্যাণ্ডার্ড ব্যাংক লিমিটেডের ২০২০ সালের বার্ষিক প্রতিবেদন সম্মানিত পরিচালনা পর্ষদের পক্ষ থেকে উপস্থাপন করছি, যা ব্যাংকের সার্বিক কার্যক্রম, সাফল্য ও ব্যর্থতা সম্পর্কে একটি স্বচ্ছ ধারণা প্রদান করবে।

সম্মানিত শেয়ারহোল্ডারবৃন্দ,

দেশের সকল স্তরের জনসাধারণকে আধুনিক ব্যাংকিং সুবিধা প্রদান এবং স্বচ্ছতা, জবাবদিহিতা ও আন্তঃব্যাংক প্রতিযোগিতার মাধ্যমে উন্নততর-গ্রাহক সেবা প্রদান ও একটি শক্তিশালী কর্পোরেট সু-শাসন প্রতিষ্ঠার লক্ষ্য নিয়ে ১৯৯৯ সালে আমাদের ব্যাংকের যাত্রা শুরু হয়েছিল। আমাদের সক্রিয় কর্মতৎপরতার মাধ্যমে, দ্রুত পরিবর্তনশীল এবং প্রতিকূল অর্থনৈতিক ও সামাজিক পরিস্থিতির মধ্যেও আমাদের ব্যাংকের সন্তোষজনক প্রবৃদ্ধির ধারা অব্যাহত রয়েছে, যার জন্য আমরা মহান সৃষ্টিকর্তার কাছে শুকরিয়া আদায় করছি।

২০২০ সালে কোভিড-১৯ মহামারীতে বহু লোকের প্রাণহানি ঘটেছে এবং এরই বিরূপ প্রভাবে বিশ্ব অর্থনীতি বিপর্যস্ত হয়ে পড়েছে, অনেক মানুষ তাদের জীবিকা হারিয়েছে, বহু ব্যবসা প্রতিষ্ঠান দেউলিয়া ঘোষিত হয়েছে। কোভিড-১৯ মহামারী অসংখ্য মানুষকে দারিদ্র সীমার নিচে নিয়ে গেছে। আমরা আশা রাখি জনসচেতনতা, ব্যাপক Vaccination ও অন্যান্য প্রতিরোধমূলক ব্যবস্থা গ্রহণের ফলে এই মহামারী দ্রুত নিয়ন্ত্রনে চলে আসবে এবং অর্থনীতির চাকা পুনরায় সচল হবে।

বিশ্বব্যাংকের পূর্বাভাস অনুসারে, ২০২১ সালে বিশ্ব অর্থনীতি পুনরায় ঘুরে দাঁড়াবে এবং ৫ দশমিক ৬ শতাংশ হারে প্রবৃদ্ধি অর্জন করতে সক্ষম হবে। অভ্যন্তরীণ চাহিদা ও সরবরাহ, বাণিজ্যিক ও অর্থনৈতিক কর্মকাণ্ড মারাত্মকভাবে ব্যাহত হওয়ায় বিশ্বের মাথাপিছু আয় গড়ে ২ শতাংশ হারে হ্রাস পাবে, যার ফলে লাখ লাখ মানুষ চরম দারিদ্রের মধ্যে পড়বে। এর প্রকোপ আরও দীর্ঘায়িত হলে অর্থনীতিতে বড় বিপর্যয়ের শঙ্কা রয়েছে। গত কয়েক মাসে করোনার ধাক্কায় রফতানি আয়, রেমিটেন্স প্রবাহ, বিদেশি বিনিয়োগ, রাজস্ব আহরণ কমে গেছে। স্বল্পোন্নত দেশের তালিকা (এলডিসি) থেকে বাংলাদেশসহ আরও যেসব রাষ্ট্র উন্নয়নশীল দেশে উত্তরণের অপেক্ষায় আছে, সেই উত্তরণ প্রক্রিয়া পিছিয়ে যেতে পারে বলে আশঙ্কা প্রকাশ করা হয়েছে বিশ্ব বাণিজ্য সংস্থার (ডব্লিউটিও) এক প্রতিবেদনে। এর ফলে বাংলাদেশ বড় ঝুঁকিতে রয়েছে। বিশ্বের বিভিন্ন দেশের মতো বাংলাদেশের অর্থনীতিতে এর মারাত্মক প্রভাব পড়েছে, সেবা খাতের ক্ষতি হয়েছে সবচেয়ে বেশি। এরপরেই শিল্প খাত বিশেষত তৈরী পোশাক, রিয়েল এস্টেট, পর্যটন, স্বাস্থ্য, শিক্ষা, বিমান পরিবহন এবং ক্ষুদ্র ও মাঝারি শিল্প (এসএমই) খাত ব্যাপকভাবে ক্ষতিগ্রস্ত হয়েছে। এছাড়া উৎপাদন, ব্যবসা-বাণিজ্য, শ্রমবাজারসহ সব খাতই স্থবির হয়ে পড়েছে। তবে কৃষিখাতে তুলনামূলকভাবে কম প্রভাব পড়েছে। দেশের এই ক্ষতি কাটিয়ে উঠতে ও সংকট মোকাবেলায় মাননীয় প্রধানমন্ত্রী শেখ হাসিনা সরকার কর্তৃক ২৩টি প্রণোদনা প্যাকেজের আওতায় সর্বমোট ১ লক্ষ ২৮ হাজার ৪৪০ কোটি টাকার আর্থিক প্রণোদনা ঘোষণা করা হয়েছে, যা জিডিপির ৪.৫৯ শতাংশ। বর্তমানে এই প্যাকেজগুলোর বাস্তবায়ন চলছে। ক্ষতিগ্রস্ত শিল্প ও সার্ভিস সেক্টরের প্রতিষ্ঠানসমূহকে ব্যাংক ব্যবস্থার মাধ্যমে ৯ শতাংশ সুদে ৩০ হাজার কোটি টাকার ঋণ সুবিধা প্রদান করা হয়েছে, যার মধ্যে ৪.৫০ শতাংশ ঋণ গ্রহিতা অবশিষ্ট ৪.৫০ শতাংশ ভর্তুকি হিসেবে সরকার কর্তৃক সংশ্লিষ্ট ব্যাংক সমূহকে প্রদান করা হয়েছে। অন্যদিকে ক্ষতিগ্রস্ত ক্ষুদ্র ও মাঝারি ব্যবসা প্রতিষ্ঠানসমূহকে ব্যাংক ব্যবস্থার মাধ্যমে ৯ শতাংশ সুদে ২০ হাজার কোটি টাকার ঋণ সুবিধা প্রদান করা হয়েছে। যার ৪ শতাংশ ঋণ গ্রহিতা অবশিষ্ট ৫ শতাংশ ভর্তুকি হিসেবে সরকার সংশ্লিষ্ট ব্যাংক সমূহকে প্রদান করছে। রপ্তানীমুখী শিল্প কলকারখানার শ্রমিক কর্মচারীদের জন্য ৫ হাজার কোটি টাকার আপদকালীন প্রণোদনা

সহায়তা প্যাকেজও অন্তর্ভুক্ত রয়েছে। করোনাভাইরাসের কারণে সৃষ্ট দুর্ঘোণে বিপদে পড়া ৫০ লাখ পরিবারকে ত্রাণের পাশাপাশি প্রত্যেককে সরকারের পক্ষ থেকে গত বছর ২,৫০০ টাকা করে নগদ আর্থিক সহায়তা প্রদান করা হয়েছে এবং এই অর্থসহায়তা এ বছরেও প্রদান অব্যাহত রয়েছে। এসবের ভালো ফল ইতোমধ্যে পাওয়া গেছে মর্মে বাংলাদেশ ব্যাংকের একটি বিশেষ প্রতিবেদনে উল্লেখ করা হয়েছে। ২০১৯-২০২০ অর্থবছরে ৫.২ শতাংশ জিডিপি প্রবৃদ্ধি অর্জিত হয়েছে, যা এ মহামারী পরিস্থিতিতে এশিয়ার মধ্যে সর্বোচ্চ। ২০২০-২০২১ অর্থবছরেও ৬.১ শতাংশ প্রবৃদ্ধি অর্জিত হবে বলে প্রত্যাশা করা হচ্ছে। দেশের গড় মাথাপিছু আয় ২,২২৭ ডলারে উন্নীত হয়েছে। বৈদেশিক মুদ্রা আয়ের প্রধান দুই খাত রপ্তানি আয় ও রেমিটেন্স প্রবাহ সন্তোষজনক। রেমিটেন্স-এ রেকর্ড ৩৬ শতাংশ প্রবৃদ্ধি হয়েছে। রপ্তানিতে প্রবৃদ্ধি হয়েছে ১৫ শতাংশের বেশি। বৈদেশিক মুদ্রার রিজার্ভ ৪৬ বিলিয়ন ডলারের মাইলফলক অতিক্রম করেছে।

দেশের এই ত্রাণকালেও বেশ কয়েকটি মেগা প্রকল্প তথা পদ্মা সেতু, রূপপুর পারমাণবিক কেন্দ্র, মাতারবাড়ি কয়লা বিদ্যুৎ প্রকল্প, রামপাল তাপ বিদ্যুৎ কেন্দ্র, মেট্রোরেল এবং এলএনজি টার্মিনাল, পায়রা সমুদ্র বন্দর সহ আরো মাঝারি প্রকল্পের কাজ চলমান রয়েছে। এসব প্রকল্পের Backward and Forward Linkage বিপুল অর্থনৈতিক প্রবাহ সৃষ্টি করবে।

মাথাপিছু আয় বৃদ্ধি, ৯০% জনগোষ্ঠী বিদ্যুৎ সুবিধার আওতায় আসা, ৬ কোটি মানুষ নিম্ন আয় থেকে মধ্যম আয়ে উন্নীত হওয়া প্রভৃতির উর্ধ্বমুখী সূচক অর্ন্তভুক্তিমূলক ব্যাংকিং এর ক্ষেত্রকে প্রসারিত করেছে। এছাড়া, মুদ্রাস্ফীতি ৫.৬৯ শতাংশের মধ্যে থাকায় স্বল্পের উপর ইতিবাচক প্রভাব পড়েছে। সদ্য বিদায়ী বছর শেষে ব্যাংকিং খাতে আমানতের পরিমাণ দাঁড়িয়েছে ১২ লক্ষ ৯০ হাজার কোটি টাকা এবং ঋণপ্রবাহ ১১ লক্ষ ২২ হাজার কোটি টাকায় উন্নীত হয়েছে। আমদানি বাণিজ্যের পরিমাণ ছিল প্রায় ৪ লক্ষ ১৩ হাজার কোটি টাকা এবং রপ্তানি বাণিজ্য প্রায় ২ লক্ষ ৬৫ হাজার কোটি টাকা। ব্যাংকিং খাতের জন্য এগুলো ছিল ইতিবাচক দিক। বিগত বছরে দেশের ব্যাংকিং খাতের খেলাপি ঋণ কিছুটা হ্রাস পেয়ে দাঁড়িয়েছে ৮৮.২৮ হাজার কোটি টাকা।

২০২০ সালে ব্যাংকের শাখার সংখ্যাও বেড়েছে এবং বছর শেষে ১০,৭৫২ টি শাখা ব্যাংকিং সেবা প্রদান করেছে। ব্যাংকিং খাতের বিনিয়োগকে অধিকতর ব্যবসা বান্ধব করা, শিল্পের দ্রুত বিকাশ ও সম্প্রসারণের লক্ষ্যে বর্তমান সরকারের আন্তরিক প্রচেষ্টায় গত ১লা এপ্রিল, ২০২০ইং তারিখ হতে সুদের হার এক ডিজিটে অর্থাৎ ৯% এ নামিয়ে আনা হয়েছে। বাংলাদেশ ব্যাংকের নির্দেশনার আলোকে স্প্রেড ৫ শতাংশের মধ্যে রাখার জন্য ব্যাংকগুলো নিষ্ঠার পরিচয় দিচ্ছে। বাংলাদেশ ব্যাংকের তথ্যানুযায়ী ব্যাংকের ঋণ প্রবাহ ৯.০৫ শতাংশ বৃদ্ধির কথা বলা হয়েছে। সে হিসাবে ব্যাংকের ঋণ প্রবৃদ্ধির লক্ষ্যমাত্রা অর্জনে কিছুটা স্থবিরতা দেখা দিয়েছে। ব্যাংকিং খাতের সার্বিক চিত্র আপাতত আশাব্যঞ্জক। তবে, ভবিষ্যতে খেলাপি ঋণের সম্ভাব্য উর্ধ্বমুখী প্রবণতা কিছুটা ক্ষত সৃষ্টি করবে।

আপনারা সকলেই অবগত আছেন যে, আমাদের নিবেদিত কর্মীবাহিনী তীব্র প্রতিযোগিতামূলক ব্যাংকিং পরিবেশে নিষ্ঠার সাথে কাজ করে সফলভাবে ব্যাংকের কার্যক্রমকে সম্মানিত গ্রাহকবৃন্দের কাছে সহজলভ্য করে তুলেছে। গ্রাহকদের দ্রুত পরিবর্তনশীল চাহিদা

নেটানোর লক্ষ্যে ব্যাংক তার প্রাতিষ্ঠানিক কাঠামো যুগোপযোগী ও আধুনিকায়ন করেছে। আমরা দৃঢ়ভাবে বিশ্বাস করি, এ ব্যাংকটি হবে গ্রাহক সেবায় নিবেদিত কর্মতৎপর, কর্মসূচীতে প্রগতিশীল, লেনদেনে স্বচ্ছ, বিচার বিবেচনায় ন্যায়পরায়ণ, মননে ভবিষ্যৎমুখী, দৃষ্টিভঙ্গিতে নিরপেক্ষ। আমাদের দূরদর্শী পরিকল্পনা সমূহ, কর্পোরেট সুশাসন, আধুনিক ব্যবস্থাপনা, উন্নততর প্রযুক্তির ব্যবহার, অধিকতর মুনাফা অর্জন এবং সুদৃঢ় আর্থিক ভিত্তি ও ব্যাংকের উচ্চ সুনাম সৃষ্টির লক্ষ্যে প্রণীত। ব্যাংকের পরিচালনা পর্ষদের মূল্যবান দিক নির্দেশনা ও তত্ত্বাবধানে এবং আমাদের দক্ষ জনশক্তির সার্বিক সহযোগিতায় আমরা স্বচ্ছ ও দায়িত্বশীল ব্যাংক ব্যবস্থাপনায় অঙ্গীকারবদ্ধ। স্ট্যাভার্ড ব্যাংক লিমিটেড বিদ্যমান মূল্যবোধ ও চলমান ধারার সাথে তাল রেখে এবং বৃহৎ আর্থিক প্রতিষ্ঠানের সামাজিক ও পরিবেশের প্রতি দায়িত্ব ও গুরুত্বের প্রতি সম্মান রেখে বাণিজ্যিক কার্যক্রম পরিচালনা করে থাকে। গ্রীনব্যাংকিং এর দিকে ব্যাংক দ্রুত অগ্রসর হচ্ছে। বর্তমানে ব্যাসেল-৩ চালু হওয়ায় প্রয়োজনীয় মূলধনের পর্যাপ্ততা নিরূপণ পূর্বক পর্যাপ্ত মূলধন ভিত্তি সংরক্ষণের লক্ষ্যে সর্বমোট ১১০০ কোটি টাকার সাবঅর্ডিনেটেড বন্ড ইস্যু করা হয়েছে, যার বর্তমান স্থিতি ৮৫৫ কোটি টাকা। এছাড়াও ৫০০ কোটি টাকার মুদারাবা পার্পেচুয়াল বন্ড ইস্যু প্রক্রিয়াধীন। যার ফলে ব্যাংকটি একটি শক্তিশালী মূলধন ভিত্তির উপর দাঁড়াবে, সে ক্ষেত্রে ব্যাংকের মূলধন পর্যাপ্ততার হার দাঁড়াবে ১৫ শতাংশের বেশি। দেশের পুঁজি বাজারকে আরো শক্তিশালী ও গতিশীল করার নিমিত্তে এসবিএল ক্যাপিটাল ম্যানেজমেন্ট- এর মাধ্যমে ৪৩০ কোটি টাকা বিনিয়োগ করা হয়েছে এবং ক্ষুদ্র বিনিয়োগকারীদের অর্থ সরবরাহ বাড়ানোর লক্ষ্যে স্ট্যাভার্ড ব্যাংক সিকিউরিটিজ লিঃ এর মাধ্যমে প্রায় ১১০ কোটি টাকা বিনিয়োগ করা হয়েছে।

অন্যবাসী বাংলাদেশীদের কষ্টার্জিত বৈদেশিক মুদ্রা দ্রুত দেশে আনয়নের লক্ষ্যে আন্তর্জাতিক খ্যাতি সম্পন্ন প্রতিষ্ঠান মানি গ্রাম সহ বিভিন্ন এক্সচেঞ্জ হাউজের সাথে চুক্তি সম্পাদন করা হয়েছে। যুক্তরাজ্যের লন্ডনে স্ট্যাভার্ড এক্সচেঞ্জ (ইউকে) লিমিটেড এর পাশাপাশি বিদেশে অবস্থানরত বাংলাদেশি ভাইবোনদের দেশের প্রতি যে মমত্ববোধ ও দেশপ্রেম লক্ষ্য করেছি, তাতে আমরা অনুপ্রাণিত হয়ে ২০১৩ সনে আমরা ব্যাংকের শত ভাগ মালিকানায় যুক্তরাষ্ট্রের নিউইয়র্কের জ্যাকসন হাইটসএ স্ট্যাভার্ড কোম্পানি ইউএসএ ইনকর্পোরেশন “স্ট্যাভার্ড এক্সপ্রেস” খোলার পর নিউইয়র্কের জ্যামাইকা, ওজোন-পার্ক, ব্রুকলিন, ব্রোনক্স, লস এঞ্জেলস ও বাফেলো-এ মোট ৭ টি শাখা খুলেছি। পর্যায়ক্রমে বাঙ্গালী অধ্যুষিত বিশ্বের অন্যান্য স্থানে যেমন- স্পেন, দক্ষিণ কোরিয়া, মধ্যপ্রাচ্য, কানাডা, ইতালি, মালয়েশিয়া ও সিঙ্গাপুরে আরো এক্সচেঞ্জ হাউজ খোলা হবে। বিদেশগামী ও প্রত্যাপগতদের সেবা সম্প্রসারণের লক্ষ্যে হজরত শাহজালাল(রঃ) আন্তর্জাতিক বিমান বন্দর, ঢাকাতে দুইটি ‘ফরেন কারেঞ্জি এক্সচেঞ্জ’ বুথ খোলা হয়েছে। বিগত বছরে ফরেন রেমিট্যান্স খাতে আমরা উল্লেখযোগ্য পরিমাণে ব্যবসা আহরণে সমর্থ হয়েছি। পাশাপাশি বাল্যকাল থেকে সঞ্চয়ের অভ্যাস গড়ে তোলার লক্ষ্যে ছাত্র/ছাত্রীদের স্কুল ব্যাংকিং, শিক্ষা স্কিম কার্যক্রম পরিচালনার লক্ষ্যে আমাদের সকল শাখায় স্কুল ব্যাংকিং কার্যক্রম চালু করেছি। জনসেবার বিষয়ে অগ্রাধিকার দিয়ে বিভিন্ন সংস্থার আবাসিক/ বাণিজ্যিক/ শিল্প খাতের বিভিন্ন ইউটিলিটি বিলসমূহ সংগ্রহ করে আসছি। ধর্মীয় মূল্যবোধের প্রতি শ্রদ্ধা প্রদর্শন করে সরকারী ও বেসরকারি সম্মানিত হজ্ব গমনেচ্ছুদের হজ্বের ফি সমূহ জমা গ্রহণ করে থাকি। বাংলাদেশ রোড ট্রান্সপোর্ট অথরিটি (বিআরটিএ) যানবাহন

নবায়ন, রেজিস্ট্রেশন ইত্যাদি ফি সমূহ ও আমরা জমা নিয়ে থাকি। দেশের ব্যবসা বাণিজ্যে গতিশীলতা আনয়নের লক্ষ্যে ক্ষুদ্র ও মাঝারি খাতে বিনিয়োগের পরিমাণ বৃদ্ধি করা হয়েছে। দেশের কৃষি, কৃষক তথা আপামর দরিদ্র জনসাধারণের জীবন মান উন্নয়নের লক্ষ্যে কৃষি খাতে বিনিয়োগের পরিমাণ বৃদ্ধি করা হয়েছে। এ পর্যন্ত কৃষি ও কৃষিভিত্তিক শিল্পখাতে বিনিয়োগকৃত ঋণের পরিমাণ দাঁড়িয়েছে ১,১৭০.৬৪ কোটি টাকা। বিগত ২০২০ সনে এসএমই খাতে বিনিয়োগকৃত ঋণের পরিমাণ ছিল ৩,২৫০.৫৪ কোটি টাকা যা ২০১৯ সালে ছিল ৩,২১২কোটি টাকা।

ক্ষুদ্র ও মাঝারি উদ্যোক্তার অর্থনীতির প্রাণশক্তি। তাদেরকে অর্থনীতির মূলস্রোতে নিয়ে আসার লক্ষ্যে প্রধান কার্যালয় ও শাখা পর্যায়ে এসএমই ও কৃষি ঋণ নামে স্বতন্ত্র বিভাগের মাধ্যমে ক্ষুদ্র ব্যবসায়ী ও কৃষকদের প্রতিনিয়ত সেবা প্রদান করা হচ্ছে। আমরা বিশ্বাস করি, দেশ ও জাতির উন্নয়নের জন্য এসএমই ও কৃষি খাতের উন্নয়ন অনস্বীকার্য। তাই আমাদের প্রতিটি শাখাকে এসএমই ও কৃষিখাতে অর্থায়নের জন্য লক্ষ্যনাত্রা নির্ধারণ করে দিয়েছি, যাতে করে উক্ত খাতে আমরা আরো উল্লেখযোগ্য অবদান রাখতে সক্ষম হই। কৃষকদেরকে ব্যাংকিং চ্যানেলের আওতায় আনার লক্ষ্যে আমাদের ব্যাংক গ্রামীণ, এসএমই /কৃষি শাখাতে ১০ টাকা করে জমা গ্রহণের মাধ্যমে হিসাব খোলার নিয়ম চালু আছে।

দেশের অর্থনীতির মূল চালিকা শক্তি হচ্ছে বৈদেশিক মুদ্রা। তাই আমাদের দেশের বৈদেশিক মুদ্রা ভান্ডার সমৃদ্ধশালী করার লক্ষ্যে রেমিট্যান্স আনয়নের পাশাপাশি আমদানি/রপ্তানি-খাতকে অগ্রাধিকার দিয়েছি এবং ট্র্যাডিশনাল আইটেম যেমন, তৈরি পোশাক, চামড়া, চা, কাঁচা পাট ও পাটজাত দ্রব্য এবং নন-ট্র্যাডিশনাল আইটেম যেমন: টাইলস, বাইসাইকেল, চিংড়ি, হস্তশিল্প, পান-সুপারি, ধনিয়া বাঁজ, বোতল, কাঁচা শাকসবজি ও কাঁকড়াসহ রপ্তানি খাতে অর্থায়ন অব্যাহত রেখেছি। জাতীয় অর্থনীতিতে অগ্রণী ভূমিকা পালনের পাশাপাশি সরকারী কোষাগারে প্রতি বছর বিপুল পরিমাণ ট্যাক্স প্রদান করে আসছি, যার স্বীকৃতিস্বরূপ গণপ্রজাতন্ত্রী বাংলাদেশ সরকারের জাতীয় রাজস্ব বোর্ড আভ্যন্তরীণ সম্পদ বিভাগ অর্থ-মন্ত্রণালয় “জাতীয় ট্যাক্সকার্ড নীতিমালা, ২০১০” অনুযায়ী ২০১৩-২০১৪ কর-বর্ষে কোম্পানি পর্যায়ে ৮ম সর্বোচ্চ আয় করদাতা হিসেবে স্ট্যাভার্ড ব্যাংক লিমিটেড কে ট্যাক্স কার্ড সম্মাননা দিয়েছে। অনলাইন ব্যাংকিং সার্ভিস প্রবর্তনের পর পরই ব্যাংক-এর ডেবিট ও ক্রেডিট কার্ডের মাধ্যমে সেবার মানকে আধুনিকায়ন করা হয়েছে। ইতোমধ্যে অত্র ব্যাংকের ক্রেডিট কার্ড দেশ-বিদেশের বিভিন্ন স্থানে ব্যবহার করা হচ্ছে। সেজন্যে অন্যান্য ব্যাংক ও সংস্থার সঙ্গে চুক্তির মাধ্যমে আমরা একটি শক্তিশালী নেটওয়ার্ক গড়ে তুলেছি এবং আমাদের কার্ডহোল্ডারগণ যাতে নিরলস সেবা পেতে পারেন সে লক্ষ্যে আমরা অত্যাধুনিক যন্ত্রপাতি দিয়ে কার্ড ও আইটি বিভাগ-দ্বয়কে স্বয়ংক্রিয় করেছি। আমরা ইতোমধ্যে গ্রামে ও শহরে যৌথভাবে এটিএম বুথ খুলে ডিজিটাল বাংলাদেশের অগ্রযাত্রা শুরু করেছি। পর্যায়ক্রমে এটিএম এর সুবিধা আমরা সর্বস্তরের গ্রাহকের কাছে সহজলভ্য করতে চাই। সারাদেশে আমাদের ১২০টি এটিএম বুথ খোলা হয়েছে। আপনারা জেনে খুশি হবেন গত ২০১৫ সালে স্ট্যাভার্ড ব্যাংক ন্যাশনাল পেমেন্ট সুইচ সিস্টেমের সাথে যুক্ত হয়েছে, যার ফলে বিভিন্ন ব্যাংকের ক্যাশ নেটওয়ার্কের আওতায় আমাদের সম্মানিত গ্রাহকরা প্রায় ১০,৯৬১ টির বেশি এটিএম বুথ ব্যবহারের সুযোগ পাচ্ছেন। ন্যাশনাল পেমেন্ট সুইচ

সিস্টেমের আওতায় গ্রাহকগণ ডেবিট কার্ডের মাধ্যমে ৬০,৪৭৪টি মার্চেন্ট আউটলেট-এ কেনাকাটা করছে। এছাড়া আমরা গ্রাহকদের সুবিধার্থে ই-কমার্স চালু করার উদ্যোগ নিয়েছি।

ব্যাংকিং খাতে অন্যতম হলো এস.এম.এস ব্যাংকিং বা অ্যালাইন্ড ব্যাংকিং সুবিধা। সেবার মান আধুনিকায়নে আমরা প্রাথমিকভাবে সম্মানিত গ্রাহকদের এসএমএস ব্যাংকিং সুবিধা প্রদান করছি, যাতে মোবাইল মেসেজের মাধ্যমে গ্রাহকদের হিসাবের লেনদেন অবহিত করা যায়, ২৪ ঘণ্টা গ্রাহক তার হিসাবের স্থিতি জানতে পারেন। মূলত গ্রামীণ জনপদে বসবাস-কারী লোকদেরকে ব্যাংকিং সেবা দেওয়ার মানসেই আমাদের ব্যাংক মোবাইল ব্যাংকিং কার্যক্রম চালুর উদ্যোগ নিয়েছে। এ সেবার আওতায় মোবাইল ফোনের মাধ্যমে অর্থ প্রেরণ- জমা ও উত্তোলন- বেতন ভাতাদি প্রদান- ইউটিলিটি বিল পরিশোধ ইত্যাদি করা যাচ্ছে। ভৌগোলিকভাবে দেশের দুর্গম, পাহাড়ি, প্রত্যন্ত ও কম ঘনবসতি এলাকা যেখানে ব্যাংকিং সুবিধা এখনও পৌঁছায়নি ওই সব এলাকায় ছড়িয়ে, ছিটিয়ে থাকা দরিদ্র মানুষকে সীমিত আকারে ব্যাংকিং সেবা প্রদানের লক্ষ্য নিয়ে এজেন্টের মাধ্যমে সাশ্রয়ী ব্যয়ে সীমিত আকারে আর্থিক সেবা দেওয়ার লক্ষ্যে এজেন্ট ব্যাংকিং চালু করা হয়েছে। এজেন্ট ব্যাংকিং এর মাধ্যমে সেসব প্রত্যন্ত গ্রাম বা এলাকার বাসিন্দারা নিজ পাড়া বা মহল্লায় অবস্থিত ব্যাংকের নিযুক্ত এজেন্টের কাছে গিয়ে স্বল্প ব্যয়ে ছোট অঙ্কের আমানত জমা, ঋণের তথ্য সংগ্রহ, বিদেশ থেকে আসা রেমিট্যান্স সংগ্রহ, ছোট আকারের ঋণ বিতরণ ও ঋণের কিস্তি আদায়, বিদ্যুৎ ও অন্যান্য ইউটিলিটি বিল পরিশোধ করছে।

বৈদেশিক ব্যবসা বাণিজ্য পরিচালনার লক্ষ্যে বর্তমানে ১৯টি অথরাইজ ডিলার (এডি) শাখার কার্যক্রম অব্যাহত আছে এবং দেশের অভ্যন্তর থেকে বিদেশি মুদ্রার গ্রাহকদের দোড় গোড়ায় ব্যাংকিং সুবিধা পৌঁছে দিতে অফ-শোর ব্যাংকিং ইউনিট চালু করা হয়েছে।

এ সকল কার্যক্রম এবং কারিগরি উৎকর্ষতা ও প্রতিযোগিতার পটভূমিতে আমাদের ব্যাংকিং সেবার মান অধিকতর উন্নততর হবে, ইনশাআল্লাহ। ব্যাংকের প্রত্যাশা, আধুনিকীকরণের এই প্রক্রিয়া উন্নত গ্রাহক সেবা প্রদানের লক্ষ্য অর্জনে সহায়ক হবে এবং দেশে বিদেশে অবস্থানরত সকল গ্রাহককে স্বল্প সময়ে কাজক্ষিত সেবা প্রদানে সক্ষম হবে।

বিশ্বব্যাপী করোনা মহামারী, আর্থিক মন্দা এবং প্রতিযোগিতামূলক ব্যাংকিং পরিবেশের প্রেক্ষাপটে ২০২০ সালে আমাদের ব্যাংকের আমানত, ঋণ ও অগ্রিম প্রদান এবং বৈদেশিক বাণিজ্যের প্রবৃদ্ধির ক্ষেত্রে কিছুটা স্থবিরতা লক্ষ্য করা গেছে। ২০১৯ ও ২০২০ সালে অর্জিত ব্যবসার তুলনামূলক পরিসংখ্যান নিম্নরূপ:

	২০২০	২০১৯
ব্যাংকের আমানত	১৬,৯৬৩ কোটি টাকা	১৭,৫৪৭ কোটি টাকা
ঋণ ও অগ্রিম	১৬,২৪০ কোটি টাকা	১৬,০৬৩ কোটি টাকা
বৈদেশিক বাণিজ্য	৯,২৮৩ কোটি টাকা	১৩,৯৭৩ কোটি টাকা
ব্যাংকের পরিচালন মুনামফা	৩১১.৫৯ কোটি টাকা	৩৩১.১৩ কোটি টাকা
শেয়ার প্রতি আয়	১.০৮ টাকা	১.৫৭ টাকা
পরিশোধিত মূলধন	১০০৫.৯৯ কোটি টাকা	৯৫৮.০৮ কোটি টাকা

আপনারা জেনে আরো খুশি হবেন, আমাদের দীর্ঘদিনের লালিত স্বপ্ন ব্যাংকের একটি নিজস্ব আধুনিক কর্পোরেট অফিস গড়ে তোলা। তারই ধারাবাহিকতায় রাজধানীর অভিজাত এলাকা গুলশানে প্রায় এক বিঘা জায়গা ক্রয় করা হয়েছে। বর্তমানে ভবন নির্মাণের কাজ পুরোদমে চলছে। ইনশাআল্লাহ, খুব অল্প সময়ের মধ্যেই আধুনিক স্থাপনার নান্দনিক নির্মাণশৈলীর কর্পোরেট অফিস নির্মাণের কাজ সম্পন্ন হবে। ২০২০ সালে আমরা ৫ টি শাখা খোলার অনুমতি পেলেও করোনা ভাইরাসের মহামারী ও প্রতিকূল অর্থনৈতিক পরিস্থিতির কারণে নতুন কোন শাখা খোলা সম্ভব হয়নি। তবে ভবিষ্যতে নতুন শাখা খোলার প্রচেষ্টা অব্যাহত থাকবে। চলতি বছর ব্যাংকের এই সম্প্রসারণ কার্যক্রম বহাল রাখার লক্ষ্যে আমরা অভিজ্ঞ কর্মকর্তা-কর্মচারী নিয়োগ দিয়ে মোট লোকবল ২,২৮৯ জনে উন্নীত করেছি, যা দেশের বেকার সমস্যা সমাধান ও অর্থনৈতিক উন্নয়নে ব্যাপকভাবে অবদান রাখতে সক্ষম হয়েছে।

সম্মানিত শেয়ারহোল্ডারগণ,

আমাদের অঙ্গীকার এই ব্যাংকটিকে একটি আধুনিক প্রযুক্তিনির্ভর, আদর্শ, প্রগতিশীল ও আন্তর্জাতিক মানের ইসলামিক শরিয়াহ ভিত্তিক ব্যাংক হিসেবে গড়ে তোলা। দেশের স্বনামধন্য ও আন্তর্জাতিক খ্যাতি সম্পন্ন 'হিকমা সফটওয়্যার' এর আওতায় আমরা এখন রিয়েল টাইম অনলাইন এর মাধ্যমে ব্যাংকিং সুবিধা দিচ্ছি। বর্তমানে ব্যাংকের সকল শাখায় অনলাইন কার্যক্রম চালু রয়েছে। এখন আমাদের এক শাখার গ্রাহক অন্য যেকোনো শাখা থেকে তার ব্যাংকিং লেনদেন নির্বিঘ্নে সম্পন্ন করতে পারছে। গ্রাহকদের ব্যাংকিং কার্যক্রম নিরবিচ্ছিন্নভাবে লেনদেন নিশ্চিত করার লক্ষ্যে নিজস্ব পাওয়ার সাপ্লাই সুবিধা সম্পন্ন আধুনিক 'ডাটা সেন্টার' স্থাপন করা হয়েছে, যা অধিক ক্ষমতা সম্পন্ন। যে কোন ধরনের দুর্ঘটনা মোকাবিলা করে নিরবিচ্ছিন্নভাবে লেনদেন নিশ্চিত করতে আমরা ঢাকার বাইরে 'ডিজাস্টার রিকভারী' বা 'ডিআর' চালু করেছি। ভূমিকম্প, আগুন বা অন্য যে কোন কারণে ব্যাংকের লেনদেন বাধাগ্রস্ত হলে স্বয়ংক্রিয়ভাবে এই 'ডিআর' চালু হবে। ফলে যে কোন দুর্ঘটনা গ্রাহকের ব্যাংকিং লেনদেনে কোন প্রভাব পড়বে না। অনলাইন এর যে কোন সমস্যা দ্রুত সমাধানের জন্য যে বিজনেস টিম গঠন করা হয়েছিল তা নিরলসভাবে কাজ করে যাচ্ছে, যাতে করে শাখাগুলির কাজকর্ম কেন্দ্রীয়ভাবে পর্যবেক্ষণ করা যায় এবং আইটি সিস্টেমের কাজকর্মের পদ্ধতিগত তদারকি স্বচ্ছ হয়। ফলে ব্যাংকিং কাজকর্মের ঝুঁকি অনেকাংশে হ্রাস পেয়েছে। অনলাইন কার্যক্রম যাতে সবসময় নির্ভুল ও আস্থার সাথে পরিচালিত হয়, তা আইটি অডিট অনুবিভাগ সব সময় পর্যবেক্ষণ ও নিরীক্ষণ করছে। ব্যাংকের কার্যক্রমে স্বচ্ছতা ও জবাবদিহিতা আনয়ন, অনিয়ম ও জাল-জালিয়াতি চিহ্নিতকরণ এবং তা দূরীকরণের লক্ষ্যে একটি দক্ষ অভ্যন্তরীণ নিরীক্ষা ও পরিপালন বিভাগ আমাদের রয়েছে। ব্যবস্থাপনা কর্তৃপক্ষ এবং অভিজ্ঞ ও শক্তিশালী অডিট কমিটির তত্ত্বাবধানে পরিকল্পনা মাফিক উক্ত বিভাগের কার্যক্রম পরিচালিত হচ্ছে যাতে ভুলত্রুটি, ত্রুটি বিচ্যুতি, জাল-জালিয়াতি পরিহার করা যায়। দক্ষ মানবসম্পদ টেকসই প্রবৃদ্ধির জন্য অপরিহার্য। এ জন্য প্রয়োজন কর্মকর্তা ও কর্মচারীদের উন্নত দক্ষতা, জ্ঞান ও উৎপাদনশীলতা, এ কথা মনে রেখে নতুন প্রশিক্ষণ পরিকল্পনা গ্রহণ করা হয়েছে এবং সময়ের চাহিদার সাথে সংগতি রেখে বিভিন্ন ধরনের প্রশিক্ষণ কর্মসূচী গ্রহণ করা হয়েছে। এ ধরনের কর্মসূচীর মাধ্যমে ব্যাংক কর্মকর্তাদেরকে উন্নত ও দক্ষ গ্রাহক-সেবা প্রদানের সক্ষমতা তৈরি করছে। ২০০৫ সালে প্রতিষ্ঠিত স্ট্যাভার্ড ব্যাংক

ট্রেনিং ইনস্টিটিউট ধীরে ধীরে পূর্ণাঙ্গ অবয়বে রূপ লাভ করছে। ব্যাংকিং জ্ঞান, গুণাবলী ও দক্ষতার উৎকর্ষ সাধনে এই ইনস্টিটিউট সময়ের চাহিদার সাথে সাথে প্রয়োজন সাপেক্ষে কর্মকর্তাদের জন্য যুগোপযোগী আধুনিক ও ইসলামিক শরিয়াহ ব্যাংকিং সংক্রান্ত বিভিন্ন ধরনের কোর্স/কর্মশালা পরিচালনা করছে। করোনা মহামারীর কারণে ২০২০ সালে এই কোর্সগুলোর বেশিরভাগই ডিজিটাল প্ল্যাটফর্মে সম্পন্ন করা হয়েছে। এইরূপ ১১০টি কোর্স/কর্মশালা পরিচালনা করা হয়েছে, যাতে ৫,০৮৯ জন প্রশিক্ষণার্থী অংশ নিয়েছেন।

সম্মানিত শেয়ারহোল্ডারগণ,

আপনারা নিশ্চয় অবগত আছেন যে, যদিও ২০২০ এর বছর জুড়ে কোভিড-১৯ মহামারীর কারণে সামগ্রিক অর্থনীতি ছিল অস্থিতিশীল। সরকার কর্তৃক সুদ ও আমানতের হার ৯% ও ৬% নির্ধারণ করে দেয়ায়, ঋণ আমানত এর সুদের স্প্রেড কমে যায় এবং যার ফলশ্রুতিতে মুনাফা দ্রুত হ্রাস পায়। আপনারা জেনে খুশি হবেন যে, আপনাদের ব্যাংক এই প্রতিকূল পরিস্থিতি বেশ সফলভাবে মোকাবিলা করেছে। ব্যাংক সর্বদা সম্মানিত শেয়ারহোল্ডারদের সাথে অর্জিত সাফল্য ভাগাভাগি করার উপর গুরুত্ব আরোপ করে আসছে। আপনারা ইতোমধ্যে অবহিত হয়েছেন যে, আমাদের ২০২০ সালের নীট মুনাফার পরিমাণ ১০৮.২১ কোটি টাকা। ব্যাংকের পরিচালনা পর্ষদ বাস্তব অবস্থা পর্যালোচনা পূর্বক ২০২০ সালের জন্য ২.৫% হারে স্টক এবং ২.৫% হারে নগদ লভ্যাংশ প্রদানের সুপারিশ করেছে, যা আপনাদের চূড়ান্ত অনুমোদনের জন্য বার্ষিক সাধারণ সভায় আলোচ্যসূচীতে অন্তর্ভুক্ত করা হয়েছে।

প্রিয় শেয়ারহোল্ডারগণ,

বিদ্যমান অর্থনীতির বিরূপ পরিস্থিতিতে গত বছরের ব্যাংকের শ্রেণীবিন্যাসকৃত ঋণের পরিমাণকে নিয়ন্ত্রণ ও তদারকি করার জন্য প্রধান কার্যালয়ে ঋণ আদায় বিভাগ, শাখা ব্যবস্থাপকদের সঙ্গে নিয়মিত যোগাযোগ অব্যাহত রয়েছে। উক্ত বিভাগ প্রতিনিয়ত মনিটরিং ও ফলোআপ করছে, শ্রেণীবিন্যাসকৃত ঋণের উর্ধ্বগতি নিয়ন্ত্রণে রাখার প্রচেষ্টা অব্যাহত রয়েছে। এ ক্ষেত্রে পর্ষদের সম্মানিত পরিচালকবৃন্দের প্রজ্ঞা, ব্যবস্থাপনা কর্তৃপক্ষের বিচক্ষণতা ও ব্যবস্থাপকবৃন্দের বিশ্লেষণাত্মক কার্যক্রমের জন্য আমি সবাইকে জানাই আন্তরিক ধন্যবাদ।

সম্মানিত শেয়ারহোল্ডারগণ,

কর্পোরেট হাউজ হিসেবে সকল কর্মকাণ্ডে আমরা প্রাতিষ্ঠানিক সামাজিক দায়বদ্ধতার প্রতি প্রতিশ্রুতিবদ্ধ। ব্যাংক কেবলমাত্র মুনাফামুখী না থেকে আর্থিক-খাতের ব্যবস্থাপনায় মানবিকতা বোধের একটি নতুন মাত্রা এনেছে। কর্পোরেট সামাজিক দায়বদ্ধতা (সিএসআর) গণ মানুষ ও সমাজের উন্নতিতে অবদান রাখার মাধ্যমে অর্থনৈতিক ও সামাজিক সূচক সমূহের উন্নতিতে আমাদের ব্যাংক অগ্রণী ভূমিকাপালন করে আসছে। প্রত্যন্ত অঞ্চলের বন্যা দুর্গতের মাঝে ত্রাণ, শীতাত্তদের মাঝে শীত বস্ত্র বিতরণ, অবহেলিত ও সুবিধা বঞ্চিত মানুষদের নিরবিচ্ছিন্ন চিকিৎসা ও স্বাস্থ্য সেবা প্রদানের লক্ষ্যে চিকিৎসা সামগ্রী বিতরণ, করোনা মহামারীতে ক্ষতিগ্রস্ত দরিদ্র ও দুস্থ মানুষের মাঝে খাদ্য, জরুরী স্বাস্থ্য ও সুরক্ষা সামগ্রী ও ত্রাণ সহায়তা প্রদান, দরিদ্র ও মেধাবী ছাত্র/ছাত্রীদের মাঝে বৃত্তি প্রদান সহ বার্ষিক সামাজিক কল্যাণমূলক কাজে আমরা প্রতিনিয়ত অংশ গ্রহণ করছি। ব্যাংক মুনাফা অর্জনের পাশাপাশি

যাতে দেশের আর্থ সামাজিক উন্নয়ন ও জনকল্যাণমূলক কাজে সরাসরি সম্পৃক্ত হতে পারে তার জন্য কল্যাণমূলক কাজ সিএসআর কার্যক্রমের আওতায় ২০২০ সালে মাননীয় প্রধানমন্ত্রীর ত্রাণ ও অন্যান্য তহবিলে ১৯.৪৫ কোটি টাকা সহ সর্বমোট প্রায় ২৫.০৪ কোটি টাকা প্রদান করা হয়েছে।

কৃতজ্ঞতা জ্ঞাপন,

স্ট্যাভার্ড ব্যাংকের পক্ষ থেকে আমি আমাদের সম্মানিত গ্রাহক, পৃষ্ঠপোষক ও শুভানুধ্যায়ীদের প্রতি জানাই আন্তরিক কৃতজ্ঞতা, যাদের আস্থাই সর্বদা আমার শক্তি ও প্রেরণার উৎস। ব্যাংকের ধারাবাহিক অগ্রগতির এই অভিযাত্রার নেপথ্যে সময়োচিত নীতি, দূরদর্শী দিক নির্দেশনা, বিচক্ষণ নেতৃত্ব এবং অক্লান্ত পরিশ্রমের মাধ্যমে প্রশংসনীয় অবদান রাখার জন্য এবং পর্ষদ চেয়ারম্যান হিসেবে দায়িত্ব পালনে আমাকে সহযোগিতা, পরামর্শ ও সর্বাঙ্গিক সমর্থন প্রদানের জন্য পরিচালনা পর্ষদের সহকর্মীবৃন্দকে কৃতজ্ঞতা ও ধন্যবাদ জানাই। ব্যাংকের বার্ষিক অগ্রগতি, উন্নয়ন ও সফলতা অর্জনে স্ট্যাভার্ড ব্যাংক পরিবারের প্রত্যেক সদস্যকে তাদের নিরলস পরিশ্রম ও সেবা প্রদানের জন্য জানাচ্ছি কৃতজ্ঞতা ও আন্তরিক ধন্যবাদ। ব্যাংকের পরিচালনা পর্ষদের ও সর্বস্তরের কর্মকর্তা-কর্মচারীদের এবং আমার নিজের পক্ষ থেকে উপস্থিত সকল সম্মানিত শেয়ার হোল্ডারবৃন্দকে তাদের সহযোগিতার জন্য আন্তরিক ধন্যবাদ জ্ঞাপন করছি। আমাদের ব্যাংকের মূল চালিকা শক্তি হলো ব্যাংকের সম্মানিত গ্রাহকবৃন্দ ও শেয়ার হোল্ডারগণ। সুষ্ঠু ব্যাংকিং কর্মকাণ্ড পরিচালনায় বার্ষিক সহযোগিতা ও অব্যাহত সমর্থন প্রদানের জন্য কৃতজ্ঞতা জ্ঞাপন করছি গণপ্রজাতন্ত্রী বাংলাদেশ সরকারের অর্থ মন্ত্রণালয়, ব্যাংক ও আর্থিক প্রতিষ্ঠান বিভাগ, বাংলাদেশ ব্যাংক, বিএসইসি, এফআরসি, ডিএসই, সিএসই, জয়েন্ট স্টক কোম্পানি সমূহের রেজিস্টার, সিডিবিএল, জাতীয় রাজস্ব বোর্ড এবং অন্যান্য সকল নিয়ন্ত্রক কর্তৃপক্ষের প্রতি, যারা এগিয়ে চলার পথে আমাদের সক্রিয় সমর্থন জুগিয়েছেন। আমাদের প্রত্যাশা এসব প্রতিষ্ঠান সমূহ তাদের সহযোগিতা ও সমর্থন ভবিষ্যতেও অব্যাহত রাখবেন। এই মুহূর্তে আরো একটি সফল বছরের প্রত্যাশায় যাত্রা শুরু করছি। সর্বশক্তিমান আল্লাহ-তায়াল্লা আমাদের এই যাত্রায় সহায় হোন- এ শুভ কামনায় সকলকে ধন্যবাদ।

আল্লাহ হাফেজ

কাজী আকরাম উদ্দিন আহমদ
চেয়ারম্যান- পরিচালনা পর্ষদ



MANAGING DIRECTOR & CEO'S ROUND UP

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“As we look forward, we are committed to build a shared prosperity for our society to continue to meet the needs of future generation. The global economy and banking industry has entered into a new era, experiencing rapid change in terms of market dynamics.”

It does give me immense pleasure and privilege to welcome our Honorable Chairman, Directors, Respected Shareholders, Distinguished Guests from the media and invited Participants on this august occasion of the 22nd Annual General Meeting of Standard Bank Limited (SBL). I am truly delighted and feel proud to be able to present the performance report of our Bank before you for the second time as the Managing Director. You are all fully aware that the outgoing year 2020 has been fraught with many unanticipated challenges brought about by the nationwide ongoing Covid-19 pandemic, which our Bank has been able to tide over on the strength of collaborative efforts of the entire Standard Bank family including the Hon'ble Board of Directors, who continued to exert their unflinching efforts against all possible odds in order to further consolidate the Bank's position stronger than ever before. Our endless hard work under the prudent guidance of our visionary Board of Directors finally paid off enabling us to pass the year 2020 as yet another year of prosperity and progress. Thus, at this auspicious moment, I enthusiastically take the opportunity to express my heartfelt gratitude and sincere thanks to our respected shareholders, customers and well-wishers for their continued support and cooperation throughout the year which has always been a great source of inspiration that has always helped us to achieve the steady growth and greater height of prosperity. Also, we express our cordial thanks to Bangladesh Bank and BSEC for their continuous support, co-operation and advice in our progress.



Standard Bank Limited is one of the most respected banking brands in the country today. It is a matter of pride for me to be able to sit at the helm of affairs of such a bank. I will surely do my best to live up to the trust and confidence of all of you. Ever since Standard Bank Limited was established, our goal is to contribute to the national economy and at the same time maximize the shareholders' wealth. We have also tried to be a compliant bank and it was our continuous endeavor to follow all the best practices of the industry while doing business with our valued customers, vendors and stakeholders. Standard Bank Limited is always trying to create a wide array of financial services and products to cater to the emerging needs of the market. The Bank focused on attracting new customers and retaining the loyalty of old customers through improved services at a very competitive price.

It is of immense pleasure that I have been able to present before you a brief sketch of some of the remarkable successes and distinctive achievements in different fields attained by Standard Bank Limited over its widespread activities accomplished in the year 2020. It is my perception that your unstinted and unwavering support and inspiration have provided us strength to face those challenges successfully which are gradually leading us to the highest peak of success and progress. It has been the Board's and Management's endeavor in developing Standard Bank Limited as a global institution. Standard Bank Limited (SBL) as a trusted partner in progress is financing trade, commerce and industry and also playing an active role in various socioeconomic developments. From the financial point of view, participating in social development activities may not be seen as commercially profitable or income generating, but from the development point of views, its impact on the country's overall development is immeasurable.

The activities of the Bank centered around achieving the targets of selected indicators. For this, we invested the excess liquidity into high profit-yielding sectors and put more emphasis on Retail and SME finance for increasing high-value assets. Besides, as a part of asset diversification, steps have been taken to increase credit flow to low-risk corporate sectors. On the other hand, interest-free and low-interest deposit collection has been prioritized aimed at rationalizing the cost of fund. Specially, steps have been taken to increase security measures of Treasury Department and strengthen it in a bid to make fund management more effective. Our other objective of financial inclusion is to build-up a Banking nation by providing low-cost banking services to the unbanked, backward and limited income people. SBL is providing this service for a long time by practicing mass banking. Bangladesh Bank's encouragement and enthusiasm has added different dimensions for expansion of financial inclusive banking. Marginal farmers, cleaners, street children, social safety beneficiaries, businessman, service holders and students have opened 1,07,218 deposit accounts with SBL in 2020 amid the on-going pandemic scenario against 6,06,624 nos. of deposit accounts opened in 2019. Besides, personal saving opportunity, account holders are enjoying multiple banking facilities.

GLOBAL OUTLOOK AND OUR ECONOMY

The COVID-19 pandemic has triggered an unprecedented global economic crisis which is far worse than the 2008-09 global financial meltdowns. World economy is estimated to have slowed down by 3.3% in 2020. To protect financial system and economy, policymakers across the globe have taken unprecedented measures to bring it on track. Though recovery in China has been faster than expected, the global economy's rebound to pre-pandemic level of activity remains prone to setbacks. After ease

of lockdown, global trade started to pick up in June where China was a major contributor. In the second half of 2020 financial condition started to ease for advanced economies and for most emerging market and developing economies. This pandemic has increased inequality globally by pushing more people below poverty line mainly those who live on daily wage and are migrant workers.

IMF projects that the global economy will grow by 6.0% in 2021. Additional policy support announced for 2021, mainly in USA and Japan, is expected to help in lifting economic activities in advanced economies with favorable spillover to trading partners. However, pace of recovery is likely to vary significantly across countries, depending on access to vaccine, effectiveness of policy support, exposure to cross-country spillovers, and structure of the crisis.

Despite facing COVID-19 pandemic induced challenges in all economic sectors, Bangladesh economy managed a 5.24% GDP growth in FY 2020 while growth rates in neighboring countries like India, Pakistan, and Sri-Lanka are expected to be negative in 2020. Being suffered from substantial production loss in large and medium scale manufacturing output, industry sector growth rate sharply came down to 6.48% in FY 2020. The service sector impact was less severe than the industry sector which grew by 5.32% in FY 2020 against 6.78% in FY 2019 as most of the leading sub-sector activities decreased due to lockdown measures. However, the agriculture sector maintained a solid growth amid this pandemic aided by the timely availability of inputs, favorable weather conditions at the time of cultivation and harvesting and partial use of harvester machine.

The government of Bangladesh and Bangladesh Bank took a series of timely and appropriate initiatives such as stimulus packages worth more than BDT 1.21 trillion, policy relaxations, low cost refinance schemes to support weaker segments of the economy and to ensure sufficient liquidity in the banking system. These policy initiatives paved the way for the economic recovery of Bangladesh remaining at the forefront among the neighboring South Asian economies. However, CMSMEs, which is the backbone of the country's economy, is yet to get the desired momentum due to slower fund disbursement from stimulus packages. Annual average inflation rose to 5.65% in FY 2020 compared to 5.5% in FY 2019. Broad money supply increased by 12.64% at the end of FY 2020 driven largely by public sector borrowing from banking system. Government's revenue collection faced a large fall due to pandemic driven economic slowdown which resulted in 55.51% increase of costly borrowing at the last quarter of FY 2020.

Country's external trade faced disruption due to restrictions on mobility imposed to curb spread of COVID-19. Due to sharper fall of exports, current account deficit significantly widened with USD 2,439 million at the end of FY 2020. Yet, the overall balance of payment (BOP) experienced a surplus of USD 3,310 million during last quarter of FY 2020 supported by record high financial inflows. The inflow of remittance in FY 2020 was increased by 10.87% over the FY 2019. Strong growth of wage earners remittance and financial inflows in the form of assistance from multilateral institutions and development partners helped to reach a record foreign exchange reserve of USD 42.97 billion at the end of December 2020.

Favored by the expansionary monetary policy and capital market policy supports from regulators, the capital market bounced back in 2020, which is visible in rising share prices, turnover, and market capitalization. The food production, remittance, the stimulus package, the reopening, and the uptick in domestic demand and exports put the country on the path of recovery.



INDUSTRY OUTLOOK AND OUR BUSINESS POSITION

The banking industry in Bangladesh is highly fragmented into state-owned commercial banks (SCBs) and local and foreign private commercial banks (PCBs) with a marked difference in profitability. Recent successful results for vaccine development against COVID-19 has raised hopes for humanity which will impact the global as well as domestic economy positively. However, renewed waves and new variants of the virus can elevate downside risk and the economic recovery could be uneven. Weaker than expected growth in the export destinations mainly in USA and EU region will directly affect the recovery of Bangladesh economy. According to World Bank's forecast Bangladesh economy is forecasted to grow by 1.6% in 2021. All sector of the country's economy will not be able to recover in same pace. Stimulus packages and liquidity support will help large industries and public organizations to recover at a faster pace while the MSME enterprises will lag behind. Hence policy support is required to absorb the need of small and micro enterprises, agriculture and young and new entrepreneurs. Bangladesh Bank has issued SMESPD circular no.04 dated 29 March 2020 instructing commercial banks to constitute their own and separate "Start-up Fund" for lending to the startup companies along with government's BDT 5 billion refinance fund. This will be collateral free fund at a very concession rate.

At the backdrop, we have progressed cautiously and managed our risk profiles carefully. But I am happy to share with you that despite a difficult time, the overall performance of Standard Bank Ltd. was steady. We kept our NPL at 4.87%, which is lower than average NPL in Banking Sector, mainly by virtue of our management policy, rigorous monitoring in our credit management and ethical business practice with strong corporate governance. At Standard Bank Limited, we believe in sustainable growth instead of rapid progression. In the year 2020, we focused on maintaining our asset quality rather than the rapid growth of our portfolio.

CONTRIBUTION TOWARDS THE SOCIETY

As a responsible corporate citizen, we are committed to creating value for the society. We believe that development should be holistic and inclusive. Standard Bank Limited is always aware of its Corporate Social Responsibility (CSR) with an aim to ensure that the bank remains as a socially responsible corporate entity contributing towards quality of life of the society at large without compromising ecological balance. Since its inception, Standard Bank has a pleasant involvement and proactive participation in benevolent activities like standing beside the marooned people during any natural or man-made disasters. To us, success not only equals economic profit, it also means commitment to values - honesty, integrity, excellence, trust and dedication. At Standard Bank, we are guided by the spirit of corporate social responsibility. To have lasting relationships with the customers based on mutual trust has always been one of our topmost priorities. In line with the guidance of Bangladesh Bank, we focused on CSR by getting involved in different nation building activities apart from usual banking operations. During the year, Standard Bank spent an amount of Tk.25.04 crore covering a vast area of education, health and other under privileged sectors for overall betterment of the nation. We continued our financial assistance to meritorious but poor students particularly in rural areas under CSR initiative.

OUR OUTLOOK

Year 2020 was undoubtedly a challenging year for Bangladesh economy due to the onslaught of the on-going pandemic and 2021 will, no doubt offer its share of new challenges even with our excellent track record of over twenty one years of ethical and prudent banking and more as so as we will embark on our journey as a full-fledged shari'ah based Islami Bank. We want to emerge as one of the most trusted partners of progress to trade and business of the country as one of the leading Islami Banks in the country. As we look forward, we are committed to build a shared prosperity for our society to continue to meet the needs of future generation. The global economy and banking industry has entered into a new era, experiencing rapid change in terms of market dynamics. Customers are increasingly service-focused and at the same time, more demanding. New players, especially new banks, have entered into banking sector and the level of competition has significantly intensified. Our ongoing success lies in our own hands and in the willingness and capacity of every single person of our bank to make change happen. The faster we manage to respond to this change environment, the more room we have to maneuver. I am convinced that together with the support of our colleagues and other stakeholders, we will take the lead and become a fast driven organization in banking industry, and I count on our determination to achieve this too. Our industry has changed and is more competitive than ever before. At the same time, we are facing the great macroeconomic challenges of unfavorable deposits and lending rates and turbulent financial markets. We must find new and smart ways to convey a compelling value proposition to our customers. We need to ensure that we deliver on our promises. At the same time, we have to be highly flexible and adaptable in order to respond to volatile market demands. The more successful we are in integrating this approach into how we do things, the better positioned we will be to continue in our growth and future prospects. I believe our combined effort will make a difference. Once again, I should say that the Bank is growing and our results are also visible compared to the size of the bank. We are committed to make our bank into a modern and dynamic Islamic financial institution with proper corporate governance. We want to remain compliant, fair and transparent in our business deals. Our Bank would concentrate on sharpening its competitive edge by improving its business strategies and through performing the promises.

STRATEGIC PRIORITIES FOR 2021

The government has targeted to implement more infrastructure projects. On the other hand, foreign exchange reserves stood at USD 41.3bn in December 2020. As per the latest reports, it equaled 9.4 months of import in November 2020. Meanwhile, regulators are taking initiatives to improve investor friendliness as well; such as, easing capital repatriation for foreign investors, allowing investments to be transferred to locations beyond the country of origin, and so on.

Bangladesh is one of the few countries expected to witness positive GDP growth in FY 2021, by analysts and multilateral organizations. What we see amidst numerous hurdles, is a nation that has a lot to offer, not just to its own citizens, but to the rest of the world. No doubt, 2020 has been a difficult year for all of us, professionally and personally. However, if anything, it has taught us to show more compassion and camaraderie towards each other. It has taught us to be more resilient. And it has shown us the value of staying level-headed no matter how big the adversity. This is the thought process that is shared by all of us here at SBL.



And this is why I am confident we will be able to take on the challenges in the years ahead as well. Few of the major tactical and strategic moves that have been chalked out to drive for the next year are:

1. As banking industry is predicted to remain highly competitive with low interest margins, fee-based income and non-funded incomes shall be a strategic priority in 2021.
2. Increasing of deposit focusing on financial inclusion in the unbanked areas.
3. Concerted efforts and aggressive marketing to procure more low-cost deposits with a view to reducing cost of deposits and improving Net Income Margin (NIM) of the Bank.
4. Prudent Asset Liability Management by maintaining good credit portfolio through diversification of business with focus on SME, Retail investment and Import-Export business.
5. Maintaining asset quality by restricting increase of non-performing assets through early detection, monitoring, corrective actions.
6. Strengthening the recovery against rescheduled, classified and written-off investments for reducing NPAs to a large extent through intensive recovery drive and early settlement of court cases.
7. All out efforts to reduce and manage Provision requirement.
8. Effective Risk Management Practices through appropriately blending the risk reward parameters and targeting a growth driven investment portfolio expediting investment rating and maintaining strong capital base to play safe and sound as per based framework.
9. Efficient Internal Control and Regulatory Compliance System to continue to be a fully compliant Bank.
10. Strictly enforcing 'code of conduct' for all employees and elevating standard of service to new heights of excellence for all stakeholders.
11. Effective IT platform and System through up-gradation of bank modules and strengthening of IT infrastructure and cyber security.
12. Strengthening Agent Banking and banking booth operation to provide financial service for unbanked people.
13. Strengthening operational efficiency of subsidiaries and foreign business windows.

OUR GRATITUDE

I express warm greetings as well as profound gratitude to the valued customers, shareholders and well-wishers who are the source of inspiration of all our activities. I reverently congratulate our Honorable Chairman and all the respected Directors of the Board for their valuable guidance, support and prudent counsel in attaining desired progress and qualitative development in different financial indicators and standards of service. I express my sincere thanks to all the members of Standard Bank for their uncompromising loyalty, relentless hard work and dynamic team spirit to take the bank forward. Above all, I convey my sincere thanks and heartfelt gratitude to our regulatory authorities specially Ministry of Finance, Bangladesh Bank, Bangladesh Securities and Exchange Commission (BSEC), National Board of Revenue (NBR), Dhaka Stock Exchange, Chittagong Stock Exchange, RJSC as well as external auditors for their continued support and cooperation.

Let there be good days ahead for all of us. We look forward to a brighter and rewarding two thousand twenty one, May the Almighty ALLAH bestow His blessing on all of us.

Khondoker Rashed Maqsood
Managing Director & CEO



DIRECTORS' RESPONSIBILITY STATEMENT

The Board is directly accountable to the shareholders and each year the company will hold an Annual General Meeting (AGM), at which the directors must provide a report to the shareholders on the performance of the company, what its future plans and strategies are and also submit themselves for re-election to the board. The Board of Directors is appointed to act for and on behalf of the shareholders to oversee the day to day affairs of the business. The report of the Company's affairs and the Audited Financial Statements duly certified by is generally to be laid down before the Annual General Meeting for discussion. In preparing the Annual Report, the Board of Directors is required to ensure that: the Financial Statements of the Bank and its subsidiaries are prepared in accordance with applicable Bangladesh Financial Reporting Standards (including Bangladesh Accounting Standards), relevant provisions of the Companies Act 1994, Bank Company Act 1991 (amended up to 2018), rules and regulations of Bangladesh Bank and Bangladesh Securities and Exchange Commission (BSEC), listing rules of Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. and other applicable laws, rules and regulations.

In compliance with section 184 of Companies Act 1994 and BSEC Notification BSEC/CMRRCD/2006-158/207/Admin/80 dated 02 June 2018, the Annual Report which is presented in the Annual General Meeting (AGM) has a separate section as 'Directors' Report' containing, 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 and Management Discussion and Analysis (MD&A) section with relevant analytics.

Any recommended reserve in the balance sheet:

An amount of BDT 451 million has been transferred to 'Statutory Reserve' which is required to equate the same with paid up capital as per section 24 of Bank Company Act 1991 (amended up to 2013).

Recommended dividend:

The Directors has recommended @5% dividend (2.5% Cash & 2.5% Stock) equivalent to BDT 503 million for the completed year 2020.

Any event after balance sheet date which may affect company's financial condition:

The Board of Directors of the Bank in its 341th Board meeting held on 28.04.2021 has recommended 5% dividend (2.5% cash and 2.5% stock) for the year 2020 on Tk. 252 million which will increase the paid-up capital of the bank to Tk. 10,311 million.

Any change in bank's activities, subsidiaries' activities etc.:

No major change in strategy and actions in the Bank and Subsidiaries experienced in 2020.

In compliance with BSEC Corporate Governance Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 02 June 2018 the Directors of the Bank hereby declare on 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 Director's Report.

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 Chief Risk Officers' Report on Risk Management.

Discussion on Operating Performance:

A brief description in this regard has been presented in part of the Directors' Report.

Discussion on continuity of any Extra-Ordinary gain or loss:

In last five years SBL has not experienced any extra-ordinary gain or loss. SBL's Five Years progression presented in the "Stakeholders Information" section will provide details information in support of 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 Financial Statements 2020.

Utilization of proceeds from public issues, rights issues and/or through any others instruments:

The bank has raised capital through public issues an IPO in 2003 a Right Issue in 2007. However, the raising capital has been presented in the Corporate Governance Report.

Deterioration of financial results after the company goes for IPO, Rights Offer, Direct Listing, etc.:

Refer to the earlier paragraph, the bank issued IPO in 2003 and Right Share in 2007 but after that financial results of the Bank did not deteriorate.

Explanation of variances between Quarterly and Annual Financial performance:

A brief discussion along with financial information in this regard has been presented in the Directors' Report and Management Discussion & Analysis.

Remuneration to directors including independent directors:

Remuneration provided to directors has been presented in the Corporate Governance Report, Financial Statements & Directors' Report

The financial statements prepared by the management present fairly its state of affairs, the result of its operations, cash flows and changes in equity:

A brief description in this regard has been presented in Directors' Report.

Maintenance of proper books of account:

A brief description in this regard has been presented in Directors' Report.

Consistent application of appropriate accounting policies and estimates in preparation of financial statements:

A brief description in this regard has been presented in Directors' Report.

Following International Accounting Standards (IAS)/ Bangladesh Accounting Standards (BAS)/ International Financial Reporting Standards (IFRS)/ Bangladesh Financial Reporting Standards (BFRS), 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 the Financial Statements 2020.

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 and Compliance in Directors' Report.

Significant doubts upon the Bank's ability to continue as a going concern:

Nothing as yet and mentioned in Directors' Report.

Explanations to significant deviations from the last year's operating results:

Nothing as yet and mentioned in Directors' Report.

Summarization of last five year's key operating and financial data:

Please see in the section of Stakeholders' Information.

Declaration of dividend or not:

Recommended @5% dividend (2.5% Cash & 2.5% Stock) for the year 2020.

No. of Board meetings and directors' attendance in 2020: Presented in the Directors' Report.

The pattern of shareholdings:

Presented in the Directors' Report and the Notes to the Financial Statements 2020.

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 the Directors' Profile in the Corporate Governance Report.

To adhere to good corporate governance practices, the Bank has been complying with two paramount guidelines from Bangladesh Bank (BRPD Circular No 11, 18 and 19 dated 27 October 2013) and BSEC (Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018). SBL's compliance status to those prescribed practices is presented in Corporate Governance Report.

The Directors, to the best of their knowledge and information, hereby confirm that the Annual Report 2020 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.

DIRECTORS' REPORT

Introduction

Corporate Governance

Risk Governance

Management Retrospection

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Assalamu Alaikum

It is an immense pleasure and privilege on the part of the Board of Directors to place the Directors' Report and Auditors' Report together with the audited financial statements of Standard Bank Limited for the year ended 31 December 2020 for your valued consideration, adoption and approval.

The Directors Report has been prepared in compliance with the Section 184 of the Companies Act 1994, BSEC's Notification no.SEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018, the Listing regulations of Dhaka and Chittagong Stock Exchanges, guidelines of Bangladesh Bank and other applicable rules and regulations. Relevant disclosures and explanations relating to certain issues have been given by the Directors, which they consider important to ensure transparency and good governance practices. The Board of Directors believe that the report will give valuable insights of the bank's performance and continuous growth through amid stiff competition.

GLOBAL ECONOMY

The coronavirus (COVID-19), which has emerged as a global pandemic, poses a major risk to the global economy. Protecting lives and allowing health care systems to cope with have required quarantine, isolation, lockdown etc. which in turn have severely limited economic activity. As a result of the pandemic, the global economy is anticipated to contract in a much worse way than during the 2008-2009 financial crises. In the World Economic Outlook (WEO) October 2020, International Monetary Fund (IMF) projected that the global economic growth would contract sharply by 4.4 percent in 2020 downgrading from -3.0 percent projection made in April 2020, WEO. According to IMF, the baseline scenario, which assumes that social distancing will continue into 2021 but will fade over time as vaccine coverage will expand everywhere by the end of 2022. The global economy is projected to grow by 5.2 percent in 2021 as the economic activity normalises, helped by policy support.

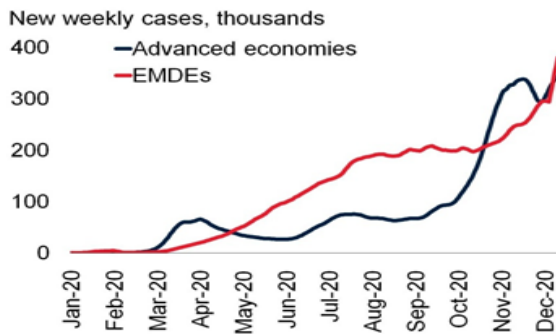


Chart: Evolution of the Covid-19 pandemic

Source: Global Economic Prospects of January 2021 by World Bank Group

Although the global economy is emerging from the collapse triggered by the pandemic, the recovery is projected to be subdued. Global economic output is expected to expand 4 percent in 2021 but still remain more than 5 percent below its pre-pandemic trend. Moreover, there is a material risk that setbacks in containing the pandemic or other adverse events derail the recovery. Growth in emerging market and developing economies (EMDEs) is envisioned to firm to 5 percent in 2021, but EMDE output is also expected to remain well below its pre-pandemic projection. The pandemic has exacerbated the risks associated with a decade-long wave of global debt accumulation. Debt levels have reached historic highs, making the global economy particularly vulnerable to financial market stress. The pandemic is

likely to steepen the long-expected slowdown in potential growth over the next decade, undermining prospects for poverty reduction. The heightened level of uncertainty around the global outlook highlights policy makers' role in raising the likelihood of better growth outcomes while warding off worse ones. Limiting the spread of the virus, providing relief for vulnerable populations, and overcoming vaccine-related challenges are key immediate priorities.

With weak fiscal positions severely constraining government support measures in many countries, an emphasis on ambitious reforms is needed to rekindle robust, sustainable and equitable growth. Global cooperation is critical in addressing many of these challenges. In particular, the global community needs to act rapidly and forcefully to make sure the ongoing debt wave does not end with a string of debt crises in EMDEs, as was the case with earlier waves of debt accumulation.

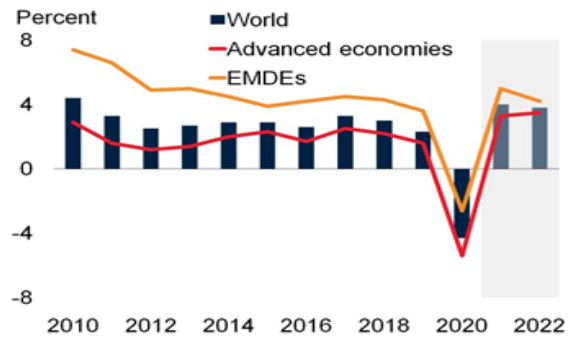


Chart: Global Growth

Source: Global Economic Prospects of January 2021 by World Bank Group

The global economy is projected to grow in 2021 by around 5% in market exchange rates - the fastest rate recorded in the 21st century - returning the global economy in aggregate to pre-pandemic levels of output by the end of 2021 or early 2022. The predictions published today in PwC's Global Economy Watch for 2021 - From the Great Lockdown to the Great Rebound - highlight key themes for 2021 linked to a wider reset for economies, skills and society. Growth will return, but be uneven and be contingent on a successful and speedy deployment of vaccines and continued accommodative fiscal, monetary and financial conditions in the larger economies of the world. Another key theme will be how the push for recovery and growth could synchronize green infrastructure investment, creating a turning point in the fight against climate change.

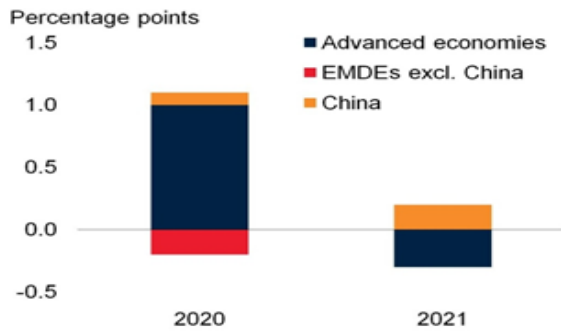


Chart: Contributions to global growth forecast revisions
Source: Global Economic Prospects of January 2021 by World Bank Group

By the end of 2021 or early 2022, we expect the global economy to revert to its pre-pandemic level of output. However, this picture masks an uneven pattern. At one end of the spectrum is the Chinese economy, which is already bigger compared to its pre-pandemic size. On the other end are mostly advanced economies which are either service-based (UK, France, Spain) or more focused on exporting capital goods (Germany, Japan) and are unlikely to recover to their pre-crisis levels by the end of the year. In these economies, growing but lower levels of output is projected to lead to push up unemployment rates. In its December 2020 economic outlook, the Organisation for Economic Co-operation and Development (OECD) projects an unemployment rate of around 7% in its member states compared to pre-pandemic levels of around 5.5%. Most of the jobs

affected are likely to be those at the bottom end of the earnings distribution which is likely to exacerbate income inequalities. We therefore expect governments' focus to gradually shift from fighting the COVID-19 virus to dealing with higher unemployment rates by upskilling their workforce and creating jobs in newly emerging labour-intensive sectors.

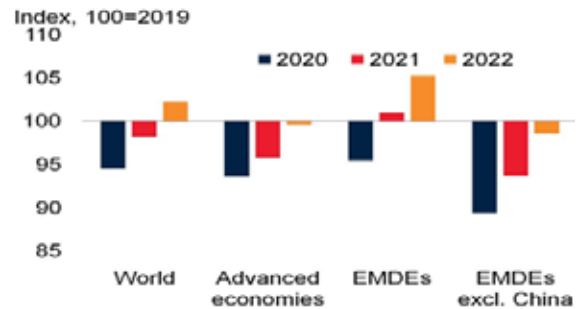


Chart: Investment levels over 2020-22
Source: Global Economic Prospects of January 2021 by World Bank Group

The historic year 2021 will be the first year where the three main economies or trading blocs of the world — the US, the European Union (EU) and China — will refocus their efforts to fighting climate change. The US is expected to re-join the Paris Accord and host an international climate summit early in the year. EU member states are expected to finalise their plans to accelerate the transition towards a greener (and more digital) economy by the end of April.

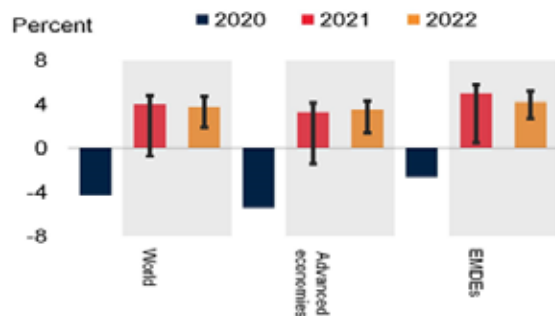
GLOBAL OUTLOOK

According to the IMF, the global growth may face further downward revisions. Key sources of downside risk to the outlook include: rising inequality, weak investment, rising protectionism in trade, climate change and risk from cyber security. However, the growth will be stabilised later this year if the downside risks do not materialize and the policy support put in place become effective. Table 1 highlights the global output growth as follows:

Table 1: Overview of the World Output Growth Projections

	Actual	Estimated	Forecast	Forecast	Percentage point differences from June 2020 projections	
	2019	2020	2021	2022	2020e	2021f
World	2.3	-4.3	4	3.8	0.9	-0.2
Advanced Economies	1.6	-5.4	3.3	3.5	1.6	-0.6
United States	2.2	-3.6	3.5	3.3	2.5	-0.5
Euro Area	1.3	-7.4	3.6	4	1.7	-0.9
Japan	0.3	-5.3	2.5	2.3	0.8	0
Emerging market and developing economies	3.6	-2.6	5	4.2	-0.1	0.4
China	6.1	2	7.9	5.2	1	1
India	4.2	-9.6	5.4	5.2	-6.4	2.3
Pakistan	1.9	-1.5	0.5	2	1.1	0.7
Bangladesh	8.2	2	1.6	3.4	0.4	0.6

Prospects for the global economy are uncertain, and several growth outcomes are possible. In the baseline forecast, global GDP is expected to expand 4 percent in 2021, predicated on proper pandemic management and effective vaccination limiting the community spread of COVID-19 in many countries, as well as continued monetary policy accommodation accompanied by diminishing fiscal support. Nonetheless, the level of global GDP in 2021 is forecast to be 5.3 percent below pre-pandemic projections—or about \$4.7 trillion. After this year's pickup, global growth is envisioned to moderate in 2022 to 3.8 percent—still above its potential pace, but weighed down by lasting damage from COVID-19.



By 2022, global GDP is still expected to be 4.4 percent below pre-pandemic projections with the gap in EMDEs nearly twice as large as in advanced economies as output remains dampened by lingering risk aversion on the demand side and the effects of diminished physical and human capital accumulation on labor productivity. Advanced economies are projected to recover, with growth reaching 3.3 percent and 3.5 percent in 2021 and 2022, respectively, on the back of pandemic containment aided by widespread vaccination and sustained monetary policy accommodation, which is expected to more than offset the partial unwinding of fiscal support. Although aggregate EMDE growth is envisioned to firm to 5 percent in 2021 and to moderate to 4.2 percent in 2022, the improvement largely reflects China's expected rebound. Absent China, the recovery across EMDEs is anticipated to be far more muted, averaging 3.5 percent in 2021-22, as the pandemic's lingering effects continue to weigh on consumption and investment. Despite the recovery, aggregate EMDE output in 2022 is expected to remain 6 percent below its pre-pandemic projection.

ECONOMIC GROWTH OF BANGLADESH

Economic growth slowed to 5.24 percent in FY2019-20 (July, 2019 to June, 2020), according to the provisional estimates of BBS, which is the lowest since FY2008-09. Following the trend of achieving economic growth, the growth exceeded 6 percent in FY2010-11, 7 percent in FY2015-16 and 8 percent in FY2018-19. Although the economic situation of the country was normal in the first eight months of FY2019-20, the COVID-19 pandemic has had a huge negative impact on the economy of Bangladesh since March, 2020. According to the provisional estimate, the volume of GDP at current market prices reached BDT 27,96,378 crore in FY2019-20, which was BDT 25,42,483 crore in FY2018-19. In nominal term GDP growth is 9.99 percent. As per the final estimate, per capita GDP in FY2018-19 was US\$1,828 up by US\$ 153 from the previous fiscal year.



According to the provisional estimate of BBS, the growth of agriculture sector has slowed to 3.11 percent in the FY2019-20, from 3.92 percent in FY2018-19. During the same period, industry sector grew by 6.48 percent, which was 12.68 percent in the previous fiscal year. The service sector grew by 5.32 percent in FY2019-20 compared to 6.78 percent in the previous fiscal year. Within the broad agriculture sector, the growth rate of agriculture and forestry sector decelerated from 3.15 percent to 2.08 percent in FY2019-20. In addition, growth in fishing sector slowed slightly to 6.10 percent from 6.21 percent of previous fiscal year. The contribution of the broad agricultural sector to

the GDP stood at 13.35 percent in FY2019-20 against 13.65 percent in the previous fiscal year. Of the 4 sectors of the broad industrial sector, growth in the manufacturing (large and medium scale and small scale) has slowed down significantly. According to provisional estimate, the growth of large and medium enterprises and small scale industries in GDP stood at 5.47 and 7.78 percent respectively in FY2019-20, compared to 14.84 percent and 10.95 percent in the previous fiscal year. The growth of the construction sector stood at 9.06 percent as compared to 10.25 percent over the previous fiscal year. Overall, the contribution of the broad industry sector stood at 35.36 percent in FY2019-20, as compared to 35.00 percent in the previous fiscal year. Among the broad service sector, wholesale and retail trade; hotels and restaurants; transport, storage and communication; financial intermediations; real estate and renting and business activities; health and social works etc. have decelerated significantly (about 1 to 3.1 percent) compared to FY2018-19. The contribution of broad service sector to the GDP stood at 51.30 percent in FY2019-20, which was 51.35 percent in the previous fiscal year.

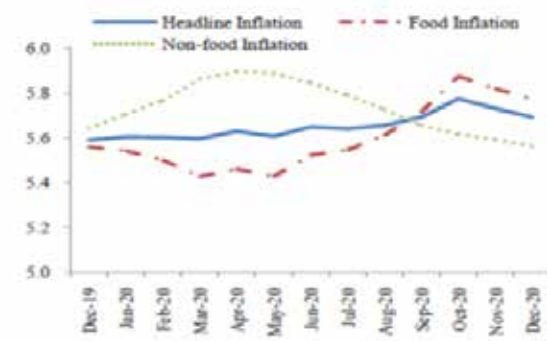
SAVINGS AND INVESTMENT

During FY2019-20, domestic savings increased to 25.31 percent of GDP, which was 25.02 percent in the previous year. Likewise, national savings as percent of GDP increased to 30.11 percent in FY2019-20 percent from 29.50 percent of the previous fiscal year. The investment has slowed down to 10.63 percent in FY2019-20 as compared to 14.19 percent in the previous fiscal year, due to the slight stagnation in the economy in the last four months of the fiscal year caused by COVID-19 pandemic. However, both public and private investment as a percentage of GDP has accelerated slightly compared to the previous fiscal year. Gross investment stood at 31.75 percent in FY2019-20, which was 31.57 percent of the previous fiscal year. Of this, public investment and private investment accounted for 8.12 percent and 23.63 percent of GDP, respectively, up from 8.03 percent of GDP and 23.54 percent of GDP in the previous fiscal year, respectively.

INFLATION

In FY2018-19, the average CPI inflation was 5.48 percent, remained within the target (5.50%) and 0.30 percent lower than the previous fiscal year. Food inflation for FY 2018-19 decreased to 5.51 percent from 7.13 percent in FY2017-18, while non-food inflation increased to 5.43 percent from 3.73 percent of previous fiscal year. In FY2019-20, the inflation rate stood at 5.65 percent, which is slightly higher than the target (5.50%). In this case, food inflation increased to 5.56 percent and non-food inflation stood at 5.85 percent. The Coronavirus (COVID-19) has slowed global economic activity and reduced inflation globally. However, the pandemic could ignite world food production and disruption of supply chain. Therefore, food inflation is likely to increase in the coming months.

Chart II.1: Point-to-point Headline CPI Inflation (in percent)



Source: Bangladesh Bureau of statistics

INTEREST RATE

Initiatives have been taken to rationalise the interest/profit rate of loans/investments with a view to creating an industry and business friendly environment for the industrial, business and service organisations. Bangladesh Bank issued a circular on 24 February 2020 fixing the interest rate on loans at a maximum of 9 percent (except credit card) which was to be effective from 1 April 2020. As part of this, the interest rate on deposits is being implemented at 6 percent from February 2020. The weighted average lending rate of commercial banks was 9.95 percent at the end of June 2018, decreased to 9.58 percent at end of June 2019 and further decreased significantly to 7.95 percent. On the other hand, the deposit rate was 5.50 percent at the end of June 2018 which decreased slightly to 5.43 percent at the end of June 2019 and further decreased to 5.06 percent at the end of June 2020. The weighted average interest rate spread on loans and deposits has come down from 4.15 percent at the end of June 2019 to 2.89 percent at the end of June 2020.

CAPITAL MARKET

Volatility has been observed in the price index of the Dhaka Stock Exchange (DSE) since the beginning of FY2019-20. In addition, trading was closed in April and May 2020 due to the novel Coronavirus pandemic. The DSE Broad Index (DSEI) decreased by 26.42 percent from 5,421.62 points at the end of June 2019 to 3,989.09 points at the end of June 2020. The number of listed securities (including mutual funds and debenture) of Dhaka Stock Exchange (DSE) stood at 589 in June 2020. Total market capitalisation of all listed securities was BDT 3,99,816.40 crore in June 2019, which decreased to BDT 3,11,967.00 crore in June 2020, representing an increase of to 21.97 percent.

Chattogram Stock Exchange (CSE) All Share Price Index declined by 31.87 percent from 13,332.56 points at the end of June 2020 from 16,634.21 in June 2019. The number of listed securities (including mutual funds and bonds) of CSE is 324 in June 2020. Market capitalisation of CSE at the end of June 2020 stood at BDT 2,44,756.71 crore, which was 25.68 percent lower than the market capitalisation of BDT 3,29,330.28 at the end of FY2018-19. Various initiatives have been taken by the government to maintain the stability of the capital market. In order to achieve the long term goal of sustainable development of the capital market by providing liquidity, a special fund of BDT 200 crore has been set up for each bank to invest in the capital market and its investment policy has also been formulated.



EXTERNAL SECTOR

Export

World trade has slowed since the beginning of 2020 due to trade disputes between the United States and China, falling oil prices and declining revenue in the oil producing countries. The economic activities came to stagnant due to the COVID-19 pandemic, which also affected country's foreign trade. The total export earnings for FY2018-

19 stood at US\$ 40,535.04 million, which is 10.55 percent higher than the previous fiscal year. Total export earnings in FY2019-20 stood at US\$ 33,674.09 million, down 16.93 percent from the previous fiscal year. On month-to-month basis, export growth in March 2020 declined by 18.21 percent over the same month of the previous fiscal year due to the coronavirus outbreak. Export earnings fell 82.86 percent to US\$ 520.01 million in April 2020. However, the situations has been improving since May 2020. In June 2020, export earnings declined by only 2.50 percent compared to the same month of the previous fiscal year. Some of the products that have been able to sustain growth during this period are: frozen fish (17.99%), pharmaceuticals (4.49%), handicraft (2.86%), raw jute and jute products (8.10%). On the other hand, growth in the readymade garments sector slowed to 18.12 percent. Even though exports are expected to decline further in the coming months due to the global pandemic, hopefully, many foreign buyers have postponed their purchases but have not canceled them. As a result, the export sector is expected to rebound once the Corona crisis is resolved. The government has taken several steps as an incentive in the export sector. The size of the Export Development Fund (EDF) has already been increased from US\$ 350 million to US\$ 500 million and interest rates have been fixed at 2 percent.

Import

The total import payment (C&F) for FY2018-19 stood at 59,914.70 million, up 1.78 percent from the previous fiscal year. Imports in FY2019-20 stood at US\$ 54,784.70 million, down 8.56 percent over the previous fiscal year. Of this, imports of food grains and consumer goods increased by 7.76 percent and 5.38 percent, respectively, while imports of intermediate commodities and capital goods declined by 5.05 percent and 23.92 percent respectively.

Overseas Employment and Remittance

Adverse condition in the overseas employments is prevailing due to the global epidemic. The continued fall of fuel price has also limited economic activity in the oil producing Middle East countries. The total manpower export in FY2018-19 was 6.93 lakh, which is 21.26 percent less than the previous fiscal year. In the first nine months of FY2019-20 (July-March, 2020), the country's labor force exports stood at 5.31 lakh people, which is 2.73 percent more than the same period of the previous fiscal year. From April 2020 to June 2020, manpower exports were virtually closed. In FY2018-19, remittance inflows increased by 9.60 percent over the previous fiscal year to US\$ 16,419.63 million. In FY2019-20, remittance inflows stood at US\$ 18,205.01 million, an increase of 10.87 percent over the previous fiscal year. The lion's share of remittances comes from Middle Eastern countries. In this regard, during FY2019-20, Saudi Arabia (22.06%), the United Arab Emirates (13.58%) and the United States (13.21%) topped the list. In this regard, remittance from United States has shown a significant growth.

Balance of Payments (BoP)

The trade deficit widened significantly to US\$ 17,861 million in FY 2019-20 from US\$ 15,835 million in the previous fiscal year. During this period, the current account balance decreases as remittance flows increase. The current account deficit stood at US\$ 4,849 million, compared to US\$ 5,102 million in the same period of the previous fiscal year. On the other hand, capital and financial account inflow increased US\$ 7,914 million in FY2019-20 from 6,146 million a year earlier. As a result, the overall balance of payments increased from US\$ 179 million in FY2018-19 to US\$ 3,655 million in FY2019-20.

FOREIGN EXCHANGE RESERVE

The surplus in the overall balance helped to maintain the foreign exchange reserve up. On 30 June 2020, the foreign exchange reserves reached US\$ 36.04 billion. On 30 June 2019, the foreign exchange reserve was US\$ 32.72 billion. It is noteworthy that remittances has recently gone up to a record US\$ 40 billion.

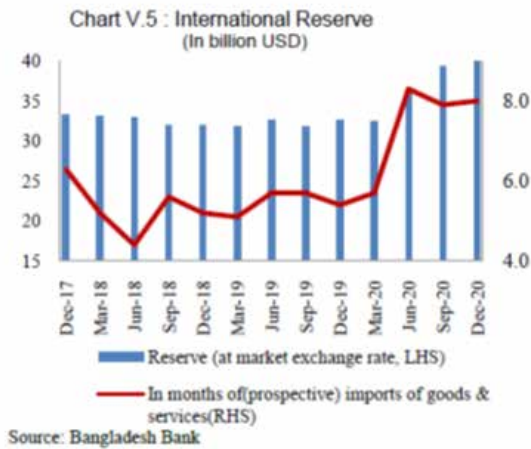
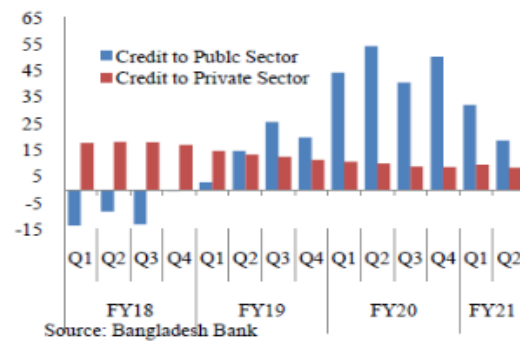


Chart III.3: Growth of Credit to Public and Private Sector (In percent)



EXCHANGE RATE

In FY2018-19, the weighted average exchange rate of the taka against the US dollar depreciated by 2.35 percent compared to the previous fiscal year and stood at BDT 84.03. In FY2019-20, the interbank weighted average exchange rate of taka against US\$ depreciated by 0.9 percent and stood at 84.60.

MONEY AND CREDIT

The projected growth of monetary aggregate and credit programme set for FY2019-20 (end June, 2020) are: broad money (M2) at 12.5 percent, reserve money (RM) at 12.0 percent, domestic credit 15.9 percent and credit to private sector 14.8 percent. Broad money growth accelerated in FY2018-19 from 9.24 percent a year earlier to 9.88 percent, but fall short of the FY2018-19 monetary programme target of 12 percent. The year-on-year growth of broad money at the end of June 2020 stood at 12.64 percent, which is slightly higher than the target. At the same period, reserve money has grown by 15.56 percent, which is 3.56 percent than the target. This growth is mainly due to the net domestic assets (NDA). At the end of June 2020, the growth of NFA and NDA are 14.82 percent and 48.30 percent respectively.



At the end of FY2018-19, the domestic credit increased by 12.26 percent as against 14.70 percent in the previous fiscal year. At the end of FY2019-20, domestic credit increased by 13.58 percent, which is slightly higher than the growth rate of the previous fiscal year (12.26%). At the end of FY2019-20, the growth of private sector credit stood at 8.61 percent, compared to 11.32 percent in the previous fiscal year. The net credit to the government increased by 55.51 percent at the end of June, 2020 compared to 19.37 percent increase in same period of previous fiscal year.

MONETARY POLICY AND MONETARY MANAGEMENT

The monetary policy stance and monetary programme for FY2019-20 have been drawn up with dual objective of maintaining price stability and supporting economic growth in the tune with government's strategies and goals for sustainable growth. Monetary policy remained accommodative during FY2019-20. The monetary programme is based on the 8.2 percent real GDP growth and 5.5 percent CPI inflation ceiling targets declared for FY2019-20 in the national budget. Bangladesh Bank's annual monetary programme made adequate room for money and credit growth for attaining the targeted nominal GDP growth.

With a view to ensure the adequate liquidity in the financial system to tackle the impending financial crisis stemming from the COVID-19 pandemic, Bangladesh Bank reduced the repo rate from 6 percent to 5.75 percent effective from 24 March 2020. The repo rate was further reduced to 5.25 percent effective from 12 April 2020. The CRR was initially reduced from 5 percent to 4.5 percent (daily-basis) and from 5.5 percent to 5 percent (bi-weekly basis), with a further reduction to 3.5 percent and 4 percent, respectively, from 15 April 2020. Bangladesh Bank has also raised the advance-deposit ratio (ADR) and investment-deposit ratio (IDR) by 2 percent to 87 percent and 92 percent respectively to facilitate credit to the private sector and improve liquidity in the banking system.

STIMULUS PACKAGES

To address the crisis resulting from the outbreak of COVID-19 and overcome its potential adverse effects on the economy, Hon'ble Prime Minister Sheikh Hasina has guided the formulation of an overall program with short, medium, and long-term targets. This program has four main strategic aspects.

- The first strategy is to increase government spending. In this respect, priority will be given to creating jobs and discouraging luxury spending.
- The second strategy is to provide low-interest credit facilities through the banking system to industries and business enterprises to revive economic activities and increase the competitiveness of entrepreneurs at home and abroad.
- The third strategy is to increase the scope of the government's social security programmes to protect the ultra-poor and the low-income groups that have suddenly become unemployed as well as the people engaged in informal sectors.
- The fourth and last strategy is to increase money supply in the market. However, this strategy is being implemented with utmost caution so that the negative effects of inflation can be controlled.



The government has already announced a fiscal and stimulus package of BDT 1,20,953 crore, which is 4.3 percent of GDP, to facilitate additional expenditure in the healthcare sector, emergency humanitarian assistance, and the overall economic recovery program. Some of the key features of the program is highlighted below:

- A fund of BDT 5,000 crore was provided for the purpose of ensuring continuation of payments of salaries and allowances of the workers of export-oriented industries at a service charge of only 2 percent. This initiative helped protect jobs of a large number of workers in this sector.
- The working capital loan facility of BDT 33,000 crore is being given at an interest rate of 9 percent to the affected industries and service sector companies to continue their business operation. Of this 9 percent, 4.5 percent will be paid by the borrowers and the remaining 4.5 percent by the government. As a result, large industrial and service sectors have been able to continue their business activities during COVID-19.
- The working capital loan facility of BDT 20,000 crore is being given at an interest rate of 9 percent to the affected micro, small and medium enterprises including the cottage industries to continue their business operation. Of this 9 percent, 5 percent will be paid by the government as subsidy and the remaining 4 percent by the borrowers. As a result, micro, small and medium enterprises including the cottage industries and service sector have been able to continue their business activities during COVID-19.
- The government has increased facilities under the Export Development Fund (EDF) and Pre-Shipment Credit Refinance Scheme of Bangladesh Bank.
- A total of 5 lakh metric tonnes of rice and 1 lakh metric tonnes of wheat have been distributed free of cost across the country as humanitarian aid for the poor people who have suddenly become jobless due to the coronavirus outbreak. Again, rice is being sold among the low-income people at BDT 10 per kg. As a result of all these measures, marginalised people did not face any food shortage and the chances of their falling below the poverty line were reduced.
- Initiatives have been taken to increase the coverage of social safety net programmes to protect the ultra-poor in the country from being jobless and prevent their loss of income due to the coronavirus outbreak. An amount of BDT 2,500 in cash each is being disbursed directly to 50 lakh selected beneficiary families from the treasury to their bank or mobile accounts across the country.
- Under the social safety net programmes, the coverage of old age allowances and the widow and divorcee women allowances in 100-ultra-poor Upazilas has been increased to cent percent. As a result, the total number of beneficiaries under these two allowances, including that under the disability allowance, has been increased by a total of 11 lakh, and their livelihood has become easier during the COVID-19 outbreak.
- Initiatives have been taken to build houses for all the homeless people on the occasion of the birth centenary of the Father of the Nation Bangabandhu Sheikh Mujibur Rahman. As a result, the poor will no longer have to be homeless.
- Of the activities undertaken to recover the economy in the aftermath of the coronavirus outbreak, the most prioritised one is to ensure continuation of agricultural production. To ensure food security for the people of the country, several important initiatives have been taken to maintain agricultural production at the usual level. In order to ensure that the farmers get fair price of their produce (paddy) and keep the price of rice stable in the market, the target of procuring rice in the current Irri-Boro season has been expanded by 2 lakh metric tons. An amount of BDT 3,200 crore are being allocated as an incentive to promote farm mechanisation. The amount of agricultural subsidy has

been increased to BDT 9,500 crore. An agricultural refinance scheme of BDT 5,000 crore is being formulated to ensure easy loans of affected farmers. In addition, a refinancing scheme of BDT 3,000 crore has been created for low-income professional farmers/ small traders. All these initiatives will be helpful for agriculture in the country and will assist our farmers.

- Allocation has been made to Karmasangsthan Bank, Prabasikallyan Bank, Palli Sanchay Bank and Palli Karmasahayak Foundation for the purpose of providing loans at a low interest rate to expatriate workers, trained youth and unemployed youth for starting business and self-employment. For this purpose, the government will provide a capital of BDT 500 crore to each of these four institutions so that they can disburse low-interest loans to suitable entrepreneurs under specific programs. As a result, self-employment opportunities have been created for poor rural farmers, expatriate workers, trained youth and unemployed youth in the agriculture sector and in agro-related production and services, small business, small and cottage industries, etc.
- The interest collection against disbursed loans by all commercial banks for the month of April and May has been postponed.
- To encourage banks to disburse loans to micro, cottage and small enterprises, Bangladesh Bank has introduced a credit risk guarantee scheme of BDT 2,000 crore.

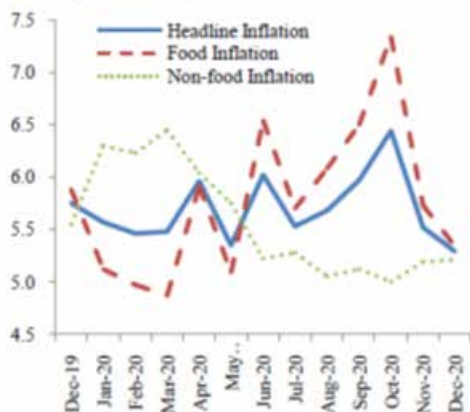
BANKING SECTOR OUTLOOK 2020

After an economic fallout from the COVID-19 pandemic which had impacted the GDP growth rate of FY20 to decelerate at 5.2 percent, Bangladesh witnessed a broad-based economic recovery in Q1FY21 which strengthened further in Q2FY21, thanks to the timely and appropriate interventions by the government with a comprehensive stimulus package underpinned by expansionary fiscal and monetary policies. On the supply side, sustained activities in agriculture sector, resumption of industrial production backed by a turnaround of exports and construction activities nearing the levels of the pre-pandemic period, and restoration of service sector activities with increased mobility of people including a rush in domestic tourism destinations are suggestive of recovery in economic activities during this quarter. On the other hand, strong remittance inflows (registering growth rates of 48.6 percent in Q1FY21 and 27.47 percent in Q2FY21) and a significant growth in consumer credit (20.82 percent in this quarter) helped revitalize domestic demand. Besides, the bounce back of imports near to the pre-pandemic levels also indicated the rebound of domestic demand.

Bangladesh's economic recovery is expected to be driven by a fiscal stimulus package which is a meagre 19.29 per cent of its total COVID-19 relief funds or only 0.83 per cent of its GDP, and falls far short of the 11 per cent of GDP that is estimated to be required to mitigate the socioeconomic impacts of COVID-19. Ironically, the largest industries which are relatively more capable of dealing with shocks received the greatest support from COVID-19 relief funds. Moreover, the varying speed of implementation of the various liquidity support packages has created an unequal turnaround as bigger firms have rebounded more strongly, owing to quick access to liquidity packages, while smaller firms have been left behind.

Headline CPI inflation (point-to-point), which had remained broadly stable during Q1FY21, witnessed a sharp rise from 5.97 percent in September 2020 to 6.44 percent in October 2020, but then declined gradually to 5.29 percent in December 2020, the lowest since February 2017.

Chart II.2 12-Month Average Headline CPI Inflation (12-month average, in percent)

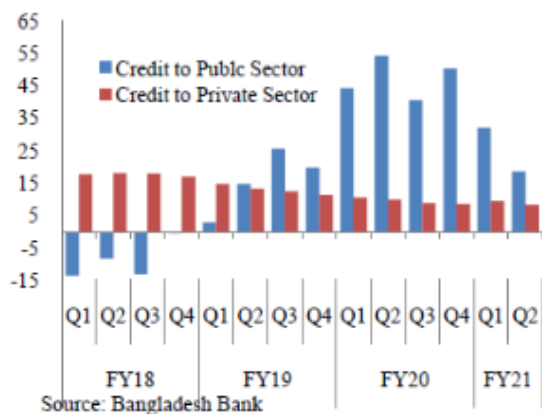


Source: Bangladesh Bureau of statistics

The recent drop in headline inflation during November and December, 2020 was mainly driven by decreasing food inflation, although non-food inflation crept up slowly. Similarly, 12-month average CPI inflation moderated to 5.69 percent in December 2020 after nudging up to 5.77 percent in October 2020.

To limit the economic slowdown caused by the pandemic and to ensure faster recovery of economic growth, Bangladesh Bank (BB) has been pursuing an expansionary monetary policy by setting broad money (M2) growth targets of 14.00 and 15.00 percent for December 2020 and June 2021, respectively. A surge in net foreign asset (NFA) kept M2 growing closely to its program path in Q2FY21. Although BB slashed its key policy rates in July 2020, weak private credit demand continued in Q2FY21 resulting a significant rise in excess liquidity in the banking system.

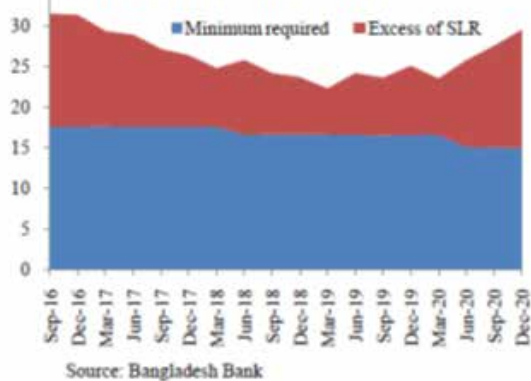
Chart III.3: Growth of Credit to Public and Private Sector (In percent)



Source: Bangladesh Bank

Bangladesh Bank's recent downward revision of policy rates, particularly the reduction of cash reserve ratio (CRR) by 1.50 percentage points led to a significant rise in liquidity in the banking system. The ratio of total liquid asset to total demand and time liabilities (TDTL) increased to 29.52 percent in Q2FY21 as compared to 27.52 percent in Q1FY21 (Chart III.4). Similarly, liquid asset in excess of SLR to TDTL rose to 14.58 percent from 12.55 percent during the same period. The impact of rise in the excess liquidity had already been resulted in a downward movement of interest rates in both wholesale and retail money markets.

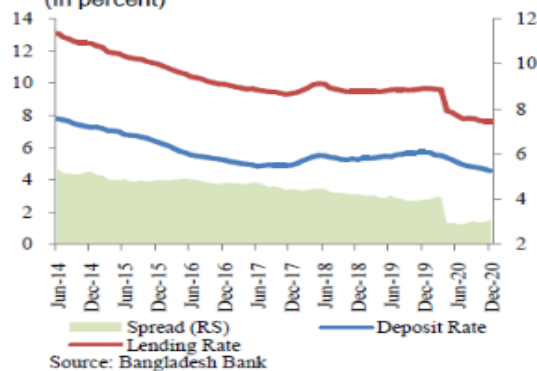
Chart III.4: Liquidity as a % of TDTL



Source: Bangladesh Bank

Moreover, prevailing low demand for private credit accentuated this pile-up of liquidity and lingered the downward movements of interest rates. Consequently, interest rate in the call money market further declined to 1.79 percent in December 2020 from 2.87 percent in September 2020 and 4.64 percent in December 2019. The weighted-average interest rate on lending declined to 7.61 percent from 7.79 percent in September 2020 and 9.68 percent in December 2019 (Chart III.6). Similarly, the weighted-average interest rate on deposit declined to 4.54 percent in December 2020 from 4.79 percent in September 2020 and 5.70 percent in December 2019.

Chart III.6: Interest Rate Spread (In percent)



Source: Bangladesh Bank

BANKING SECTOR PROSPECTS IN 2021

Banks have a crucial role to play in implementing COVID-19 related stimulus packages announced by the government since the major portion of these packages is in the form of liquidity support through the commercial banks. This is indeed a huge responsibility on the banks since the banking sector has been in weak condition during the pre-pandemic period. Indeed, during the last decade the situation of the banking sector has been deteriorating steadily which are reflected through high volume of non-performing loans (NPL), escalation of loan write-offs, major scams, irregularities and heists in banks. With the added responsibility, how the sector would manage its responsibility and how it would recover itself from the long weakness have been the two important issues that took the centre stage of discussion on the banking sector. It was emphasized on clear guidelines to determine the eligibility of commercial banks for disbursing the liquidity support and highlighted the long-standing problems of the banking.

The banking sector's performances continued its resilience in Q2FY21 since the end of June 2020, as reflected by a fall in non-performing loans (NPLs), a moderation in capital adequacy and profitability, an improvement in liquidity condition, and betterment in provision

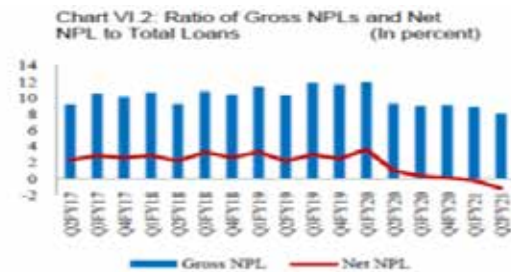


maintaining. The overall NPL of the banking sector dropped further at the end of Q2FY21, facilitated by both state-owned commercial banks (SCBs) and private commercial banks (PCBs).



Source: Bangladesh Bank

The ratio of overall NPL to total loans of the banking industry contracted to 8.06 percent (with OBU it was 7.66 percent) at the end of Q2FY21 from that of 8.88 percent at the end of Q1FY21, and 9.32 percent at the end of Q2FY20. The development partly accounted for loan moratorium facility, loan rescheduling, and loan write-off spree amid the COVID-19 pandemic. The gross NPL ratio for SCBs declined further from 22.46 percent in Q1FY21 to 21.03 percent in Q2FY21. Likewise, the gross NPL for PCBs also fell to 4.82 percent at the end of Q2FY21 from 5.56 percent at the end of Q1FY21. Also, the system-wide net NPLs ratio of the banking industry witnessed another improvement, dropping to -1.2 percent at end-Q2FY21 from -0.22 percent at the end of Q1FY21. Hence, the lower NPLs ratio led to an improvement in provision maintained against classified loans in Q2FY21.



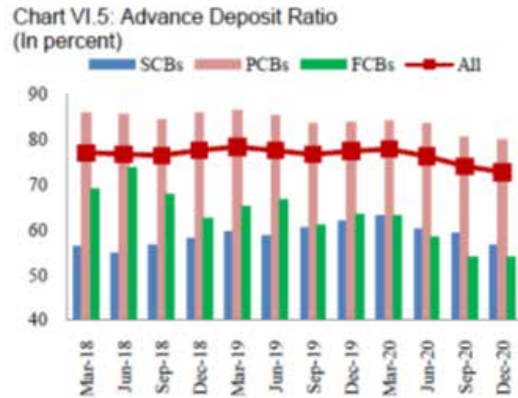
Source: Bangladesh Bank

The overall capitalization of the banking system remained broadly stable although the capital to risk-weighted asset ratio (CRAR) moderated marginally at the end of Q2FY21 compared with that of Q1FY21. The CRAR of the banking sector slightly fell from 11.94 percent in Q1FY21 to 11.64 percent in Q2FY21, mostly attributed to SCBs. The CRAR of SCBs declined from 8.25 percent in Q1FY21 to 4.34 percent in Q2FY21, reflected by a large fall in Tier-1 capital. Meanwhile, the CRAR for PCBs edged up to 13.96 percent in Q2FY21 from 13.29 percent in Q1FY21. Likewise, the CRAR of FCBs also posted an improvement, increasing from 25.59 percent in Q1FY21 to 28.24 percent in Q2FY21.



Source: Bangladesh Bank

The bank's deposits growth maintained a rising trend for the last three consecutive quarters and reached 13.1 percent (y/y) at the end of Q2FY21 driven by SCBs compared with 12.4 percent growth in the previous quarter. However, the growth in advances decelerated from 9.6 percent at the end of Q1FY21 to 8.2 percent at the end of Q2FY21. Consequently, advance deposit ratio (ADR) declined to 72.7 percent at the end of Q2FY21 from 74.0 percent in Q1FY21. In Q2FY21, banking sector witnessed a huge surplus of liquidity because of weak demand for loans originated from COVID-19 pandemic.



The excess liquidity- the excess of CRR and SLR as a percent of total demand and time liabilities (TDTL)- edged up to 14.6 percent at the end of Q2FY21 from 12.6 percent at the end of Q1FY21.

Banking sector witnessed a modest profit moderation in 2020 compared with that of 2019 as reflected in the Return on Assets (RoA) and Return on Equity (RoE), partly due to the COVID-19 pandemic. The RoA and RoE in the banking sector moderated, partly driven by regulatory forbearance not to transfer all interest receipts from loans to income account directly during moratorium era, one percent additional provision for uncollected loans and advances and reduced interest rates of loans and prevailing excess liquidity in the banking system. In 2020, RoA and RoE of the banking sector dropped to 0.25 percent and 4.28 percent compare to that of 0.43 percent and 6.83 percent respectively in 2019. The RoA and RoE of SCBs significantly declined to -1.07 percent and -29.57 percent at the end of 2020, from -0.61 percent and -13.68 percent respectively in 2019. The RoA and RoE of PCBs also declined slightly to 0.70 percent and 10.22 percent in 2020 from 0.77 percent and 11.16 percent respectively in 2019.

PERFORMANCE OF STANDARD BANK LIMITED

Standard Bank has successfully achieved improved operational results showing an impressive upward trend. Bank's operation has achieved the confidence of its customers with sound fundamentals in respect of deposit accumulation and loans & advances. As a result the bank has been able to earn a steady after tax profit growth.

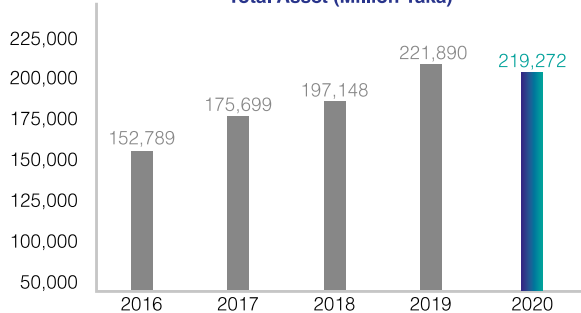
FINANCIAL RESULT OF THE BANK

To uphold the continuous growth, the management of SBL is always striking optimum balance between liquidity and profitability. The Management emphasizes on the growth of quality of assets in addition to the quantity. Our financial highlights are growing year to year mainly due to operational efficiency and an increasing customer base. The financial results of the Bank are as under:

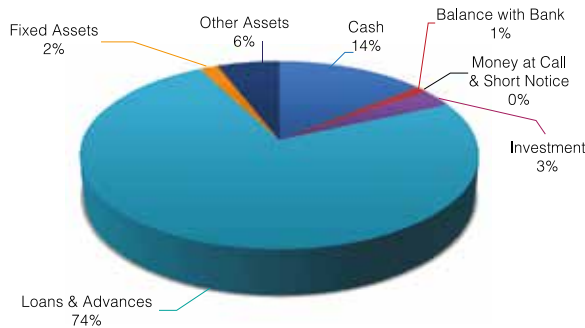
PROPERTY AND ASSETS

As on 31st December 2020 total asset of the Bank stood at Tk.219,271.93 million with a Negative growth of 1% (One percent) in comparison with corresponding previous year of 2019. The increase in Asset was mainly driven by significant growth of customers' deposits which were used for funding in loans & advances and holding of securities. The increase in asset is determined by loans and advances.

Total Asset (Million Taka)



Assets Mix-2020



CASH IN HAND

Cash in hand stood at Tk. 1,742 million in 2020 as against Tk. 1,874 million of the previous year i.e. 7% decreases that indicates the optimum retention of fund to meet current obligation in comparison to with the previous year.

BALANCE WITH BANGLADESH BANK AND ITS AGENTS

During the year 2020, Balances with Bangladesh Bank and its agents increased by 166% (on e hundred sixty six percent) amounted to Tk. 29,088 million.

BALANCE WITH OTHER BANKS/FINANCIAL INSTITUTIONS

During the year 2020 balances maintained with other banks and financial institutions stood at Tk. 2,127 million as against Tk. 1,933 million of the previous year which is increased by 10% from previous year.

INVESTMENTS

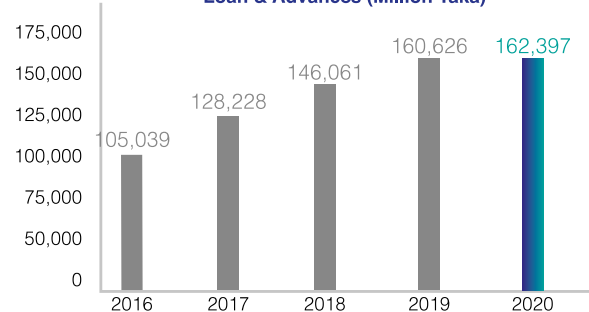
The Bank always gives emphasis on investment of Funds in high yield areas simultaneously maintaining Statutory Liquidity Requirement (SLR) as fixed by Bangladesh Bank. Besides, one of the investment activities of the bank is to maintain Statutory Liquidity Reserve (SLR) which mainly comprises Government Treasury Bill and Treasury bond of different tenure. Prize Bonds, Government approved Debenture. The Bank invested total Tk. 7008 million in 2020 as compared to Tk. 30,598million of the previous year.

LOANS AND ADVANCES

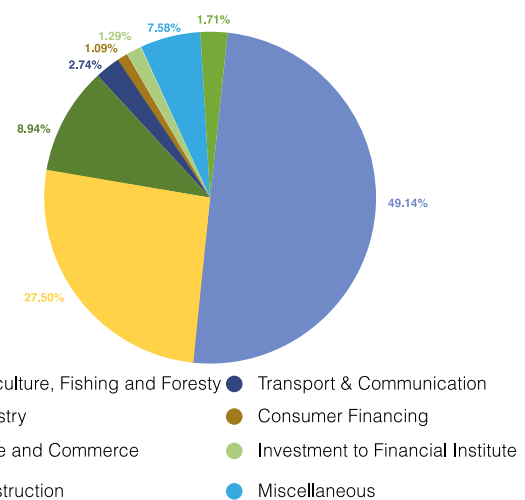
Total Loans and Advances of the Bank has increased to BDT 162,397 million as on December 31,2020 in comparison to BDT 160,625 million as on December 31, 2019, which indicates an increase of 1% over the last year. Despite of volatile capital market, global recession declining trend of private sector credit growth, the Bank has successfully retained the progressive trend of credit portfolio of the Bank ensuring sustainable profitability to meet accountability towards the customers as well as the stakeholders.

Credit is the single largest component of the total assets of the Bank. Furthermore, during the year the Bank has put enormous emphasis to Credit Risk management since it is the main tool to ensure proper Credit Management. Quality of Credit can only be retained if prudent Credit Risk Management procedure is effective and efficiently followed. That's why, the Bank has established CRM to analyze Credit Risks in different sectors like Telecommunication, Power Generation, Pharmaceuticals, Steel re-rolling, RMG, Textile, Ceramics, etc. and to determine the necessary strategies and policies while extending credit facilities in those sectors. Compliant as per the guidelines of Bangladesh Bank in Credit Management System and to retain its continuance; the initiative has been taken to revise the existing Credit Policy. Credit Monitoring and Recovery Department has been strengthening to ensure regular monitoring of the existing credit facilities. Concentration of credit in a single sector or group has been strongly discouraged and alternatively financing in Small & Medium Enterprise (SME), Women Entrepreneur and Agricultural Sector are given more emphasis towards contributing in GDP as well as in poverty alleviation program.

Loan & Advances (Million Taka)



Investment Portfolio



Besides, to contribute in national economy, the Bank has extended its participation in Syndicated Financing in different prospective Greenfield and BMRE projects in the sectors like power generation, telecommunication, pharmaceuticals, textiles, manufacturing industries, etc. The total participation in Syndicated Financing at the end of the year 2020 was Tk. 2,835.10 million.



To inform about the importance and increase awareness among the employees regarding green banking, the Bank has included special module on "Green Banking: prospect in Banking Sector" in different training programs arranged by Bank's Training Institute. Environment Risk Management has been taken as part of social responsibility for the Bank. It has financed in various environment friendly projects like CNG projects. Effluent Treatment Plant (ETP) of manufacturing industries, Auto Brick Field using Hybrid Floffman Kiln (HHK), etc.

Due to prudent initiative of the Management, it becomes possible to retain the non-performing loan within 4.87% i.e. Tk. 7,764.22 Million against the total loans and advances of BDT 162,397 million at the end of the year 2020.

The Bank has strengthen the credit division to continue regular supervision and monitoring for credit facilities disbursed to different borrowers to reduce the percentage of non-performing loans. Recovery Division has been reformed with new strategy and policy to recover the non-performing loans. To sustain in the competitive market, the Management of the Bank is always dedicated to take timely and appropriate decisions to flourish its credit portfolio in different sectors.

CORPORATE FINANCE

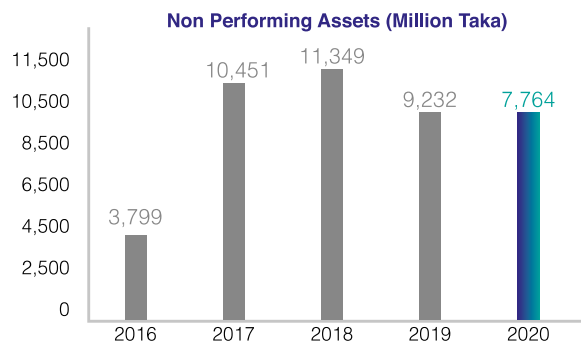
Standard Bank Limited always adopts strategy for widespread service for the large and medium sized corporate customers and Bank's business is focused to a considerable extent on the corporate clients by maintaining a relationship and extending financial assistance based on a deep understanding of the clients' business environments, financial needs and internal strategies for growth. The Bank extends its financial support to the corporate clients either from own finance or by arranging syndicated/ club finance. The investment in corporate sector is the combination of a mixed and balanced allocation in various natures.

SYNDICATED FINANCE

Syndicated loans allow arranging funds for large projects spreading the risk amongst the partner Banks. Clients also enjoy the benefits of having access to larger pool of funds from multiple financial institutions but have to deal with one Agent Bank and one set of documentation. The outstanding balance of loan under Syndicated Finance stands at Tk. 2,835.10 million as on 31.12.2020. The projects in which the Bank participated in syndication financing in different prospective Green field & BMRE projects in the sectors like Power Generation, Telecommunication, Pharmaceuticals, Textiles, Manufacturing industries etc.

NON PERFORMING LOAN MANAGEMENT

Credit Monitoring is a continuous process to maintain and upgrade the health of assets of the Bank. The Bank continued its efforts to maintain high quality assets. Besides giving emphasis on the satisfactory business performances of the customers and collateral support, the Bank geared up loan monitoring and follows up systems through Monitoring Department to check the loans from becoming non-performing. The non-performing loans of the Bank stood at Tk. 7,764.22 million at the end of 2020 compared to Tk. 9,232.44 million in 2019 i.e. 15.90% decrease from previous year



LIABILITIES AND SHAREHOLDERS' EQUITY

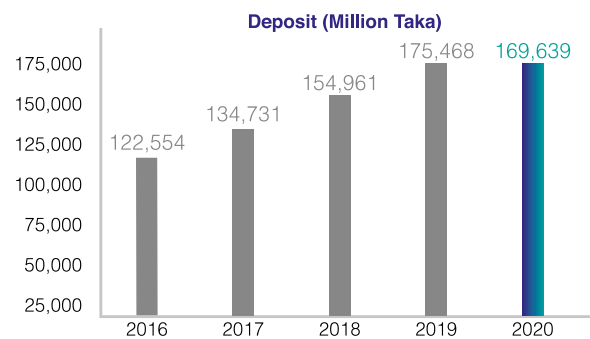
Total liabilities of the Bank stood at Tk. 202,507 million as of 31 December 2020 registering a negative growth of approximately 3% (three percent) over the last year. This was mainly due to increase in customers' deposits.

Borrowings from other Banks, Financial Institutions and Agents

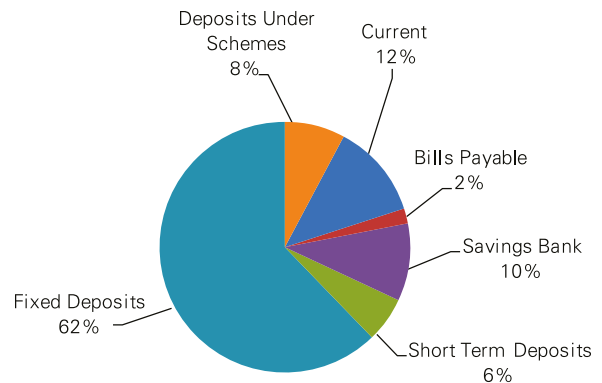
The function of the Treasury Division is borrowing and lending fund from money market. Borrowing from other Banks, financial institutions and agent including overnight borrowing stood at Tk. 12,006 million at the end of 2020 compared to Tk. 12,590 million of 2019. The Bank's borrowing also includes borrowing against refinance from Bangladesh Bank for financing under SME scheme and financing against SME (women entrepreneurs).

DEPOSIT

Deposit is the principal source of fund invested to generate revenue in banking business. SBL always tried to give the highest return on the deposit from the customers. The Bank's deposit stood at Tk. 169,639 million as on 31 December, 2020 compared to Tk. 175,468 million in 2019, thus recording 3% percent negative growth. Competitive interest rates, attractive deposit products, deposit mobilization efforts of the Bank and confidence reposed to the customers in the Bank contributed to the growth in deposits. SBL is offering different types of deposit products for the customers. Among the products, Fixed Deposits, Scheme Deposits of different types, savings deposits, short-term deposits remained the core deposits of the Bank. SBL Regular Income program (SRIP), Double Income Plus (DI+), SBL Regular Deposit Program (SRDP), Life Secured Double Income Program (LSDIP) etc. are some attractive products, which contributed to the growth of deposit.



Deposit Portfolio Mix





SHARE CAPITAL

The Authorized Capital of the Bank was Tk. 15,000 million as on 31.12 2020. The paid up capital of the Bank has been increased to Tk. 10,060 million from Tk. 9,580 million due to declaration of 5% (Five percent) stock dividend for the year 2019. The total equity of shareholders of the Bank at the end of the year 2020 stood at Tk. 16,765 million and in 2019 was at Tk. 16,248 million.

STATUTORY AND OTHER RESERVE

The Statutory and Other Reserve increased to Tk. 6,029 million during the year by registering 8% increase over Tk. 5,578 million of the last year.

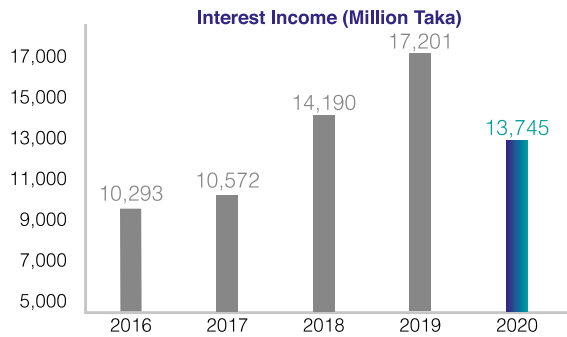
OTHER LIABILITIES

During the year 2020, other liabilities of the Bank increased to Tk. 20,861 million from Tk. 17,583 million of 2019.

INCOME

Interest Income

During the year 2020 interest income of the Bank was Tk. 13,745 million as against Tk. 17,201 million of the previous year thus Negative growth of 20% percent due to lower interest spread. The income generated mainly from loans and advances, which remained the principal contributor.

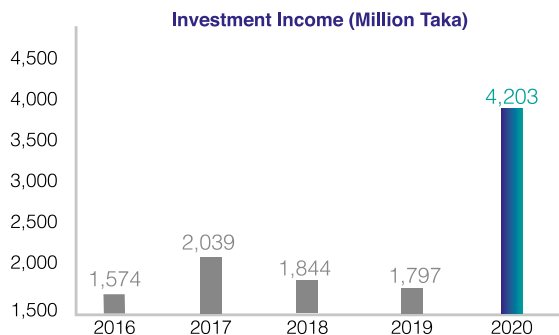


Net Interest Income

The net interest income of the Bank for the year under review stood at Tk. 2,185 million as against Tk. 4,249 million for the previous year.

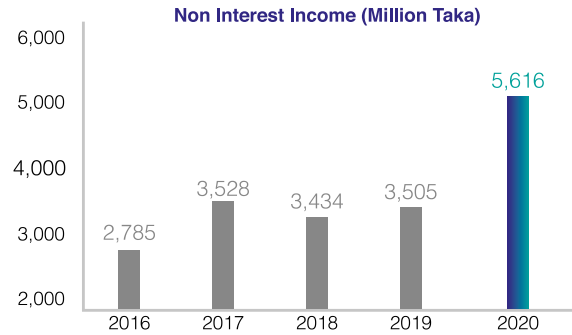
Investment Income

The Bank's investment income during the year 2020 was mostly in long term Govt. Securities which stood at Tk. 4,203 million as against Tk. 1,797 million in 2019. The Government Treasury Bonds have been purchased to cover the increased SLR arising from the growing of deposit liabilities.



Commission, Exchange & Brokerage Income

In the year under review, commission, exchange and Brokerage earnings were Tk. 995 million which was Tk. 1,178 million in 2019.



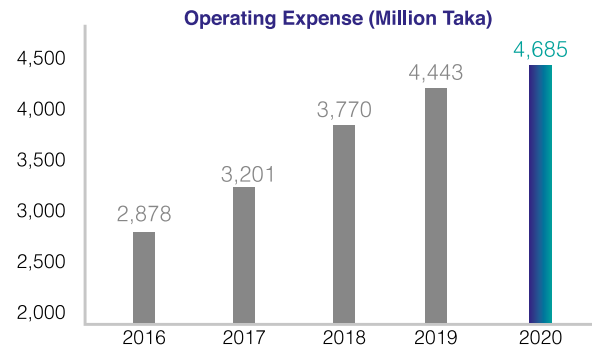
EXPENSES

Interest Expenses

Interest expenses Tk. 12,952 million in 2019 to Tk. 11,561 million in 2020 posting an decrease of 11%. The interest expenses of the Bank were decreased due to decreasing trend of deposit rates in the market.

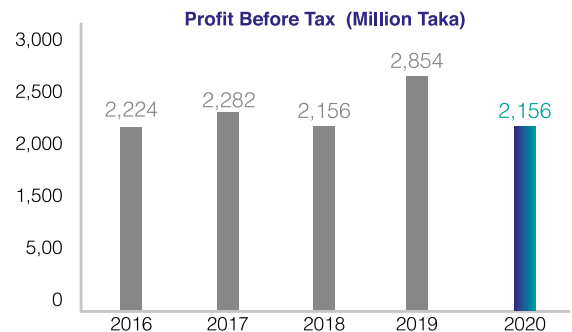
Operating Expense

In the year 2020, total operating expenses stood at Tk. 4,685 million as against Tk. 4,443 million of the previous year.



PROFIT BEFORE TAX

Net profit of the Bank before tax stood at Tk. 2,156 million as against Tk. 2,854 million of the previous year.



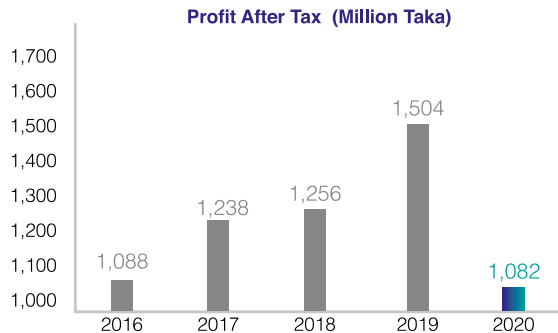
NET PROFIT AFTER TAX

Net profit of the Bank after tax stood at Tk. 1,082 million in 2020.



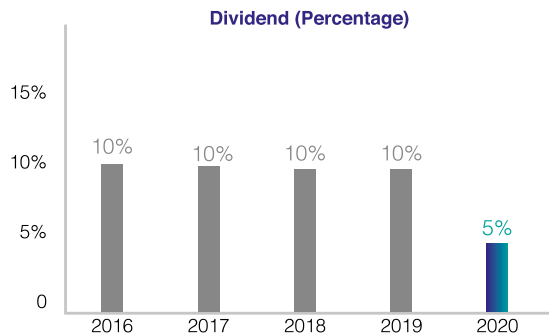
OPERATIONAL SUCCESS AND APPROPRIATION OF PROFIT

The operating profit of the Bank during the year 2020 was Tk. 3,115 million as against Tk. 3,311 million in 2019. The Bank was able to earn gross income of Tk. 19,361 million during the year 2020 whereas the gross expenses were Tk. 16,246 million.



DIVIDEND

The Board of Directors of the Bank in its 341st Board meeting held on 28.04.2021 has recommended 2.5% Stock dividend & 2.5% Cash dividend for the year 2020 of Tk. 502,995,394 after keeping Tk. 177,595,889.79 and Tk.451,190,257 as retained earnings / surplus profit and Statutory Reserve respectively subject to approval from shareholders at 22nd AGM of the Bank in order to maintain satisfactory capital base of the Bank.



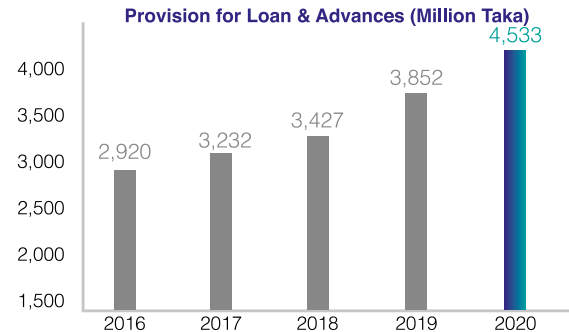
SEGMENT REPORTING

Following table also summarizes both the stand alone performance of the Bank and its subsidiaries.

Particulars	Standard Bank Ltd.	Subsidiaries		Overseas		Total
		SBL Capital Management Ltd	SBL Securities Ltd	UK Ex.House	USA Ex. House	
Net interest Income	2,187,564,936	(32,815,151)	50,383,230	-	950,146	2,206,083,162
Total Operating Income	7,494,797,593	83,401,683	62,480,749	22,444,386	127,012,908	7,790,137,319
Total Non Operating Income	5,307,232,657	1,703,950	747,984	1,632,485	5,933,922	5,317,250,998
Total Operating Expenses	4,506,719,377	19,307,614	19,013,306	24,651,754	115,385,917	4,685,077,968
Profit before Provision	2,988,078,216	65,798,019	44,215,426	(574,884)	17,560,913	3,115,077,691
Total Provision against assets	919,771,640	30,109,601	9,554,191	-	-	959,435,432
Profit before Tax (PBT)	2,068,306,576	35,688,418	34,661,235	(574,884)	17,560,913	2,155,642,258
Provision for Taxation	1,026,303,751	34,739,324	12,544,040	-	-	1,073,587,116
Profit After Tax (PAT)	1,042,002,825	949,094	22,117,194	(574,884)	17,560,913	1,082,055,142
Segment Assets	217,685,387,322	991,833,221	460,499,003	34,900,728	99,309,408	219,271,929,683
Segment Liabilities	217,685,387,322	991,833,221	460,499,003	34,900,728	99,309,408	219,271,929,683

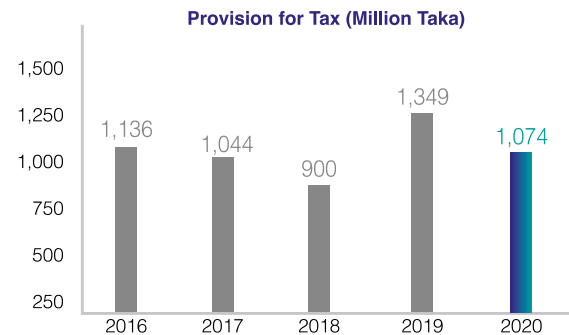
PROVISION FOR LOANS & ADVANCES

For making required provision amounting to Tk. 681 million against classified and unclassified advances as per revised directives of Bangladesh Bank by December 2020, the Bank made provision for Tk. 428 million during the year under report. At present there is no shortfall in provision against classified and unclassified loans and advances and Off Balance Sheet Exposures.



PROVISION FOR TAX

Provision for tax for the year 2020 is Tk. 1,074 million compared to Tk. 1,349 million of previous year. According to Bangladesh Accounting Standards (BAS) 12, Current Tax of the Bank has been calculated.



CREDIT RATING OF THE BANK

Surveillance rating of Standard Bank Limited was rated as on AA+ on the information of 31.12.2020 by the ARGUS Credit Rating Services Ltd., which is a local renowned rating company. The Bank has achieved AA+ in long term and ST-2 in short term. The above surveillance rating has been done in consideration of Bank's visible improvement in fundamentals such as assets quality, capital adequacy, liquidity position, profitability and limited market share.

RISK MANAGEMENT

Risk Management is a dynamic process interrelated with the philosophy, culture and functionalities of the Bank. By nature, risks are extremely unpredictable. This makes it urgent for the Bank to evolve its risk management strategy in a way that best protects our interests against any insidious transactions. The management of Standard Bank Ltd. is fully cognizant to the importance of various risks involved in the banking business. Risk Management is one of the critical factors in banking. Bangladesh Bank has identified 06 (six) core risks Management of Banks and has provided necessary guidelines for prevention there from. The six core risks are:

- Credit Risk Management
- Asset Liability Management
- Foreign Exchange Risk Management
- Prevention of Money laundering
- Internal Control and Compliance
- Information and Communication Technology Risk

Effective risk management is indispensable for smooth commercial operation in all spheres of business. So Standard Bank Ltd. has implemented the following risk management system in line with the guidelines of Bangladesh Bank to prevent relevant risks.

Credit Risk Management

Credit risk is the risk of loss arising from the failure of a borrower, issuer, counterparty or customer to meet its financial obligations to the Bank. The Bank is exposed to credit risk both through direct exposures and through contingent exposures. Our endeavor in identifying, measuring, monitoring and controlling credit risk for each borrower and also at the portfolio level are working as the guiding principles of credit risk management. Standard Bank Limited always acknowledges effective Risk Management as the key to steady and stable growth for the Bank. The Bank's own lending policy has been introduced in the Bank in line with the directives received from the Bangladesh Bank and the Government. The Branches are the business unit of the banking system. The loan application assessment process starts at branch level by the Manager Operation (MO) and ends at Credit Risk Management approval Unit. The CRM Unit analyses the proposal from different perspectives in line with lending policy of the Bank. If the proposal is found business worthy the CRM Unit places it to the Credit Committee with its recommendations. Mentionable that Credit approval authority has been delegated to the individual executives. Proposal beyond their delegation is submitted to the Board of Directors/Executive Committee and the top management.

Asset Liability Management

Asset Liability Management (ALM) is an integral part of Bank Management that manages the Bank's on and off-Balance sheet position to offer competitively priced products and services to customers. The Asset-Liability Management Committee (ALCO) holds meetings regularly to discuss both the opportunities and threats to the Bank's Balance Sheet & Liquidity. As per Bangladesh Bank guidelines the Bank formed Asset Liability Committee comprising with the following members:

- Managing Director & CEO
- Additional Managing Director
- Deputy Managing Directors
- Head of Branch Management and Operation.
- Head of Credit
- Head of Treasury
- Head of IT
- Head of ID
- Head of FAD
- CFO
- Head of SME
- Head of IBW

ALCO members sit at least once in a month to review mainly the aspects of economic and money market status risks as a whole, liquidity risks related with Balance Sheet, transfer pricing risk, risks related to interest rate on deposits and advances and various important aspects including monetary policy of Bangladesh Bank.

Foreign Exchange Risk Management

Foreign Exchange Risk arises from the variation in rates of exchange that prevail at domestic and international markets. The introduction of market based exchange rate of Taka has resulted in both trading opportunities and associated Foreign Exchange volatility risk. Foreign Exchange risks are the potential change in earning arising due to change in foreign currency prices. The front office of the Bank's Treasury Division continues to determine foreign exchange rate & tries to reduce the associated risk while the Back office settles all foreign exchange transactions and reconciliation. As a result treasury activities of the Bank are being operated smoothly and efficiently.

ANTI-MONEY LAUNDERING & COMBATING FINANCING OF TERRORISM COMPLIANCE

Effective prevention of Money Laundering, Combating Financing of Terrorism & Proliferation Financing regimes is essential to protect the integrity & stability of markets and global financial framework to mitigate the factors that facilitate financial abuse. A strong and effective AML & CFT system with comprehensive rules covering anti-money-laundering and combating financing of terrorism requirements for financial sector is essential to set up an adequately operational, legal and institutional or administrative framework. There is no precise measurement of the costs of regulation balanced against the harms associated with Money Laundering, Terrorist Financing (TF) and the Proliferation Financing (PF). The reputation of a financial Institution as well as a Bank can also be seriously affected by ML, TF & PF activities.

Standard Bank Limited recognizes its obligation to join forces with governments, international organizations and other financial services organizations to close financial channels used by money launderers and terrorist organizations. The Board of Directors view money laundering prevention, not as a statutorily-imposed obligation, but as an integral part of its risk management strategy. To fulfill its commitment, Standard Bank Limited has developed a comprehensive policy on "Money Laundering & Terrorist Financing Risk Management Guidelines", "Money Laundering & Terrorist Financing Risk Assessment Guidelines", "Customer Acceptance Policy" and "Guidelines for Prevention of Trade Based Money Laundering" approved by the Board of Directors.

To keep our financial system sound & stable, Standard Bank Limited is committed to take appropriate measures from its position to prevent ML, TF & PF risks in the bank. Meantime, SBL has taken the following initiatives to comply with the requirements of Bangladesh Financial Intelligence Unit (BFIU).

According to BFIU Circular No. 26 dated 16/06/2020, standardized Know Your Customer (KYC) has already been introduced in the bank. It includes sources of fund and risk grading of customers.



SBL has been ensuring the implementation of Money Laundering Prevention Act, 2012 (amendment-2015) and adopted Anti Terrorism Act, 2009 (amendment 2012 & 2013) and circulated it to all of its branches to cope with latest AML strategies of National and Global arena.

On a daily basis, In SBL every branch generates a large value cash transaction report and reviews transaction patterns & on a monthly basis, every branch generates an exception report of customers whose account transaction volume exceeds the transaction limits mentioned in the TP, for further review. If, after confirming with the client, the transaction trend continues, the dealing officer documents the reason(s) behind the changed TP and amends the KYC profile accordingly.

Cash transactions (deposits or withdrawals) that breach certain limits set by Bangladesh Bank are reported to the BFIU. Before sending the report to BFIU, Bangladesh Bank, the respective branch reviews the transactions to detect suspicious transactions.

We also consider transaction monitoring to be a continuous process. High-risk accounts are reviewed by the concerned branches annually and low-risk accounts are checked in specific incidents. Transaction profiles are also reviewed and updated on justifiable grounds with appropriate documents, where applicable.

SBL branch officials generate Money Laundering Monitoring Report from its Core Banking Software (CBS) to find out structuring in transactions as well as to detect Suspicious Transaction. SBL also detected Suspicious Transaction manually reported it to BFIU through goAML web portal.

AML & CFT Division made a summary report on Self Assessment after extracting the Self assessment Report received from branches on half Yearly basis and submit it to BFIU after getting approval from Top Management Committee/Board of Directors on half yearly basis. Independent Testing Procedures is done by the ICCD officials while conducting Audit in the branches. The same is summarized and placed before the management on half yearly basis.

Screening Mechanism is fully activated in all branches of SBL to find out black listed persons/institutions from UN/OFAC/Local Sanction List for new customers of the Bank. Initiative has already been taken to screen all existing customers to find out black listed persons/institutions from UN/OFAC/Local Sanction List. Sanction Screening for outgoing payment & incoming remittance is going on in the International Division, Head Office.

Preservation of KYC of Walk-in/One-off and Online Customers are mandatory for banks as per instruction of BFIU, Bangladesh Bank. To bring the Walk-in/One-off and Online customers under due diligences, AML & CFT Division has issued circulars and circulated it to all branches about making a seal drawing a format of KYC to draw the seal on the back of the Cheque/Deposit slip of Walk-in/One-off and Online customers to preserve the KYC of those customers.

AML & CFT Division conducts AML/CFT training/workshop on a periodic basis with the collaboration of Standard Bank Training Institute to enrich AML & CFT knowledge of its employees. During

There are 32 (ThirtyTwo) complaints have been received by the CCS & CMC during the period of 01.01.2020 to 31.12.2020 details of which are as under:

SL No.	Complainant	No. of Complaints Received	No. of Complaints Settled	No. of Complaints Unsettled
01	Bangladesh Bank	24	21	3
02	General Customer/ Other Institutions	8	8	0
Total		32	29	3

the Covid-19 Pandemic situations about 50 Officials of the bank took part in day long AML/CFT workshops.

Branches have been instructed to follow the Customer Due Diligence (CDD) procedures i.e. to obtain complete and accurate information of the clients while establishing the Banking relationship. Enhanced Due Diligence (EDD) is to be performed while opening the account of PEPs, IPs, the Chief of International Organizations and other high risk A/Cs.

Finally, AML & CFT issues are collective approach. We will protect Money Laundering & Terrorist Financing challenges collectively.

CENTRAL CUSTOMER SERVICES & COMPLAINT MANAGEMENT CELL

Bank is the most trusted medium to get financial services around the world and Customer Service is the prime factor in Banking Industry. Quality Customer Service not only contributes to a bank's profit maximization but also plays a significant role in financial inclusion of mass people in countries like Bangladesh. To provide quality services to its valued client, Standard Bank family is working with utmost dedication and commitment. With a nationwide network of 138 branches, 26 Agent Banking Outlets & 120 ATM Booths Standard Bank Limited is providing services to achieve its goals.

With a view to strengthening the corporate governance structure of Standard Bank Limited and also to improve the quality of customer services of the Bank as per instruction of FICSD, Bangladesh Bank, Complaint Cell of SBL has been reconstituted as Central Customer Services and Complaint Management Cell (CCS & CMC) under the direct supervision of Honorable Managing Director & CEO of the Bank.

Zonal Customer Services & Complaint Management Cell (ZCS & CMC) has been reformed under the Central Customer Services & Complaint Management Cell (CCS & CMC). Branch Level Customer Services & Complaint Management Desks (BLCS & CMD) have also been reformed under the respective Zonal Customer Services & Complaints Management Cell (ZCS & CMC) in the bank. Each ZCS & CMC and BLCS & CMD is actively working in the bank.

There is a Box named by Complaint Box under lock & key is kept in the following address for the customers who want to make a complaint/dissatisfaction against any services or products of the bank to the CCS & CMC. Any customer can make a complaint to the following address or to the following numbers:

Address: Head of Central Customer Services & Complaint Management Cell,

Standard Bank Ltd, Head Office, Islam Chamber (6th floor), 125/A, Motijheel C/A, Dhaka.

Email address : sbcc@standardbankbd.com

Phone: +88 02 9515628, PABX: +88 02 9558375, 9577913, 9578385 (Ext: 117)



- A. 24 Complaints out of the above 32 complaints received from FICSD, Bangladesh Bank, out of which 29 complaints have been resolved; rest 03 complaints are under settlement process.
- B. 08 Complaints out of the above 32 complaints received from General Customer / Other Institutions are already settled.

TRAINING, RESEARCH AND DEVELOPMENT

Standard Bank Training Institute (SBTI) established on 16 March, 2005 is responsible for training need assessment, designing course curricula, reading materials and course contents for imparting training on deferent banking issues for enhancing professional efficiency of all officers, managers and executives of the bank. To cope with the changes and introduction of new ideas, tools, techniques and technologies in banking and also for regulatory bodies, SBTI lays emphasis on actual need-based training with a view to continue effort to contribute to the strategic capability of Standard Bank Limited in conformity with its vision by developing a skilled, committed, ethical and well-motivated human resource through in house & external training.



Mr. Khondoker Rashed Maqsood, Managing Director & CEO of Standard Bank Limited, handed over certificates to the trainees as the Chief Guest at the closing ceremony of a five- day long training on "Credit Appraisal" organized by the Training Institute of the bank. Mr. Md. Amzad Hossain Fakir, Faculty of the Training Institute were present on the occasion.

Human Resource Development with the most effective concept and well-organized tools under the guidance & supervision of the management, the Bank has a robust plan with sufficient budget. Bank's aims in increasing knowledge and developing skill, changing in attitude on the way to increases the rate of change management success, helps to maintain visibility and encourage belonging, finally promotes employee engagement. Training is necessary for the individual development and progress of the employee, which motivates him to work for the organization apart from just money. Training updates employees of the market trends, job diversification, the change in the policies and other things.



Md. Touhidul Alam Khan, Additional Managing Director, CRO & CAMLCO of Standard Bank Limited inaugurated a Two days long workshop on "Excellence in Customer Service" on 24 February 2021, organized by the Training Institute of the bank. Among others MohammadMohon Miah, Coordinator, IBCP, and Mohammad Amzad Hossain Fakir, Faculty of the Training Institute were present on the occasion.



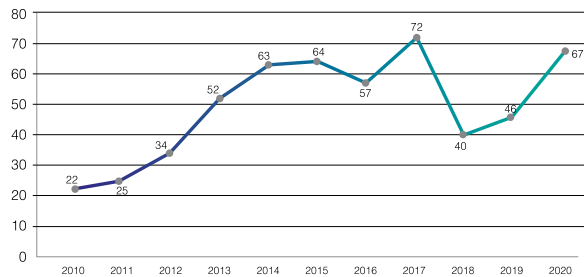
Before designing & formulating a Course/workshop, SBTI gathers general information regarding the course, identifies target groups, and code of conduct for them to follow. While drawing up a list of programs/courses, we include need-based programs in addition to basic/core banking courses and conduct Training Need Assessment (TNA) in this connection. We interact with the training institutes of others Banks as well as the Bangladesh Institute of Bank Management (BIBM) for curriculum development. Besides internal resource persons, the bank invites external resource persons comprising experienced professionals from industry to facilitate its programs. They lead the class sessions with their versatile knowledge & experience and develop the participants with the holistic approaches and broader perceptions.

SBTI has a library containing books on banking, economics and other disciplines and different local and international journals and periodicals. At present we have around 1,000 books in our library.

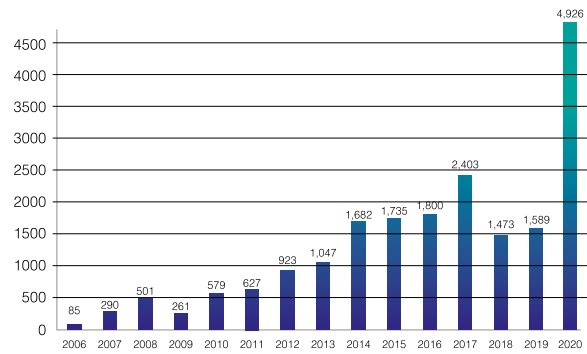
Despite of COVID-19, during the year 2020, the bank ensured its training programs either in-house or external covering all employees of the bank using different platforms on different subject matter.

In 2020, SBTI successfully organized 67 training/workshop in-house programs class room based or using virtual platform covering 4,926 participants of all level of staffs. Each employee received several training in last year.

In house training (2010-2020): Year/No of Training/Courses



In house training (2010-2020): Year/No of Participants



On the other hand, 163 participants received 43 external trainings at home, especially in BIBM, Bangladesh Bank, BBTA, and BAB, Other Banks & different Training Institutes and some of them received training from overseas as well.

Keeping pace with demand of need-based training, in 2021 the bank has taken massive training programs focusing on islamic banking & shariah compliance, banking operations, current and modern banking issues, asset & liability management, general banking, sales leadership, credit management, internal control & compliance, risk management and managerial competence enhancement aspects for exploring professional skill, update knowledge, expertise and techniques about modern banking as well as corporate behavior with changing circumstances with a view to achieving a steady and holistic growth of the bank by all-out sincere effort, endeavor and perseverance of the officials of the bank at all levels.

In 2021, with accomplishing general goals, our aims at achieving the following exclusive objectives:

- To ensure adequate knowledge and skill development on Islamic banking
- To ensure sustainable growth, service excellence with skilled manpower
- To enhance managerial competence for leading the team
- To enhance soft skills for building better communication, relationship & negotiation
- To recognize potentials of future leaders of the bank
- To establish robust relationship banking with customers satisfaction
- To enhance skill on international trade
- To acquaint with compliance culture of Islamic Shariah

Considering the organizational need for capacity enhancement of manpower of the bank in different aspects of modern banking and as a part of converting human resources into human capital as well, the horizon of training has been extended in 2021. In this backdrop, the training institute has chalked out the comprehensive Annual Training Calendar, 2021 comprising in-house and external (home & overseas) training programs as appended below:

SL	In-house/ External Training	Covering Areas of Training	Probable Participants
1	In-house Training Programs	Islamic Banking, Customer Relationship Management (CRM), Investment, Foreign Trade & Remittance, Corporate, SME, Retail Banking, IT (CBS), ADC etc., Negotiation Skill, Emotional Intelligence, Leadership & Communication Skill, Soft Skill Development etc.	5,000
2	External Training Programs (Home)	<ul style="list-style-type: none"> • Advance, Foreign Trade, IT • Management & Soft Skill 	50
3	Overseas Training Programs	<ul style="list-style-type: none"> • Advance, Foreign Trade, IT 	20

RESEARCH AND DEVELOPMENT (R & D):

Banking industry is highly competitive and one of the major service industry in Bangladesh Economy. On the other hand, new ideas, approaches, and advances are transforming the world at an unprecedented rate. Again, the never-ending emergence of new technology is changing the way of companies behave in the finance industry. The bank's aim to explore newer or improved avenues of products, services, line of businesses in order to consolidate and make upswing in its growth cycle, where R&D can contribute more.

Our objective to overcome the future innovation challenge & competition meticulously, we already formed a new department "Research and Development (R&D)" under our corporate structure that will be responsible for finding knowledge to know the industry more, to create niche-markets, to make uniqueness of our products & services, for using unblemished processes, for winning technology advantage and as well as strengthen existing ones we have with new features that are most aligned with the company's vision, mission, strategy and business plan.

Our planning for a magazine publication focusing areas is as follows;

Industry Paper, Market Study, Monetary Policy Issues, Financial & Economic Roundup, Portfolio analysis of the bank etc.

INFORMATION TECHNOLOGY

The adoption of information technology in the banking industry has enabled banks to improve operational efficiency, reduce transaction time and operating cost for collecting, storing and processing information. The bank is dedicated towards its customer satisfaction with help of the technological advantages. Technological development of the bank tremendously increased its customer service as well as trust worthiness of the stakeholders towards the bank. Now, ICT is also playing vital role in fostering customer-bank relationship, increasing level of customer satisfaction, developing and maintaining competitive advantage and promoting attractive banking products through its various established payment channel. The customers are benefited by getting a number of options for doing banking through a different delivery channels according to their convenience. The business people are also getting benefit of faster realization of receivables from their clients and making payments to their suppliers instantly and securely. The bank is always dedicated towards its customer satisfaction with help of the technological advantages. ICT Division is not only well equipped with technology, but also with a dedicated professional ICT workforce. Moreover, to achieve competitive advantage, Bank is the pioneer in providing multi dimensional banking products and services with latest international standard and technologies

ICT INFRASTRUCTURE

The Bank has reviewed present ICT infrastructure and taken steps to procure state of the art IT solutions with optimal cost without compromising quality and security (such as-renovation of existing computing infrastructure and engagement of new WAN connectivity providers for HO- Branches communications)

ICT and Cyber Security Team has been formulated to minimize technological, operational and hacking related risks and comply with the latest ICT Security Guideline of Bangladesh Bank. We are also in the process of procurement of hardware and security items for secure data and email communication. As of now, connectivity to and from bank networks and external networks are carefully planned for secure operations. Bank's ICT staffs are ensuing security policies when designing new infrastructure or upgrading existing networks taking into consideration for managing users, dividing networks into segments and restricting access to information based on different business and security policies.

Several training on ICT Security awareness has been arranged throughout the year at the Training Institute of the Bank as part of awareness build up among the employees of the Bank

Secure Technological innovation to combat "COVID-19 pandemic situation"

Due to COVID-19 pandemic situation, IT Division has plays vital roles for advancement of technological ideas and facilitates for smooth banking operation in such areas-

- Facilitating "Work From Home" for Officers and Executives of Bank
- Performing day-closing/ opening and month closing operations from Centralized Location
- Enabling more online facilities and 24X7 basis services to all clients
- Facilitate AGM, EGM, Board meetings, Managers' Conferences and internal meeting through Online Platform
- Finally, performing software demo/ presentation, all trainings through Online Platform



Email Migration:

Bank were using Ubuntu (Linux based) email solution "PostFix V-3.3.0" in Bank for day to day official email communication. To facilitate more user friendly features and new options, email solution has been migrated to state of art email solution "MicroSoft Exchange 2016" for more than 2500 users



Anti-virus/ Malware and Ransomware Solution

Bank has procured and implanted ESET Anti-virus/ Malware and Ransomware Solution after completing technical evaluation of features among branded AV software like- Sophos, Kasperasky and Trend Micro solutions. After installation of ESET solution, computing devices of end users became more secured and hacking proof.



SWIFT : CSP and GPI Tracker

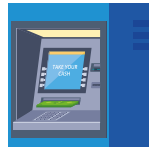
Bank has implemented all mandatory requirements of Customer Security Program (CSP) with implementation of 2-Factor Authentication Log-in solution in 2020. Two-FA solution enhanced addition security for SWIFT users to prevent unauthorized access of SWIFT system due to leakage of user id and PW.

In addition, GPI tracker solution help Bank and customer to know about the "Confirm" status of payment which was also implemented in this year as a part of security compliance



Core Banking Solution:

Bank has always been moving with the latest technology and has adopted different advantages of the technology which has enriched its ICT infrastructure to mitigate risk that may arise from malfunction of system, failure of network, lack of knowledge of the users, virus attack, hacking etc. Bank is using state-of-art Core Banking Solution (CBS) "i-Stelar" to support its customers' regular banking and Foreign Trade transactions. Core Banking Software (CBS) has further been upgraded to its latest release to enhance existing features and functionalities and secure online banking transaction



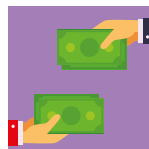
ATM Network

The Bank has so far established more than 120 own ATM fleet across the country and issued a substantial number of debit cards to its customers. However, the bank has taken major steps for rapid expansion of ATM channel at suitable locations to serve potential clients across the country. The Bank has also integrated its ATM Network with National Payment Switch of Bangladesh (NPSB) which is an initiative of Bangladesh Bank to bring all commercial banks under the same platform for interoperability of ATMs/Debit Cards in case of issuing and acquiring and thus giving access of ATM network of more than 6500.



Credit Card

Bank is issuing VISA Classic, Gold, Platinum and Dual Currency Credit Cards - maintaining all features and facilities of international standards to compete with other peer banks. As nos of credit cards and related transactions are increasing day by day, it has a requirement to make the payment collection process fully automated to reduce errors in settlement and reconciliation on daily basis. We procured and implemented Payment Collection Module which could be accessed from all of our branches for receipt of payment. In addition, reporting of credit card information and transactions as per Bangladesh Bank guideline is also made available from the same module



ACH, EFT and RTGS

ACH (Automated Clearing House) is dealing with clearing cheques receipt and multifarious payment settlement services for all branches and its reconciliation. Bank participated in BACH-II project as per guideline of Bangladesh Bank. FC Cheques & DD will be processed through BACH-II in High Value Cut-Off in coming days.

EFT (Electronic Fund Transfer) is the fastest growing service enables to transfer of funds for our clients electronically without payment instrument. However, EFT is a good prospect for bank facilitating online fund transfer and bulk payments such as Dividend warrant, Salary payments. Bank completed preparedness for Multiple EFT implementation project as per guideline of Bangladesh Bank

RealTime Gross Settlement (RTGS) system is the financial services of commercial Banks to ensure smoother and instant inter-bank clearing payments. Bank also connected to the BD-RTGS on the same day for its live operation i.e. on 29th October 2015 for instant settlement of high-value, local currency transactions as well as government securities.



Bill Payment System

Bank has introduced solution to collect various types of utility bills like BRTA, WASA, DPDC, and DESCO, etc. Since the some systems are automatically connected to the relevant organization's billing system and henceforth manual input for usage unit and bill amount need not be inputted again. As a result a user can pay the utility bills, tax and fees with less time and error free manner.



ICT Risk Management

The adoption of technology in the Banking industry demands Bank to ensure that the ICT related risks are properly identified and mitigated through a prudent ICT risk management strategy.

The Bank took considerable measures from time to time to mitigate identified vulnerabilities and risks. The Bank is gradually implementing various ICT related security solutions to ensure further security of the threat factors (like: Network, Mail, ATM Operation etc.). As the ICT risk management is an ongoing process, the Bank is constantly assessing risk by analyzing threats and vulnerabilities within its risk management framework and taking appropriate actions to mitigate and maintain an acceptable level of risk.

TREASURY MANAGEMENT:

Treasury management of banks includes the mobilisation of funds and investing those funds in a way to maximise bank's profitability by maintaining required liquidity. But treasury operations now have become more significant and challenging than ever before in an environment of increasing financial risks. Thus, the changing circumstance demands a greater emphasis on efficient treasury management from the viewpoint of both banks and regulatory authorities. In order to carry out treasury functions effectively and efficiently, treasury desks are segregated into front-office, mid-office and back-office.

Standard Bank Ltd's Treasury Division is focused on prudent and efficient liquidity management in both local and foreign currency, asset/liability management, structuring customers foreign and local currency requirement, and prompt support to Standard Bank Ltd's core banking segments. Managing liquidity risk, profit rate risk and exchange rate risk is an integral part of treasury activities. Treasury tries to maintain optimum liquid fund after maintaining CRR, SLR, ID Ratio etc. properly. In case of deficit liquidity, it can source fund



from interbank market as well as from Bangladesh Bank and incase of surplus liquidity, it can deploy fund in interbank market. It also manages the Balance Sheet in such a way so that various treasury risk indicators like ID Ratio, LCR, NSFR, maturity gap between assets and liabilities, asset mix, liability mix, wholesale borrowing, commitment etc remain within regulatory and/or internal limit. Major tool in the hand of treasury to control Balance Sheet is profit rate on deposit and investment. So, another major task of treasury is to determine these rates in collaboration with Asset and Liability Management Committee (ALCO).

Future Outlook and 6% vs 9% Interest Rate

Impact: The Banking Sector of Bangladesh is one of the hardest hit sectors of the economy, owing to the broad-based slowdown in the economy as a whole; combined with its exposure to the hardest hit sectors of the economy, such as foreign trade, RMG etc. The banking sector was struggling prior to the pandemic owing to the imposition of a 9% interest ceiling on all loans (except credit cards), liquidity pressures and persistently deteriorating non-performing loan (NPL) situation. However, owing to the COVID-19 pandemic and subsequent lockdown, the banking sector will face an acute crisis on multiple fronts, as banks' asset quality is likely to deteriorate while their interest and fee-based income are all affected at the same time.

Steep fall in interest and non-interest income—The COVID-19 pandemic has caused a historic fall in the operating income of banks. In an unprecedented situation, both interest income and non-interest income have been drastically hit by the economy grinding to a total halt.

Lending rate cap takes a heavy toll on SME and retail businesses

—The implementation of lending rate cap policy is a challenge in the sector. Not being able to price loans effectively will essentially force commercial banks to turn the tap off to the segments of economy – small and medium-sized enterprises – most affected by the crisis, exactly when liquidity is much needed.

Ongoing surge in the officially measured inflow of workers' remittances, decline in import payments, large pandemic-induced foreign assistance to the government injected huge amounts of liquidity into the banking system.

Combined with the massive slowdown in credit to the private sector, the liquidity injection has contributed to a significant liquidity overhang. For most banks, the advances to deposits ratios have come down well below the regulatory limit.

Excess liquidity in the money market is generally manifested in commodity price and asset price inflation. Global liquidity expansion has already contributed to global commodity price inflation in the midst of economic recession.

In this setting, the excess liquidity is likely to end up in asset price inflation. In Bangladesh, the stock price index already increased by more than 50 per cent in the midst of the pandemic and further upward moves leading to another price bubble cannot be ruled out if the excess liquidity remains high.

Remedy of 6% vs 9% Interest Rate adverse

Impact: Some initiatives, in general, may be considered to reduce the adverse impact that includes:

- Improve managerial efficiency to reduce operating cost.
- Ensure high credit quality to reduce non-performing loans.
- Reduce risk factors related to market, credit and IT related risks.
- Establish good governance to reduce financial scams and financial malpractices
- Ensure a healthy liquidity condition maintaining required flow of loanable funds.
- Lend more to the productive sectors to contribution to the economy's income generating activities and to reduce default risks.

Interest Rate Risk Mitigation: Banks encounter interest rate risk in several ways. The primary source of interest rate risk stems from timing differences in the re-pricing of bank assets, liabilities and off-balance-sheet instruments. These re-pricing mismatches generally occur from either borrowing short-term for funding long-term assets, or borrowing long-term for funding short-term assets. Another important source of interest rate risk arises from imperfect correlation in the adjustment of rates earned and paid on different instruments having otherwise similar re-pricing characteristics. When interest rates change, these differences can give rise to unexpected changes in the cash flows and earnings spread among assets, liabilities and off-balance-sheet instruments of similar maturities or re-pricing frequencies.

It is essential that banks accept some degree of interest rate risk. However, for a bank to earn profit consistently from changes in interest rates, the ability to forecast interest rates better than the rest of the market is required. The challenge for banks is not only to forecast interest rate risk, but also to measure and manage it in such a way that the compensation they receive is adequate for the risks they shoulder. Standard Bank Ltd Treasury doing this activity very efficiently.

SBL Treasury Division measure and manage interest rate risks by gap management. A traditional measure of interest rate risk is the maturity gap between assets and liabilities, which is based on the re-pricing interval of each component of the balance sheet.

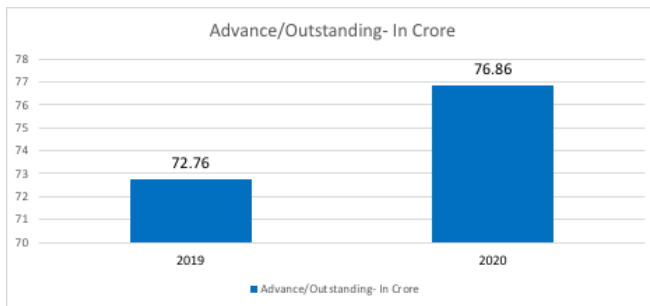
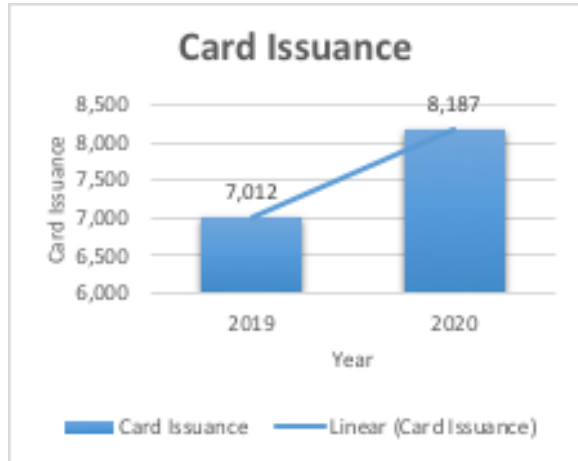
CARD OPERATIONS

Standard Bank Limited (SBL) launched Islami Shariah Compliant Credit Card namely "Tijarah Card" to facilitate the financial need of our existing & potential client base. This is a timely step to launch such credit card on Islami concept that strictly barred interest based activity and replace it by Shariah compliant fee based credit card operations system. In a country where majority of Muslims live within religious belief & customs with pre-set Islami parameters; launching Islami Credit is a way to exert an impact people's on life-style, financial expenditure pattern & regular purchase from home-abroad through SBL "Tijarah Card". This ultimately wield positive impact on the bottom-line/revenue flow from SBL Cards Business.

Like other key players in Credit Card Industry, SBL Islami Tijarah Card have to undergo a fierce competition dominated by Large local, Multinational, Banking & Non-Banking financial institutions. From the inception, SBL card division already exert quite unique & positive brand image towards existing, prospective & preferred business segments. As per latest research indicates, more than fifty percent of the eligible credit card potential clients are still un-tapped/ not enjoying any credit card. SBL Tijarah Card seems an ideal way to penetrate this un-tapped market focusing on interest free concept & secure a sizable sound portfolio.

The issuance of credit card seems to have a booming trend from 2010-2019 period. All credit card issuers have gained a sizable profit from this sector as among consumer financing schemes, credit card is the highest profit bearing product also most risk bearing product too. As a nature, credit card is a revolving & non-collateralized product. Hence, the regulatory bodies issue time to different directives for strict credit assessment to minimize associated risk factors.

Key Highlights of Card Division:



ATM Transaction:

The below statistics provide the no. of transactions occurred in our ATM during the year 2019 and 2020:

Particulars	2019	2020
Total No. of Transactions at SBL ATMs	6,00,115	6,28,487
Total Cash Withdrawal Amount at SBL ATMs	Tk. 501,03,58,000	Tk. 580,80,54,000
Total No. of Transactions (SBL Card at SBL ATMs)	3,71,325	3,74,304
Total Cash Withdrawal Amount (SBL Card at SBL ATMs)	Tk. 318,35,65,000	Tk. 333,32,63,000
Total No. of Transactions (NPSB Cards at SBL ATMs)	2,29,498	2,54,183
Total Cash Withdrawal Amount (NPSB Cards at SBL ATMs)	Tk. 183,27,57,000	Tk. 247,47,91,000

Card Business Target-2021

Maximization of income & minimization of expense without compromising quality & efficiency will be our main card business target. Card Division is setting a target of achieving the double figure of Credit Card issuance with the combine efforts of Branches and employees of the SBL.

Introducing Visa Contactless (NFC) Card

A contactless smart card is incorporated with an embedded integrated circuits can store (and sometimes process) data and communicate with a terminal via NFC. Standard Bank Card Division is going to introduce Visa Contactless Credit card which will be more convenient to use.

Tijarah Card Campaigns

Card Division will engage Cardholders through different card campaigns- Corporate Card Sales, Festival Discount, BDT/USD E-commerce campaign, Inactive card activation campaign, On the eve of Eid, Pohela Baishakh, Puja, X-mass Day, Valentine's Day, Ramadan etc. Card Division will initiate Discount/BOGO campaign for limited time frame along with Cardholder Referral Campaign throughout year.

Increase Discount and EMI Merchants

Card Division is continuously increasing the number of Alliance business partners and signing with different corporate houses, large merchant establishments including Fashion & Lifestyle, Restaurants, Hotel & Resorts, Health & Beauty care etc. Card Division will incorporate more Discount and EMI merchants with the existing Alliance partners.

ADC DEPARTMENT

Alternate Delivery Channels are channels and methods for providing banking services directly to the customers where they can perform banking transactions through ATM, Branch POS, Debit Card, NPSB, DigiBanking, Internet Banking, and SMS Banking. These channels have enabled the bank to reach a wide consumer-base across geographies. ADCs ensure the smooth flow of regular transactions and provide the bank with higher profits with lower operational expenses and transaction costs.

(i) Banking through ATM

Standard Bank Limited has a well distributed ATM network across Bangladesh. SBL has already installed 120 ATMs at different locations in Bangladesh. SBL ATMs feature the latest in security technology and antifraud mechanisms for client's complete peace of mind and provides a quick and convenient way to withdraw funds from any owned and shared ATMs at 24/7.



(ii) Debit Card

SBL current/ saving account holders can enjoy the benefit of SBL Debit Card. It is a proprietary Debit card which can be used at SBL Owned ATM/POS Network & National Payment Switch of Bangladesh (NPSB) Network.

Particulars	As on 31st December 2019	As on 31st December 2020
Total No. of Debit Card	78,913	1,03,125

Income from Debit Card:

Year	2019	2020	Growth
Income from Debit Card (excluding VAT)	97,04,400	1,82,11,210	88%

(iii) National Payment Switch Bangladesh (NPSB)

Standard Bank Limited is successfully connected with National payment System Bangladesh (NPSB). Now the customers of SBL have access over 10500+ ATM networks as well as 60000+ POS networks, allowing ATM transactions (Cash Withdrawal, Mini Statement and Balance Inquiry) and POS retail purchase service.

NPSB Transaction Report (ATM & Retail Purchase)			
	Particulars	2019	2020
SBL Card at NPSB ATMs	No. of Transactions	2,83,343	3,07,824
	Amount of Transactions	Tk. 204,37,32,100	Tk. 236,53,75,800
NPSB Retail Purchase	No. of Transaction	27,815	27,643
	Amount of Transaction	Tk. 16,98,99,531	Tk. 8,96,48,563

Below is the revenue growth rate of NPS transaction between 2019 & 2020

Revenue from NPSB Network (ATM & Retail Purchase)		
Particulars	2019	2020
Total Income from SBL ATM using NPSB Card	Tk. 44,57,215	Tk. 51,47,715
NPSB Retail Purchase Income	Tk. 7,00,239	Tk. 6,86,471

(iv) Branch POS

SBL already deployed 129 units of Branch POS in different branches. POS terminals help customers carry out chequeless transactions at the branch by swiping debit cards on the POS machine and this is advantageous when ATMs are not nearby. Below is the statistics of the transactions occurred in our Branch POS during the year 2019 and 2020:

Branch POS Transaction Report		
Particulars	2019	2020
No. of Transactions	1,22,154	1,12,909
Amount of Transactions	Tk. 326,23,00,373	Tk. 320,85,32,813

(v) SBL DigiBanking

With this SBL DigiBanking App, the customer can do banking at anytime from anywhere in the globe. By DigiBanking, our customer can perform Fund Transfer to any SBL Account, Other Bank Account, Bkash MFS A/C, Pay their Credit Card Bill, WASA Bill and can perform Mobile Recharge anytime and from anywhere. Apart from this, anyone can identify the contact details of our branch, can call Branch Manager, can apply for different products & services, can identify benefits & EMI facilities offered by SBL Credit Card and locate any Branch, ATM, Agent locations etc.

Particulars	2019	2020
Total No. of Customers in Mobile Apps in DigiBanking	3,487	5,257
No. of Transactions	43,109	69,931
Amount of Transactions	Tk. 28,57,36,082	Tk. 65,87,23,442
Income from Service Charge (excluding VAT)	Tk. 2,30,800	Tk. 4,30,600



(vi) SMS Banking:

The SMS Banking service provides instant notifications about all transactions as and when it happens. It helps SBL clients to keep a watch on their account with around the clock service. Below are the statistics of No of SMS and earned revenue of 2020:

Total No. of Customer	Income from Service Charge (excluding VAT)
6,71,739	Tk. 5,35,48,200

(vii) Internet Banking:

We already started technology based innovative banking services like Internet Banking. By using our secured Internet Banking service anyone can check their account balance, print statement and do fund transfer quite easily from anywhere around the globe using the Internet.

Particulars	2020	Income from Service Charge (excluding VAT)
Total No. of Accounts	12,672	Tk. 3,36,000
No. of Transactions	870	
Amount of Transactions	Tk. 2,72,13,711	

PLANNING FOR 2021:

By the year 2021, SBL is also planning to incorporate some security features across different delivery channels, such as;

ATM Security	Complying the Central Bank's instruction and as well as for securing ATM transactions from skimming fraud, we are going to install anti skimming device, PIN shield and anti malware protection at all ATMs of SBL.
EMV Chip Based Debit Card	For securing customer data at Debit Card, we are planning to incorporate EMV Chip based card in place of Magnetic striped card.
Switching System up-gradation	We are going to upgrade our switching system to provide more security and integrate value added services such as Merchant POS, E-wallet, Card-less ATM transaction and Recycler ATM services with real time cash deposits.
Call Center Implementation	For smooth customer support, we are planning to incorporate Call center. Customer service and support is crucial for the banking industry, where clients need prompt resolutions for many issues for lead generation to customer support and loyalty promotion.
DigiBanking up-gradation	We will upgrade our DigiBanking System to provide more security and also integrate value added services such as Self-registration, Utility payment, Tuition Fee Payment, Merchant Payment and connectivity Fintech companies for interoperability.

Consequently, it can easily be concluded; developing the use of alternate channels is now seen as an important strategy for delivering significant savings for Standard Bank Limited. In the future we have plans of expanding our services significantly by adopting state of art technology in order to satisfy the needs of our clients at an optimum level

GENERAL SERVICES DIVISION (GSD)

General Services Division (GSD) is one of the vital and integrated organs of Standard Bank Ltd. The responsibility of this Division can be described in one sentence as to create and develop an environment both at Head Office and Branches to ensure smooth banking operation and to promote long term sustainability.

GSD is entrusted with the responsibility of providing continuous and seamless logistic support services to the Bank and ensuring high quality routine maintenance in all respects.

GSD of Standard Bank Ltd is committed to provide the right kind of supports to all the bank's Delivery Outlets and Head Office Divisions by introducing an effective procurement and delivery system. Its objective is to provide right kind of logistic support at right time, at right place, at right quality, at right price and at right quantity.

Activities

Due to the outbreak of COVID-19 pandemic, 2020 was a difficult year for the bank. GSD has played a vital role to provide logistics support to the stakeholders for smooth operation of the bank and took initiatives to reduce all type of costs so that it become easy for the bank to face the challenge occurred due to pandemic situation. GSD also worked day-night to protect the employees of the bank from COVID-19 contamination.

In brief, all mentionable achievements accomplished by GSD in the year 2020 are appended below:



1. Setup of "Mujib Corner"

2020-21 was declared as the year to celebrate the Centennial Birth Anniversary of the founding leader of Bangladesh, Father of the Nation Bangabandhu Sheikh Mujibur Rahman. To celebrate the occasion, we have successfully setup 3 "Mujib Corners"- 1. at our Head Office, Motijheel C/A, Dhaka, 2. at Gopalganj Branch, Gopalganj and 3. at Bagerhat Branch, Bagerhat.

2. Protective Measures taken against COVID-19 Pandemic

When the whole world, including Bangladesh were under lockdown due to COVID-19 pandemic, GSD acted as frontliners for the bank only to protect the executives, officers and staffs of the bank from COVID-19 contamination. We procured and provided all kind of protective equipments (i.e. Face Mask, Hand Sanitizer, Hand Gloves, disinfectant archway, hand wash etc.) to the branches and different divisions of Head Office. We also arranged and maintained transport facility provided to the employees of the bank with 6 buses around Dhaka city to protect COVID-19 contamination.

3. Cost Reduction Initiatives

Due to COVID-19 pandemic, the world has faced a global recession. Bangladesh was not out of that calamity. To overcome the situation SBL, i.e. GSD took some initiatives. Those are as under:

- i. Vacating 3 floors of Head Office: We have vacated 3 floors of head office (Islam Chamber) and accommodated the divisions within the rest of the occupied floors. It reduced the rent, utility bill and other service charges amounting approximate total Tk.3,36,56,386.00 (Three Crore Thirty Six Lac Fifty Six Thousand Three Hundred Sixty Eight) only.
- ii. Rent Reduction: We have communicated with the landlord of the Branches all over the country, negotiated with them and finally succeed to reduce the rent by 10-25% which reduced a huge amount of expenditure for 1 year amounting total Tk.5,95,77,361.00 (Taka Five Crore Ninety Five Lac Seventy Seven Thousand Three Hundred Sixty One) only.
- iii. Other Initiatives: We have communicated with different vendors in written and requested them to reduce the rate of service. Some of the vendors have responded to us positively which also reduced the expenditure.

4. Shifting

After successful completion of interior decoration and other civil works, Foreign Exchange Branch has been shifted to new location. Interior works is going on in the new location of Narayanganj Branch which will be shifted very soon.

5. Renovation

The renovation work of our Bahaddarhat Branch has been completed successfully.

6. Team Work

We have taken fruitful initiatives to maintain office premises in order, to keep Cleanliness and Security systems up to the desired level of the management and to maintain all sorts of machineries and equipments of HO and Branches by working in groups and team work.

7. ATM

We have provided our all out logistic support to successfully set up 4 ATM Booths in different locations of the country in 2020 despite COVID-19 pandemic situation.

8. Construction of Corporate Head Office Building (Gulshan)

In 2020, the progress of Gulshan project is significant. Construction of 25-storied building is under progress. Casting of 9th floor has been completed.

9. Contribution in CSR

GSD has surveyed the market, selected the eligible vendors through purchase committee, purchased and handed over 75,000 pieces of blankets to the Relief Fund of Honorable Prime Minister for distribution to the distressed people of cold stricken area of the country under CSR program of the bank in 2020.

We believe only in excellence in our assigned job and that is possible with the whole hearted co-operation of all the members of this organization. We intent to leave no stone unturned to provide the best support to all concerns. In this regards we humbly seek your blessing and kind cooperation.

AGENT BANKING OPERATIONS

Bangladesh is one of the most densely populated countries of the world with a population of 160 million out of which most of the people live in rural areas. Although they are part of the economy but dispersed due to geographic isolation and presently many are outside formal banking network. Agent banking is an additional delivery channel that can enhance the convenience to provide quality and affordable technology based real-time online banking services for the underserved & unbanked population in a cost-efficient manner without establishing branch network.

Bangladesh Bank initiatives: Bangladesh Bank issued Guidelines on Agent Banking for banks vide Payment System Department circular letter no. 05 dated 9th December 2013, BRPD circular Letter No.07 dated 24th March, 2014 and subsequently Bangladesh Bank issued Guidance note for approval and operation of Agent Banking activities for banks vide GBCSRD circular letter no.02 dated 3rd June, 2014 and Prudential Guideline for Agent Banking Operation in Bangladesh vide BRPD circular no-14, dated 18 September, 2017.

Standard Bank initiatives: Under the Bangladesh Bank permission vide letter No. BRPD(P-3)745(43)/2015-4907 date-30th June 2015, our bank has started operation of Agent Banking in the year 2016. For creating our service network, Bangladesh Bank has given us permission to open 50(Fifty) Agent Outlets. As of 31st December 2020, we have been providing agent banking services through 26(Twenty Six) Agent Outlets throughout the country. Since beginning 29 Agent Outlets were opened and 03 (three) Outlets were closed.

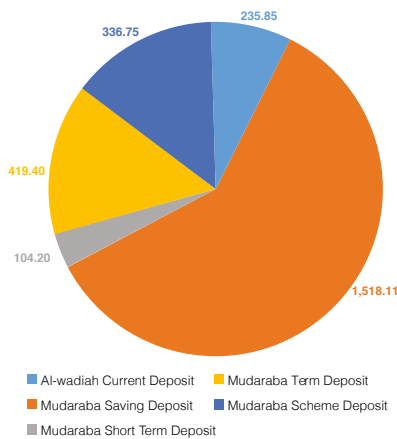
SBL Agent Banking Model: Standard Bank Limited made a unique Shariah compliant Agent Banking model with technology based banking concept ensuring appropriate security with real-time banking for customers. Agent outlets are distinctly branded with Standard Bank Agent Banking logo to provide products and Services of Standard Bank Limited. All Agent outlets are equipped with Laptop/PC, printer, Biometric Fingerprint authentication device, Image capturing device, POS printer etc. Agent banking transactions are on real time basis and integrated with Bank's Core Banking system. Customers get instant confirmation of transaction through Mobile SMS and system generated printed money receipts.

SBL Agent Banking Product & Services:

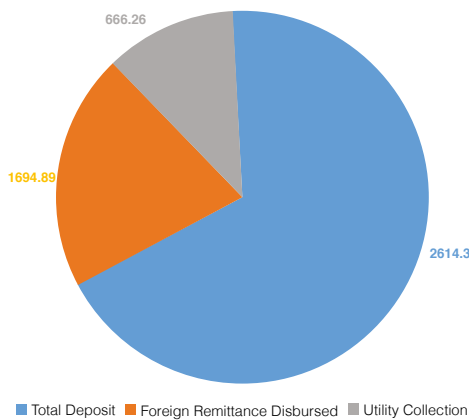
Standard Bank Agent Banking provides almost all types of Islamic Banking services including opening of different types of customer deposit accounts, online fund transfer & EFTN, Foreign remittance payment, Utility bill collection, School Banking & SBL 10Taka Account, Disbursement of salary & allowances of Govt. social safety net program.

Standard Bank Agent Banking business analysis in 2020:

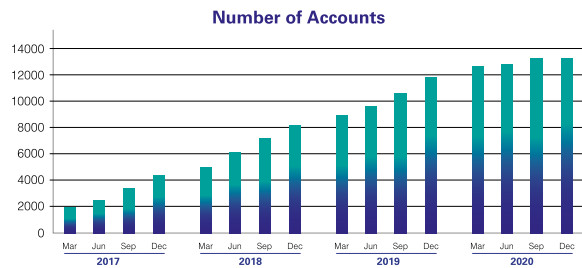
Deposit Mix in Agent Banking



Deposit, Foreign Remittance & Utility Collection

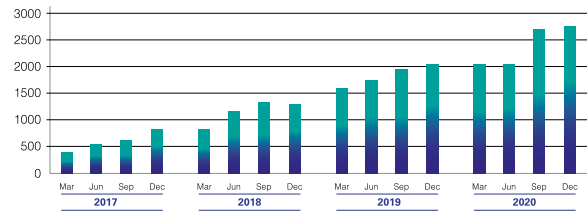


Number of account in Agent Banking



Deposit in Agent Banking (Taka in Lac.)

Deposit in Lac



Future Plan:

Standard Bank believes that each & every people has the right of getting modern banking facility. We also believe that agent banking can be a medium to ensure such right of all people including rural people of the country. In view of this objective we have a plan to appoint agent in most rural areas of the country.

Particulars	Actual 2020	Plan 2021	Growth
No. of Agent Outlet in operation	26	41	58%
Total No of A/C	13464	17113	27%
Total Deposit	2614.29 Lac	3500.00 Lac	34%
Operating profit	83.99 Lac	200.00 Lac	138%
F. Remittance Disburse	1694.89 Lac	2200.00 Lac	30%
Collection of Utility Bill	666.26 Lac	866.00 Lac	30%

In 2021 we are planning to open around 15 new outlets and enhance the business of existing outlets. We are also planning to provide Debit card, RTGS and some new products (those exists in our core banking) & services to our agent banking customers. Through these our customer base will be increased and accordingly 3650 number of fresh accounts will be increased at 27% growth, deposit will be increased by 09 crore at 34% growth and operating profit will be 02 (two) crore. In the same way Foreign Remittance disbursement and Bill Collection will be increased by 05 crore and 02 crore respectively at 30% growth.

Standard Bank Limited believes that large rural economy outside the banking net cannot be ignored & Agent Banking will provide the future banking platform at their doorstep for those people, not limited to customer services but shall explore the hidden rural economy. Agent Banking will provide the opportunity to connect large number of rural un-banked population under the Standard Bank umbrella, who are presently outside the banking network.

CREDIT ADMINISTRATION OPERATION

The functions of Credit Administration Division (CAD) are basically focused on the post approval activities and CAD always ensures that proper documentation and approval are in place prior to disbursement of loan facilities. Nevertheless, the key element toward ensuring proper credit discipline in a bank depends on smooth functioning of credit administration division.

Being segregated from Relationship Management, CAD plays an important role to avoid the possibility of controls being compromised or issues not being highlighted at the appropriate level. CAD of Standard Bank Limited has been functioning smoothly with a view to safeguard of Bank's assets and to maximize 'stability in assets quality' by reducing the 'Risk' to an optimal level toward maximization of 'profitability'.

CAD is responsible for the accuracy of documents provided/ executed by the borrowing customers received through/from the Relationship Manager and ensuring the satisfaction of conditions precedent and conditions attached to approved facility by the Credit Risk Management Division.

In the year 2020, CAD has performed the following jobs as usual:

Checking of Documentation Status relating to Credit Facilities:

- To scrutinize/analyze/examine of security documents whether the documents are in order in line with the sanctioned terms and conditions against different credit facilities of different customers of the different branch(-es) for setting up limit(s)/ assigning Sanction ID in the Core Banking System (CBS) 'istelar'; Being satisfied with the documentation status, CAD prepares Office Note having all relevant information and place the same before the management for approval as per Delegation towards assigning Sanction ID.
- To ensure compliance with internal policies and procedures and external regulatory requirements while discharging job responsibilities;
- To read out BLA's Opinion on mortgaged/ proposed mortgaged properties regarding title, chain of ownership, as well as BLA's Satisfaction Certificate on complete documentation;
- To verify and tally the schedule of the property of the mortgaged deed with the property schedule of Title Deed, Sanction Advice, BLA's Vetting Report etc. and to get the mismatch, if any, rectified through following proper process.
- To ask the branches through letter/email/ over phone for clarification/rectification of ambiguity in documentation, if any, arises while scrutinizing the documentation status;
- To advise the branches regarding the way to mitigate the documentation related irregularities, if required;
- To inform the branches about setting up limit in CBS, or, declining the proposal for assigning Sanction ID/disbursement on valid ground;
- To issue letters to the branches/inform declining the proposal for assigning Sanction ID/creation of limit on valid ground.
- To monitor / follow-up for regularization / improvement of the wanting documents/ irregularities/ inadequacies, if any ;

Assigning Sanction ID/Limit set up in the Core Banking System(CBS) 'istelar':

- To input and authorize the required information in the Core Banking System (CBS) 'istelar' according to the approved Office Note for assigning Sanction ID /Limit Creation toward disbursement;
- To communicate with the concerned officials of IT Division on technical problem, if any, arises while assigning Sanction ID/ Modification;
- To ask the respective branch manager/the concerned officer of the respective branch for clarification on mismatch, if any is found in the system while assigning Sanction ID/Modification;
- To modify data in CBS relating to Loan Increase, Loan Decrease, Interest Rate change, Time extension, Rescheduling, Repayment Schedule Modification, etc. upon receipt request from the branches according to approved terms & conditions;

CIB related activities:

- To input all necessary data of the CIB Inquiry Form in On-line System;
- To collect credit related information from the branches through internal system and report the same to Bangladesh Bank in the form of Batch File;
- To generate CIB On-line Report & check properly;
- To mail the soft copy of CIB On-line Report to the branches;
- To advise the branches for correctness of data in CIB Inquiry Form;
- To submit the CIB Report before the Management on case to case basis as and when required;
- To make correspondence with the Central Bank on different CIB related issues and to make necessary correction, if required;
- To comply with Central Bank's instructions on CIB issues.

Monitoring

- To monitor/follow-up for regularization/improvement of the irregularities/ inadequacies / lapses as placed in the Office Note for Assigning Sanction ID as exceptions/wanting/ deviations/ observations, which are duly approved by the management;
- To monitor different types of overdue accounts toward regularization.

Enlistment of Surveyor:

- To enlist surveyors, third party service provider, under the guidance of the existing CRM Policy relating to Surveyor Enlistment in order to conduct survey jobs on collateral security offered against different credit facilities of different customers of the bank.

Further, Investment Administration Division [Former Credit Administration Division] of Standard Bank Limited is going to take initiatives to introduce a standard process flow of IAD in the light of Islamic Shariah towards ensuring check and balance, form an equipped MIS & Monitoring Unit, and also to accommodate BB Returns Unit for smooth functioning for the division.

INVESTMENT RISK MANAGEMENT

Investment Risk:

Investment risk refers to the risk that a borrower may not repay an investment amount and that the bank may lose the principal of the investment and profit thereon. In other way it refers to the risk of negative effects on the financial result and capital of the bank caused by customer's default on its obligations to the bank. Generally investment made to the customer is the largest and most obvious source of overall investment risk. Investment risk arises from the direct investment dealing with individuals, corporate, banks and financial institutions or a sovereign where counter parties have repayment or other obligations to the Bank. It may arise from either an inability or an unwillingness to perform in the pre-committed contracted manner. Investment risk includes settlement risk, suitability risk and wrong way risk.

Investment Risk Management:

Investment exposures may arise from both the banking and trading books as well as Off-Balance sheet exposures. The risk is managed in the SBL through a framework that spell out policies and procedures covering the measurement and management of investment risk. There is a clear segregation of duties between transaction originators in the businesses i.e. Branches network and approvers in the Risk function. All investment exposure limits are approved within a defined investment approval authority framework. Investment policies and standards are considered and approved by the Board of Directors.



Investment Risk Measurement:

Risk measurement plays a central role, along with judgment and experience, in informing risk taking and portfolio management decisions. In SBL, Bangladesh Bank's prescribed standard Internal Credit Risk Rating (ICRR) is used in both Corporate and SME sector financing. The grading is used to assess the client along with a range of quantitative and qualitative factors. The grades (derived from ICRRs) against Corporate & eligible SME customers are supported by, rating by grades and ratings assigned by approved external rating agencies.

Investment Risk Management Policy and Strategy:

SBL manages its investment exposures following the principle of diversification across products, regions, collateral types, client segments and sectors. The Investment Risk Management Policy of the Bank is approved by the Bank's Board of Directors, which plays a central and strategic role in managing daily business activities. The policy defines clearly the criteria that incorporate client selection, due diligence, tolerable levels of concentration risk and portfolio monitoring in line with the Bank's risk appetite. The policy and guidelines are reviewed and up dated regularly to ensure consistency with the Bank's regular business strategy and market demand.

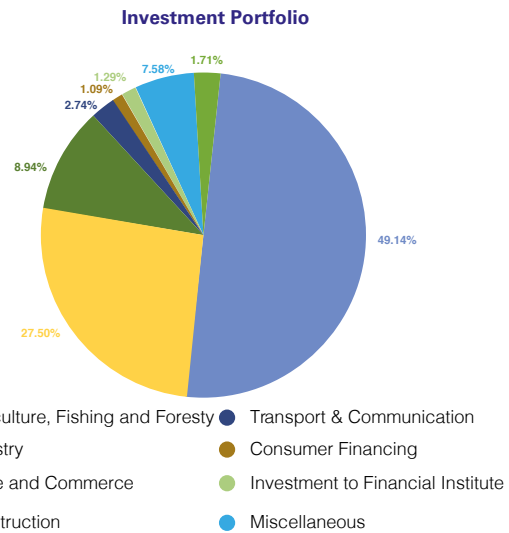
Investment Division

In a fast-growing economy of Bangladesh, Standard Bank Limited (SBL) is contributing immensely by providing customized services to the entrepreneurs to ensure growth of the firm and ultimately GDP growth of the country. SBL has a well-equipped Investment Division to serve its 138 no of Branches in approving investment facilities to the customers complying Bank's internal and as well as external policies including Bangladesh Bank's policy guidelines and directives in force.

Standard Bank is known for its superior service quality, brand image, strong corporate governance and corporate culture as well. Management is putting utmost effort to place the Bank in a list of top-tier Bank in Bangladesh and reputed among regulators as distinctly Compliant Bank. SBL is aligned to its vision, mission, values and strategic priorities. The last business year 2020 was challenging for the banking business due to COVID-19 pandemic, fixed rate of return etc. Standard Bank has already built its expertise to in a wide area of Sharia'ah based financial services comprising of Corporate, SME and Retail, Commercial Banking, Investment Banking, Merchant banking, Offshore Banking, Lease Financing and Digital Banking.

Sector Wise Portfolio Concentration in 2020

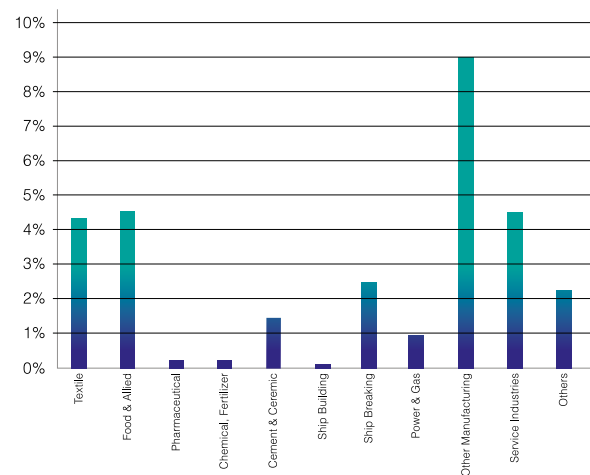
Sector	Investment (BDT Crore)	Percentage
Agriculture, Fishing, and Forestry	272.69	1.71%
Industry	7,835.99	49.14%
Trade and Commerce	4,384.77	27.50%
Construction	1,425.67	8.94%
Transport	436.52	2.74%
Consumer Financing	174.37	1.09%
Investment to Financial Institutions	206.01	1.29%
Miscellaneous	1,209.00	7.58%
Total	15,945.02	100.00%



Breakdown of Industry Concentration:

Sector	Investment	Percentage
Textile	688.34	4.32%
Food and Allied	717.23	4.50%
Pharmaceutical	1.20	0.01%
Chemical, Fertilizer, etc.	175.2	0.11%
Cement and Ceramic	255.56	1.60%
Ship Building	5.75	0.04%
Ship Breaking	390.89	2.45%
Power and Gas	135.56	0.85%
Other Manufacturing	1,436.83	9.01%
Service Industries	695.89	4.36%
Others	344.39	2.16%
Total	7,835.99	49.14%

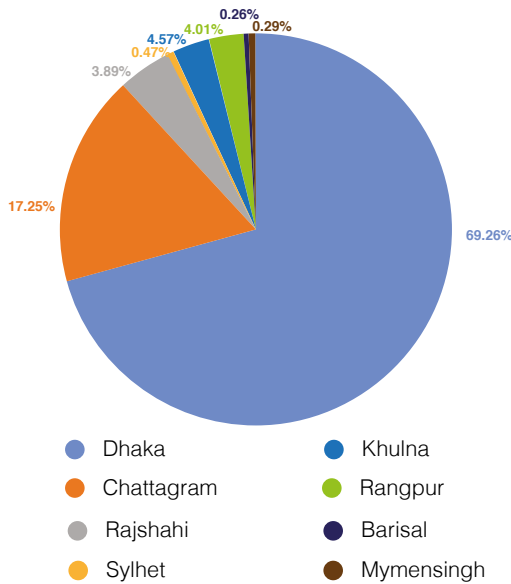
Portfolio Industry Concentration



Geographical Distribution of Investment Portfolio in 2020:

Division	Investment	Percentage
Dhaka	11,043.57	69.26%
Chattogram	2,750.44	17.25%
Rajshahi	619.67	3.89%
Sylhet	75.08	0.47%
Khulna	729.05	4.57%
Rangpur	639.70	4.01%
Barisal	41.73	0.26%
Mymensingh	45.78	0.29%
Total	15,945.02	100.00%

Geographical Distribution of Investment



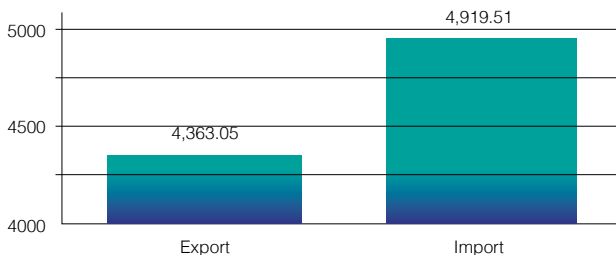
RMG Financing Cell

SBL Investment Division is not only focuses on dominating industry sectors but also put its efforts towards exploring possible investment prospects in emerging industry sectors. SBL also has a dedicated RMG financing cell equipped with required expertise to handle the portfolio in RMG sector financing of SBL. SBL always brings innovation in the table in terms of portfolio diversification and tailor made investment products that meet up customers' need comprehensively.

Export and Import performance in the year 2020:

Export : BDT 4,363.05 Crore
Import : BDT 4,919.51 Crore

Export Import Performance 2020

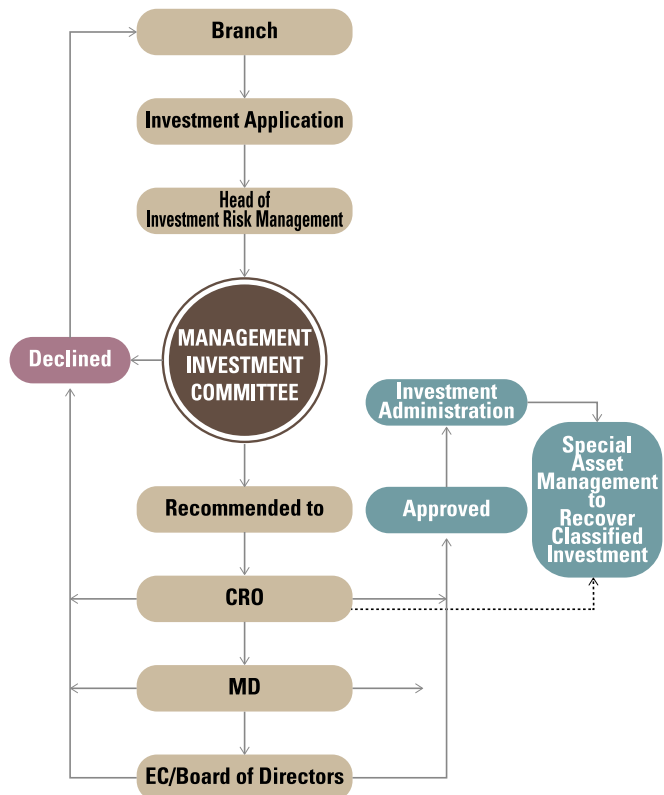


SBL puts emphasis on financial inclusion and strives to achieve excellence in this venture. At SBL, we believe in teamwork and create success stories for our stakeholders. With all these team work, innovative banking and diversified portfolio we only foresee growth of the bank in the coming years. We are always thankful to all our stakeholders for keeping trust on us.

Investment Approval Process and Structure:

Since, SBL deals with a moderately large and diversified investment portfolio of the country amongst the third generation private commercial banks, it has specific policies in place for inducting, dealing, processing, sanctioning and handling overdue and non-performing investments of the Bank. The investment approval procedure is being followed in accordance with the approved policy of the Bank. The Board of Directors is the supreme approval authority of investment. However, the Board delegated its business power to the Executive Committee of the Board of Directors and different tiers of Management of the Bank.

Investment Management Process



Investment Risk Mitigation:

Banking is about managing risk and return and it is inherent part of all types of its business. The most optimum management of risk ultimately brings success for a bank. Risk Management is one of the most fundamental functions of a banking institution. Having uncertainty directly related with regular banking operations, a sound risk management framework is a must to bring prime return to all its stakeholders. Investment risk can be defined as the possibility that borrowers will fail to meet their obligations in accordance with the agreed terms and conditions. Banks are heavily engaged in investment risk and it is considered the most crucial part of banking to assess the risk and mitigate the risk proactively to maintain healthy balance sheet and ensure sustainable profitability for the shareholders.



Keeping the investment risk one of the most significant, Standard Bank is stretching a vigilant concentration on mitigation of investment risk. Bank's Investment Division is playing, among others, the following major activities:

- Establishing an appropriate investment risk environment.
- Through proper and effective functioning of Management Investment Committee (MIC), SBL has establish a sound risk management environment. All investment proposal channel through the MIC. The investment division actively works in identification of investment risk based on its expertise and experiences under the purview of Board's approved policies and guidelines and risk appetite statement.
- Operating under a sound investment granting process. The investment division assessing the investment requirement and evaluate the customer under sound, well-defined investment-granting criteria. All extensions of investment made on an arm's length basis. In particular, investment to related companies and individuals is monitored with particular care and other appropriate steps taken to control or mitigate the risks of connected lending.
- Maintaining an appropriate investment administration, measurement and monitoring process. Regular investment review is done to keep the asset quality of the Bank safe.
- Ensuring adequate controls over investment risk ensuring that exceptions to policies, procedures and limits are reported in a timely manner to the appropriate level of management.
- In terms of ensuring compliance, investment division has satisfactorily complied with the Bangladesh Banks audit findings and related guidelines in 2020 which will have direct impact on CAMELS rating as expected. In the coming days, the bank would remain complied with the norms, rules and regulation.

As per directives of the Board, Investment Division continuously evaluates its focus and takes the avenues that best serves the interest of its clientele and Share Holders and other Stakeholders. With this end in view, and keeping safety of the bank in mind, the bank adopts policies and formulate procedures within the framework and guidelines of Bangladesh Bank to bring the dynamism in bank's financing strategies.

Performance of Standard Bank Ltd at a Glance:

SME Division of Standard Bank Limited has already assigned dedicated SME officers to all of the branches to have greater access to market and to unleash the potential. SME division distributional channels are shelving all possible banking solution to SME customers across the country. All branches have been advised to take all necessary action to expand credit to the SME sector with priority to women entrepreneurs. A yearly target outstanding of Tk 3275.00 Crore has been set up for the year 2020. We have been disbursed Tk 1173.64 Crore under SME sector during 2020.

Comparative Business Performance on SME financing up to 31.12.2020 are appended below:

Enterprise	Disbursement during the year			Yearly Target			Outstanding as on 31.12.2020	Outstanding as on 31.12.2019
	2020	2019	2018	2020**	2019*	2018*		
Small	740.80	882.18	813.43	1802.43	750	665	1776.73	1767.12
Medium	432.84	692.87	811.42	1472.58	750	665	1473.81	1445.35
Total	1173.64	1575.05	1624.85	3275.00	1500	1330	3250.54	3212.47

- ** Yearly target- 2020 determined on 21% total outstanding of Loans and advances.
- * Yearly target- 2018, 2019 determined on 10% above of previous year disbursement.

Hopefully, this will help more effectively maintain sound investment portfolio of the Bank and reduce non-performing investment ratio. Finally, it is expected that as a part of continuous up gradation, Investment Division will actively and pro-actively act to uphold the position of the Bank complying with the rules and regulations.

SME SECTOR IN BANGLADESH:

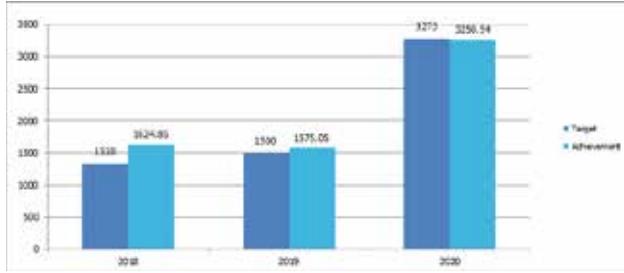
Small and medium enterprises (SMEs) are the most vibrant segment of our country. SMEs are getting the highest priority from policymakers due to their already proven multidimensional contribution to the socioeconomic environment of our country. SME enterprises are easy to start, require only minimum capital, employ a comparatively higher number of people, and produce goods that meet local demands as well as contribute to export earnings. Our definition of SMEs is based mainly on indicators of replacement cost (invested amount), number of people employed, yearly revenue, etc. Size of the indicators. Bangladesh government has already identified it as a thrust sector and Bangladesh Bank, in line with the stance, has given top priority for financing in this sector. Government of Bangladesh has realized that the SMEs sector is labor intensive sector, so it is effective poverty alleviation tool. SME reduces the urban migration and develops the rural infrastructure. Since SMEs are based on comparatively small investment, so their growth and survival depends on ease access and operating excellence in the market, financial support from the Bank with easy condition. Now, Women entrepreneurs are highly stimulated to get involved in SMEs sector. In this above backdrop, Bangladesh Bank provides re-financing scheme and gives necessary instruction and guideline to the commercial Bank to keep the women entrepreneur dedicated desk. Besides, SME Foundation is providing necessary guideline, training and financial supports.

Role of Standard Bank Ltd on SME:

Since beginning, Standard Bank Ltd now has been rendering banking services by 138 branches along with 2 Islamic branches all over the country through improved customer service, creative activities & commercial integrity equipped with all modern services. As per guideline of Bangladesh Bank, Standard Bank Ltd has taken active role to increase SME Financing out of its total loan portfolio. Considering the importance of SMEs in the economy of our country, Standard Bank Limited has formed a separate SMEs Division for maintaining full scale operation of SME financing activities. All of our branches are serving SME customers through dedicated and well trained SME officers.



Graphical representation of SME Financing (comparative 03 years) are appended below:



- ** Yearly target- 2020 determined on 21% total outstanding of Loans and advances.
- * Yearly target- 2018, 2019 determined on 10% above of previous year disbursement.

WOMEN ENTREPRENEUR DESK:

As per Bangladesh Bank guideline, a Women Entrepreneur's Dedicated Unit has been set up at Head Office and Branches have already been opened a Women Entrepreneur's Dedicated Desk to help Women Entrepreneur to make friendly relationship with them, help them to fulfill formalities and render them special service. We are lending Women Entrepreneurs @ 7% interest against refinance facility from Bangladesh Bank as per policy guideline of Bangladesh Bank.

REFINANCE AGREEMENT WITH BANGLADESH BANK:

- Agreement has been executed with Bangladesh Bank on 06.04.2010 & 06.07.2010 for refinance against disbursed loan to Women Entrepreneurs (@7% interest) & for refinance against disbursed loan for setting up agro processing rural industries to get refinance against disbursed loan to support Small & Medium sized manufacturing enterprises. So far we have received good amount refinance from Bangladesh Bank for lending to Women Entrepreneurs.
- In view of Govt. policy, Bangladesh Bank directives and for diversification of risk, Branch incumbents are advised to diversify their loan portfolio and enrich SME sector and Women Entrepreneurship.
- Agreement has been executed with Bangladesh Bank for CMSME Stimulus investment and we achieved 30% of total BB CAP and almost 100% of trading sector CAP.

Challenges of SME in Bangladesh:

There are some obstacles in the way of development of SME in Bangladesh. They are shown below:



Fig: Challenges of SME in Bangladesh

SME Events and Fairs Participated by Standard Bank Limited:



Banker-SME Nari Uddogta Somabesh & Ponya Prodorshoni



SME Financing Fair, Rajshahi



1. Banker-SME Nari Uddogta Somabesh & Ponya Prodorshoni-2020 organized by BB which was held on 08-10 March at Bangladesh institute of Bank Management.
2. Banker-SME Nari Uddogta Somabesh & Ponya Prodorshoni-2019 organized by BB which was held on 08-10 March at Bangladesh Shishu Academy.
3. Banker-SME Nari Uddogta Somabesh & Ponya Prodorshoni-2018 organized by BB which was held on 08-10 March at Bangladesh Shishu Academy.
4. Banker-SME Nari Uddogta Somabesh & Ponya Prodorshoni-2017 organized by BB which was held on 06-11 March'2017 at Bangladesh Mohila Somity, Baily Road, Dhaka.
5. Conference of Women Entrepreneur and 04 (Four) days Product Exhibition - 2016 organized by Bangladesh Bank, Head Office, SME & Special Programs Department which was held on 09-12 March'2016 in cooperation with the Banks and NBFIS at BBTA.
6. "2nd SME Banking Match Making Fair" of 9th International Women's SME Expo Bangladesh- 2015 organized by Chittagong Women Chamber of Commerce & Industry (CWCCI).
7. SME entrepreneurs-Bankers fair arranged by SME Foundation & Bangladesh Bank at Hotel Sonargaon.

Concluding Remarks:

Nowadays, SME considers as the engine of economic growth by offering large-scale employment and income earning opportunities at relatively low costs, especially in the rural areas. It also strengthens the economic growth in sustainable way which is precondition for alleviating poverty and standard of living. The significance of the SMEs is that it helps to explore opportunity to do something new with relatively low investment. It can help to create employment opportunities and continuously contribute to GDP. The emergence of the SMEs in the developed world makes economic case for fostering development of these industries. Considering significant contribution of SMEs on overall growth and sustainable economic development. Private Banks like Standard Bank Ltd are playing a major role in the development of SME sector.

SPECIAL ASSET MANAGEMENT

As per Bangladesh Bank Guidelines, the loans after being classified, Special Asset Management Division starts follow-up and gives proper treatment/advice to the Branch regularly for realization/regularization of the loans and informs the position to the higher Management and Board of Directors time to time.

Action taken for Recovery from Classified, Written-off, Rescheduled & Overdue Loans and Advances:

- i. 03 (three) Regional Offices have been formed in Chattogram, Khulna and Sylhet where our Officials vigorously trying to recover Bank dues from NPL & Written-off Loans.
- ii. Special Asset Management Cell has been formed in Regional Offices and Officials have been deployed there. Recovery Team has been formed in each and every Branch of our Bank.
- iii. Officials have been increased in Special Asset Management Division of Head Office.
- iv. Recovery Target has been set up for Branches, Regional Offices and Head Office level and targeted amount has been distributed among the respective Officials.
- v. Instructions have been given to Branches so that no new loan becomes classified.
- vi. Regular Recovery Drive by Head Office Executives to the Branches is going on.

- vii. Arranging meeting in regular basis with defaulter borrowers in Head Office and all out efforts is going on for recovery.
- viii. Phone calls to the Branch Manager as well as Borrowers and Guarantors are going on regularly.
- ix. Issuance of letters to Branch and Borrowers followed by timely reminder(s).
- x. Officers of Special Asset Management Division regularly visit Branches for proper follow-up of classified & overdue loan accounts.
- xi. Visiting borrower's business and residential address along with Branch Officials for recovery drive and taking action accordingly.
- xii. Visiting the Guarantor's/Mortgagor's business and residential addresses even on holidays along with Branch representative for persuasion.
- xiii. Visiting collateral security from Head Office for large borrower, verification of genuineness as well as Market Sale Values of the same and ensure hanging Signboard thereto.
- xiv. Request Borrower's close relatives/friends near and dears & seek their help to exert their influences on the borrower to repay the bank liability.
- xv. Involving local elite persons by whom the borrowers may be guided /controlled for repayment/regularization of the loan.
- xvi. Intimating Regulator's guidelines and Management's decision/instruction to the Branches time to time.
- xvii. Negotiation is continuing with the defaulter borrowers for realize maximum amount from them for the betterment of the Bank.
- xviii. Initiatives have been taken for arranging training of Branch Manager & Dealing Officers for recovery.
- xix. Latest recovery progresses are being submitted regularly to Higher Management for necessary instruction and advices.

As a result, a positive response has been observed among the Officials of the Branches as well as Defaulter Borrowers. Through Team Work and Joint effort of Head Office Executives/Officials and Colleagues of Branches, a good number of classified & overdue loans & advances have turned into regular & reduced an amount of Tk.73.69 crore from Classified Loans and able to downsize percentage of Classified Loans from 5.20 to 4.87 for which credit goes to the Top Management for their dynamic leadership and all Team Members of Branch & Head Office.

Recovery Performance for the period from 01.01.2020 to 31.12.2020 is mention below:

Fig. in Crore Tk.

Period	From Classified		Cash Recovery from Written-off	Cash Recovery from Rescheduled A/C	Cash Recovery from Other Overdue A/C	Grand Total
	Cash Recovery	Regularization by Rescheduling				
1	2	3	4	5	6	7
01.01.20 to 31.12.20	29.02	44.19	2.87	44.04	179.55	299.67
Total	29.02	44.19	2.87	44.04	179.55	299.67

Position of Classified Loans & Advances					Fig. in Crore Tk.			
Period	Figure at Opening of the Year		Exit during the Year		New Addition during the Year		Figure at End of the Year	
	No. of CL A/C	CL Amount	No. of CL A/C	CL Amount	No. of CL A/C	CL Amount	No. of CL A/C	CL Amount
01.01.20 to 31.12.20	594	822.04	139	73.69	0	28.07*	455	776.42

* Tk.28.07 Crore is Interest Amount of SS & DF Loan during 2020

Target for 2021	Top 20 Defaulter	Top 20 Written-off Loan
	25.00	50.00

Lastly, it may be mentioned that the profitability of the Bank largely depends on the recovery of classified, written-off and overdue loans and halt in further classification of new loans and advances. Though we are maintaining NPL rate around 4.87% recently, all of we must keep a conscious watch to minimize the NPL rate for smooth and

healthy growth of the Bank.

We believe by Joint Effort & Team Work we shall be able to keep the NPL at minimum level in coming days.

BUSINESS TEAM

The "IT Business Team" of Head Office is effectively organizing our day to day business operations through IT enabled solutions. In order to minimize the overall risk and strengthen our monitoring system in the centralized IT System Business Team is working round the clock to stop unauthorized and fraudulent activities. The team is directly reporting to the Management on various issues such as monitoring of branch transactions, system's integrity, improvement, customization of software as per requirement and above all risk mitigation.



Annual Business Conference-2020 of Standard Bank Limited was held on 30 January 2020, Thursday at Gardenia Banquets, Dhaka under the Chairmanship of Managing Director & CEO Mr. Khondoker Rashed Magsood. Honorable Chairman of the Bank, International Director of Lions Clubs International & Former President of FBCCI Mr. Kazi Akram Uddin Ahmed graced the ceremony as the Chief Guest while Mr. Md. Zahedul Hoque, Vice Chairman of the Bank, attended the ceremony as the Special Guest. Directors Messers Ferozur Rahman, S. A. M. Hossain, Mohammed Abdul Aziz, Kazi Khurram Ahmed and Md. Nazmus Salehin were present as Guests of Honor on the occasion.



The Team is also working within the following major areas of operation in consultation with relevant department, division & Branch In-charges in general and particularly with IT Division to reduce the risk and strengthen our monitoring system:

- Creation of User in Core Banking Software defines user rights at Branch and Head Office level in line with job functions of desk officers.
- Defining Teller Limit on the basis of transaction type, nature and branch category.
- Ensure supervisory authority by “Queued Transaction Approval” and “Maker and Checker” at all levels of transaction processing.
- Create Business Critical Reports to check branches data properly and as per Management instruction.
- Working on deployment of new products as far as business process and concerning with the security features.
- User Acceptance Testing (UAT) for update or new development of Core Banking Software.
- Any other requirements dim into fit with the demand of the situation.

During the period of 2020, besides other running activities, Business Team has also completed the following prime assignments in cooperation with branch & Head Office:

- Update contents of our Web-Site for Islamic version
- Segregation of SME loan accounts lying with corporate and other type
- Works on Loan Classification and Provision reporting automation process, security information update for existing customer
- Matching of business or functional requirements for CBS by requirement analysis
- Worked to formulate Product Program Guideline PPG for the different products to convert into Islamic banking products
- Worked for product mapping to convert existing products to islami banking products
- User Acceptance Testing (UAT) new development and modification of Core Banking Software modules
- Development of different reports as per Bank’s requirement and others

INTERNATIONAL TRADE OPERATIONS

Financing in International Trade is one of the most important components of International Banking that has been playing a significant role in the overall foreign exchange business portfolio of Standard Bank since inception (1999) of the bank. The bank is contributing in country’s national economy by handling Foreign Trade business successfully by offering a broad spectrum of Trade Finance Products through its 19 Authorized Dealer (AD) Branches and OBU (Off-shore Banking Unit).

Import

Import business during the year 2020 was USD 579.39 Million equivalent to BDT 49,195.10 Million which was during the Year 2019 USD 894.23 Million equivalent to BDT 75,398.57 Million. It was decreased by 34.75% due to worldwide pandemic situation caused by COVID-19.

Export

During the year 2020, total export volume stood at USD 518.91 million equivalent to BDT 43,630.57 million which is decreased by 22.54% with compare to the export of USD 673.94 million equivalent to BDT 56,326.43 million for the year 2019.

Foreign Correspondents

Scope of foreign exchange business depends on establishment of adequate correspondent banking relationship with reputed banks all over the world and sufficient Credit limits. Among others, increase of foreign exchange business is an objective of the bank. Keeping the objective in consideration, all out effort is being under process to enhance correspondent banking relationship with reputed banks globally. Presently, the bank has strong correspondent banking network with 405 Relationship Management Applications (RMA) with 194 renowned banks in 55 countries. We can cover almost all over the world for International Trades utilizing correspondent banking services of these banks. We have already established RMA arrangement under SWIFT with 55 local banks also.

The bank has been enjoying credit limit for substantial amount from most of the renowned banks globally among which followings are notable:

- Standard Chartered Bank
- Habib American Bank-USA
- Commerzbank AG-Germany
- Bankia, Italy
- UBAE-Italy
- UBI Banca-Italy
- Banco Popolare, Italy
- UBL AG, Zurich
- Habib Bank AG-Zurich
- Handelsbanken –Sweden
- OberBank AG, Austria
- Danske Bank, Denmark
- Al Baraka, Turkey
- Mashreqbank Psc – UAE
- RAK Bank-UAE
- ICICI Bank Ltd, India
- Axis Bank Ltd –India
- State Bank of India
- AB Bank Mumbai
- AB Int’l Finance (HK) Ltd.
- EBL Finance (HK) Ltd.
- PBL Finance (HK) Ltd.
- Bank Muscat-Oman

Most of the confirming banks are providing discounting facility against our acceptance under UPAS arrangement which plays a vital role in our foreign trade business and also to fulfill our payment commitment abroad.



Foreign Remittance Drawing Arrangement

Presently, the bank has remittance drawing arrangement with following Exchange companies:

- MoneyGram Payment System Inc., USA
- Western Union Money Transfer Service, USA
- Ria Money Transfer, USA
- BRAC Saajan Exchange Ltd, UK
- Wall Street Exchange Centre LLC, UAE
- Al-Ghurair Exchange LLP, UAE
- Universal Exchange Centre, UAE
- Instant Cash FZE, UAE
- Xpress Money, UAE and
- ZENJ Exchange Company, Bahrain

Remittance received through different Exchange Houses as per arrangement:

Foreign Remittance Business of the bank stood at USD 130.29 million equivalent to BDT 11,250.61 million for the Year 2020 which is lower by 12.29% with compare to previous year-2019 of remittance USD 150.87 million equivalent to BDT 12,827.30 million in spite of COVID-19 pandemic all over the world.

Bank's Own Exchange Company

We have the following two Money Transfer Companies in UK and USA, 100% owned subsidiary of Standard Bank Ltd.

1. Standard Exchange Co (UK) Ltd.: The Company started its operation at 101 Whitechapel Road, London E1 1DT, UK. in the month of August 2009. The company is now working as collecting agent of BRAC Saajan Exchange UK Ltd. & Choice International. Standard Exchange Co. (UK) Ltd. has opened an MSB account with Clear Bank Ltd. in UK through which we will be able to receive remittance from UK soon.
2. Standard Co. (USA) Inc. U/A/N "STANDARD EXPRESS": The Company started its operation on 1st March 2011 by opening its 1st branch (Main Branch) at 37-22 73rd Street – Suite # 2B, Jackson Heights, NY 11372, U.S.A. It has now 8 branches at following locations:
 - Corp Office & Main Branch: Suite # 2B, 37-22 73rd Street, Jackson Heights, NY 11372, U.S.A
 - Jackson Heights Branch: Suite # A2, 37-22 73rd Street, Jackson Heights, NY 11372, U.S.A
 - Jamaica Branch: 168-16 Hillside Avenue, Jamaica, NY 11432, U.S.A
 - Ozon Park Branch: Ozon Park, 7515101 Avenue NY 11416, U.S.A
 - Brooklyn Branch: 487 McDonald Avenue, Brooklyn, NY 11218, U.S.A
 - Bronx Branch: 2156 Starling Avenue, Bronx, NY 10462, U.S.A
 - Buffalo Branch: 1105 Broadway, Suite 8, Buffalo, NY 14212, U.S.A
 - Los Angeles Branch: 4151 West Third Street, Unit A, Los Angeles, CA 90020, U.S.A

We have received remittance for USD 75.12 Million equivalent to BDT 6,494.52 Million from USA through Standard Express in the year 2020 which is 0.80% lower than the remittance of previous year (2019) for USD 75.73 million equivalent to BDT 6,503.99 Million.

Foreign Currency Exchange Booth:

We have opened Foreign Currency Exchange Booth at Arrival Lounge, Concourse Hall in Hazrat Shahjalal International Airport, Dhaka on 27th March 2013. We also have inaugurated another Foreign Currency Exchange Booth at Departure Lounge in Hazrat Shahjalal International Airport on 27th Dec 2017 which is another remarkable value added portfolio in the Foreign Exchange Business of our bank.

Off-Shore Banking Unit (OBU):

We have started operation of our Off-Shore Banking Unit from 2015 which has widened our coverage of business services. In the year 2020, USD 33.03 Million have been discounted against 674 bills through OBU. Whereas total 829 bills amounting to USD 49.46 Million were discounted through OBU in 2019. Sources of funds for OBU are SBL HO, ID and different foreign banks like Standard Chartered Bank, RAK Bank- UAE, ICICI Bank India, United Bank Limited-UAE, Mashreqbank Psc- UAE, Bank Muscat Oman etc.

BRANCH MANAGEMENT & OPERATIONS DIVISION (BMOD)

Branch Management & Operations Division (BMOD) of the Bank's Head Office deals in core banking system. This Division plays a vital role in managing Branches and its operational control. Its scope of work includes obtaining permission from Bangladesh Bank on different issues, developing principles and procedures, primary products & services, standard operating procedures, corporate arrangements, branch establishment, business development, all operations, control, vigilance, preventive & corrective measures and compliance for all core banking issues.

Selection of business location is of strategic importance for a bank. An effective branch location ensures more profitable customers and increases the possibility of potential sales, retain customers, and strengthen customer relationship as well as economic contribution to the country. A well-planned business network helps banks to gain a large market share. We are operating our business throughout country with our 138 branches (as on 31st December, 2020). Therefore we have 103 numbers of urban branches and 35 numbers of rural branches including 07 nos. of SME/Krishi branches. Besides that 02 Islami Banking windows (Topkhana IBW, Dhaka and Agrabad IBW, Chittagong) and 02 Islamic Banking Branch (Dhaka Udyan Islamic Banking Branch, Dhaka and Moheshkhali Islamic Banking Branch, Chittagong) are operating smoothly.

The Management has planned to expand bank's network by 05 (urban & rural) branches during the year 2021 at the important commercial hubs of the country subject to obtaining permission from Bangladesh Bank.



The bank started its operation with only 01 branch i.e. Principal Branch on 3rd June 1999. Since inception a time line of branch expansion is presented below:

Year	Number of Branches opened	Total Branches in cumulative in the year
1999	04	04
2000	05	09
2001	01	10
2002	03	13
2003	02	15
2004	03	18
2005	04	22
2006	04	26
2007	03	29
2008	03	32
2009	09	41
2010	17	58
2011	10	68
2012	09	77
2013	10	87
2014	09	96
2015	08	104
2016	10	114
2017	11	125
2018	09	134
2019	04	138
2020	-	138

The Division has been providing continuous support for operations of the branches and has been trying to provide longer term solution for taking both operations level & long term policy level under consideration.

The Division is engaged in marketing of corporate products by way of mobilizing deposits and extending various supports to reputed business entities and mass market throughout Bangladesh & abroad. The Division is working relentlessly with a view to growing banking relationship with different Government & semi Government bodies, NGO's such as Titas Gas Transmission & Distribution Ltd, WASA, BTRC, DPDC, DECSO, BTCL, PDB, REB, Election Commission & Grameen Bank etc.

The Division has launched 17 new schemes & deposit products and 2 new employee savings account (Salary accounts for the employees of a company). Recently we are planning to open some Banking Booths throughout the country to expand our network as per Bangladesh Bank guidelines.

The Division has been mobilizing collection accounts for receiving Utility Bills for individual households, commercial and industrial sectors through offline & online by different branches. Besides, online Hajj fees collection through all branches is also remitted to Kingdom of Saudi Arabia every year through Sonali Bank Limited. The Division has successfully arranged agreement of E-Tendering program with CPTU, Ministry of Planning which has already been started in all of our branches successfully. For this reason the collecting branches arranged to issue Bank guarantee from which bank is gaining multiple benefits. We already started to collect WASA, DPDC, DESCO, BTCL bills through online collection along with BRTA vehicles registration fees and charges and taxes. We are also collecting TITAS & REB bills through offline by our selected branches. The Division has also arranged an agreement with US –Bangla Airlines and NOVOAIR for

enjoying online ticket discount through our all branches. There are some more upcoming projects like passport fees collection, NID fees collection, RJSC fees collection, RAJUK fees collection and BSTI fees collection which will be implemented soon. The Division has already arranged School Banking initiatives at all branches as per instructions & guidelines by Bangladesh Bank.

Standard Bank Limited achieved the 3rd position during the School Banking Conference & Fair 2015 at Bogra organized by Bangladesh Bank. A total of 47 banks opened their stalls at the fair to facilitate banking services among students. The marketing team is communicating with the officials of Dhaka South City Corporation, Dhaka North City Corporation, Bangladesh Road & Transport Authority, Election Commission, National Board of Revenue & they showed positive approach to move forward. These different types of approach will bring a sustainable growth.

The Division coordinates the following meeting over the year as under:

1. Managers' Meeting
2. Regional Meeting
3. Monthly Development Meeting
4. Annual Business Conference
5. Town Hall Meeting
6. Special Meeting with Head Office Executives

Some corporate agreements have been executed with a view to providing value added customer services. These are as follows:

1. Agreement with CPTU for functioning E-Tendering through all Branches,
2. Agreement with Dhaka WASA for On-line bill collection of WASA Bills through all Branches,
3. Agreement with BRTA for collection of motor vehicles Taxes and fees through On-line Banking system,
4. Agreement with DPDC for On-line collection of Electricity Bills through all Dhaka based Branches of SBL,
5. Agreement with DESCO for On-line collection of Electricity Bills through all Branches,
6. Agreement with REB for collection of Electricity Bills at all rural Branches,
7. Agreement with BTCL for On-line collection of T&T Bills through all Branches,
8. Agreement with "Bank Compare BD", credit card referral agency to our bank with the help of Credit Card Division,
9. Agreement with Election Commission to verify the NID information of client from their database,
10. Agreement with TITAS gas bill collection through online banking system.
11. A MoU signed with Radisson Blu Chittagong for hotel accommodations & facilities for SBL and our valued customers.

The following arrangements are under process:

1. Agreement for E- Passport fees collection.
2. Agreement for collection of City Corporation's holding & other taxes.
3. Agreement for collection of BSTI fees.

Jobs performed at the Division can basically be segregated into 4 (four) broader groups:

- A. Business Development: Deposit Mobilization
- B. Operational Control
- C. Vigilance
- D. Product Development & Market Research

**A. Business Development: Deposit Mobilization:**

1. Opening/Shifting new branches: Selection of Premises, Obtaining of BB Approval etc.
2. Business target fixation, monitoring & achieving.
3. Introduction of New Deposit Products.
4. Arranging periodical Branch Managers' Conference.
5. Monitoring e-GP / e-tendering issues.
6. Branch performance evaluation.
7. Fixation of Bank's Schedule of Charges.
8. Collection of Utility bills Pay-Rolls, Business Agreement etc.
9. Grading / Categorization of Branch.
10. Corporate arrangements.

B. Operational Controls:

1. Account: Opening, Operation, Procedures & Controls etc.
2. Issuance of Duplicate of all types of Lost Instruments- FDR, PO, DD & FDD etc.
3. Settlement of the Deceased Accounts.
4. Re-confirmation of LIEN of our Deposit Instruments i.e. FDR & other Deposit and Savings Scheme /Instruments to other Banks and FIs as per instruction of Bangladesh Bank.
5. Fixation of vault limit & arrangement of cash remittance etc.
6. Matters on mutilated and dirty bank notes & Coins.
7. Dealings with fake bank notes.
8. Bank's Lockers management.
9. Vault Key maintenance.
10. Dealing of Sanchayapatra/Prize Bond.
11. BACH Clearing.
12. Dealing with Blocked Accounts & Dormant Accounts.
13. Circulating General/Emergency Circulars since received from BB and other regulatory authorities to our branches and giving feed-back of the same.
14. Changing fixed deposit and others A/C terms.
15. Circulating bank's circular centrally/ CMS.
16. Compliance of FATCA (Foreign A/C transaction compliance act.).
17. Preparation of Bank's Operational Manual/Guidelines.
18. Provide New Website write-ups in regards to Deposit products, Charge Schedule, Locker, Utility bills, e-GP, different Forms Upgrade etc.
19. All other related & relevant works other than credit & foreign exchange portfolio.
20. Upgrading Forms and formulation/upgrading standard operating procedure.

C. Vigilance:

1. Issuing Circular/Instruction for prevention of fraud forgeries, monitoring & legal actions.
2. Implementation of Self-Assessment of Anti-Fraud Internal Controls checklists of Bangladesh Bank to our branches.
3. Physical visit.
4. Complaint Cell.
5. Implementation of regulations.

D. Product Development & Market Research:

1. Market Research.

2. Data Collection.
3. Product formulation & Pilot Run.
4. Impact Assessment

The division is being formed on 3rd March 2015 constantly thriving to render best possible services to the branches and gradually integrating more functionality to its scope for better operation of the branches.

ISLAMI BANKING:

Following the vision of the honorable Board of directors and the Management, Standard Bank Limited is going to undertake full-fledged Islamic Banking operations from 1st January, 2021. In this regard, Bangladesh Bank had given preliminary approval for Islamic banking activities on 24.02.2020. Pursuant to the approval, Bank Management took initiatives to prepare necessary documentations, manuals and guidelines in the light of Shariah principles and under instructions of the Bangladesh Bank. As part of preparation for conversion of the bank to Islamic Banking, first of all, The Memorandum and Articles of Association had been changed incorporating required clauses of Islamic banking operations, got approval from Shariah Supervisory Committee, Board of Directors as well as hold Special EGM on 22nd October 2020, 27th June 2020 and 30th July 2020 respectively. Finally the same was approved by the honorable High court on 23rd September 2020. Meanwhile Bank's Board of Directors formed a Project in the name and Style of 'Islamic Banking Conversion Project' (IBCP) and a coordinator appointed to successfully convert the bank to Islamic banking.



Training on "Investment Banking Under Islamic Shari'ah" at SBL Training Institute

Subsequently, IBCP formally started its activities from 7th July 2020 for overall implementation of the conversion in time.

The Project prepared many documents, guidelines, manuals as per requirement of Bangladesh Bank for Islamic banking operations and got approval from Shariah Supervisory Committee and the Board on 21st October, 2020 and 29th October 2020 respectively. The papers/documents/guidelines include 1. Mapping of Conventional Loans and Advance Products with Islamic Banking Investment Products, 2. Mapping of Conventional Deposit Products with Islamic Banking Products, 3. General Banking Operation Manual, 4. Investment Operation Manual, 5. Investment Policy and IRM Guidelines, 5. Standard Bank Limited Service Rules. Meantime, HIKMA an Islamic Banking Software was selected and all required installations and training of all the officials were completed in November and December 2020 for smooth conversion of all data and information in time. To make the conversion effective and fruitful 67 training courses were planned and completed so far. 4,926 executives/officers at all levels were trained in this process. The most remarkable job the Bank completed was obtaining consent/no objection letter from all types of Deposit and Investment Clients by 15th October 2020. All the above

works were done as per requirement of Bangladesh Bank and to obtain final approval to start Islamic banking operation from 1st January 2021.

Alhamdulillah, all the preparations were made in time and we had been able to submit all required documents to Bangladesh Bank on 8th November 2020 and Bangladesh Bank provided final approval vide letter no BRPD (P-3)/745 (43)/2020-11591 dated 29th December 2020.

SBL CAPITAL MANAGEMENT LIMITED

After obtaining a full fledged Merchant Banker license from the Bangladesh Securities and Exchange Commission (BSEC), Merchant Banking operations of the Standard Bank Limited (SBL) was initially launched through the Merchant Banking Wing (MBW) in the year 2009. Later on as per Directive of Bangladesh Bank, the Board of Directors of Standard Bank Limited formed a separate Subsidiary Company with authorized and paid up capital of Tk. 500.00 crore and Tk. 150.00 crore respectively under Standard Bank Limited named SBL Capital Management Limited (SCML). Thereafter the Registrar of Joint Stock Companies and Firms issued the Certificate of Incorporation and also the Certificate of Commencement of business in favor of the said company. The Bangladesh Securities and Exchange Commission (BSEC) then issued a full-fledged Merchant Banker license in the name of SBL Capital Management Limited. The operation of SBL Capital Management Limited was launched from January 2011 through taking over all activities of the erstwhile Merchant Banking Wing (MBW) of the Bank to this subsidiary.



Meeting of the Board of Directors of SBL Capital Management Limited held

SCML, a subsidiary of Standard Bank Limited (owned 99.99%), its Business Office at 02 D.I.T. Avenue (Ext.), 3rd floor, Motijheel C/A, Dhaka-1000. The main objectives of the company for which it has been established are to carry out Merchant Banking activities including:

- Portfolio management
- Underwriting public issue of companies
- Issue management and
- Corporate advisory services

Business position of SCML:

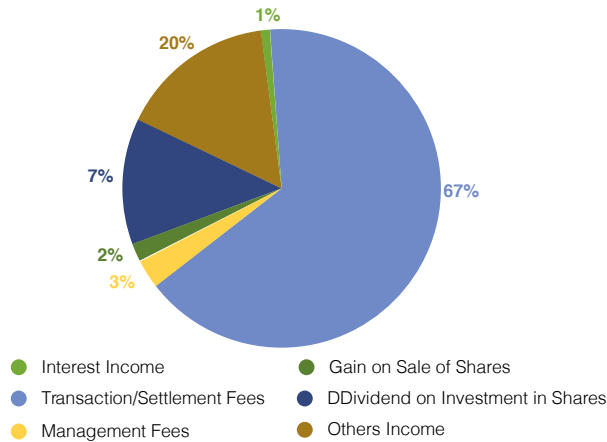
Figure in crore where applicable

Sl.	Particulars	As on December 31, 2019	As on December 31, 2020
1	No. of Accounts	2110	2169
3	Total Clients Portfolio value at cost price	187.51 crore	259.55 crore
4	Total Clients Portfolio value at Market price	92.16 crore	192.20 crore
5	Total Own Portfolio value at cost price	214.45 crore	184.06 crore
6	Total Own Portfolio value at Market price	119.01 crore	112.93 crore
7	Average daily trade volume	1.95 crore	3.00 crore

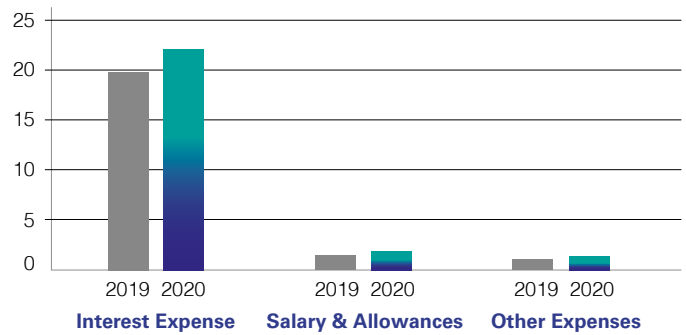
The below stated pie chart depicts the various sources of Income in the year 2020 and the bar chart shows the expenses of SCML in 2020 in comparison with 2019:



SCML INCOME 2020



SCML EXPENSES 2020



Financial results of SBL Capital Management Ltd:

Figure in BDT crore

Sl.	Particulars	2019	2020	Increase/ (Decrease)	%
1	Income	25.81	30.47	4.66	18.05
2	Expense	21.76	23.90	2.14	9.83
3	Operating Profit	4.05	6.57	2.52	62.22
4	Net profit before tax	3.24	3.56	0.32	9.87
5	Net profit after tax	0.04	0.09	0.05	125.00
6	Retained earnings	0.89	0.99	0.10	11.23
7	EPS (Tk.)	0.03	0.06	0.01	200.00
8	NAV (Tk.)	100.59	100.66	0.07	0.06

STANDARD BANK SECURITIES LIMITED

Standard Bank Securities Limited a wholly owned subsidiary of Standard Bank Limited, was incorporated as a Public Limited Company under the Companies Act, 1994 vide certificate of C-105752/12 for commencement of business dated 26 November 2012. Standard Bank Securities Limited is corporate TREC holder of Dhaka Stock Exchange Limited. The company started its commercial operation in the month of June 2013. The principal place of business is the Registered Office at 2 DIT Avenue (Ext.), 1st Floor, Motijheel C/A, Dhaka-1000. The principal objectives of the company for which it was established are to carry on the business as stock broker and stock dealer in relation to shares and securities transactions, other services related to the Capital Market and other activities as mentioned in the Memorandum and Articles of Association of the company.



Meeting of the Board of Directors of Standard Bank Securities Limited held



Standard Bank Securities Limited is dedicated to providing a high level of professional and personalized services to its all clients. The company intends to offer high level of quality product and services at a competitive rate to all clients. It has proven reputation in serving customers by maintaining strong compliance practices and extreme ethical standard.

Now the number of clients of SBSL is more than Two Thousand Four hundred Fifteen and it comprises of local individual & institutional investors. SBSL also acts as Panel Broker of SBL Capital Management Limited. During the year 2020 the company earned operating profit of taka 4.42 Crore as against taka 4.08 Crore in 2019.

SBSL Products:

- Beneficiary Owners (BO) Account as Cash Account
- Beneficiary Owners (BO) Account as Margin Account.

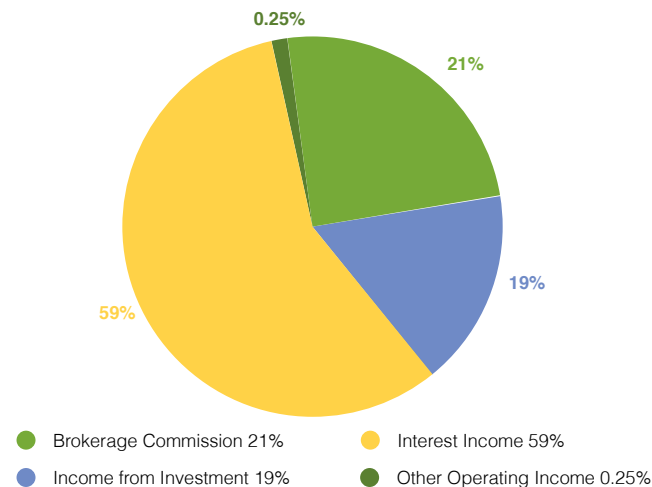
SBSL Services:

- Trade Execution through Dhaka Stock Exchange Ltd.
- Full Service Depository participant
- IPO Application Services
- Margin Loan Facility with affordable Interest Rate
- Online Trading Facility
- Daily Portfolio Services through e-mail
- Online banking facility at all SBL & AIBL

Key Financials 2020:

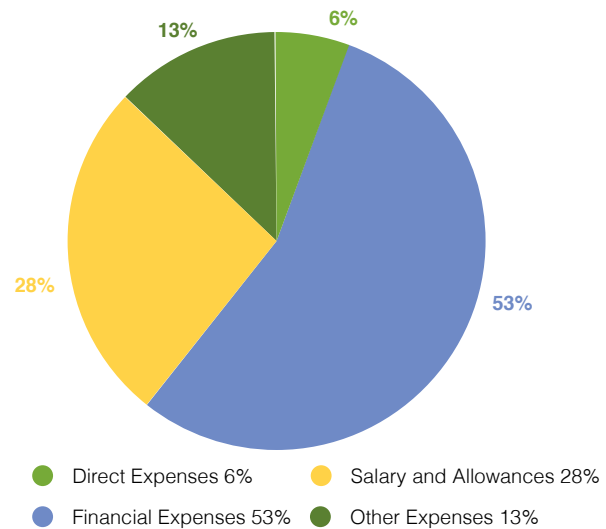
Total Operating Income: SBSL shows its operating income among four basic segments. For the year 2020 the company generates 1.78 Crore Taka from Brokerage Commission. After that the Income from Investment in Shares was 1.57 Crore Taka and Interest Income was 5.04 Crore Taka, and finally there was some amount of 0.07 Crore Taka heading Other Operating Income for the year of 2020.

TOTAL INCOME 2020



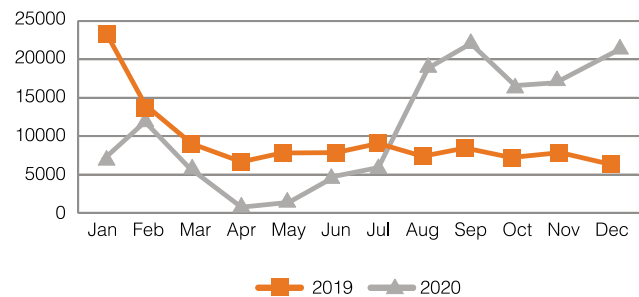
Total Operating Expenses: In the year 2020 SBSL's Direct Expenses was 0.25 Crore Taka and Financial Expenses was also 2.15 Crore Taka. After these the expense for Salary & Allowance was 1.12 Crore Taka and Other Administrative Expenses was an amount of Tk. 0.53 Crore.

TOTAL EXPENSES 2020



Monthwise Turnover: In the year 2020 faced a mixed trend traded value throughout the year. Turnover or the Trade Volume is the vital issue for generating a handsome Brokerage Commission. In the year 2020 the total trade of DSE stood at Tk. 134981 crore which marking a increase 18.57% than that of the previous year. Over the year the company's total turnover was 723.77 Crore, where 2019 turnover was 437.72 Crore. The monthwise trade volume of Dhaka Stock Exchange Limited for 2019 & 2020 is shown by drawing a graph.

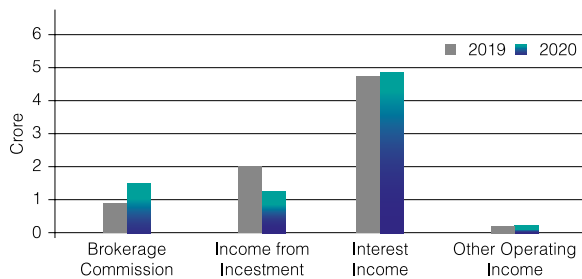
Month wise Turn over (DSE)



Financial Growth: 2020 is an unprecedented year in national life. The Corona pandemic has changed the world, changed our national context. The whole country was imprisoned in lockdown. Our stock market could not be free from the influence of National life. In the year the stock market and the contry's economy was in a worse crisis tan ever before. So the year 2020 was a very challenging year for SBSL. But SBSL handle every situation over the year 2020 and generate an operating profit before tax and provisions of 4.42 Crore Taka, that was 4.08 Crore Taka for 2019.

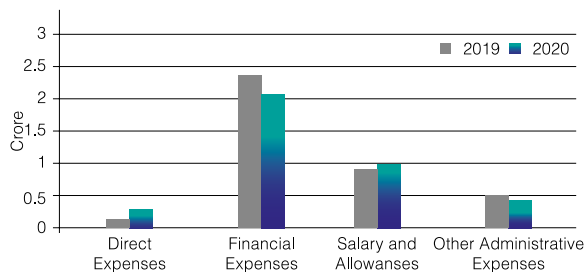
Some Comparison Graph is given below for better understanding.

Total Income Comparison (2019 & 2020)



Here, in this graph of Operating Income Comparison (2019 & 2020), we can see that, the Brokerage Commission income for the year 2020 was 1.78 Crore Taka where as the income from same entity was 1.08 Crore Taka in 2019. Income from Investment also Decreased by 8%, in 2020 the amount was Tk. 0.70 Crore than that of the previous year. Interest Income was increased by 4.97 Crore to 5.04 Crore Taka with 1% growth rate due to fresh Margin loan disbursement to the Clients.

Total Expenses Comparison (2019 & 2020)



By the graph Heading Operating Expenses Comparison (2019 & 2020). In the year 2020 the total operating expenses Tk. 4.05 crore where as the same entity was 4.29 Crore Taka in 2019 and highest expenses was Financial expenses for Interest expenses on Bank Loan.

Performance of SBSL last Five years:

Particulars/Year	2020	2019	2018	2017	2016
No. of new Clients	296	160	308	429	187
Margin Loan to Clients (crore)	34.82	37.67	32.18	27.36	15.91
Operating Profit (crore)	4.42	4.08	5.65	9.85	5.08
Total Turnover-Trade (crore)	723.77	437.72	707.30	1634.26	384.73

CAPITAL ADEQUACY

To manage the overall risk exposure of the bank, our primary focus has always been to reinforce our risk management policy with a strong internal control system. Our Capital Adequacy Ratio has remained consistently above the threshold (10% of RWA) of Minimum Capital requirement. To meet up the compliance of BASEL-III deadline, with consent of Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, Standard Bank Limited applied to the regulatory authorities for consent to issue "1ST STANDARD BANK CONDITIONAL CONVERTIBLE MUDARABA PERPUTUAL BOND" for BDT 500.00 crore to meet up the Tier-I capital requirement of the Bank.

BRANCH EXPANSION AND BUSINESS DIVERSIFICATION

The year 2020 was a remarkable as well as worth noting for us because of the fact that the year had been marked by an astounding record of growth and development through multidimensional steps taken by the management. Several epochs making steps in matters of business dissemination and diversification had taken place during the year.

We are operating our business throughout country with our 138 branches (as on 31st December, 2020). Therefore we have 102 numbers of urban branches and 36 numbers of rural branches including 07 nos. of SME/Krishi branches. Besides that 02 Islami Banking windows (Topkhana IBW, Dhaka and Agrabad IBW, Chittagong) and 02 Islamic Banking Branch (Dhaka Udyan Islamic Banking Branch, Dhaka and Moheshkhali Islamic Banking Branch, Chittagong) are operating smoothly.

Standard Exchange Co (UK) Ltd., 100% owned subsidiary company of Standard Bank Limited is operating in London, UK since August, 2009. Besides, we have opened Standard Co. (USA) Inc. under the brand name "STANDARD EXPRESS" at U.S.A. on 1st March, 2011 with total 07 branches at Jamaica, Ozon Park, Brooklyn, Bronx, Jackson Heights and Los Angeles in California. We have also planned for opening more Exchange Companies in Italy, Spain, Singapore and other potential areas of the world in near future. As such, Bangladesh expatriates will be able to remit money with ease, comfort and confidence..

CORPORATE SOCIAL RESPONSIBILITY

This year Corporate Social Responsibility (CSR) activities of the Bank expenses to Taka 250.4 million under Health, Education, Disaster Management, Environment, Cultural welfare, Infrastructure improvement in remote/underprivileged areas, Income generating activities for the underprivileged population, and Others program's to reaffirm the commitments of the Bank towards society.

APPOINTMENT OF AUDITOR

Shafiq Basak & Co. was appointed as Auditor for the year 2020 and completed their 1st Tenure of Audit of our Bank. They were appointed as a statutory auditor for the year 2020 by the honorable Board of Directors in its 327th Board Meeting dated March 19, 2020 & by the shareholders of our Bank in its 21th Annual General Meeting (AGM) held on July 30, 2020. It was also approved by Bangladesh Bank vide letter no: BRPD (Taskforce) 748/3/2020-7614 dated September 20, 2020 and they are also eligible as per section 210 of the Company Act, 1994 to appoint as Auditors for the next term for the year 2021. Accordingly, they showed their expression of interest for the audit of the year 2021. The Audit Committee reviewed their expression of interest and recommended to the Board. The Board in its 341st meeting held on 28th April 2021 recommended to the shareholders regarding the appointment of M/s. Shafiq Basak & Co. Chartered Accountants as a statutory auditor of Standard Bank Ltd. for the 2nd year i.e. 2021 at remuneration of BDT 7,00,000/- (seven Lac) only excluding VAT. Now in the exercise of the power conferred upon Section 210 (10) of the Companies Act, 1994. The shareholders of the company will approve the appointment and fix the Auditor's remuneration in the ensuing Annual General Meeting. In this regard, prior approval from Bangladesh Bank will be taken to appoint M/s. Shafiq Basak & Co., Chartered Accountants.

BOARD OF DIRECTORS

The Board of the Bank consists of 16 Directors as on December 31, 2020 of high academic caliber and excellent professional knowledge, experience and skills together with the Managing Director as Ex-officio member. All of the Directors were elected by the shareholder of the company for a terms of 3 years. 13 (thirteen) Board meetings held during the year 2020.



327th Board Meeting of Standard Bank Ltd. held

The Board of Directors is the supreme authority in the Bank's affairs. To ensure the company's prosperity by collectively directing the company's affairs the Board approved different loan & investment proposals and adopted policies and guidelines issued by Bangladesh Bank and gives directions for their due compliance and plans for smooth growth of business. The Board provided guidelines for technological development in consideration of requirement of time and to face the challenges and competitions. The Board also reviewed different policies & programs on monthly basis in order to establish effective risk management in credit and other key areas of operations and provides guidelines to the Management for upholding and protecting the interest of the Bank. In addition to business and financial issues, boards of directors deal with challenges and issues relating to corporate governance, corporate social responsibility and corporate ethics.

COMMITTEES OF THE BOARD

The Bank has 03(three) Board committees as set by the Bangladesh Bank namely (i) Executive Committee, (ii) Audit Committee) and (iii) Risk Management Committee with an objective to monitor and manage Bank's operations, performance and strategy.

Executive Committee

The Board delegated financial, business and administrative power to the Executive Committee to decides or acts in those cases as instructed by the Board of Directors that are not specifically assigned on full board through the Bank Company Act and other laws and regulations. The Committee used to ensure the implementation of policy and guidelines of the Board and continuous efforts guides the Management to develop uniform and minimum acceptable credit standards for the Bank. The present executive committee of the Bank is comprised with 6 (six) members. Due to Covid-19 pandemic situation, during the year 2020 there was no meeting held of the Executive Committee.

Audit Committee

The Audit Committee constituted as under by the Board of Directors of the Bank in accordance with the BRPD circular letter no. 12 dated 27.10.2013 issued by Bangladesh Bank: The present Audit Committee of the Bank is comprised with 5 (five) members. The Company Secretary of the Bank has been nominated as Secretary of the said Committee as per Bangladesh Bank Circular. During the year 2020, the Audit Committee conducted 7 (seven) meetings.

Risk Management Committee

Risk management committee was formed to play an effective role in mitigating impending risks arising out from strategies and policies formulated by the Board and to carry out the responsibilities efficiently. The Committee identifying and assessing several risk factors. The committee will scrutinize whether appropriate risk management measures are being put in place and applied and whether adequate capital and provision is being maintained against the risks identified. The present Risk Management Committee of the Bank is comprised with 5 (five) members. 03 (three) meetings of Risk Management Committee held during the year 2020.



DIRECTORS' HONORARIUM

During the year an amount of Tk. 2,124,000 has been paid to the Directors including Independent Directors' as honorarium for attending the meeting of Directors'. It may be mentioned here that as per Bangladesh Bank's BRPD circular letter no. 11 dated 4th October, 2015 each Directors entitle to get maximum Tk. 8,000 (eight thousand) as honorarium for attending each meeting.

COMPLIANCE OF SECTION 1.5(XXI) OF BANGLADESH SECURITIES AND EXCHANGE COMMISSION (BSEC) NOTIFICATION NO. BSEC/CMRRCD/2006-158/207/ADMIN/80 DATED 03 JUNE 2018. The pattern of shareholding position as on 31.12.2020

Parent/Subsidiary/Associated Companies and other related parties: Nil

i) Shareholding position of Directors

Sl. No.	Name	Position	No. of Shares	(%) of shareholding
1	Mr. Kazi Akram Uddin Ahmed	Chairman	2,03,07,548	2.02%
2	Mr. Md. Zahedul Hoque	Vice Chairman	3,36,19,672	3.34%
3	Mr. Kamal Mostafa Chowdhury	Director	2,31,15,081	2.30%
4	Mr. Ashok Kumar Saha	Director	2,18,06,449	2.17%
5	Mr. Ferozur Rahman	Director	2,08,44,334	2.07%
6	Mr. Md. Monzurul Alam	Director	2,01,21,044	2.00%
7	Mr. S. A. M. Hossain	Director	2,73,93,979	2.72%
8	Mr. Mohammed Abdul Aziz	Director	2,01,79,695	2.01%
9	Mr. Gulzar Ahmed	Director	2,01,40,211	2.00%
10	Al-Haj Mohammed Shamsul Alam	Director	2,55,66,242	2.54%
11	Al-Haj Mohd. Yousuf Chowdhury	Director	2,01,20,199	2.00%
12	Mr. Ferdous Ali Khan	Director	2,27,88,744	2.27%
13	Mr. Kazi Khurram Ahmed	Director	2,01,68,480	2.00%
14	ICB, represented by its Managing Director, Mr. Md. Abul Hossain	Managing Director, Investment Corporation of Bangladesh	4,09,00,609	4.07%
15	Mr. Najmul Huq Chaudhury	Independent Director		NIL
16	Mr. Md. Nazmus Salehin	Independent Director		NIL
17	Mr. Khondoker Rashed Maqsood	MD & Ex-Officio Director		NIL

ii) Shareholding of CEO, CFO, Company Secretary & Head of Internal Audit:

Sl. No.	Name	Position
1.	Chief Executive Officer and his spouse & minor children	Nil
2.	Company Secretary and his spouse & minor children	200
3.	Chief Financial Officer and his spouse & minor children	200
4.	Head of Internal Audit and his spouse & minor children	Nil

iii) Shareholding of Executives (Top five salaried persons other than CEO, CFO, CS and HIA):

Sl. No.	Name	Position	Share Holdings
1.	Mr. Md. Motaleb Hossain	DMD	Nil
2.	Ms. Haider Nurun Naher	SEVP	Nil
3.	Ms. Alkona K. Choudhuri	SEVP	Nil
4.	Mr. Syed Anisur Rahman	EVP	Nil



BOARD MEETING AND ATTENDANCE

The board meeting usually holds at least once in every month, but in an emergency the meeting holds more than one. Directors who cannot attend the meeting(s) leave of absence were granted by the board as per their prayer. During the year 2020 total 13 meetings were held.

As per compliance of Section 1, 5 (XX) of Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/ Admin/80 dated 03 June 2018, the attendance record of Directors in 2020 are as follows:

Sl. No.	Name	Position	Total no. of Meetings Held	Attended
1	Mr. Kazi Akram Uddin Ahmed	Chairman	13	13
2	Mr. Md. Zahedul Hoque	Vice-Chairman	13	13
3	Mr. Kamal Mostafa Chowdhury	Director	13	13
4	Mr. Ashok Kumar Saha	Director	13	12
5	Mr. Ferozur Rahman	Director	13	13
6	Mr. Md. Monzurul Alam	Director	13	10
7	Mr. S.A.M. Hossain	Director	13	13
8	Mr. Mohammed Abdul Aziz	Director	13	13
9	Al-haj Mohammed Shamsul Alam	Director	13	13
10	Mr. Ferdous Ali Khan	Director	13	13
11	Al-haj Mohd. Yousuf Chowdhury	Director	13	11
12	Mr. Kazi Khurram Ahmed	Director	13	13
12	Investment Corporation of Bangladesh represented by its Managing Director Mr. Md. Abul Hossain	Director	13	13
14	Mr. Najmul Huq Chaudhury	Independent Director	13	12
15	Mr. Md. Nazmus Salehin	Independent Director	13	13
16	Mr. Khonodker Rashed Maqsood	Ex-officio Director	13	13
17	Mr. Md. Ali Reza	Member Secretary	13	13

* Leave of absence was granted by the Board of Directors as per his application.

AUDIT COMMITTEE MEETING 2020

Sl. No.	Name	Designation	No. of Meetings Held	Attended
1	Mr. Md. Nazmus Salehin	Chairman	7	7
2	Al-haj Mohammed Shamsul Alam	Member	7	7
3	Mr. Ferdous Ali Khan	Member	7	6
4	Mr. Kazi Khurram Ahmed*	Member	7	7
5	Mr. Najmul Huq Chaudhury	Member	7	5
6	Mr. Md. Ali Reza	Member Secretary	7	7

EXECUTIVE COMMITTEE MEETING 2020

Due to pandemic situation, no Executive Committee meetings were held during the year of 2020.

RISK MANAGEMENT COMMITTEE 2020

Sl. No.	Name	Designation	No. of Meetings Held	Attended
1	Mr. Kazi Akram Uddin Ahmed	Chairman	3	3
2	Mr. Mohammed Abdul Aziz	Member	3	3
3	Mr. S.A.M. Hossain	Member	3	3
4	Mr. Ferdous Ali Khan	Member	3	3
5	Mr. Md. Nazmus Salehin	Member	3	3
6	Mr. Md. Ali Reza	Member Secretary	3	3



DIRECTOR'S DECLARATION ON FINANCIAL STATEMENTS

The Directors are responsible for the governance of the company and as part of preparation and presentation of the financial statements, the directors confirm, to the best of their knowledge and belief that:

- The Financial Statements prepared by the management present fairly its state of affairs the result of its operations, cash flows and changes in equity.
- Proper books of accounts as required by law have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards (IAS)/International Financial Reporting Standards (IFRS) as applicable in Bangladesh have been followed.
- The system of internal control in the bank is sound in design and has been effectively implemented and monitored.
- There are no doubts upon the bank's ability to continue as a going concern.

The Board expresses gratitude to the Almighty Allah for the success of the Bank in 2020. The Board extends thanks to the valued customers, patrons and well-wishers for their continued support and co-operation to the Bank. The Board also appreciates the dedicated services of the Senior Management Team, all executives and other employees of the Bank. The Board offers thanks to the Government of Bangladesh, Bangladesh Bank, Bangladesh Securities and Exchange Commission (BSEC), NBR, FRC, Registrar of Joint Stock Companies and Firms, Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited and Central Depository Bangladesh Limited (CDBL) for their appreciable support and co-operation to the Bank. The Board also expresses its appreciation to M/s Shafiq Bashak & Co. the Auditor of the Bank, for their efforts for timely completion of Audit. The Board of Directors also thanks both the print and electronic media personnel for giving media coverage to Bank's different activities and events.

Finally, the Board thanks the respected Shareholders and assures them that it will continue to add to the Shareholders' wealth through further strengthening and development of the Bank in which they have placed their trust and confidence. We want to continue on doing the best and ensure prolonged development in the economy, society, lifestyle and thus every sphere of our country in line with our vision. Our sustainable banking operation is attributed to our prudent Board of Directors, effective Management, enthusiastic and skillful employees and trust bestowed upon us by our valuable clients and shareholders.

Sincerely

On behalf of the Board of Directors.

Ln. Kazi Akram Uddin Ahmed
Chairman

STATEMENT OF CORPORATE GOVERNANCE

Corporate governance is the system by which organizations are directed and controlled. In other words, corporate governance represents the set of processes, customs, policies, laws and institutions affecting the way in which an entity is directed, administered or controlled. Corporate governance serves the needs of shareholders, and other stakeholders, by directing and controlling management activities towards good businesses practices, objectivity and integrity in order to satisfy the objectives of the entity. Corporate governance represents a strategy for companies to ensure a framework of control for its administrative and management practices. This is achieved through procedures that are aligned with recognized standards that respond to the interests of shareholders and other stakeholders. Proper governance ensures fairness, transparency and accountability and safeguards the interests of all stakeholders, especially the minority shareholders. Empirical research also suggests that corporations that adhere to good governance practices are not only more sustainable but also tend to generate higher profitability. The six core areas of Standard Bank Limited emphasizes its effective corporate governance strategy as demonstrated in the diagram. The company's corporate governance model is rigorously aligned with its well-articulated vision, mission, goals and objectives.



The Company's Board of Directors are responsible for proper governance, which includes setting out the Company's strategic aims, providing the necessary leadership to implement such aims, supervising the management of the business and reporting to shareholders on their stewardship. The Board is collectively accountable to the Company's shareholders for good governance to facilitate efficient and effective management towards delivering long-term shareholder value within appropriately established risk parameters.



Standard Bank Limited is committed to continually review all its corporate governance policies and guidelines to ensure transparency in its practices and the delivery of the highest ethical standards and quality information to its stakeholders on an ongoing basis.

The sustenance of effective corporate governance remains a key priority of the Board of Standard Bank Limited. To exercise clarity about the Directors' responsibilities towards shareholders, corporate governance must be dynamic and remain focused on the Company's business objectives and create a culture of openness, transparency and accountability. Keeping this in mind, clear structures and ownership supported by well-understood policies and procedures to guide the activities of the Company's management have been instituted and institutionalized.

Standard Bank Limited considers that its corporate governance practices comply with all the aspects of the revised Corporate Governance Guideline (CGG) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018, issued by the Bangladesh Securities and Exchange Commission (BSEC) and all aspects of Bangladesh Bank's BRPD Circular No.11, dated 27 October 2013. In addition to establishing the highest standards of corporate governance, Standard Bank Limited also embraces best governance practices across all its activities. The independent role of the Board of Directors, separate and independent role of the Chairman and Chief

Executive Officer, distinct roles of the Company Secretary, Chief Financial Officer and Chief Compliance Officer and different Board Committees enable Standard Bank Limited to achieve excellence in corporate governance. As a listed Company, Standard Bank Limited must comply with the BSEC's revised CGG, which require the Company to provide a statement in the Annual Report disclosing the extent to which it has complied with the BSEC Corporate Governance circulars. The status of compliance shall be certified by a practicing Professional Accountant/ Secretary.

The Board duly complies with the guidelines issued by the Bangladesh Bank regarding the responsibility and accountability of the Board, its Chairman and Chief Executive/Managing Director, vide BRPD Circular No.11 dated October 27, 2013.

The Board of Directors is in full control of the Company's affairs and is also fully accountable to shareholders. It firmly believes that the success of the Company hinges on the credible corporate governance practices embraced by it. Taking this into consideration, the Board of Directors set out its strategic focus and supervises the business and the related affairs of the Company. The Board also formulates the strategic objectives and policy framework for the Company. In discharging the above responsibilities, the Board carries out, inter alia, the following functions as per the charter of the Board and Bangladesh Bank's BRPD Circular No.11 dated October 27, 2013:

PRINCIPLES OF GOOD CORPORATE GOVERNANCE

Good corporate governance stands on the following core principles:





REPORT ON COMPLIANCE WITH BEST PRACTICES ON CORPORATE GOVERNANCE

Principles	Practices
Leadership	
The role of the board	The Bank is headed by an effective board which is collectively responsible for its long-term success of the company.
	The board meets sufficiently regularly to discharge its duties effectively. There is a formal schedule of matters specifically reserved for its decision.
Division of responsibilities	There is a clear division of responsibilities at the head of the Bank between the running of the board and the executive responsibility for the running of the Bank's business. No one individual has unfettered powers of decision. The roles of the chairman and chief executive are not be exercised by the same individual.
The Chairman	The chairman is responsible for leadership of the board and ensuring its effectiveness on all aspects of its role. The chairman promotes a culture of openness and ensures constructive relations between executive and non-executive directors.
	A chief executive does not go on to be chairman.
Non-executive directors	As part of their role as members of a unitary board, nonexecutive directors constructively challenges and helps develop proposals on strategy.
	Non-executive directors scrutinize management performance and the reporting of performance. They satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are robust.
	They are also responsible for determining executive director remuneration and appointing and removing executive directors.
	The non-executive directors appraise the chairman's performance at least annually.
Effectiveness	
Composition of the board	The board and its committees have the appropriate balance of skills, experience, independence and knowledge of the company to enable them to discharge their respective duties and responsibilities effectively.
	The board includes an appropriate combination of executive and non-executive directors such that no individual or small group of individuals can dominate the board's decision taking.
	Non-executive directors comprise at least half of the board (excluding the chairman).
	The board determines whether non-executive directors are independent.
Appointments to the board	There is a formal, rigorous and transparent procedure for the appointment of new directors to the board.
	There is a nomination committee, which leads the process for board appointments and makes recommendations to the board. A majority of members on the nomination committee are independent non-executive directors.
	Non-executive directors are appointed for specified terms. Any terms beyond six years are subject to rigorous review.
Commitment of the Board	All directors are able to allocate sufficient time to the company to discharge their responsibilities effectively.
	The board does not agree to a full time executive director taking on more than one non-executive directorship in neither a DSE or CSE listed company or the chairmanship of such a company.
Development of Knowledge & Skill	All directors receive induction on joining the board and regularly update and refresh their skills and knowledge.
Information and support	The board is supplied in a timely manner with information in a form and of a quality appropriate to enable it to discharge its duties. The company secretary is responsible for ensuring good information flows and for advising the board through the chairman on all governance matters.
Evaluation of the Board Performance	The board undertakes a formal and rigorous annual evaluation of its own performance and that of its committees and individual directors.
Re-election of the Board Member	All directors submit themselves for reelection at regular intervals and at least once every three years.



Principles	Practices
Accountability	
	The board presents a balanced and understandable assessment of the company's position and prospects.
Financial reporting	The directors explain in the annual report their responsibility for preparing the annual accounts and an explanation of their business model.
Risk management and internal control	
	The board is responsible for determining the nature and extent of the significant risks it is willing to take in achieving its strategic objectives. The board maintains sound risk management and internal control systems. The board, at least quarterly, conducts a review of the effectiveness of the Bank's risk management and internal control systems and report to shareholders that they have done so.
Audit committees and auditor	
	The board established formal and transparent arrangements for considering how they should apply the corporate reporting and risk management and internal control principles and for maintaining an appropriate relationship with the company's auditor. The board established an audit committee of at least three (two for smaller companies) independent non-executive directors. At least one member of the audit committee has recent and relevant financial experience.
	The main role and responsibilities of the audit committee is set out in written terms of reference.
	The audit committee monitors and reviews the effectiveness of internal audit activities.
	The audit committee has primary responsibility for making a recommendation on the appointment and removal of the external auditor.
Remuneration	
Levels of remuneration are sufficient to attract, retain and motivate directors of the quality needed to run the company successfully, but the Bank avoids paying more than is necessary for this purpose. A significant proportion of the remuneration of the executive director is structured so as to link rewards to corporate and individual performance.	
The level and components of remuneration	
	Assessing executive remuneration in an imperfect market for executive skills may prove problematic. Performance conditions are relevant, stretching and designed to promote long-term success.
	Remuneration for non-executive directors reflects the time commitment and responsibilities of the role and does not include performance-related elements.
Procedure for developing policy	
	There is a formal and transparent procedure for developing policy on executive remuneration and for fixing remuneration packages of individual directors. No director is involved in setting their own remuneration.
	The board should determine the remuneration of non-executive directors.
Relations with shareholders	
Dialogue with shareholders	
	There is dialogue with shareholders based on the mutual understanding of objectives. The board as a whole has responsibility for ensuring that a satisfactory dialogue with shareholders takes place.
	The Board uses the AGM to communicate with investors and encourage their participation.
	Notice of the AGM and related papers are sent to shareholders at least 14 working days before the meeting.
Constructive use of the AGM	
	The Chairmen of the key sub-committees (audit, remuneration) are available to answer questions and all directors attend.
	Shareholders are able to vote separately on each substantially separate issue.
	The Bank counts all proxies and announce proxy votes for and against on all votes on a show of hands.



BOARD OF DIRECTORS, CHAIRMAN AND CEO

BOARD OF DIRECTORS

The Board of Standard Bank Limited considers that its constitution should comprise Directors with an appropriate mix of skill, experience and personal attributes that allow the Directors individually and the Board collectively to discharge their responsibilities and duties under the law efficiently and effectively understand the business of the Company and assess the performance of the management.

The composition of the Board embraces diversity. The Directors possess a wide range of local and international experience, expertise and specialized skills to assist in decision-making and leading the Company for the benefit of its shareholders.

NOMINATION COMMITTEE

The Nomination Committee is responsible for composition, balance and expertise of the Board as a whole and appraising the contribution of individual Directors, including a review of their time commitment and attendance records.

The Board, as a whole, decides on the nomination of any Board member and composition of the Board and its committees.

POLICY ON APPOINTMENT OF DIRECTORS

In relation to the selection and appointment of new Directors, the existing Board of Directors possesses the following duties and responsibilities:

Regularly review the size and composition of the Board and the mix of expertise, skills, experience and perspectives that may be desirable to permit the Board to execute its functions;

Identify any competencies not adequately represented and agree to the process necessary to be assured that a candidate nominated by the shareholders with those competencies is selected;

The Directors are appointed by the shareholders in the Annual General Meeting (AGM). Casual vacancies, if any, are filled by the Board in accordance with the stipulations of the Companies Act, 1994, Bank Companies Act 1991 (amended up to 2018) and the Articles of Standard Bank Limited;

The CEO & Managing Director is appointed by the Board subject to the consent of the shareholders in the Annual General Meeting (AGM) and approval of Bangladesh Bank;

Any change in the members of the Board requires intimation to the Bangladesh Bank, all scheduled banks and Financial Institutions (FIs), Bangladesh Securities and Exchange Commission (BSEC) and the stock exchanges.

BOARD INDUCTION

A formal letter of appointment setting out the director's duties and obligations is provided to every new director. Comprehensive and tailored induction is provided to incoming directors joining the Board. The induction program allows the director to assimilate into his or her new role as soon as possible.

ADEQUATE NUMBER OF INDEPENDENT DIRECTORS IN THE BOARD AND THEIR INDEPENDENCE

As per the revised Corporate Governance Guideline of Bangladesh Securities and Exchange Commission (BSEC), at least one-fifth of the total directors of the Board shall be Independent Directors. Thus, in compliance with the guideline, two (02) Directors out of

the total fifteen (15) Directors are independent, having no share or interest in Standard Bank Limited. Independence of the respective Independent Directors is confirmed during selection and appointment of the Directors and they remain committed to continue with such independence throughout their tenure.

ROLE AND RESPONSIBILITIES OF THE BOARD

The Board is committed to the Company to achieve superior financial performance and long-term prosperity, while meeting stakeholder expectations of sound corporate governance practices. The Board determines the corporate governance arrangements for the Company. As with all its business activities, the Board is proactive with regards to corporate governance and puts in place those arrangements that it considers are in the best interest of the Company and its shareholders and consistent with its responsibilities to other stakeholders.

Composition of the Board of Directors – Non-executive Directors and Independent Directors

All the directors of the Board are non-executive directors and almost one-fifth is Independent. Currently, there are two independent directors appointed by the Board and approved by the BSEC, Bangladesh Bank and the shareholders in the AGM.

SELECTION AND APPOINTMENT OF NEW DIRECTORS

With regards to selection and appointment of new directors, the existing Board of Directors has the following obligations and duties:

- Frequently assess the size and structure of the Board and the mix of knowledge, skills, experience and perceptions that may be necessary to allow the Board to perform proficiently.
- Recognize any capabilities not sufficiently represented and approve the procedure necessary to be certain that an applicant designated by the shareholders with those capabilities is nominated.
- Casual posts, if any, are filled up by the Board in accordance with the conditions in the Companies Act and Articles of the Company.

Appointments of the Directors are also endorsed in the AGM by the Shareholders.

RETIREMENT AND RE-ELECTION OF DIRECTORS

As per Companies Act, each year one-third of the Directors retire from office at the AGM and if eligible, may offer themselves for re-election by shareholders at the Annual General meeting. In line with the requirement of Bank Company Act 1991 amended up to 2018, no Director should serve more than 3 years without seeking re-election at shareholders meeting.

CRITERIA FOR APPOINTMENT OF INDEPENDENT DIRECTOR

As per Bank Companies Act 1991 (Amended 2013) at least 2 of the total directors should be Independent when total number of directors in a Bank is less than 20. As per the BSEC guidelines on Corporate Governance at least one fifth of the total Directors should be Independent Directors. Therefore, in compliance with BCA 1991 and BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018, Board of SBL nominated two independent directors (1/5th of total number of Directors) so that the Board contains core skills considered appropriate in the framework of the company. The two independent directors are Mr. Najmul Huq Chowdhury and Mr. Md. Nazmus Salehin. The Board of Standard Bank affirms that the Independent Directors appointed by the Board are in compliance with the clauses of corporate governance guidelines released by the BSEC on Independent Directors.



INDEPENDENT DIRECTOR'S INDEPENDENCE

In order for a Director to be eligible as an Independent Director, the Board establishes that the Director has no substantial relationship with SBL either as a partner, shareholder or officer of an organization that has a relationship with SBL that would prevent that nominee from becoming an Independent Director. For the purpose of true independence, Board decided that its Independent Director do not hold any share of the Company; not associated with the Company's Promoters or Directors or Shareholders who maintains one percent or more of the total paid up share of the Company; not related with the existing Directors or families; does not have any other relationship, whether monetary or otherwise with the company or its subsidiary/associate companies; not a member, Director or officer of any Stock exchange and who is not a shareholder, Director or officer of any stock exchange or an intermediary of the capital market. The Independent Director is appointed for a period of three years which may be extended by one term only. A person cannot be appointed Independent Director who has already been appointed such Director of three other listed companies. The Board ensures that all these guidelines are strictly followed by the Independent Directors appointed by them.

ROLE AND RESPONSIBILITIES OF THE BOARD

The Standard Bank Board is responsible for the periodic review and approval of the overall strategies, business and significant policies of the Bank. The Board also sets the Bank's core values, adopts proper standards to ensure that the Bank operates with integrity, and complies with the relevant rules and regulations.

The Board's responsibilities are, but are not limited to:

- Reviewing and approving the strategies and business plans for the Bank.
- Approving the Bank's annual budget and carrying out periodic review of the achievements by the various operating divisions against their respective business targets.
- Prescribing the minimum standards and establishing policies on the management of credit risks and other key areas of the Bank's operations.
- Ensuring that the operating infrastructure, systems of control, systems for risk identification and management, financial and operational controls, are in place and properly implemented.
- Reviewing the adequacy and integrity of the Bank's internal control systems.
- Overseeing the conduct and performance of the Bank's businesses.
- Reviewing succession planning and talent management plans for the Bank and approving the appointment and compensation of senior management staff.
- Approving changes in the corporate organization structure.
- Approving policies relating to corporate branding, public relations, investor relations and shareholder communication program.

The Board duly complies with the guidelines issued by Bangladesh Bank, BSEC, Bank Company Act and Company Act regarding the responsibility and accountability of the Board, its Chairman and Managing Director.

BOARD OF DIRECTORS' RIGHT TO ACCESS TO RELEVANT INFORMATION AND CONFIDENTIALITY ACCORDING TO CODE OF CONDUCT

The Board of Directors follows a Code of Conduct which was adopted to provide guidance to directors to carry out their duties in an honest, responsible and business-like manner and within the scope of their authority, as set forth in the laws of the country as well as in the Memorandum and Articles of Association of the Company.

THE CODE OF CONDUCT STATES:

- The Members shall act honestly, in good faith and in the best interests of the shareholders and the company.
- The members shall not make improper use of information acquired as a director.
- The members shall not take improper advantage of the position as a director.
- The members will be obligated to be independent in judgment and actions and take all reasonable steps to be satisfied as to the soundness of decision taken by the Board of Directors.
- Confidential information acquired by the members in the course of exercise of directorial duties shall remain the property of the company and it will be improper to disclose or allow it to be disclosed, unless that disclosure has been authorized by the company, or the person from whom the information has been received.
- Members shall make every effort to attend all Board and Committee Meetings during their tenure. They will not absent themselves without good reasons or confirming leave of absence.
- To maximize effectiveness of the Board/Committee Meetings, contribution of individual director shall be monitored and appraised on an annual basis.
- Board members having interest of any nature in the agenda of the meeting, shall declare beforehand the nature of their interest and withdraw from the room, unless they have a dispensation to speak.
- Training opportunities/orientation/workshops will be arranged for the members (especially for the newly inducted members) to make them acquainted with the international best practices, their fiduciary obligations, Code of Conduct etc.
- Members shall always maintain 'Fit and Proper Test Criteria', clean CIB status and other obligations declared by the Primary and other Regulators.
- Members shall be judicious about their entitlement of benefit/privileges as per Banking Companies Act -1991 and all circulars issued by Bangladesh Bank and shall be willing to produce supporting documents, if required.
- Members shall comply with the Bank's Memorandum and Articles of Association of the Company while making Sale-Buy of Company's share and shall refrain from making such transaction without formal declaration.

Every Director will assure annually signing a confirmation that they have gone through, have complied with and will continue to comply with the set of codes approved by the Board of Directors.

DIRECTORS' REMUNERATION

Directors are not eligible for any remuneration other than attendance fee for the Board and its Committee Meeting. As per BRPD Circular letter No.11, dated October 04, 2015, directors are eligible for remuneration of BDT 8,000 for attending each meeting but numbers of such Meeting are also prescribed in the said circular determining the numbers with or without remuneration.

CHAIRMAN OF THE BOARD

The Chairman of the Bank is elected by the Board of Directors and the Board considers the Chairman independent.



ROLE AND RESPONSIBILITIES OF THE CHAIRMAN

The role and responsibilities of the Chairman are:

- As the Chairman of the Board of Directors (or Chairman of any Committee formed by the Board of Directors) does not personally possess the jurisdiction to apply policy making or executive authority, he shall not participate in or interfere into the administration or operational and routine affairs of the bank.
- The Chairman may conduct on-site inspection of any branch or financing activities under the purview of the oversight responsibilities of the Board. He may call for any information relating to bank's operation or ask for investigation into any such affairs; he may submit such information or investigation report to the meeting of the Board or the Executive Committee and if deemed necessary, with the approval of the Board, he shall take necessary action thereon in accordance with the set rules through the CEO. However, any complaint against the CEO shall have to be appraised by the Bangladesh Bank through the Board along with the statement of the CEO.

Besides this, the Chairman may/shall assume any other responsibility if the Board assigns within the purview of the Rules, Regulations, Acts and Articles of the Bank. The Chairman's responsibility is defined by the Board as directed by Bangladesh Bank and BSEC's notification on Corporate Governance Guidelines.

INDEPENDENCE OF THE CHAIRMAN OF ALL BOARD COMMITTEES

As per BRPD Circular no.11 dated October 27, 2013, the Bank has already formed 1 (one) executive committee, 1 (one) audit committee and 1 (one) risk management committee with the Directors. However, the Board did not form any permanent, temporary or sub-committee except the above-mentioned three committees. Chairmen of each of the afore-said 3 (Three) committee exercises complete independence in discharge of their responsibilities.

CHAIRMAN AND CEO

The Chairman is independent of the CEO, and this has been in practice since inception of the Bank. This also complies with Section 1.4 of the BSEC's notification on Corporate Governance Guidelines.

NON-EXECUTIVE DIRECTOR'S INDEPENDENCE

All the Directors except the Managing Director are non-executive Directors in the Board. None of the Directors takes part in the day to day affairs of the Company. They attend only the Board/Committee meetings to discuss the agenda reserved for the Board/Committees.

POLICY ON TRAINING OF BOARD OF DIRECTORS

Standard Bank is fully committed to maintain highest standards of Corporate Governance & professionalism in driving the Bank's progress on the principles of transparency and openness. For this purpose, training at home and abroad especially on the Corporate Governance is encouraged by the Board. As such, whenever opportunities arise, bank utilizes the same to train and orient its members. Last year, member of the Board of Directors along with the Chairman attended a workshop on Anti-money Laundering.

A Code of Conduct has been also adopted by the Board to be followed by its Members and annual compliance of the Code is ensured. Besides, all relevant regulations promulgated/ circulated time to time by the concerned authorities are placed to the Board Meeting on a regular basis to keep the members updated.

APPRAISAL OF THE BOARD'S PERFORMANCE

Standard Bank Limited doesn't have a scheme for annual appraisal of the Board's performance till date, but the Bank is abiding by the Code of Conduct prescribed by the regulators and formulated by the Board. The Board members have always taken decisions that have benefitted the Bank as a whole and they have always performed their duties accordingly. Another way of appraising the Board's performance is conducted by analyzing the execution of the projects and proposals sanctioned by it. A quarterly evaluation of classified and non-performing loans is continuously made by the Board. In addition, evaluation of the Board also takes place at the AGM by the Shareholders.

REPORT OF THE BOARD OF DIRECTORS REGARDING CONFLICTS OF INTEREST

In Financial Institution like Bank, there exists high possibility of arising conflicts of interest between Board of Directors and the management of the company. To avoid such unwanted situation, Standard Bank has segregated the responsibility/authority of these two interest groups of the bank. To avoid conflict of interest and also to make accountable the bank has already taken the a number of measures such as (i) Loan to the directors is restricted subject to fulfilling certain terms and conditions of regulatory guidelines. (ii) If there is any related party transaction, the management discloses the matter in the Annual Report and it is also approved by the general shareholders in AGM. (iii) Executive committee of the Board can approve loan to anyone up to a limited portion. (iv) Audit committee regularly reviews the financial and other related statements and gives recommendation to the management regarding any changes in policy and also presents to the Board for further evaluation. Board of directors' approval is needed for loan re-scheduling.

RELATED PARTY DISCLOSURE

The Bank has in place policies and procedures governing related party transactions. The Board approves all related party transactions and ensures that these transactions with the Company are undertaken on an arm's length basis. The Audit Committee reviewed all material related party transactions and kept the Board informed of such transactions. During the year, the Company had collected deposits from its Directors and their related parties. No preferential treatment had been extended to the Directors and their related parties for these deposits. Disclosure of related party transactions during the year is shown on notes to the financial statements.

DIRECTORS AND CLOSE RELATIVES ARE NOT INVOLVED IN ANY PURCHASE

The Bank has its standard "Procurement Policy" approved by its Board of Directors. The policy guideline delineates standard procurement procedures in order to protect the interest of the Bank. Therefore, there is no involvement of Directors and Close Relatives in any kind of purchase. However, the Board frames the policies and procedures for bank's purchase and procurement activities and accordingly approves the distribution of power for making such expenditures. The maximum possible delegation of such power of expenditures shall rest on the CEO and his subordinates. The decision on matters relating to infrastructure development and purchase of land, building, vehicles etc. for the purpose of bank's business, however, be adopted with the approval of the Board.

ANNUAL EVALUATION OF THE CEO BY THE BOARD

There is a five year Strategic Priorities & Capital Adequacy Plan for the evaluation of the CEO/Management on an annual basis and it is revised from time to time by the Board.

The CEO is also evaluated on an annual basis and is also given KPI's for the years ahead. The Board has the capability to evaluate the CEO whenever it wishes so. All CEOs are evaluated after their term, and on the basis of their evaluation, reappointment for another term is considered by the Board.

At the start of each year, the Board participates in extensive discussions with the Managing Director and decides on financial and non-financial objectives. The annual financial budget are considered and decided by the Board at the beginning of the financial year. The business and financial goals are assessed each quarter with actual accomplishments by the Board. The non-financial successes are also evaluated by the Board in each quarter. Furthermore, a yearly appraisal and assessment of the accomplishments of goals are made at the end of the year along with deviations.

A few mentionable KPIs for the CEO are to meet the annual budgetary targets of the Bank which was approved by the Board, maximize shareholders value through desired ROA, ROI, ROE and EPS as per expectation of the Board, sustainable growth on investment and revenue for the Bank, gradually reducing the NPL ratio and improvement in the score for CAMELS rating.

Board contains members with expert knowledge and responsibility for informing board of corporate regulatory roles and responsibilities and implications.

The Board of Directors of Standard Bank Limited comprises of members who boast a wide diversity of knowledge and experience in finance, economics, management, business administration, marketing etc. This is to ensure that together, they can devise the appropriate policy for the growth of the bank while having expertise, ability to perceive matters in a bigger perspective and adequate independence to review the management in a sensible manner. Mr. Kazi Akram Uddin Ahmed, the Hon'ble Chairman of Bank, has Diploma in Personal Management in UK and Industrial Management Training from Switzerland. The Bank's Independent Director, Mr. Md. Nazmus Salehin has vast knowledge in banking sector as a senior banker having over 39 years of different public and private banks in Bangladesh including Standard Bank Limited. Besides, two (2) of the Directors of the bank namely Mr. Ashok Kumar Saha and Mr. Md. Zahedul Hoque have advanced degrees in Business Administration from USA.

ROLE AND RESPONSIBILITIES OF THE CEO

The responsibilities and authorities of the Managing Director are as follows:

- A. In terms of the financial, business and administrative authorities vested upon him by the Board, the CEO shall discharge his own responsibilities. He shall remain accountable for achievement of financial and other business targets by means of business plans, efficient implementation thereof and prudent administrative and financial management.
- B. The CEO shall ensure compliance of the Bank Companies Act, 1991 and/or other relevant laws and regulations in discharge of routine functions of the bank.
- C. The CEO shall include information on violation of any law, rules, regulation including Bank Company Act, 1991 while presenting memos before the Board or the committee formed by the Board.
- D. CEO will provide all sorts of information to Bangladesh Bank about the violation of Banking Companies Act, 1991 and/ or any violation of Laws, rules and regulations.

- E. The recruitment and promotion of all staff 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 service rules on the basis of the human resources policy and sanctioned strength of employees as approved by the Board. The Board or the Chairman of any committee of the Board or any director shall not get involved or interfere into such affairs.
- F. The authority relating to transfer of and disciplinary measures against the staff, except those at one tier below the CEO, shall rest on him, which he shall apply in accordance with the approved service rules. Besides, under the purview of the human resources policy as approved by the Board, he shall nominate officers for training

Besides, the Managing Director shall assume any other responsibility if the Board assigns within the purview of the Rules, Regulations, Acts and Articles of the Bank.

BOARD MEETINGS

The Board meets as required to discuss business strategy, financial performance, matters pertaining to compliance and governance as well as reports on matters deliberated by the respective committees. The Board reviews, amongst others, the financial performance of the Bank and subsidiaries, risk management and compliance reports and approve the quarterly results of the Bank at its meeting. In addition, Special Board meetings are held when necessary, to deliberate on major transactions and ad-hoc matters that require the Board's urgent attention and decisions. A Board meeting is held at the beginning of the year to discuss the Bank's Business plan and budget.

Meeting papers on the proposals and reports are delivered to the Directors prior to the meetings, giving them sufficient time to evaluate the proposals. Paperless meeting has been introduced using in-house developed software. This enables the Board to function and discharge their responsibilities effectively. The minimum information required for the Board to make an informed and effective decision includes background, objective, key issues, rationale, financial and non-financial impact of the proposal. Directors who are unable to attend a meeting due to unavoidable circumstances are encouraged to provide feedback to the Chairman on matters to be deliberated for their views to be given due consideration at the meetings.

ROLE OF THE COMPANY SECRETARY

Company Secretary is responsible for advising the Board on issues relating to compliance with the relevant laws, rules, procedures and regulations affecting the Board and the Bank, as well as best practices of governance. He is also responsible for advising the Directors of their obligations and duties to disclose their interest in securities, disclosure of any conflict of interest in a transaction involving the Bank, prohibited to deal in securities and restricted to disclose any price-sensitive information.

The responsibilities of the Company Secretary comprises of:

- I. Ensuring the compliance of the Bank in relation to financial and legal practices, as well as issues of corporate governance. He acts as a point of communication between the management, Board of directors, company shareholders, reporting in a timely and accurate manner on company procedures and developments.
- II. Ensure the Bank complies with its governing document, policies, company law and any other relevant legislation i.e. regulations with Bangladesh Bank, Securities and Exchange Commission (BSEC) and Registrar of Joint Stock Companies etc. Support and advise the Chair by ensuring the smooth functioning of the Board. Work in partnership with the Chief Executive and other Trustees to ensure the activities & operations of the Bank.

- III. Support the Chairman in the smooth functioning of the Board. Receive agenda items from other Directors/staff and ensure appropriate agenda items are tabled at Board meetings. This is done in consultation with the Chief Executive Officer and the Chair who is responsible for preparing Board meeting agendas.
- IV. In line with Bangladesh Bank guidelines the company secretary has to act as the Secretary to the Audit Committee, Risk Management Committee and Executive Committee of the Board of Directors. In this area of risk mitigation, the Company Secretary has a pivotal role to play in support of the members of the Audit Committee, Risk Management Division, Audit & Inspection Division and Internal Control & Compliance Division.
- V. Act as a custodian of Banks governing documents and policies. Ensure the Bank pursues its objects as defined in its governing document. He acts as a custodian of the interests of the Bank. So it is his primary duty to protect and safeguard such interests of the Bank at all levels: statutory, administrative, and arbitrational and in other policy matters. He should also ensure that Board meeting minutes are signed by the Chair once they have been confirmed and copies filed and kept at the Bank.
- VI. Ensure the appointment of Bank's board members, that those appointed are not disqualified in law and are eligible to be members under the provisions of the governing documents and policies, and that the appointment procedure laid down in the governing document and policies is followed.
- VII. Make sure that the Directors have information to enable them to comply with the decisions and fulfill their responsibilities. This includes organizing the induction of new Directors also.
- VIII. Ensure that Board meetings are held in compliance with Bank's governing documents and arrangements for the meetings are made.
- IX. Confirms that Annual General Meetings (AGMs) and Extraordinary General Meetings (EGMs) are run effectively and in accordance with the provisions of Bank's governing document. This includes checking that a quorum is present. Also make sure that agendas and minutes of AGMs and EGMs are circulated timely.
- X. File the annual list of members and summary of share capital together with the authenticated Balance Sheet and the Profit and Loss account, Issue Dividend Warrants, bonus share certificates and make arrangement for disposal of fractional shares, if any.
- XI. Maintain strict confidentiality of information, manage situations like conflict of interest, identify problems and implement or recommend solutions.
- XII. Maintain and liaise with various corporate bodies viz. BAB, ABB, BAPLC, CSBIB, Chambers/other bodies, regulators.

DISCLOSURE REGARDING COMPLIANCE OF ICSB SECRETARIAL STANDARD

Institute of Chartered Secretaries of Bangladesh (ICSB) has so far issued 4 (Four) Secretarial Standards in Bangladesh which are (i) Secretarial Standard on meetings of the Board of Directors, (ii) Secretarial Standard on General Meetings, (iii) Secretarial Standard on Minutes and (iv) Secretarial Standard on Dividend. As a listed banking organization, Standard Bank Limited has been meticulously following all of the afore-said standards of ICSB.

VISION, MISSION AND STRATEGY APPROVED BY THE BOARD

Vision/Mission approved by Directors

The Board of Directors has approved the vision and mission statements of Standard Bank and strictly adheres to it. They strongly believe in the vision and mission set for the Bank and try to apply those in every business context possible. The Vision and Mission statements can be found in this report.

Business objectives and areas of business focus

SBL's Board always sets business objectives and areas for focus in consistency with the market. The latest business objectives and areas of business focus can be found in the "Statement Regarding Forward Looking Approach" section of the annual report.

STRATEGIES TO ACHIEVE THE BUSINESS OBJECTIVES

SBL always sets up a Strategic Action Plan in the beginning of the year to align with the business objectives and strategies for the year. The Board always gives direction to the management of the Bank on how to steer the Bank forward for the upcoming year. Strategies set to achieve the business objectives can be found in the "Strategic Priority" section of the annual report.

AUDIT COMMITTEE

Chairman is an independent Non-Executive Director

The Chairman of the Audit Committee is a BSEC approved independent non-executive director, who is not involved in the day to day operations of the Bank. He is an experienced individual and qualified to be the Chairman of the Audit Committee. The Chairman, Mr. Md. Nazmus Salehin is one of the most highly respected bankers of the country having over 39 years of experience in the banking sector.



INTERNAL AUDIT ACTIVITY CHARTER

The Audit Committee established a terms of reference (TOR) so that it could function effectively and smoothly. The TOR was created to define the roles and responsibilities of the Audit Committee. The committee is also empowered to investigate/question employees and retain external counsel when required.



COMPOSITION OF THE AUDIT COMMITTEE

As per BRPD Circular No.11 dated October 27, 2013 of Bangladesh Bank; the current Audit Committee consists of 5 members including 2 Independent Directors. All members of the Audit Committee are non-executive directors.

ALL MEMBERS SUITABLY QUALIFIED

All members of the Audit Committee are qualified and have years of experience in banking and financial sectors reforms. They are also very competent and come from a variety of educational backgrounds, which brings diversity in the committee. A member of the audit committee brings a high level of expertise in the areas of finance and accounting to the committee.

REPORTING OF INTERNAL AUDITOR (ICC & INTERNAL AUDIT) TO THE AUDIT COMMITTEE

The Internal Auditor of the Bank regularly reports to the Audit Committee of the Board in compliance of Bangladesh Bank's BRPD Circular no.11 dated 27 October 2013 and Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018. The details of the reporting activity have been furnished in separate section namely "Report of the Audit Committee".

HEAD OF INTERNAL AUDIT'S ACCESS IN THE AUDIT COMMITTEE

The Head of Internal Audit always has access to the audit committee and can raise his concerns whenever required.

TERMS OF REFERENCE

To steer the Audit Committee forward, a terms of reference (TOR) has been established. According to the TOR for the Audit Committee, some of the roles and responsibilities are as follows:

1.0 Purpose

To monitor and review the formal arrangements established by the Board in respect of:

- i. Oversight of the financial reporting process.
- ii. Monitoring choice of accounting policies and principles.
- iii. Monitoring Internal Control Risk management process.
- iv. Oversight of hiring and performance of external auditors.
- v. Review along with the management, the annual financial statements before submission to the board for approval.
- vi. Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.
- vii. Review the adequacy of internal audit function.
- viii. Review statement of significant related party transactions submitted by the management.
- ix. Review Management Letters/Letter of Internal Control weakness issued by statutory auditors.
- x. The financial reporting and narrative reporting of the Bank
- xi. The effectiveness of the internal controls and the risk management framework
- xii. Whistle blowing
- xiii. Internal audit process
- xiv. External auditors' appointment/reappointment.

The Committee will act independently to ensure that the interests of shareholders are properly protected in relation to financial reporting and internal control, always within the principle of all directors having a duty to act in the interests of the Bank and all directors remaining equally responsible for the Company's affairs.

2.0 Authority

The Audit Committee is an assistive committee of the Board of the Company. The Committee is authorized by the Board to:

- i. Investigate any activity within its terms of reference and have such direct access to the resources of the Bank as it may reasonably require
- ii. Report on conflicts of interests;
- iii. Seek any information that it requires from any employee, and all employees are directed to co-operate with any request made by the Committee
- iv. Report on suspected infringement of laws, including securities related laws, rules and regulations;
- v. Report on suspected or presumed fraud or irregularity or material defect in the internal control system;
- vi. Report on any other matter which shall be disclosed to the Board of Directors immediately.
- vii. Engage outside legal or other independent professional advisers and obtain appropriate funding for the payment of relevant fees and expenses.

Where the Committee is not satisfied with any aspect of the proposed financial reporting by the Company it shall report its views to the Board of the Company. In the event of any disagreement between the Committee; members and the rest of the Board, such matters will be resolved at Board level.

3.0 Responsibilities

Financial Affairs of the Group

- i. To monitor the integrity of the financial statements of the Bank (and any discussion or analysis thereof including annual and interim reports), and any formal announcements relating to the Bank's actual and forecast financial performance, reviewing significant financial reporting judgments contained in them.
- ii. To review any unusual items or matters brought to its attention requiring the exercise of managerial judgment affecting the preparation of the statements and announcements
- iii. To provide a forum for the discussion and resolution of areas of disagreement in relation to the statements and announcements, e.g. between management and the External Auditor

Accounting, Financial Reporting and Regulatory Compliance

- i. To review, and challenge where necessary, the actions, estimates and judgments of management (and any changes in them), in relation to the interim and annual financial statements before submission to the Board, paying particular attention to:
 1. Significant accounting policies and practices, and any changes in them
 2. Disclosures and estimates requiring a major element of judgment
 3. The extent to which the financial statements are affected by any unusual transactions in the year, the methods used to account for any significant or unusual transactions where different approaches are possible, and how such transactions are disclosed
 4. The clarity and completeness of disclosures, and the context within which financial statements are made
 5. Compliance with accounting standards

6. Compliance with legal and regulatory requirements
 7. The going concern assumption
 8. The representation letter to the auditors; and
 9. All material information presented with the financial statements including the business review, and corporate governance statements relating to the audit and risk management.
- ii. To review the controls and procedures established by management for compliance with regulatory and financial reporting requirements and with the requirements of external regulators
 - iii. To review the content of the annual report and accounts and advise the Board on whether, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the company's performance, business model and strategy. The review undertaken by the Committee should assess whether the narrative is consistent with the accounting information.

ADVERSE REMARKS OF AUDITORS' REPORT

There is no adverse remark in Auditors' Report regarding any issue whatsoever.

SEPARATE INTERNAL AUDIT DEPARTMENT DISCLOSURE

There is a separate section in annual report namely Report of the Audit Committee where there is detailed disclosure on the activities of the Audit Department during 2019.

WRITTEN POLICY OF INTERNAL AUDITOR

In light of the Guidelines on Internal Control & Compliance in Banks issued by Bangladesh Bank, Standard Bank Limited has already prepared its own core risk guideline delineating operational aspects of Internal Audit Department. The Bank also has different checklists for compliance of the instructions set out in the said guidelines.

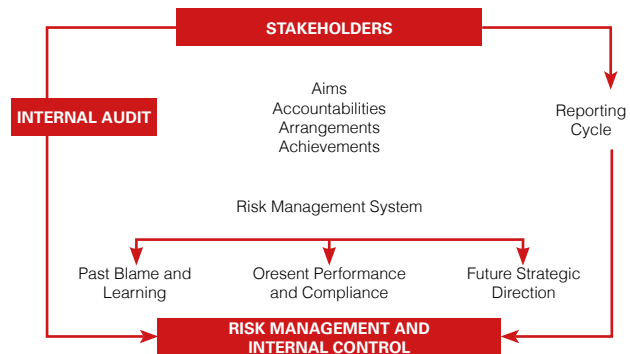
STANDARDS OF INTERNAL CONTROL

- To review the arrangements of the Bank's systems of internal controls in relation to financial management, compliance with laws and regulations and safeguarding of assets, and the procedures for monitoring the effectiveness of such controls
- To monitor any significant deficiencies and material weaknesses in internal controls and disclosure controls and procedures, as reported by Internal Audit and the External Auditor, and the implementation by management of appropriate remedial action
- To review arrangements for the receipt, retention and treatment of complaints including those regarding accounting, internal accounting controls or auditing matters. To review procedures by which employees may, in confidence and with anonymity, raise concerns including those of questionable financial reporting, accounting or auditing matters.
- To monitor and review in broad terms the scope, nature of the work and effectiveness of Internal Audit and to receive and review its reports, findings and recommendations covering key operating risks.
- Review the arrangements made by the management for building a suitable Management Information System (MIS) including computerization system and its application

- Review the existing risk management procedures for ensuring an effective internal check and control system
- Evaluate whether management is setting the appropriate compliance culture by communicating the importance of internal control and the management of risk and ensuring that all employees have understanding of their roles and responsibilities
- Review the corrective measures taken by the management as regards the reports relating to fraud-forgery, deficiencies in internal control or other similar issues detected by internal and external auditors and inspectors of the regulatory authority and inform the Board on a regular basis

The Group's Relationship With Its External Auditors

- Make recommendations to the Board, to be put to shareholders for approval at the Annual General Meeting, on the appointment, reappointment and removal of the external auditor. The Audit Committee shall oversee the process for selecting the external auditor
- Oversee the relationship with the external auditor, including:
 - a. Approving the terms of engagement (and the engagement letter) of the external auditor, including the remuneration to be paid
 - b. Assessing the external auditor's effectiveness, independence and objectivity, ensuring that key partners are rotated at appropriate intervals
 - c. Agreeing the policy for, and where required by that policy, approving the provision of non-audit services by the external auditor and the related remuneration
 - d. Agreeing with the Board a policy on the employment of former employees of the Bank's auditor, and monitoring the implementation of this policy



- Review and approve the annual audit plan, and ensure that it is consistent with the scope of the audit engagement, and coordinated with the activities of the Internal Audit function
- Discuss with the external auditor, before the audit commences, the nature and scope of the audit and review the auditor's quality control procedures and steps taken by the auditor to respond to changes in regulatory and other requirements
- Review the findings of the audit with the external auditor, considering the external auditor's management letter and management's responsiveness to the auditor's findings and recommendations
- Review reports prepared by the external auditor as the Audit Committee shall require, considering management's response to any major external audit recommendations



- Review annually and report to the Board on the qualification, expertise and resources, and independence of the external auditors and the effectiveness of the audit process, with a recommendation on whether to propose to the shareholders that the external auditor be re-appointed. The assessment should cover all aspects of the audit service provided by the audit firm, and include obtaining a reporting on the audit firm's own internal quality control procedures and consideration of the audit firm's annual transparency report where available
- Ensure that the Audit Committee section of the annual report should include an explanation of how the Committee has assessed the effectiveness of the external audit process and the approach taken to the appointment or reappointment of the external auditor, including length of term
- Review the audit representation letters before signature, giving particular consideration to any non-standard issues within the representations.

OTHER RESPONSIBILITIES

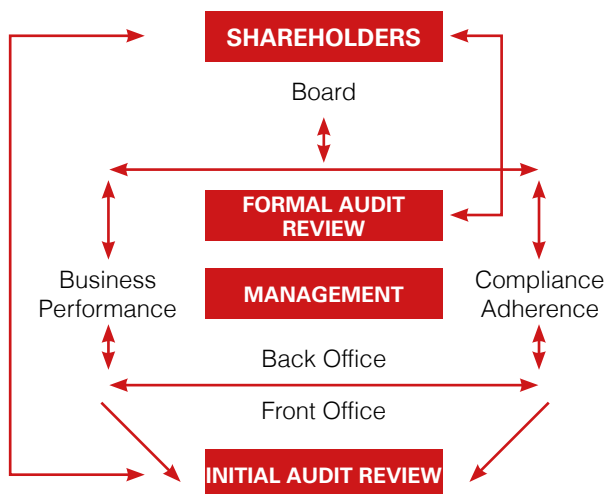
Place compliance report before the Board on quarterly basis regarding regularization of the errors & omissions, fraud and forgeries and other irregularities as detected by the internal and external auditors and inspectors of regulatory authorities

Perform other oversight functions as requested by the Board and evaluate the committee's own performance on a regular basis

AUDIT COMMITTEE'S REVIEW ON INTERNAL CONTROLS

The Internal Audit Division of the Bank reviews the internal control systems of the Bank and ensures that internal controls are considered properly managed and satisfactorily supervised.

The Internal Audit Division reviews internal controls throughout all divisions/branches of the Bank and then reports to the Audit Committee on their findings. The Audit Committee then reviews the report submitted by the Internal Audit Division, and provides feedback on the lapses found. The Audit Committee also guides the Internal Audit Division on how to properly monitor internal control and ensure that internal controls are being correctly administered throughout the Bank. The Audit Committee is committed that internal controls are well conceived, properly administered and satisfactorily monitored by the Bank in 2020.



AUDIT COMMITTEE'S ROLE IN COMPLIANCE WITH LAWS AND REGULATIONS

SBL being a part of the banking industry in Bangladesh is obliged to act in accordance with applicable laws and regulations. There are several regulatory authorities, primarily Bangladesh Bank, who are associated with the company's operation and performance. The Audit Committee supervises and guarantees the Board, that the company obeys all the applicable laws, rules and regulations of various regulatory authorities. The Audit Committee takes all measures to ensure that SBL complies with all laws and regulations and that all statutory dues are being settled timely.

AUDIT COMMITTEE'S CONTRIBUTION IN THE EXTERNAL AUDIT FUNCTION

The Audit Committee analyses the audited financial statements with management and the external auditors to ensure that the Company's financial statements are objectively presented in compliance with the relevant Bangladesh Financial Reporting Standards, International Financial Reporting Standards and Bangladesh Accounting Standards in all substantial aspects, based on its review and consultations with management and the external auditors. External Auditors' are requested to attend the Audit Committee meeting where Financial Statements of SBL is placed for review and recommendation. The Committee also implements an annual assessment of the efficiency of the Company's Internal Audit function and certifies that Internal Audit has sufficient resources to accomplish its duties.

The Audit Committee has quite a few roles regarding the external audit functions:

1. Ensure effective coordination of external audit function

Frequent and open interaction between the Audit Committee and the auditor is necessary to acquire the information it needs to accomplish its responsibilities to administer the company's financial reporting processes. The quality of communications also provides opportunities to assess the auditor's performance. The auditors should correspond with the audit committee as noteworthy issues develop. Such communications will emphasize on the key accounting or auditing issues that, in the auditor's finding, give rise to a greater risk of material misstatement of the financial statements, as well as any questions or concerns of the Audit Committee. Through proper communication, the Audit Committee ensures the effective coordination of the external audit function.

2. Ensure independence of external audit function

The auditor must be independent of Standard Bank Limited. Audit committee is familiar with the statutory and regulatory independence requirements for auditors. The technical competency of the auditor alone is not appropriate to ensure a high-quality audit. The auditor also must exercise a high level of objectivity and professional skepticism. The Audit Committee's interactions with the auditor during the audit provide numerous opportunities to evaluate whether the auditor demonstrated integrity, objectivity and professional skepticism.

3. Review the external auditors' findings

Review the external auditors' findings in order to be satisfied that appropriate action is being taken. There are many reviews that happen throughout the entire process during the Audit Committee meetings held. The Audit Committee extensively reviews all findings of the external auditors and ensures that management is informed and is taking action for resolving any discrepancies. Before the financial statements are signed, the audit committee reviews all the findings and ensures that they are satisfied with the actions that management has taken.



4. Review and approve non-audit

Review and approve non-audit work assigned to the external auditor and ensure that such work does not compromise the independence of the external auditor

External auditors should not carry out work that does not relate directly to the discharge of audit functions, if it would impair the auditors' independence, or might give rise to a reasonable perception that their independence could be impaired. The Audit Committee must ensure that external auditors do not undertake any work that might compromise their independence. If any work is being done by the external auditors, the Audit Committee must approve before the work commences. In short, the Audit Committee is responsible that the independence of the external auditors is not comprised under any circumstance.

5. Recommend external auditor for appointment/reappointment

The Audit Committee does an extensive review on the audit work done by the auditors after the audited financial statements have been signed. The Audit Committee evaluates the auditors on a very detailed level, and ensures that there were no threats to independence or any other issues with the auditors. The Audit Committee scrutinizes the applications of the auditors and recommends for appointment/reappointment for the next year/AGM as per law.

AUDIT COMMITTEE'S INVOLVEMENT IN SELECTION OF APPROPRIATE ACCOUNTING POLICIES

The Audit Committee shall support the Board of Directors in certifying that the financial statements reflect a true and fair view of the company and is maintaining a good supervising system within the Bank. The Board delegates the duty to the Audit Committee to decide on the appropriate accounting policies that are in line with applicable accounting standards as applicable and adopted by the ICAB, IFRS, IAS and Bangladesh Securities and Exchange Commission. After choosing the appropriate accounting policies, the Audit Committee recommends the Board concerning implementation of the selected accounting guidelines. The Board subsequently accepts the selected accounting policies for implementation.

AUDIT COMMITTEE'S INVOLVEMENT IN THE REVIEW OF ANNUAL AND INTERIM FINANCIAL REPORTS

As per the Corporate Governance guideline of BSEC, the Audit Committee is expected to assess alongside with management, the interim and annual financial statements before proposing to the Board for consent. SBLs Audit Committee appraises the interim and annual financial releases whether audited or unaudited and places it before the Board for approval. The Audit Committee always ensures that the financial statements reflect a true and fair view of the company and analyzes the financials for any discrepancies.

RELIABILITY OF MANAGEMENT INFORMATION USED FOR COMPUTATION IN FINANCIALS

The Audit committee ensures that the management information used for computation in the financials is true and fair. In order to ensure reliability of the information, the Audit Committee always has an extensive meeting with management regarding issues of the financial statements. The Audit Committee queries management on issues that they find material to the financial statements and makes sure that management has a proper response to their queries.

Through meetings with management, the Audit Committee is able to understand the reliability of the information used for computation in the financials. Management always assures that the information presented is fair and true and that all the information is derived from the system of the Bank.

INTERNAL CONTROL

A system of effective internal controls is a critical component of bank management and a foundation for the safe and sound operation of the organization. A system of strong internal controls can help ensure that the goals and objectives of a banking organization will be met, that the Bank will achieve long-term profitability targets, and maintain reliable financial and managerial reporting. Such a system can also help ensure that the Bank will comply with laws and regulations as well as policies, plans, internal rules and procedures, and decrease the risk of unexpected losses or damage to the Bank's reputation.

Internal control is a process established by the Board of Directors, senior management and all levels of personnel. It is not solely a procedure or policy that is performed at a certain point of time, but rather it is continually operating at all levels within the Bank. The Board of Directors and senior management are responsible for establishing the appropriate culture to facilitate an effective internal control process and for monitoring its effectiveness on an ongoing basis. The main objectives of the internal control process can be categorized as follows:

1. Efficiency and effectiveness of activities (performance objectives);
2. Reliability, completeness and timeliness of financial and management information (information objectives); and
3. Compliance with applicable laws and regulations (compliance objectives)

Performance objectives for internal controls pertain to the effectiveness and efficiency of the Bank in using its assets and other resources and protecting the bank from loss. Information objectives address the preparation of timely, reliable, relevant reports needed for decision-making within the banking organization. They also address the need for reliable annual accounts, other financial statements and financial related disclosures and reports to shareholders, supervisors and other external parties. Compliance objectives ensure that all banking business complies with applicable laws and regulations, supervisory requirements and organization's policies and procedures. This objective must be met in order to protect the Bank's reputation.

Internal control mechanism refers to a set of tools aimed at the achievement of organizational overall objectives. It helps an organization to safeguard its assets, check the accuracy and reliability of data. As per the instruction of Bangladesh bank the bank has set Internal Control & Compliance (ICC) division at head office to ensure that the internal control process are in place through establishment of Audit Committee of the Board. The Committee reviews the internal & external audit reports without any intervention of the Bank management and ensures that management takes effective measures in case of any deficiencies/lapses are found in the reports of internal control system. The senior management team (SMT) / management committee (MANCOM) of the bank monitors the effectiveness of internal control system time to time. The SMT/MANCOM provides certificate on overall adequacy and effectiveness of internal control system based on Bank's policy and procedure to the Board of Directors.

Internal Control & Compliance (ICC) promotes operational efficiency and encourages compliance with managerial policies and procedures, laws and regulations and supervisory requirement. The ICC comprises the following three units:

- i. Internal Audit Department
- ii. Monitoring Department and
- iii. Compliance Department



The Bank has introduced Risk Based Internal Audit (RBIA) to assess the business risk as well as the control risk associated with the branches and determine how much care, monitoring & periodicity of comprehensive internal audit would be required to reposition the branches.

Internal Control & Compliance (ICC) Division sets out a Risk Based Internal Audit Program each year. The Risk Based Internal Audit Program for the year 2020 was chalked out by ICC Division which was duly approved by the Management as well as the Audit Committee of the Board of Directors. The Audit program included the timing and frequency of audit of branches. Accordingly comprehensive audit has been conducted on 84 (Eighty Four) branches, 03 (three) Agent Banking outlets & 9 (nine) Divisions of Head Office, Surprise Inspection has been conducted on 06 (Six) branches and 29 (Twenty Nine) Special Investigation has been conducted during the year 2020. Moreover, in 2020 ICT Audit has been conducted on 46 (Forty Six) Branches & 04 (Four) Divisions/Departments of Head Office. Major irregularities or lapses of the reports were presented to the Management and the Audit Committee of the Board of Directors. As per directions/suggestions of the Board Audit Committee as well as the higher Management, corrective measures have been taken so as to stop recurrence of such lapses or irregularities in future.

Besides above, Bangladesh Bank Inspection team also conducted 33 (Thirty Three) different inspections in the year 2020 on different Branches and Departments of Head Office. Details are as under:

Nature of Inspection	Head Office/ Division	Branches
Special Inspection on Core Risk	04	02
Comprehensive	01	22
Foreign Exchange Transaction	-	01
Special Inspection	-	01
Surprise Inspection	-	02

To comply with the directives of Bangladesh Bank, ICC Division of the bank takes proper initiative to comply the observations/suggestions of Bangladesh Bank and also sent the Compliance Report in time.

DIRECTOR'S RESPONSIBILITY TO ESTABLISH APPROPRIATE SYSTEM OF INTERNAL CONTROL

The Board of Directors has always been extremely active in establishing appropriate systems of internal control. The Board of Directors has no sympathy for any type of fraud in the Bank, and always promotes a sound and strong internal control system inside the Bank. The Board of Directors has always appreciated the internal controls that have been set up by management and have also given advice on any matters when required. The Board has always been very responsible and active in establishing an appropriate system of internal control.

KEY FEATURES OF INTERNAL CONTROL SYSTEM AND THE MANNER IN WHICH THE SYSTEM IS MONITORED

Key features of Internal Control System are as follows:

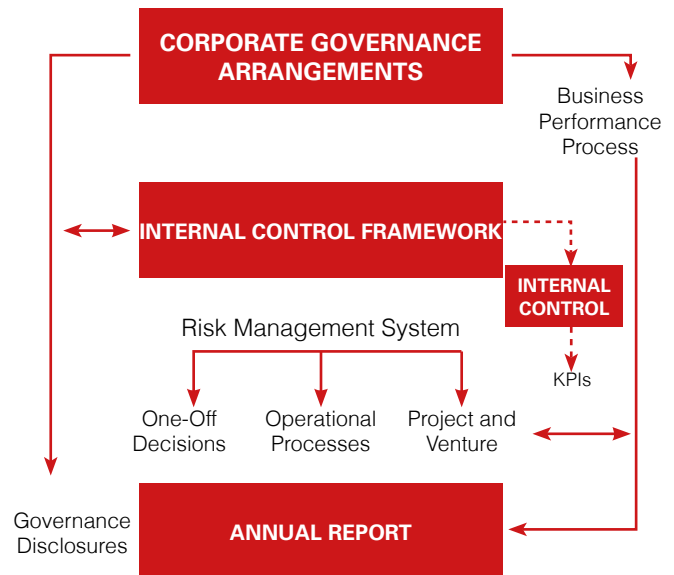
1. Management oversight and the control culture
2. Risk recognition and assessment
3. Control activities and segregation of duties
4. Information and communication
5. Monitoring activities and correcting deficiencies

MANAGEMENT OVERSIGHT AND THE CONTROL CULTURE

The Board of Directors provides governance, guidance and oversight to senior management. It is responsible for approving and reviewing the overall business strategies and significant policies of the organization. The Board of Directors has the ultimate responsibility for ensuring that an adequate and effective system of internal controls is established and maintained.

Senior management is responsible for carrying out the directives of the Board of Directors, including the implementation of strategies and policies and the establishment of an effective system of internal control.

An essential element of an effective system of internal control is a strong control culture. It is the responsibility of the Board of Directors and senior management to emphasize the importance of internal control through their actions and words. This includes the ethical values that management displays in their business dealings, both inside and outside the organization.



RISK RECOGNITION AND ASSESSMENT

An effective internal control system requires that the material risks that could adversely affect the achievement of the Bank's goals are being recognized and continually assessed. This assessment should cover all risks facing the Bank (which are credit risk, country and transfer risk, market risk, interest rate risk, liquidity risk, operational risk, legal risk and reputational risk). Internal controls may need to be revised to appropriately address any new or previously uncontrolled risks.

CONTROL ACTIVITIES AND SEGREGATION OF DUTIES

Control activities should be an integral part of the daily activities of a bank. An effective internal control system requires that an appropriate control structure is set up, with control activities defined at every business level. These should include: top level reviews; appropriate activity controls for different departments or divisions; physical controls; checking for compliance with exposure limits and follow-up on non-compliance; a system of approvals and authorizations and, a system of verification and reconciliation.



INFORMATION AND COMMUNICATION

An effective internal control system requires there are adequate and comprehensive internal financial, operational and compliance data, as well as external market information about events and conditions that are relevant to decision making. Information should be reliable, timely, accessible, and provided in a consistent format.

MONITORING ACTIVITIES AND CORRECTING DEFICIENCIES

The overall effectiveness of the Bank's internal controls should be monitored on an ongoing basis. Monitoring of key risks should be part of the daily activities of the bank as well as periodic evaluations by the business lines and internal audit.

The Board of Directors of Standard Bank performs the following activities to monitor the Internal Control System:

- Periodic discussions with management concerning the effectiveness of the internal control system.
- Timely review of evaluations of internal controls made by management, internal auditors, and external auditors.
- Periodic efforts to ensure that management has promptly followed up on recommendations and concerns expressed by auditors and supervisory authorities on internal control weaknesses.
- Periodic review of the appropriateness of the bank's strategy and risk limits.

Through the establishment of the Audit Committee, the Board of Directors monitors the effectiveness of internal control system. The Audit Committee evaluates whether management is setting the appropriate compliance culture by communicating the importance of internal control among the employees. They also review the corrective measures taken by the management relating to operational lapses.

Senior management of Standard Bank develops processes that identify, measure, monitor and control risks incurred by the Bank; maintains an organizational structure that clearly assigns responsibility, authority and reporting relationships; ensures that delegated responsibilities are being carried out effectively; sets appropriate internal control policies; and monitors the adequacy and effectiveness of the internal control system. They ensure proper control through techniques such as top level reviews, activity controls, physical controls, compliance with exposure limit, approvals & authorizations and verification & reconciliation of transactions of the Bank.

REVIEW OF THE ADEQUACY OF THE SYSTEM OF INTERNAL CONTROLS BY DIRECTORS

In almost every Audit Committee meeting, the issue of adequacy of the system of internal controls is a factor that is taken into consideration. The Audit Committee is responsible to the Board of Directors to ensure that the system of internal controls is adequate to protect against any type of fraud. The Committee has reviewed the corrective measures taken by management relating to fraud-forgery and deficiencies in internal control.

The Audit Committee places all the compliance reports before the Board of Directors and regulators on a timely basis and has performed all other oversight functions in relation to Internal Control System of the Bank. In this way, the Directors review the adequacy of the system of internal controls.

IDENTIFICATION OF RISKS TO WHICH SBL IS EXPOSED INTERNALLY AND EXTERNALLY

Banking industry is unique in many ways and one of the features that set it apart from other business is the diversity and complexity of the risks it is exposed to. Deregulated regimes along with globalization of business have opened new frontiers that warrant risk management an even greater priority. The failure to adequately manage these risks exposes banks not only to business losses but also may result in circumstances that they cannot remain in business. Following are the core risk areas of banking:

1. Credit Risk including Environment Risk
2. Asset and Liability/Balance Sheet Risk
3. Foreign Exchange Risk
4. Internal Control and Compliance risk
5. Money laundering Risk
6. Information and Communication Technology Security Risk

Banking companies in Bangladesh, while conducting day-to-day operations, may face some other risks both internally and externally:

- Credit risk also includes concentration risk, country risk, transfer risk, and settlement risk
- Market risk (including interest rate risk in the banking book, foreign exchange risk and equity market risk)
- Liquidity Risk
- Operational Risk
- Strategic Risk
- Reputation Risk

STRATEGIES ADOPTED TO MANAGE AND MITIGATE THE RISKS:

Standard Bank adopted the following strategies to manage and mitigate the risk:

- Setting targets for capital ratios and capital composition
- Managing the balance sheet
- Managing the funding structure
- Determining general principles for measuring, managing, and reporting the bank's risks
- Developing risk policies for business units
- Determining the overall investment strategy
- Identifying, monitoring, and managing the Bank's current and potential operational risk exposures
- Handling "critical risks" (risks that require follow-up and further reporting)
- Following up on reviews by and reports from Bangladesh Bank and informing the Board of issues affecting the Bank's operational risks
- Following up on reports prepared by Internal Audit and informing the Board through Audit Committee of unusual circumstances
- Preparing management information on issues such as IT security, physical security, business continuity, and compliance.

More information regarding Risk management techniques used by management to identify and mitigate risk can be found in the Risk Management Report.



ETHICS AND COMPLIANCE

Standard Bank is always committed to establishing the highest level of business compliance and ethical standard.

The Bank has an 'Employee Code of Ethics and Business Conduct' – a framework of ethical behavior for all the employees of the organization.

The leaders/managers are required to exemplify the highest standards of conduct and ethical behavior. The leaders/ managers are expected to:

- Lead according to Standard Bank standards of ethical conduct, in both words and actions.
- Create and maintain an environment where employees feel comfortable asking questions or reporting concerns.
- Be diligent in enforcing the Bank's ethical standards and taking appropriate action if violations occur.
- Contact the Human Resources Division when in need of assistance.

The Employee Code of Ethics and Business Compliance also specify the grounds of punishment to refrain employees from any unwanted behavior. For instances, an employee shall be liable to disciplinary actions, if he/she:

- Is convicted of any offence involving moral turpitude; or
- Is corrupt or may reasonably be considered to be corrupt; or
- Assumes a style of living beyond his/her ostensible means; or
- Is engaged or is reasonably suspected of being engaged in subversive activities, or is reasonably suspected of being associated with others engaged in subversive activities, and whose retention in service is therefore considered prejudicial to national security; or
- Is in possession of pecuniary resources or property disproportionate to his/her known sources of income etc.

The code of employee ethical behavior gives focus on the followings:

- Protecting Privacy of Customers' and Confidential Company Information,
- Preventing Money Laundering and/or Fraud,
- Avoiding Drug/Substance/Alcohol Abuse in the Workplace
- Protecting Bank's assets
- Avoiding any conflict of interest etc.

Each of the above stated issue is properly explained as separate section in the 'Employee Code of Ethics and Business Conduct'.

INTEGRITY

The 'Employee Code of Ethics and Business Conduct' starts with the phrase "Uncompromising integrity." Employees of Standard Bank are judged not only in terms of competencies, but also with their integrity. The reputation and continued success of Standard Bank largely depend on a shared commitment to the core value of integrity. Respecting this value is the responsibility of each and every member of the organization.

CONFLICT OF INTEREST

The Code of Ethics and Business Conduct aware employees to avoid situations where their personal interests conflict, or may appear to conflict, with those of the Bank. Employees are advised to take particular care when they are responsible for dealing with customers, suppliers, agents on behalf of the Bank. Any failure to disclose a conflict of interest leads to a disciplinary action.

COMPLIANCE WITH THE LAWS AND REGULATIONS

Standard Bank maintains its reputation as a law-abiding organization and a good corporate citizen. It complies with all the prevailing laws and regulations of the country. Employees are trained and guided to conduct business in compliant manner. The policy and procedures regarding Standard Bank's business process are prepared in adherence to the laws and regulations.

COMMUNICATION OF THE STATEMENT OF ETHICS & BUSINESS PRACTICES

All employees are properly inducted to comply with Code of Ethics and conform to the relevant laws and regulations. HR Division makes sure that during joining employees read, understand the 'Code of Ethics and Business Conduct' and acknowledge the same by signing. HR continuously raises awareness on regular interval among employees to ensure that business decisions and actions undertaken by employees are completely in compliance with the prevalent rules and regulations. The leaders/managers of the Bank are mandatorily required to communicate and help their employees to understand how ethics apply to their positions and everyday behavior.

The Board of Directors of Standard Bank has approved the 'Employee Code of Ethics and Business Conduct' with a commitment to setting high ethical standards so that customers' expectations and interests are protected in a compliant manner

THE BOARD'S COMMITMENT TO ESTABLISHING HIGH LEVEL OF ETHICS AND COMPLIANCE WITHIN THE ORGANIZATION

The Board of Director has always been committed to establishing a high level of ethics and compliance among all employees of the organization. They have always encouraged management to ensure that everyone maintains a high ethical standard within the Bank. The Board guides management on principles that should be adopted and followed by everyone in the Bank.

WHISTLE BLOWING

Whistle blowing about bad practices can help ensure that problems are identified before it is too late. This helps prevent disasters ranging from customer mistreatment to huge financial loss. Standard Banks whistle blowing procedures encourage employees to disclose concerns using appropriate channels before these concerns become a serious problem which might jeopardize Bank's reputation through negative publicity, regulatory investigation, fines and/or compensation.

Whistle blowing is increasingly recognized as an important tool in the prevention and detection of corruption and other malpractice. The clandestine nature of corrupt behavior means that it may never come to light unless cases are reported by people who discover them in the course of their work.

Employees are encouraged to report any wrong-doing within the Bank. The Head of Internal Control and Compliance and Human Resources Divisions are the primary channel to report any incident.



The Reporting channels offer the employees the opportunity to report while maintain their identity confidential. However, from experience, Standard Bank understands that an effective whistle blowing policy demands for a shift in the culture. The Bank has a division named Internal Control and Compliance Division which dedicatedly works to ensure effective controls mechanism in the entire business entity.

REMUNERATION COMMITTEE

Composition and Charter

Standard Bank Ltd. has a Management Committee which comprises of senior management team (SMT) of the bank to review, discuss and decide on important business issues. In addition to the regular roles and responsibilities, the Committee assist in formulation of remuneration related policies and practices in alignment of the Bank's short and long-term business objectives.

The roles and responsibilities of the committee are the followings:

- Review the effectiveness of remuneration policy to ensure that whether the Board's set objectives and expectations are being met
- Ensure that an effective remuneration policy, procedure and practice are in place, aligned with the Bank's strategy, and is applied consistently for all employee levels
- Ensure that the structure and mix of fixed and variable pay and other elements are in alignment with the overall business objectives
- Guide and give suggestion to HR team during preparation and review of any policy or process related to compensation and benefits
- Ensure that all benefits, including retirement benefits and other financial arrangements, are justified, appropriately valued and promoting the performance based reward & recognition etc.

Disclosure of key policies with regard to remuneration of directors, senior management and employees

All employees including the Senior Management employees are paid competitive remuneration package. The structure and level of remuneration are reviewed time to time based on Bank's performance and affordability. The remuneration also stresses on ensuring internal and external pay equity.

MEETINGS AND WORK PERFORMED

The committee holds meeting on a regular interval throughout the year. So, if any remuneration related issue needs committee's attention, it is placed as agenda for necessary review. However, if required, the meeting is held on need basis to review and discuss any remuneration related issue exclusively.

Disclosure Of Remuneration Of Directors, Chairman, Chief Executive And Senior Executives

The Directors of the Board are paid only honorarium for attending Board or Committee meetings. On the other hand, the Managing Director is paid salary and allowances as fixed by the Bangladesh Bank (HR Report). The total cost related to employee compensation is shown in the Human Resources Accounting.

HUMAN CAPITAL

Employees are the key driving force of Standard Bank's continuous success

A group of motivated and engaged employees with diverse talents are the key asset of Standard Bank. Standard Bank is highly reputed in the market as an employer of choice. The Bank has positioned itself with a performance-driven rewarding work culture; where employees are treated with respect and receive widened opportunities to realize their diverse potentials fully as well as benefit the organization by demonstrating value creating behaviors.

To ensure long term sustainability, Standard Bank has a special focus on skill and merit based recruitment and selection process, highly competitive remuneration package, adequate training and development programs, career growth with succession planning, high-performance culture and pleasant working atmosphere where employees are able to escalate their grievance and receive counseling.

Recruitment and selection process with 'best-fit' ethos followed by clearly defined policy and procedures

The recruitment and selection in Standard Bank follows the 'best fit' approach. As per Bank's requirement, Human Resources Division ensures that the potential candidates are properly assessed, selected and placed on-time as per required competencies (KSA – Knowledge, Skill & Attributes) and experience. Standard Bank has a recruitment policy that clearly states the criteria and procedures to recruit fresh and lateral entrants. The Bank has a Management Trainee Program which is aimed to recruit outstanding fresh graduates and develop them as the future leaders of Standard Bank Ltd.

Ensuring adequate learning & development opportunities through effectively designed training programs and on-the-job experience.

SBL continuously strives to transform Human Resources to Human Capital through appropriate learning and development initiatives in every aspects of work area. HR Division regularly undertakes effectively designed training programs targeting the right group of employees through proper training need assessment. The Bank has a separate HR Training & Development Centre.

Well-crafted compensation & benefits package to have a positive impact on employees' overall well-being

SBL has a flexible compensation and benefits system that helps ensure pay equity, is linked with performance that is understood by employees, and keeps in touch with employee desires and what's coveted in the market, while maintaining a balance with the business affordability.

All employees are paid competitive remuneration package. The structure and level of remuneration are reviewed time to time based on Bank's performance and affordability.

Ensuring Horizontal And Vertical Career Growth

SBL always plans for employees so that they can advance their career goals. This includes advancement into more responsible positions. The company supports career opportunities internally so that talented employees are placed in upgraded positions and thereby enables them to deliver their greatest value to the organization. In addition to vertical career growth, employees may also grow horizontally. Whenever possible Human Resources Division mobilizes employees across different functions and branches; thus assisting them to progress with varied skills and experience.

Succession Planning For The Talents In Different Layers Of The Organizational Hierarchy

Besides encouraging individual employee growth and development, SBL also gives effort to identify and retain the human resources who can potentially be the successors of mission critical roles. SBL acknowledges that Succession Planning & Management is vital to the continued success of the Bank. SBL continuously assesses organizational, divisional and team capability gaps to identify, develop and retain the successors in a timely manner to meet the demands of the future.

Comprehensive Performance Management Program To Reward Employees And Drive Further Development

SBL has a comprehensive performance management program that evaluates employees' yearly performance against business targets at the year-end. This performance appraisal system is considered as crucial for the Bank as this is a very important tool to identify and distinguish the performers and non-performers. Standard Bank believes that a well-executed performance appraisal system can help reward the deserving employees, as well as help ensure further development program for the rest.

Reward & Recognition Program To Meet Employees' Intrinsic Psychological Need For Appreciation

SBL has a well-designed Reward & Recognition program that gives special attention to employees' actions, efforts, behavior and performance. It meets the intrinsic psychological need for appreciation of employees' efforts and supports business strategy by reinforcing certain behaviors (e.g., extraordinary accomplishments) that contribute to Bank's success.

Grievances And Counseling

Since employee's behavior affects work discipline, HR Division always encourages employees to report if they have any work related grievance. In SBL, there is formal procedure to address the employee grievance. Time to time HR Division also counsels employees as part of its job as people's advocate.

Ensuring A Decent Workplace Where Employees Can Participate In Work With Respect

Standard Bank believes that the business can grow favorably if the organization enables employees through creating and maintaining a decent workplace. In SBL, there is a decent work environment where employees can work with dignity, have the freedom to express opinions, can participate in the decision making process that affect their lives, and receive equal treatment and opportunity. SBL ensures security in the workplace and social protection for employees' families, better prospects for their personal development and social integration.

COMMUNICATION TO SHAREHOLDERS & STAKEHOLDERS

Company's policy/strategy to facilitate effective communication with shareholders and other stakeholders

Standard Bank ensures that all shareholders are notified at least 2 weeks before the AGM so that all shareholders may attend on the day. Also all other types of accounts (Quarterly and Half yearly) or information are updated on the website and notified to all stakeholders

on a duly basis. The Bank tries to maintain liaison with all major shareholders as much as possible and ensures that all stakeholders are informed about the bank's activities on a routine basis. SBL also engages with all types of stakeholders as much as possible to ensure that information is effectively communicated.

The Directors appreciate the importance of general shareholders of the Bank and use the Bank's AGM as further opportunities to communicate with them. SBL provides copies of the annual report in order that these are made available to them well in advance for detail and constructive discussion. It is the company's policy to give the shareholders the opportunity to ask questions about its activities and prospects at the AGM. The Board also structures these meetings so that shareholders can vote separately on each matter, by proposing separate resolutions for each item to be considered.

Company's Policy On Ensuring Participation Of Shareholders In The Annual General Meeting And Providing Reasonable Opportunity For The Shareholder Participation In The Agm

SBL tries its utmost to ensure that all shareholders can participate in the AGM. Annual Reports are sent at least 2 weeks before the AGM to ensure all shareholders are notified about the event date, place and time. Also, SBL always ensures that AGM is held at a convenient place where all shareholders may attend. Notices to shareholders are made by publication in the daily newspapers and through the digital media as well. To ensure compliance with regulatory bodies, SBL ensures that it publishes in two widely circulated newspapers in English and Bangla and sent to the stock exchanges and BSEC.

SBL ensures effective communication with the shareholders and encourages shareholder participation at the AGM. SBL connects with the investors through AGM, EGM, Annual Report and Company's website. All of the Bank's publications to the market may be retrieved through the Company's website. Shareholders are offered the chance to interrogate the Board regarding the operation of the Bank. They are also presented the ability to query the Company's auditors concerning topics linked to the audit of the Company's financial statements at the AGM.

Foreign And Local Investors' Disclosure

The total number of investors of the Bank stood at 1,005,990,788 out of which 1,000,750,555 number of investors (99.47%) are local investors while the remaining 5,240,233 number of investors are foreign investors (0.53%).

Investors' Relation Desk (Officers' Name)

There is a separate section namely Redressal of Investors' Grievances which clearly sets out detailed information on how an aggrieved investor can sort out any pending issues regarding his/her share in Standard Bank Limited. It also has details on the desks dedicated to addressing such grievances and the persons who will provide the service over the counter.

10% Above Shareholding Name Details

As of December 31, 2020, there is no individual shareholder in the shareholding of the Bank having ownership of 10% or more shareholding.

Information Circulation On Unclaimed Dividend

The share division of the Bank regularly and repeatedly sends letters to the respective owners of unclaimed dividend holders.



Employee Participation In The Management

The Board of Directors of Standard Bank Limited is involved only in the policy-making functions of the Bank. The day-to-day operations of the Bank are carried out by the Management. Therefore, there are different management level committees in the bank namely Management Committee, Management Credit Committee, Asset Liability Management Committee, Executive Risk Management Committee and so on. Each of these committees has clearly specified terms of references.

Vendor Payment In Time

Standard Bank Limited believes that it will entail reputation risk for the bank if it fails to make timely payment to its vendors when the good and services are accepted by the Bank.

Government Tax Pending

There is no major pending issue with National Board of Revenue (NBR) regarding the tax liability of the Bank.

ENVIRONMENTAL AND SOCIAL OBLIGATION

Description of the company's policies and practices relating to social and environmental responsibility of SBL

A natural and fresh environment, efficient use of reserves and appreciation for people's well-being and safety are what SBL has always believed in. In harmony with this, SBL is constantly working towards decreasing consumption of energy (especially electricity, water and gas) at its branches, removal of use of hazardous substances from its practices and reducing waste generation. The importance is on diminishing paper transactions to the extent that the Credit Committee has already been made paperless, and SBL is moving forward and thinking about implementing it more through the branches. Board and its Committee Meetings are also made paperless through using in-house built software. One of the key objectives for financing manufacturing companies is to ensure that they try to lessen their carbon footprint.

Bangladesh Bank has taken steps to inspire green banking in Bangladesh through the issuance of guidelines on green banking and Environmental Risk Management (ERM). It is always inspiring banks in lessening paper communications and fitting solar power system in branches and giving refinance to the solar energy, bio-gas and effluent treatment plant (ETP) sectors at eased interest rates.

SBL has always been committed to the environment and also been active in social activities throughout the year 2020, and will remain to do so in the future.

Specific activities undertaken by the SBL regarding environmental and social responsibilities

SBL has always been active regarding its activities for the environment. It is also in the process of issuing a green manual for how to make all branches and divisions more environmental friendly. Also, solar panels have been set up in quite a few branches as well, and the initiative has been taken to install more solar panels in branches in the future. Environmental activities during the year can be found more in details in the Green Banking Report.

SBL has always been an active member of society and has tried to enhance people's lives and its employees as well. Standard Bank Foundation was solely initiated for the purpose of Corporate Social Responsibility. SBLs social activities can be found on the Standard Bank Foundation chapter and its commitment to its employees can be found in the CSR Report.



REPORT OF THE AUDIT COMMITTEE

In compliance with Bangladesh Bank's BRPD Circular No.11 dated 27 October 2013 and Bangladesh Securities and Exchange Commission (BSEC) Notification on Corporate Governance dated 03 June 2018, the Audit Committee (AC) of the Board of Directors of Standard Bank Limited (SBL) was formed by the Board to provide independent oversight of the company's financial reporting, non-financial corporate disclosures, internal control systems and compliance to governing rules and laws etc. Following are the major objectives of the Audit Committee:

- To review the financial reporting process, the system of internal control and management of financial risks, the audit process, and the bank's process for monitoring compliance with laws and regulations and its own code of business conduct, compliance status of inspection report from Bangladesh Bank.
- To assist the Board in fulfilling its oversight responsibilities including implementation of the objectives, strategies and overall business plans set by the Board for effective functioning of the bank.

The Audit Committee was reconstituted by the Board in the 319th meeting of the Board of Directors held on 30.10.2019. Thus the committee stands as follows;

Sl. No.	Name	Status with the Bank	Status with the Committee	Educational Qualification	Meeting/ Attendance
01	Mr. Md. Nazmus Salehin	Independent Director	Chairman	M.Sc	7/7
02	Al-haj Mohammed Shamsul Alam	Director	Member	B.A (Hon's)	7/7
03	Mr. Ferdous Ali Khan	Director	Member	M.Com	7/6
04	Mr. Kazi Khurram Ahmed	Director	Member	BSc. Egg. (USA) (Computer Science)	7/7
05	Mr. Najmul Huq Chaudhury	Independent Director	Member	M.Com	7/5
06	Mr. Md. Ali Reza	Acting Company Secretary	Member Secretary	MBA, FCMA, CIPA	7/7

MEETINGS OF THE AUDIT COMMITTEE

Bangladesh Bank suggested banks to hold at least 4 meetings in a year. The Audit Committee of SBL held 07 (seven) meetings in the year 2020 and had detailed discussions and review session with the Head of Internal Control & Compliance, External Auditors etc., regarding their findings, observations and remedial suggestions on issues of bank affairs that need improvement. The Audit Committee instructed management to follow those remedial suggestions and ensure monitoring accordingly and effectively. Meeting dates are as follows:

Sl. No.	Meetings	Date of Meeting
01	95 Audit Committee Meeting	06.02.2020
02	96 Audit Committee Meeting	18.03.2020
03	97 Audit Committee Meeting	20.04.2020
04	98 Audit Committee Meeting	27.07.2020
05	99 Audit Committee Meeting	27.10.2020
06	100 Audit Committee Meeting	27.12.2020

MAJOR AREAS FOCUSED BY AUDIT COMMITTEE IN 2020

The major issues, amongst others, were reviewed and discussed by the Audit Committee of the Bank during the year 2020 are mentioned below:

- Bangladesh Bank comprehensive inspection report & external audit report of the Bank and the recommendation made thereon.
- The compliance status of the audit objections and the recommendations made by the Bangladesh Bank inspectors, External auditors and the Internal Auditors of the bank in their respective reports.
- Actions and corrective measures taken by the Management in regard to deficiencies in Bangladesh Bank inspection report, internal audit report and the Internal Control and Compliance Division (ICCD) report and by other regulatory authorities report on the Bank.
- Implementation of Core Risk Management Guidelines including Internal Control and Compliance Risk along with compliance thereof.
- The review of status of recovery of classified loans and providing with the necessary guidelines, advices and recommendations to the management to reduce the Non-performing Loans (NPLs).
- Audit and Inspection reports of the branches, divisions and departments of the Head Office prepared by the Internal Control and Compliance Division (ICCD) of the Bank.



- Review and approve 'Annual Audit Plan 2020' and 'Risk Based Audit Plan 2020' of bank's ICC divisions of Head office.
- Review of serious irregularities in the audit report of the branches prepared by Internal Control & Compliance Division (ICCD) for the year 2019 & 2020.
- Review of the audit ratings of all branches and departments for the year 2020.
- Review of Bangladesh Bank, DOS Circular Letter No. 17 dated 7 November 2012 regarding Report of Self-Assessment of Anti-Fraud Internal Controls on Quarterly basis through specific format to be signed by the MD & CEO of the Bank and countersigned by the Chairman of the Audit Committee.
- Review of the process of strengthening Internal Control Systems and Procedures of the Bank.
- Review of the annual financial statements of the bank for the year ended 31 December 2020 as certified by the external auditors, M/S Khan Wahab Shafique Rahman & Co., Chartered Accountants, before submission to the Board of directors for approval.
- Review of Bangladesh Bank's BRPD Circular No. 4 dated 23 February 2015 on the Rules and Regulations in making transactions with people related with Board and Management of the Bank.
- Review of Corporate Governance Compliance Report of SBL for the year ended 31 December 2020 as submitted by Mahfel Haq & Co.
- Review of the Management Report on the Bank for the year ended 31 December 2020 as submitted by the External Auditors and subsequent compliance by the management thereof.
- Review of the First Quarter (Q1), half-yearly, Third Quarter (Q3) & Annual Financial Statements (Un-Audited) of Standard Bank Limited and Its Subsidiaries for the year 2020 before submission to the Board of Directors for approval in compliance with the BSEC's Corporate Governance Guidelines 2018.
- Review of the Bangladesh Bank Comprehensive Inspection Report on SBL Head Office as on 31 December 2020 and subsequent compliance by the management thereof.
- Review of AML rating of all Branches for the year 2020 & 2021.
- Review of compliance and related risk level of Branches, various Departments and Subsidiaries.
- Review of Annual Report on the Financial Health of the Bank, 2019.

The committee in the meetings has taken particular notes of lapses detected by the Internal Audit Team in their audit report and the actions taken by the management towards correction, helped improving the recovery of classified loans and initiating measures for lowering the quantum of NPLs. The committee advised and recommended to the management and the board for instituting adequate recovery mechanisms, close and effective monitoring, constituting a robust credit administration and, carefully reviewed the internal control system and procedures specially focusing on IT operation to secure the Bank from foreseeable shocks. The process of continuous monitoring was established for avoidance of errors and omissions and, repetition of lapses as are detected by the internal and external auditors.

i) Statement on Review of Internal Control:

Standard Bank Ltd. has a defined internal control policy and guidelines for providing reasonable assurance that the Board's objectives are attained in terms of operational activities, financial reporting, and compliance with prevailing laws and regulations. The Audit Committee through its oversight activities ensures that Management has put in place appropriate policies and procedures on internal control.

The Audit Committee evaluates whether management is setting the appropriate compliance culture by communicating the importance of internal control and the management of risk and ensuring that all employees have clear understanding of their roles and responsibilities. The Committee also reviews management's actions in building computerization of the bank and its applications and bank's Management Information System (MIS). The Committee considers whether internal control strategies recommended by internal and external auditors have been implemented by the management. As part of its mandate, the Committee consider reports relating to fraud, forgery, deficiencies in internal control or other similar issues detected by internal and external auditors and inspectors of the regulatory authority and place it before the board after reviewing whether necessary corrective measures have been taken by the management.

ii) Statement on Review of Financial Reporting

The Audit Committee checks whether the financial statements reflect the complete and concrete information and determine whether the statements are prepared according to existing rules & regulations and standards enforced in the country and as per relevant prescribed accounting standards set by Bangladesh Bank. Besides, the Committee discusses with management and the external auditors to review the financial statements before its finalization.

The Audit Committee is a vital Committee of the Board of Directors assigned with the responsibilities of oversight of the financial reporting and disclosure process. The Audit Committee, as such, has a large degree of responsibility regarding selection of appropriate accounting policies for the Bank, and evaluation of the annual and quarterly financial statements. In addition, members of the Committee often discuss complex accounting figures, issues, and decisions made by the Management and the application of new accounting principles or regulations. Should significant complications with regard to accounting practices or personnel arise, a special investigation is instructed by the Audit Committee using outside consulting resources, if deemed necessary. External auditors are also expected to inform the Committee about a range of issues, such as their views on management's selection of accounting principles, accounting adjustments arising from their audits, discrepancies or complexities faced in working with management, and any identified acts of fraud or illegal activities.

The Audit Committee is aware that the selection and application of the company's accounting policies must be appropriately analyzed. The Committee is aware that investors increasingly demand full transparency of accounting policies and their effects. In line with this, the Committee always encourages management to disclose trends, events, or uncertainties that would materially affect the reported financial statements. The Committee is always apprised of the evaluation criteria by Management in their selection of the accounting principles and methods. Proactive discussion between the Audit Committee and Management always takes place before signing of the annual report regarding critical accounting policies.

iii) Statement on Review of Internal Audit Functions

The Audit Committee monitors whether internal audit division of the Bank is working independently from the management. The Committee reviews the activities of the internal audit and the organizational structure and ensures that no unjustified restriction or limitation hinders the internal audit process. The Committee examines the efficiency and effectiveness of internal audit function. Besides, the Committee also examines whether the findings and recommendations made by the internal auditors are duly considered by the management or not.



iv) Statement on Review of External Audit Functions

The Audit Committee reviews the performance of the external auditors and their audit reports. The Committee also examines whether the findings and recommendations made by the external auditors are duly considered by the management or not. Besides, the Committee also makes recommendations to the board regarding the appointment of the external auditors.

The Audit Committee focuses on the financial management and reporting of the Bank. The Committee provides specific expertise in this critical area as effective financial management and reporting determines creditworthiness to outsiders and confirms the growth trend and successes to the insiders. These are the key determinants in establishing market value of Standard Bank – the ultimate scorecard of management's success.

The Audit Committee undertakes the following responsibilities regarding review of the external auditors' functions:

- Reviews the performance of the external auditors and exercises final approval on the appointment of the auditors.
- Reviews the external auditors' proposed audit scope and approach, including coordination of audit efforts with internal audit team.

In performing this review, the Committee:

At least annually, obtains and reviews a report by the independent external auditor describing the firm's internal quality-control procedures; material issues raised by the recent internal quality-control review, and assesses the auditor's independence in all relationships between the external auditor and the Bank.

- Takes into account the opinions of Management and Internal Audit Division.
- Reviews and evaluates the findings and recommendations of the independent external auditors.
- Presents conclusions with respect to the external auditors to the Board.
- Reviews and approves any non-audit work assigned to the external auditors and ensures that such work does not compromise the independence of the external auditors.
- Presents its conclusion with respect to the independence of the auditors to the Board.

Meets separately with the external auditors to discuss any matters that the Committee or auditors believe should be discussed privately.

v) Statement on the review and recommendation of the Annual and Interim Financial Releases

The annual and interim financial statements released by the Bank contain sensitive financial information that needs to be addressed carefully. The Audit Committee, therefore, always actively involves itself in reviewing these releases and recommends to the Management on ways to improve these financial statements. The Committee reviews and discusses with management all significant correction/adjustments (whether or not made) to ensure that all material adjustments are properly reflected in the financial reports.

The Audit Committee assumes the following responsibilities with regards to annual and interim financial statements:

- Understands management's responsibilities and representations with regard to annual and interim financial statements.
- Understands and assesses the appropriateness of management's selection of accounting principles and policies.

- Understands management's judgment and accounting estimates applied in financial reporting.
- Confers with both management and the external auditors about the financial statements.
- Assesses whether financial statements are complete and fairly presented in all material aspect.
- Verifies that the financial position of the company and disclosures are clear and transparent.
- Reviews financial statements and other information presented with it prior to release.

It is to be noted that it is management's responsibility to prepare complete and accurate financial statements and disclosures in accordance with financial reporting standards and applicable rules and regulations. The Audit Committee assures itself that the external auditors are satisfied that the accounting estimates and judgments made by management, and that management's selection of accounting principles reflect an appropriate application of IFRS and IAS. The appropriateness, including the degree to which management bias, if any, is evident, of the Bank's accounting principles and underlying estimates, and the transparency of the financial disclosures in reflecting financial performance, would be the core discussion between the Committee and external auditors. The Committee is always interested in discussing and understanding the auditor's views on accounting issues and actively seeks to develop a relationship with the external auditor that allows a full, frank and timely discussion of all material issues. With regard to interim reports, the Committee always has an extensive discussion with management regarding material issues before approval of the interim accounts.

The Audit Committee of Standard Bank Limited has always been extensively involved in the review of the financial statements and has provided recommendations whenever needed. The Committee has duly carried out such responsibilities throughout the year 2019, to the best of their ability.

vi) Statement on ensuring compliance with Laws and Regulations

The Board, Audit Committee and the Management, all play critically important roles in promoting a compliance culture in the operation and management of the banking affairs. As per the directives of the regulators, the Board sets the policy guidelines for Management compliance and it's the Audit Committee that ensures those are strictly complied with through its oversight functions.

As part of the responsibility, the Audit Committee, among others, also undertakes the following regular measures for ensuring compliance:

- Reviews effectiveness of the system of monitoring compliance with the laws and regulations upon receiving investigations reports which are again followed up for regularization through appropriate actions including disciplinary ones, where warranted.
- Establishes procedures for:
 - The receipt, retention, and treatment of the complaints by the Bank regarding accounting, internal controls or auditing matters; and
 - The confidential and anonymous submission by the employees of the Bank of any concerns regarding questionable accounting or auditing matters.
- Reviews the findings of the examination by the regulatory agencies or other auditors.
- Reviews the process for communicating code of conduct to the Bank personnel and monitoring compliance therewith.
- Obtains regular updates from the Management and Bank's legal counsel regarding compliance matters.



THE AUDIT COMMITTEE IS SATISFIED THAT:

The rules and regulations of the Bangladesh Bank and all other regulatory authorities and Bank's own policy guidelines approved by the Board of Directors are duly complied with.

Internal control and security measures have been undertaken by the Bank towards facilitating Information Technology (IT) based banking including generation of proper Management Information System (MIS).

The system of internal control and the business processes have been strengthened including development of human resources towards creation of a compliance culture in the Bank.

The efforts have been made to keep assets of the Bank safe along with liabilities and commitments are made transparent.

The Financial Statements of the Bank have been prepared in accordance with International Financial Reporting Standards (IFRS) and Bangladesh Bank's guideline which contained full disclosure.

The Minutes of the Audit Committee meetings containing various advices, suggestions and recommendations to the Management and for perusal, consideration and approval of the Board of directors placed subsequently in the meetings of the Board of directors for ratification and approval on regular basis.

In addition, the Audit Committee ensures that legal fees are settled on a timely basis and that the Bank does not have to bear any penalties in this regard.

It can, therefore, be stated that the Audit Committee supervises and assures the Board that the Bank complies with all the applicable laws, rules and regulations, and also takes measures to ensure that all statutory dues are being settled on time.

On behalf of the Audit Committee,

Md. Nazmus Salehin

Chairman of the Audit Committee of the Board



DIRECTORS' STATEMENT ON INTERNAL CONTROL

RESPONSIBILITY

As per the Bangladesh Bank Circular BRPD Circular No. 11, dated; 27-10-2013 which clearly define the Responsibility of the Board of Directors on Internal Control of the Company. The Board of Directors is responsible for the adequacy and effectiveness of Standard Bank Limited (SBL) system of internal controls. However, such a system is designed to manage the SBL's key areas of risk within an acceptable risk profile, rather than eliminate the risk of failure to achieve the business objectives and policies of the Company. Accordingly, the system of internal controls can only provide a reasonable but not absolute assurance against material misstatement of management and financial information and records or against financial losses or fraud. The Board has established an on-going process for identifying, evaluating and managing the significant risks faced by the Company and this process includes enhancing the system of internal controls as and when there are changes to business environment or regulatory guidelines. The process is regularly reviewed by the Board in accordance with the guidance for Directors of Bank's on the BRPD Circulars on Internal Control issued by the Bangladesh Bank. As per the said guidance, significant processes affecting significant accounts of the Company were assessed along with the key risk areas of the Company. The management assists the Board in the implementation of the Board's policies and procedures on risk and control by identifying and assessing the risks faced by the Company, and in the design, operation and monitoring of suitable internal controls to mitigate and control these risks. The Board is of the view that the system of internal controls in place is sound and adequate to provide a reasonable assurance regarding the reliability of financial reporting, and that the preparation of financial statements for external purposes is in accordance with relevant accounting principles and regulatory requirements.

SIGNIFICANT INTERNAL CONTROL PROCESSES

The key processes that have been established in reviewing the adequacy and integrity of the system of internal controls include the following:

- The Board Sub Committees are established to assist the Board in ensuring:
 - the effectiveness of the SBL's daily operations.
 - that the SBL's operations are in accordance with the corporate objectives and strategies.
 - that the operations of the Company are in line with the annual budget as well as the policies and business directions that have been approved by the Board.
- The Internal Audit Division of the Company checks for compliance with policies and procedures and the effectiveness of the internal control systems and highlights significant findings in respect of any non-compliance. Audits are carried out on majority of units and branches, the frequency of which is determined by the level of risk assessed by the internal audit, to provide an independent and objective report on operational and management activities of these units and branches. The annual audit plan is reviewed and approved by the Audit Committee and the findings of the audits are submitted to the Audit Committee for review at their periodic meetings.

- The Audit Committee of the Company reviews internal control issues identified by the Internal Audit Division, the external auditors, regulatory authorities and management; and evaluates the adequacy and effectiveness of the risk management and internal control systems. They also review the internal audit function with particular emphasis on the scope of audits and quality of the same. The minutes of the Audit Committee meetings are tabled for the information of the Board on a periodic basis. Further details of the activities undertaken by the Audit Committee of the Company are set out in the Audit Committee Report.
- The Risk Management Forum (RMF) is established to assist the Board to oversee the overall management of principal areas of risk of the Bank. The Risk Management Forum which includes representation from all key business and operating units of the Bank, assists the Board with the implementation of policies advocated at the Board Audit Committee.
- Board Executive Committees have also been established with appropriate empowerment to ensure effective management and supervision of the SBL's core areas of business operations and investments. In assessing the internal control system over financial reporting, identified officers of the Bank collated all procedures and controls that are connected with significant accounts and disclosures of the financial statements of the Bank. These in turn were observed and checked by the internal audit department for suitability of design and effectiveness on an ongoing basis. The Bank adopted the new International Accounting Standards Comprising IAS & IFRS. Since adoption of such Bangladesh Accounting Standards, progressive improvements on processes to comply with new requirements of recognition, measurement, classification and disclosure are being made whilst, further strengthening of processes will take place pertaining to impairment of loans and advances and financial statement disclosures. They also recognized the need to introduce an automated financial reporting process to more effectively comply with the requirements of recognition, measurement, classification and disclosures of financial instruments. The assessment did not include subsidiaries of the Bank. The recommendations made by the external auditors in connection with the internal control system in previous years were reviewed during the year and appropriate steps have been taken to implement and rectify them. The recommendations made by the external auditors in 2020 in connection with the internal control system are being addressed at present.

CONFIRMATION

Based on the above processes, the Board satisfied that Internal Control Policy, Practice & Procedure of the Bank are effective and these provide a reasonable assurance in achieving objectives of the Bank with the standards, i.e. (i) reliability of the financial information; (ii) effectiveness and efficiency of operations; (iii) compliance with applicable laws and regulations; (iv) adherence to management policies; (v) safeguarding of Bank's Assets; (vi) prevention and detection of fraud and errors; and (vii) accuracy and completeness of the accounting records.



REPORT OF THE BOARD RISK MANAGEMENT COMMITTEE

In compliance with the Sub-section (3) of Section 15Kha of the Bank-Company Act-1991, (Amended-2013) and the subsequent BRPD Circular No. 11, dated 27 October, 2013 issued by Bangladesh Bank, the Board of Directors of Standard Bank Ltd has formed a committee named 'Risk Management Committee of the Board' by its 304th Board meeting held on 24.12.2018 for the term of 03 (three) years as follows:

SL No	Name	Status with the Bank	Status with the Committee
01	Mr. Kazi Akramuddin Ahmed	Chairman	Chairman
02	Mr. S.A.M. Hossain	Director	Member
03	Mr. Mohammed Abdul Aziz	Director	Member
04	Mr. Ferdous Ali Khan	Director	Member
05	Mr. Md. Nazmus Salehin	Independent Director	Member
06	Mr. Md. Ali Reza FCMA, CIPA	Acting Company Secretary	Member Secretary

Risk Management Committee of the Board has been made mandatory to ensure proper risk management practice in the bank. The Committee is to assist the Board to perform their related duties and responsibilities to mitigate the various risk arises while conducting day to day operation of the banking business.

QUALIFICATIONS OF THE MEMBERS:

- Integrity, dedication, and opportunity to spare time in the functions of committee will have to be considered while nominating a director to the committee;
- Each member should be capable of making valuable and effective contributions in the functioning of the committee;
- To perform his or her role effectively each committee member should have adequate understanding of the detailed responsibilities of the committee membership as well as the bank's business, operations and its risks.

ROLES AND RESPONSIBILITIES OF THE RISK MANAGEMENT COMMITTEE:

1) Risk identification & control policy

- To formulate and implement of appropriate for risk assessment and its control
- To monitor risk management policies & methods and amend it if necessary
- To review the risk management process to ensure effective prevention and control measures

2) Construction of organizational structure

- To ensure an adequate organizational structure for managing risk within the bank.
- To supervise formation of separate management level committees
- To monitor their activities for the compliance of instructions of lending risk, foreign exchange transaction risk, internal control & compliance risk, money laundering risk, information & communication risk including other risk related guidelines.

3) Analysis and approval of Risk Management policy

- To review Risk Management Policy & guidelines of the Bank annually.
- To recommend Board of Directors regarding any propose amendments if necessary
- To review limit including lending limit at least once annually and amend if necessary

4) Storage of data & Reporting system

- To approve adequate record keeping and reporting system developed by the bank management.
- To ensure proper use of the system (record keeping & reporting system).
- Minutes its proposal, suggestions & summary and inform it to the Board of Directors.

5) Monitoring the implementation of overall Risk Management Policy

- i. To monitor proper implementation of overall risk management policies
- ii. To monitor whether proper steps have been taken mitigate all risks including lending risk and management risk.

Deliberation of the Risk Management Committee in 2020:

During the year 2020, the Risk Management Committee carried out its functions in areas relating to its responsibilities. The issues it discussed and the decisions it took for improvement of risk management scenario in the Bank are enumerated below:

1. Summary of 'Risk Management Report' of Standard Bank Ltd based on 31/03/2020.
2. Information memo regarding Capital Requirement of Standard Bank Limited under Pillar-1 of Basel-III based on March 31, 2020.
3. Analysis of Stress Testing Report of Standard Bank Limited based on March 31, 2020.
4. Submission of Entity/Corporate Rating (Credit Rating) Report of our Bank done by ARGUS Credit Rating Services Ltd. (ACRSL) based on financial statements for the year ended on December 31, 2019 for kind information and permission to publish the same in the daily news paper and at the same time sending the same to Bangladesh Bank for regulatory compliance.
5. CAMELS Rating of Standard Bank Limited based on 31.12.2019
6. Summary of 'Risk Management Report' of Standard Bank Ltd based on 30/06/2020.
7. Information memo regarding Capital Requirement of Standard Bank Limited under Pillar-1 of Basel-III based on June 30, 2020.
8. Analysis of Stress Testing Report of Standard Bank Limited based on June 30, 2020.
9. Summary of 'Risk Management Report' of Standard Bank Ltd based on 30/09/2020.
10. Information memo regarding Capital Requirement of Standard Bank Limited under Pillar-1 of Basel-III based on September 30, 2020.
11. Analysis of Stress Testing Report of Standard Bank Limited based on September 30, 2020.
12. Advised for diversification of Bank's loan portfolio as far as possible and practicable.
13. Advised the management to persuade the existing good corporate and SME borrowers for their credit rating to reduce charge on Bank's capital.
14. Effective measures be geared up for recovery of Bank's dues from the top-20 defaulters.
15. Loans to RMG and Textile sectors be regularly monitored to keep them within the sectoral allocation.
16. The large loans of the Bank be closely and regularly monitored to ensure that they continue to be performing.
17. Reviewed the Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) of the Bank from time to time against minimum requirement set by the regulator.
18. Reviewed Stress Testing reports and endorsed the same for onward submission to the Bangladesh Bank.

REPORTING TO THE BOARD

The decisions and recommendations of the Risk Management Committee were submitted before the Board of Directors for review and the Board closely reviewed them.

Minutes of the Risk Management Committee to Bangladesh Bank

The minutes of meetings of the Risk Management Committee were submitted to Bangladesh Bank for their information.

MEETINGS OF THE RISK MANAGEMENT

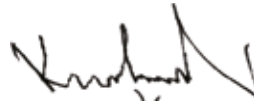
Committee of the Board:

According to Bank Company Act-1991 (Amended- 2013) and BRPD Circular No. 11, dated 27 October, 2013 of Bangladesh Bank, the Risk Management Committee of the Board held 03 (Three) meetings during the year 2020. Meeting dates are as follows:

SL	Meetings	Date of Meeting
1	20 th Risk Management Committee Meeting-2020	23.07.2020
2	21 st Risk Management Committee Meeting-2020	25.10.2020
3	22 nd Risk Management Committee Meeting-2020	24.11.2020

The committee would like to extend thanks to all the members of the Risk Management Committee for their valuable time and support for facilitating to carry forward the objectives of the Board. The Committee also likes to express their gratitude thanks to the Board of Directors, Management & the Risk Management Team of the Bank for their sincere cooperation to discharge its due role.

With thanks and best regards.



Kazi Akram Uddin Ahmed

Chairman

Risk Management Committee of the Board

REPORT OF THE SHARI'AH SUPERVISORY COMMITTEE



SBL Shari'ah Supervisory Committee is primarily responsible for framing Islamic Sunnah based banking practices for the Islamic Banking wing. Islamic Banking is a banking system based on Islamic law (Shariah). It follows the Shariah called Fiqh Muamalat (Islamic rules on transactions). The rules and practices of Fiqh Muamalat came from the Quran, the Sunnah, and other secondary sources of Islamic law, such as, opinions collectively agreed among shariah scholars (Ijma'), analogy (Qiyas) and personal reasoning (Ijtihad). Standard Bank Limited caters to both Conventional and Islamic banking services. Islamic Banking services are rendered in strict compliance with the rules and regulations of Bangladesh Bank and the principles of Islamic Shariah. The concept and practices of Islamic Banking is founded on profit instead of interest. The Islamic Banking operation is run strictly following the guidelines on Islamic Banking. The Islamic Banking operations are completely segregated from the operation of conventional banking activities.

The Bank started its Islamic Banking operation in 2009. Out of 138 Branches of the Bank, 02 (two) branches are designated as Islamic Banking windows namely Topkhana Road Branch, Dhaka and Agrabad Branch, Chittagong. In the year 2020 SBL opened two (02) Islami Banking Branch namely Dhaka Uddan Islamic Banking Branch, Dhaka and Moheshkhali Islami Banking Branch, Cox's Bazar. Besides, the Bank is providing Islamic Banking facilities to the customers on behalf of any of the two windows through all conventional branches of the Bank in the country by utilizing the online banking software. The bank uses completely separate Islamic banking software package namely HIKMA for its Islamic Banking branches. The Bank is maintaining separate CRR/SLR with Bangladesh Bank for Islamic Banking operations. In fact, the entire gamut of its activities including banking books & accounts, deposits, investments, profit & loss, balance sheet and so on are completely is separate from its conventional banking activities. With a view to further streamlining Islamic Banking operations, the Bank considers its Islami Banking wing as one of its high priority Strategic Business Units with separate Strategic Business Plan for expansion of its operations. In fact, the long term vision of the entire Bank is its full immersion into this Islami Banking model subject to approval from relevant regulatory authorities. The Bank constituted a Shariah Supervisory Committee with experienced and knowledgeable persons in Islamic jurisprudence to advise and provide guidance on Islamic Banking operations. Under the guidance of Bank's Shariah Supervisory Committee, the Bank designed all deposits and Investment products and services of the Islamic Banking Branches. It formulated policy guidelines and working procedure. The Bank obtained membership of the Central Shariah Board for Islamic Banks of Bangladesh and the Islamic Banks' Consultative Forum. It has also been maintaining a close relationship with Islamic Banks in Bangladesh and abroad since inception of Islamic banking operations in the Bank. The members of Shariah Supervisory Committee are as under:

Sl.	Name	Designation	Description
1	Janab Kazi Akram Uddin Ahmed	Chairman	Honorable Chairman, Standard Bank Limited
2	Janab Hafiz Kazi Muhammad Ibrahim	Member	Head Mohaddis, Hadis Department, Jameah Qasemiah Kamil (MA) Madrasha. Gabtauli, Norsinghdi
3	Janab Kazi Khurram Ahmed	Member	Honorary Consul of Gambia in Dhaka, Bangladesh Chairman & Managing Director, EMX Limited Director, Standard Bank Ltd & SBL Capital Management Ltd
4	Janab Dr. Muhammad Saifullah	Member	Islamic Scholar & Associate Professor, Dept. of Islamic Studies, Asian University of Bangladesh
5	Janab Khondoker Rashed Maqsood	Ex-Officio Member	Managing Director & CEO, Standard Bank Ltd
6	Janab Md. Ali Reza	Member Secretary	Acting Company Secretary, Standard Bank Ltd

Three meetings of Standard Bank Shariah Supervisory Committee were arranged where different operational issues were reviewed and the Internal Auditors of the Bank conducted Shariah audit and inspection at the Islamic banking branches and submitted reports thereon. Some of the major activities performed by the Shariah Supervisory Committee include the following:

1. Review of Financial Performance of Islami Banking Wings
2. Review of Business Position of Islamic Banking Wings
3. Recommendation on diversification of investment, optimum deposit and prudent cost-control
4. Review of Operational Efficiency

It is expected that Islamic branches will perform even better and achieve targets in coming years under the guidance and prudent leadership of the Management of Standard Bank, In Sha Allah.



BB GUIDELINES FOR CORPORATE GOVERNANCE: OUR COMPLIANCE STATUS

In Standard Bank Ltd. Corporate Governance means increasing stakeholders value by being efficient and professional to the organization, transparent and accountable to the shareholder and responsible to the society as well as the environment. To ensure good corporate governance in bank management, Bangladesh Bank (BB) issued three Circulars in 2013 covering three broad areas are as follows:

1. BRPD Circular No.11 dated 27 October 2013: Formation and responsibilities of Board of Directors (BoD).
2. BRPD Circular Letter No. 18 dated 27 October 2013: Appointment and responsibilities of Chief Executive Officer (CEO).
3. BRPD Circular Letter No. 19 dated 27 October 2013: Contractual appointment of Advisor and Consultant.

The summary of the BB guidelines and SBLs compliance thereto are presented below:

1. FORMATION AND RESPONSIBILITIES OF BOARD OF DIRECTORS (BOD)

Sl. No.	Particulars	Compliance Status
1	Formation of BoD: Prior approval from BB to be taken before appointment of new Directors, as well as dismissal, termination or removal of any Director from the post. Qualification and competency of Directors, maximum number of Directors of the Board, appointment of independent Directors, appointment of maximum 02 (two) members from a family as Director.	Complied. No such instance so far.
1.1	Appointment of New Directors: Every bank company, other than specialized banks, at the time of taking prior approval from BB while appointing Directors should furnish the following information along with the application:	
	a. Personal information of the nominated person	Complied
	b. Declaration of nominated person	Complied
	c. Declaration for confidentiality by the nominated person	Complied
	d. In case of independent director, the approval letter from BSEC	Complied
	e. CIB report of the nominated person	Complied
	f. Updated list of Directors	Complied
1.2	Vacancy of office of a Director	
(a)	The office of a Director shall be vacated as per the provision of Section 108(1) of Companies Act 1994. Besides, provision of Section 17 of Bank Company Act 1991, providing false declaration at the time of appointment or observing shortfall of qualification as a Director.	No such case
(b)	If the office of a Director is vacated as per Section 17 of Bank Company Act 1991, s/he will not be eligible to become Director of that bank company or any other bank company or financial institutions within one year from the date of repayment of the total dues to the bank. The dues can be adjusted with the shares held by the Director in that bank company and he cannot transfer his shares of that bank company until he repays his all the liabilities of that bank company or financial institutions.	No such incident
(c)	BB can remove Directors or Chairman of a bank company other than the state-owned banks for doing any activity that is detrimental to the interest of the banks depositors or against the public interest under Section 46 and can also dissolve the Board of a bank company under Section 47 of Bank Company Act 1991.	No such instance as yet
1.3	Removal of Directors from office: With the prior approval of Bangladesh Bank, any Director of a bank company other than specialized banks can be removed from his office for the reasons specified in its Articles of Association. The reason and grounds of the dismissal/removal and the copy of such decision taken by BoD and a list of Directors shall be submitted to Bangladesh Bank. Such removal shall be effective from the date of BB's approval.	No such instance as yet



Sl. No.	Particulars	Compliance Status
1.4	Appointment of Alternate Director: An alternate director can be appointed to act for a director during his absence for a continuous period of not less than three months from Bangladesh by fulfilling following instructions:	No such Director in SBL
(a)	Bank has to collect and properly maintain the documentary evidences relating to departure and arrival of the original director while traveling abroad. If there is any exception, the CEO should immediately inform it to BB.	N/A
(b)	The copy of the decision of the BoD regarding appointment of alternate director, with original director's probable returning date from abroad should be sent to BB within 7 days of taking the decision and the director's arrival date must be intimated to BB immediately after his/her return.	N/A
(c)	Any loan defaulter or any person who is not eligible to become a director as per any relevant guiding rules and regulations will not be appointed as an alternate director.	N/A
(d)	As an alternate director is appointed temporarily; therefore, he/she will not be included in any kind of committee constituted by the BoD.	N/A
(e)	The alternate director or his/her affiliated organization will not get any kind of loan facilities from the bank. In case of previous loan, enhancement of limit or extension of time period or any kind of exemption or interest waiver will not be allowed. Moreover, all restrictions applicable to directors according to rules and regulations will also be applicable to the alternate director.	N/A
2	Director from Depositors: As per Bank Company Act 1991 (amended in 2013) appointment of Directors from depositors is no longer required. But, in compliance with the provision of section 15(9) of Bank Company Act 1991 (amended up to 2013), bank company may consider the tenure of existing Directors from depositors or may appoint them as the Independent Director of the company.	Complied. No Depositor Director in SBL
3	Information regarding Directors: Banks are advised to take the following steps regarding directors information:	
(a)	Every bank should keep an updated list of bank directors.	Complied
(b)	Banks should send a directors' list to other banks or financial institutions immediately after the appointment or release of director.	Complied
(c)	Banks should display a list of directors on the website and update it on a regular basis.	Complied
4	Responsibilities of the Board of Directors (BoD)	
4.1	Responsibilities and Authorities of the BoD:	
(a)	Work planning and strategic management The BoD shall determine the objectives and goals and to this end shall chalk out strategies and work plans on annual basis. It shall analyze/monitor at quarterly rests the development of implementation of work plans.	Complied
	The BoD shall have its analytical review presented in the Annual Report as regard to success/failure in achieving the business and other targets as set out in its annual work plan and shall apprise the shareholders of its opinions/recommendations on future plans and strategies. It shall set the Key Performance Indicators (KPIs) for the CEO and executives immediate two tiers below the CEO and have it evaluated at times.	Complied
(b)	Loan and Risk Management: The policies, procedures, strategies, etc. in respect of appraisal of loan/investment proposal, sanction, disbursement, recovery, re-scheduling and write-off thereof shall be made with the BoD's approval under the purview of the existing laws, rules and regulations. The BoD shall specifically distribute the power of sanction of loan/investment and such distribution should desirably be made among the CEO and his subordinate executives as much as possible. No director, however, shall interfere, directly or indirectly, into the process of loan approval.	Complied
	The board shall frame policies for Risk Management and get them complied with and shall monitor the compliance at quarterly rests and review the concerned report of the risk management team and shall compile in the minutes of the board meeting. The BoD shall monitor the compliance of the guidelines of BB regarding key risk management.	Complied



Sl. No.	Particulars	Compliance Status
(c)	Internal Control Management: The Board shall be vigilant on the internal control system of the bank in order to attain and maintain satisfactory health or grade of its loan/investment portfolio. The board will establish such an internal control system so that the internal audit process can be conducted independently from the management. It shall review at quarterly rests the reports submitted by its audit committee regarding the compliance of recommendations made in internal and external audit reports and the BB inspection reports.	Complied
(d)	Human Resources (HR) Management and Development: Policies relating to recruitment, promotion, transfer, disciplinary and punitive measures, human resources development etc. and service rules shall be framed and approved by the BoD. The chairman or the directors shall in no way involve themselves and interfere into or influence over any administrative affairs including recruitment, promotion, transfer and disciplinary measures as executed under the set service rules. No member of the BoD shall be included in the selection committees for recruitment and promotion to different levels. Recruitment, promotion, transfer and punishment of the executives immediate two tiers below the CEO shall, however, rest upon the BoD. Such recruitment and promotion shall have to be carried out complying with the service rules i.e., policies for recruitment and promotion.	Complied. SBL BoD approves HR policy from time to time which guides all actions or decisions related to HR of SBL.
	The BoD shall place special attention to the development of skills set of bank's staff in different fields of its business activities including prudent appraisal of loan/investment proposals, and to the adoption of modern electronic and information technologies, and the introduction of effective Management Information System (MIS). The BoD shall get these programs incorporated in its annual work plan.	Complied
	The BoD will compose Code of Ethics for every tier of employees and they will follow it properly. The BoD will promote healthy code of conducts for developing a compliance culture.	Complied
(e)	Financial Management: The annual budget and the statutory financial statements will be prepared with the approval of the BoD. It will at quarterly rests review/monitor the positions in respect of bank's income, expenditure, liquidity, non-performing assets, capital base and adequacy, maintenance of loan loss provision and steps taken for recovery of defaulted loans including legal measures.	Complied
	The BoD will frame the policies and procedures for bank's purchase and procurement activities and shall accordingly approve the distribution of power for making such expenditures. The maximum possible delegation of such power shall rest on the CEO and his subordinates. The decision on matters relating to infrastructure development and purchase of land, building, vehicles etc. for the purpose of bank's business shall, however, be taken with the approval of the BoD.	Complied. SBL follows a Board approved 'Procurement and disposal policy'.
	The BoD will review whether an Asset-Liability Committee (ALCO) has been formed and it is working according to BB guidelines.	Complied
(f)	Appointment of Chief Executive Officer (CEO): In order to strengthen the financial base of the bank and obtain confidence of the depositors, one of the major responsibilities of the BoD is to appoint an honest, efficient, experienced and suitable CEO or Managing Director. The BoD will appoint a competent CEO for the bank with the approval of BB.	Complied
(g)	Other responsibilities of the BoD: In accordance to BB Guidelines issued from time to time.	Complied. The BoD will do so as and when required by BB.
4.2	Meetings of the Board of Directors: Board of Directors may meet once or more than once in a month upon necessity and shall meet at least once in every three months. Excessive meetings are discouraged.	Complied. Usually SBL holds two Board Meetings in a month.
4.3	Responsibilities of the Chairman of the BoD:	
(a)	As the Chairman of the BoD or Chairman of any committee formed by the BoD or any director does not personally possess the jurisdiction to apply policy making or executive authority, he/she shall not participate in or interfere into the administrative or operational and routine affairs of the bank.	Complied



Sl. No.	Particulars	Compliance Status
(b)	The Chairman may conduct on-site inspection of any bank branch or financing activities under the purview of the oversight responsibilities of the BoD. He may call for any information relating to bank's operation or ask for investigation into any such affairs; he may submit such information or investigation report to the meeting of the BoD or the executive committee and if deemed necessary, with the approval of the BoD, he shall effect necessary action thereon in accordance with the set rules through the CEO. However any complaint against the CEO shall have to be apprised to BB through the BoD along with the statement of the CEO.	Complied
(c)	The Chairman may be offered an office room, a personal secretary/assistant, a peon/MLSS, a telephone at the office, a mobile phone usable inside the country and a vehicle in the business interest of the bank subject to the approval of the BoD.	Complied
5	Formation of Supportive Committees of the Board: The BoD of every Bank Company can form only three supporting committees of the BoD i.e. Executive Committee (EC), Audit Committee (AC) and Risk Management Committee (RMC).	Complied
5.1	Executive Committee (EC): EC is to be formed for taking decision on urgent and day-to-day or routine activities between the intervals of two BoD meetings. The EC will perform according to the terms of reference set by the BoD. The EC will be formed with maximum of 07 (seven) members for a period of 03 (three) years. The Chairman of the BoD can also be the member of the EC. The company secretary of the bank shall act as the secretary of the EC. EC members, besides being honest and sincere, should have reasonable knowledge on banking business, its operations and risk management and be capable of making valuable and effective contributions in the functioning of the Committee. The committee shall discharge responsibilities and take decision on the matters as instructed by the BoD except discharging of those responsibilities and taking decisions that are specifically assigned to the full BoD by the Bank Company Act 1991 or other related laws and regulations. The decisions taken by the Committee shall be ratified in the next BoD meeting. Upon necessity the Committee can call meeting at any time. The Committee may invite CEO, Chief Risk Officer or any executive to attend the committee meeting.	Complied
5.2	Audit Committee (AC): The AC should have maximum five members and two of them shall be Independent Directors. It should be constituted of such members who are not members of the EC of the BoD. The members of the Committee may be nominated for three years and the company secretary of the bank shall act as the secretary of the Committee. Please see 'Report of the Audit Committee' for details.	Complied
5.3	Risk Management Committee (RMC): The RMC is to be formed to mitigate impending risks which could be arisen during implementation of BoD approved policies, procedures and strategies. This committee is entrusted to examine and review whether management is properly working on identifying and mitigation of credit risk, foreign exchange risk, internal control and compliance risk, money laundering risk, information and communication technology risk, operation risk, interest rate risk and liquidity risk and keeping adequate capital and provision against the risks identified.	Complied
	The RMC is to be formed with maximum five members who will be appointed for 03 (three) years. Each member should be capable of making valuable and effective contributions in the functioning of the Committee. The company secretary of the bank shall act as the secretary of the Committee. RMC shall review the risk management policy and guidelines of the bank at least once in a year, make necessary modifications as per requirement and submit the same to the BoD for approval. Besides, lending limits and other limits should be reviewed at least once in a year and should be amended, if necessary. Please see 'Report of the Risk Management Committee' for details.	Complied
6	Training of the Directors: The Directors of the Board will acquire appropriate knowledge of the Banking laws and other relevant laws, rules and regulations to effectively discharge the responsibilities as a Director of the bank.	Complied
7	Intimation of the Circular to the Board and related persons by CEO: The CEO will inform about this Circular to the directors and other related persons.	Complied

2. APPOINTMENT AND RESPONSIBILITIES OF CHIEF EXECUTIVE OFFICER (CEO)

Sl. No.	Particulars	Compliance Status
A	Rules and regulations for appointment of the CEO	
1	<p>Moral Integrity: In case of appointment to the post of CEO, satisfaction in respect of the concerned person should be ensured to the effects that:</p> <p>He has not been convicted by any Criminal Court of Law.</p> <p>He has not been punished for violating any rules, regulations or procedures/ norms set by any regulatory authority.</p> <p>He was not associated with any such company/organization; registration or license of which has been cancelled.</p>	Complied
2	<p>Experience and Suitability:</p> <p>For appointment as a CEO, the concerned person must have experience in banking profession for at least 15 (fifteen) years as an active officer and at least 02 (two) years experience in a post immediate below the CEO of a bank.</p> <p>He must have a Master's degree at minimum from any recognized university. Higher academic education in the field of Economics, Banking and Finance or Business Administration will be treated as additional qualification for the concerned person.</p> <p>In respect of service, the concerned person should have excellent track record of performance. Satisfaction should be ensured that the concerned person was not dismissed from service when he was chairman/director/official of any company.</p> <p>Any director of any bank or financial institution or any person who has business interest in the concerned bank will not be eligible for appointment to the post of the CEO.</p>	Complied
3	<p>Transparency and financial integrity: Before making appointment as a CEO, satisfaction should be ensured to the effects that:</p> <p>The concerned person was not involved in any illegal activity while performing duties in his own or banking profession.</p> <p>He has not deferred payment to creditors or has not compromised with his creditors to be relieved from debts or he is not a loan defaulter.</p> <p>He is not a tax defaulter.</p> <p>He has never been adjudicated a bankrupt by the Court.</p>	Complied
4	Age Limit: No person crossing the age of 65 years shall hold the post of CEO of a bank.	Complied
5	<p>Tenure: The tenure of the CEO shall not be more than 03 (three) years, which is renewable. If the candidate has less than 3 years left to attain 65 years, he/she can be appointed for that shorter period.</p>	Complied
6	<p>Banks are required to follow the guidelines stated below while determining the salary and allowances of the CEO and submitting such proposal to BB:</p> <p>In fixing the salary and allowances of the CEO, financial condition, scope of operation, business-volume and earning capacity of the bank; qualifications, achievement of the candidate in the past, age and experience and the remuneration paid to the persons occupying same position in the peer banks shall have to be taken into consideration.</p> <p>Total salary shall be comprised of direct salary covering 'Basic Salary' and 'House Rent' and allowances as 'Others'. The allowances (e.g., provident fund, utility bill, leave-fare assistance) in 'Others' head should be specified in amount/ceiling. Besides, other facilities (e.g., car, fuel, driver etc.), as far as possible, shall have to be converted in the monetary value and thus determining monthly total salary, it shall have to be mentioned in the proposal submitted to BB. In the proposal, Basic Salary, House Rent, Festival Allowance, other allowances and other facilities shall have to be specified in Taka amount.</p> <p>Without improving the bank's major financial indicator like- CAMELS, annual salary increment will not be payable.</p> <p>Terms of salary-allowances and other facilities as specified in the terms and conditions of appointment cannot be changed during the tenure. In case of renewal, proposal may be made for re-fixation of the salary considering the work performance of the current CEO.</p> <p>The CEO so appointed shall not get any other direct or indirect facilities (e.g., dividend, commission, club expense, etc.) other than the salary-allowances and other facilities as enumerated in clause (b) above.</p> <p>The CEO so appointed shall not get any other direct or indirect facilities (e.g., dividend, commission, club expense, etc.) other than the salary-allowances and other facilities as enumerated in clause (b) above.</p>	Complied
7	<p>Incentive Bonus: The CEO will get incentive bonus subject to paying incentive bonus to all executives/officers/workers of the bank and the said bonus amount will not exceed BDT 1,000,000 in a year.</p>	Complied



Sl. No.	Particulars	Compliance Status
8	Honorarium for attending the Board Meeting: Being a salaried executive, CEO will not get any honorarium for attending the Board meeting or Board formed Committee meeting.	Complied
9	Evaluation Report: For reappointment of the CEO, the Chairman of the bank shall have to submit a Board approved evaluation report to BB.	Complied
10	Prior Approval from Bangladesh Bank: Prior approval from Bangladesh Bank is mandatory before appointing CEO as per section 15(4) & (5) of Bank Company Act 1991 (amended up to 2013). For processing such approval, along with the proposal signed by the Chairman of the BoD, the selected person's complete resume, offer letter (mentioning the direct & indirect remuneration and facilities) and copy of Board's approval must be submitted to BB. The selected person must also submit declarations as per Annexure A & Annexure B to BB.	Complied
11	Decision of Bangladesh Bank is final: The decision of BB for appointment of the CEO will be treated as final and the CEO such appointed cannot be terminated, released or removed from his/ her office without prior approval from BB.	Complied
B	Responsibilities and Authorities of the CEO: The CEO of the bank, whatever name called, shall discharge the responsibilities and exercise the authorities as follows:	
	In terms of the 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 other business targets by means of business plan, efficient implementation thereof and prudent administrative and financial management.	Complied
	The CEO shall ensure compliance of the Bank Company Act 1991 and other relevant laws and regulations in discharging of routine functions of the bank.	Complied
	The CEO shall include clearly any violation from Bank Company Act 1991 and/or other relevant laws and regulations in the "Memo" presented to the meeting of the BoD or any other Committee (s) engaged by the BoD.	Complied
	The CEO shall report to Bangladesh Bank of issues in violation of the Bank Company Act 1991 or of other laws/regulations.	Complied
	The recruitment and promotion of all staffs of the bank except those in the two tiers below him/her shall rest on the CEO. He/she shall act in such cases in accordance with the approved service rules on the basis of the human resources policy and approved delegation of employees as approved by the BoD.	Complied
	The authority relating to transfer of and disciplinary measures against the staff, except those at two tiers below the CEO, shall rest on him/her, which he/she shall apply in accordance with the approved service rules. Besides, under the purview of the human resources policy as approved by the BoD, he/she shall nominate officers for training etc.	Complied

3. CONTRACTUAL APPOINTMENT OF ADVISOR AND CONSULTANT

Sl. No.	Particulars	Compliance Status
A	Rules and regulations for appointment of an Advisor	No such advisor in SBL
1	<p>Experience and Suitability: For appointment as advisor, the concerned person will have to fulfill the following requirements with regard to experience and qualifications:</p> <p>a. Experience in Banking or Administration for at least 15 (fifteen) years or have a long experience in social activities.</p> <p>b. Higher academic education in the field of Economics, Banking and Finance or Business Administration will be treated as additional qualification for the concerned person.</p> <p>c. Satisfaction should be ensured that the concerned person was not dismissed from his service when he was Chairman/ Director/ Executive of any company.</p> <p>d. The person who is working in any bank or financial institution or who has business interest in that bank will not be eligible for appointment to the post of Advisor.</p> <p>e. Satisfaction should be ensured that the concerned person is not a loan defaulter or tax defaulter and has never been adjudicated a bankrupt by the Court.</p>	N/A
2	Responsibilities of the Advisor: The roles and responsibilities of the Advisor should be defined specifically. The Advisor can advise the Board of Directors or CEO only on those matters specified in the appointment letter. The routine and general activities of the bank will not be included in his terms of reference. He will not be entitled to exercise any power or involved himself in the decision making process of financial, administrative, operations or other activities of the bank.	N/A
3	Prior approval from Bangladesh Bank: Prior approval from BB is mandatory before appointing an Advisor. For such appointment, the justifications of the post of advisor, responsibilities or terms of reference, complete resume of the concerned person, terms of appointment (mentioning remuneration and facilities) and copy of BoD's approval shall be submitted to BB. The nominated person has to make a declaration as per Annexure A. This declaration shall also be submitted to BB.	N/A
4	Remuneration and other facilities of Advisor: The post of Advisor is not a fixed or substantive post in the bank's organization structure. Advisor will not be entitled to salaries and allowances as regular employee except gross amount of remuneration, transport and telephone facilities. Remunerations inconsistent with the terms of reference of the advisor will not be considered as acceptable to BB.	N/A
5	Tenure of Advisor: The tenure of the Advisor shall be maximum 01(one) year, which is renewable. An evaluation report (by the Chairman that is approved by the BoD) of previous tenure should be submitted to BB along with the re-appointment proposal.	N/A
6	Appointment of Ex-executive: For ensuring good governance, any former Director, CEO or any other Executive of the bank will not be eligible to become an Advisor in the same bank immediately after their retirement or resignation. However, after one year from such retirement or resignation, he/she will be eligible for appointment as Advisor.	N/A
B	Rules and regulations for appointment of a Consultant	
1	Terms of reference of Consultant: Consultant can be appointed for specialized tasks like tax, law and legal procedures, engineering and technical works, information technology, etc. Consultants' appointment should be avoided as much as possible for those works that could be done by regular employees of the bank.	Complied
2	Responsibilities of a Consultant: The responsibilities or term of reference of a Consultant should be specified. He/she should not be involved in any activities beyond his/her terms of references and he/she cannot exercise any kind of power in bank operation or cannot participate in the decision making process.	Complied
3	Appointment of a Consultant: A Consultant can be appointed with the approval of the BoD. After such appointment the bank shall send the Consultant's complete resume, terms of reference and details of remuneration to BB immediately.	Complied



4	Tenure of a Consultant: The tenure of a Consultant should be consistent with the terms of reference, but would not exceed 02 (two) years. Generally the Consultant will not be eligible for re-appointment. But to complete the unfinished tasks, his contract may be extended for maximum period of 01 (one) year with the approval of BB. The Chairman of the bank upon approval of the BoD shall have to submit the extension proposal to BB with the evaluation report of his previous tenure.	Complied
5	Remuneration/honorarium of a Consultant: The Consultant's remuneration should be in the form of monthly or single lump-sum payment, and he is not entitled to any other facilities.	Complied
6	Appointment of Executive: For ensuring good governance, any former Director, CEO or any other Executive of the bank will not be eligible for appointment as a Consultant in the same bank immediately after their retirement or resignation. However, after one year from such retirement or resignation, he/ she will be eligible for appointment as a Consultant.	No such case
B	Rules and regulations for appointment of a Consultant	
1	Terms of reference of Consultant: Consultant can be appointed for specialized tasks like tax, law and legal procedures, engineering and technical works, information technology, etc. Consultants' appointment should be avoided as much as possible for those works that could be done by regular employees of the bank.	Complied
2	Responsibilities of a Consultant: The responsibilities or term of reference of a Consultant should be specified. He/she should not be involved in any activities beyond his/her terms of references and he/she cannot exercise any kind of power in bank operation or cannot participate in the decision making process.	Complied
3	Appointment of a Consultant: A Consultant can be appointed with the approval of the BoD. After such appointment the bank shall send the Consultant's complete resume, terms of reference and details of remuneration to BB immediately.	Complied
4	Tenure of a Consultant: The tenure of a Consultant should be consistent with the terms of reference, but would not exceed 02 (two) years. Generally the Consultant will not be eligible for re-appointment. But to complete the unfinished tasks, his contract may be extended for maximum period of 01 (one) year with the approval of BB. The Chairman of the bank upon approval of the BoD shall have to submit the extension proposal to BB with the evaluation report of his previous tenure.	Complied
5	Remuneration/honorarium of a Consultant: The Consultant's remuneration should be in the form of monthly or single lump-sum payment, and he is not entitled to any other facilities.	Complied
6	Appointment of Executive: For ensuring good governance, any former Director, CEO or any other Executive of the bank will not be eligible for appointment as a Consultant in the same bank immediately after their retirement or resignation. However, after one year from such retirement or resignation, he/ she will be eligible for appointment as a Consultant.	No such case



BSEC CODE FOR CORPORATE GOVERNANCE: OUR COMPLIANCE STATUS

Status of Compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's (BSEC) through 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):

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not complied	
1	Board of Directors			
1(1)	Size of the Board of Directors 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 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 Percent (1%) Shares of the total Paid-Up Shares of the Company;	✓		
1(2)(b)(ii)	Who is not a Sponsor of the Company or is not connected with 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 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;	✓		
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the Company or its Subsidiary or Associated Companies.	✓		
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 Intermediary of the Capital Market;	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not complied	
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 or audit firm conducting special Audit or Professional certifying compliance of this Code.	✓		
1(2)(b)(viii)	Who is not Independent Director in more than 5 (five) listed Companies.	✓		
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-Bank Financial Institution (NBFI).	✓		
1(2) (b) (x)	Who has not been convicted for a Criminal Offence involving moral turpitude.	✓		
1(2)(c)	The Independent Director(s) shall be appointed by the Board and approved by the Shareholders in the Annual General Meeting (AGM);	✓		
1(2) (d)	The post of Independent Director(s) cannot remain vacant for more than 90 (ninety) days; and	✓		
1(2)(e)	The tenure of office of an Independent Director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only.	✓		
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, 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 of commerce or business association; or			N/A
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than 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 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			N/A
1(3)(b)(iii)	Former official of the Government or Statutory or Autonomous or Regulatory Body in the position not below 5 th Grade of the National Pay Scale, who has at least educational background of Bachelor Degree in economics or commerce or business or law; or			N/A
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or			N/A



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not complied	
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 or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;			N/A
1(3)(c)	The Independent Director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	✓		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.			N/A
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
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 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 Company;	✓		
1(4)(c)	The Chairperson of the Board shall be elected from among the nonexecutive 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 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 of the regular Chairperson shall be duly recorded in the Minutes of the Board Meeting.	✓		
1(5)	The Directors' Report to Shareholders			
1(5)(i)	An industry outlook and possible future developments in the industry;	✓		
1(5)(ii)	The segment-wise or product-wise performance;	✓		Please refer to MD&A Section
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓		
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓		Discussion on interest income, expense, operating and net profit provided.
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	✓		N/A
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not complied	
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;	✓		
1(5)(viii)	An explanation if the financial results deteriorate after the Company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;	✓		N/A
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	✓		
1(5)(x)	A statement of remuneration paid to the Directors including Independent Directors;	✓		Please refer to Note of FS.
1(5)(xi)	A statement that the financial statements prepared by the Management of the issuer Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓		
1(5)(xii)	A statement that proper books of account of the issuer Company have been maintained;	✓		
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓		
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed	✓		Departure has been adequately explained in Note to the Financial Statements.
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓		
1(5)(xvi)	A statement that minority Shareholders have been protected from abusive actions by, or in the interest of, controlling Shareholders acting either directly or indirectly and have effective means of redress;	✓		Please refer to Directors' 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 is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓		No doubts upon SBL's ability to continue as a going concern.
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer Company shall be highlighted and the reasons thereof shall be explained;	✓		
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		
1(5)(xx)	An explanation on the reasons if the issuer Company has not declared dividend (cash or stock) for the year;			N/A
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;			N/A



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Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not complied	
1(5)(xxii)	The total number of Board meetings held during the year and 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(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	√		
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	√		Please refer to Note of the FS.
1(5)(xxiii)(c)	Executives; and	√		Please refer to Note of the FS.
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the Company (name-wise details);	√		
1(5)(xxiv)(a)	A brief Resume of the Director;	√		
1(5)(xxiv)(b)	Nature of his or her expertise in specific functional areas; and	√		
1(5)(xxiv)(c)	Names of companies in which the person also holds the Directorship and the membership of committees of the Board;	√		
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the Company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:	√		Please refer to Managing Director & CEO's Review and 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 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 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;	√		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	√		
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the Company; and	√		
1(5)(xxv)(g)	Future Plan or Projection or forecast for Company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the Shareholders in the next AGM;	√		
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;	√		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not complied	
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 Annexure-B and Annexure-C.	✓		
1(6)	Meetings of the Board of Directors			
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 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 website of the Company.	-		
2	Governance of Board of Directors of Subsidiary Company			
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 the subsidiary Company;	✓		
2(b)	At least 1 (one) Independent Director on the Board of the holding Company shall be a Director on the Board of the subsidiary Company;	✓		
2(c)	The Minutes of the Board meeting of the subsidiary Company shall be placed for review at the following Board meeting of the Holding Company;	✓		
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 subsidiary Company.	✓		
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal 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 Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		
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;	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not complied	
3(1)(d)	The Board shall clearly define respective Roles, Responsibilities and Duties of the CFO, the HIAC and the CS;	√		
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 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 shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	√		
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (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; 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 standards and applicable laws;	√		
3(3)(b)	The MD or CEO and CFO shall also certify that 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 or its members;	√		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√		
4	Board of Directors' Committee			
4(i)	Audit Committee; and	√		
4(ii)	Nomination and Remuneration Committee.	-		
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;	√		
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 of the Company and in ensuring a good monitoring system within the business;	√		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√		
5(2)	Constitution of the Audit Committee	√		
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	√		
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 Board and shall include at least 1 (one) Independent Director;	√		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not complied	
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;	✓		
5(2)(d)	When the term of service of any Committee member expires or there is 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 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;	✓		No such instance as yet
5(2)(e)	The Company Secretary shall act as the secretary of the Committee;	✓		
5(2)(f)	The Quorum of the Audit Committee meeting shall not constitute 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 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 the Minutes.	✓		
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM):	✓		
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year:	✓		
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 Independent Director is a must.	✓		
5(5)	Role of Audit Committee			
5(5)(a)	Oversee the financial reporting process;	✓		
5(5)(b)	monitor choice of accounting policies and principles;	✓		
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;	✓		
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not complied	
5(5)(f)	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;	√		
5(5)(h)	Review the adequacy of internal audit function;	√		
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;	√		
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 prospectus approved by the Commission.	√		
5(6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall Report on its activities to the Board.	√		
5(6)(a)(ii)	The Audit Committee shall immediately Report to the Board on the following findings, if any:	-		No such instance as yet
5(6)(a)(ii)(a)	Report on Conflicts of Interests;	√		Do
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the Internal Audit and compliance process or in the Financial Statements;	√		Do
5(6)(a)(ii)(c)	Suspected infringement of Laws, Regulatory compliances including Securities related Laws, Rules and Regulations; and	√		Do
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	√		Do
5(6)(b)	Reporting to the Authorities If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the Management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall Report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	√		No such instance as yet



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not complied	
5(7)	Reporting to the Shareholders and General Investors 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)	Unresolved issue. [Could not be complied due to BRPD Circular Letter No.11, dated 27 October 2013 of Bangladesh Bank]		
6(1)(a)	The Company shall have a Nomination and Remuneration Committee (NRC) as a sub- committee of the Board;	-		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria 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 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 independent director;	-		
6(2)(b)	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;	-		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not complied	
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;	-		
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting 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 the minutes and such minutes shall be confirmed in the next meeting of the NRC.	-		
6(5)	Role of the NRC			
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 the 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;	-		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not complied	
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			
7 a)	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;	✓		
7(1)(iii)	Book-Keeping or other services related to the accounting records or financial statements;	✓		
7(1)(iv)	Broker-Dealer Services;	✓		
7(1)(v)	Actuarial Services;	✓		
7(1)(vi)	Internal Audit services or special audit services;	✓		
7(1)(vii)	Any service that the Audit Committee determines;	✓		
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.	✓		
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.	✓		
8(2)	The Company shall keep the website functional from the date of listing.	✓		
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.	✓		
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.	✓		To be appointed in the upcoming AGM.
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.	✓		



Mahfel Huq & Co.
Chartered Accountants
The first registered accounting firm in independent Bangladesh



An independent member firm of AGN International

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Report to the Shareholders of Standard Bank Limited On Compliance on the Corporate Governance Code

[Certificate as per condition no. 1(5) (XXVII), of BSEC Notification no. BSEC/CMRRC/2006-158/207/Admin/80 dated 03 June 2018]

We have examined the compliance status to the Corporate Governance Code by **Standard Bank Limited** for the year ended on 31 December 2020. This Code relates to the Notification No. BSEC/CMRRC/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 Company. 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 the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition 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 Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- (b) The Company 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 company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The Governance of the company is satisfactory.

Md. Abdus Satter Sarkar

Md. Abdus Satter Sarkar, FCA
Partner,
For and On behalf of,
Mahfel Huq & Co.
Chartered Accountants

Place: Dhaka
Date: 11 July 2021



MANAGING DIRECTOR & CEO AND CHIEF FINANCIAL OFFICER'S STATEMENT OF RESPONSIBILITIES

Date: 28 April, 2021
The Board of Directors
Standard Bank Limited
122-124 Motijheel C/A Dhaka-1000

Subject: Declaration on Financial Statements for the year ended on 31st December, 2020

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 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969 and based on our internal and external auditors report, we do hereby declare that:

1. The Financial Statements of Standard Bank Limited for the year ended on 31st December, 2020 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, 2020 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,

Khondoker Rashed Maqsood
Chief Executive Officer (CEO)

Mr. Ali Reza FCMA, CIPA
Chief Financial Officer (CFO)



REPORT OF MANAGEMENT CREDIT COMMITTEE

MANAGEMENT INVESTMENT COMMITTEE (MIC)

As a part of Investment Risk Management, Management Investment Committee (MIC) reviews the investment proposal as per investment norms of the bank and requirement of regulatory authorities. Investment proposal goes through the screening test by MIC. The investment proposal received from the Branches is primarily screened through Investment Division of Head Office and is placed before the MIC. The MIC, following its review process as per regularity guidelines and Bank's norms, either recommended to the approval authorities or declined. However, there is an appeal process in case of declined case subject to eliminating or upward changes of declining reasons.

COMPOSITION OF MANAGEMENT INVESTMENT COMMITTEE (MIC)

The MIC is headed by the Additional Managing Director & Chief Risk Officer (CRO) of the Bank. Other members is nominated by the Managing Director in consultation with the Chairman of the Committee. Present members of the committee as detailed in the table below:

Sl. No.	Name	Position in the Committee
1	Additional Managing Director & CRO	Chairman
2	Deputy Managing Director & COO	Co-Chairman
3	Head of Investment Division	Member
4	Head of Corporate Business Division	Member
5	Head of Investment-1	Member
6	Head of Investment-2	Member
7	Chief Financial Officer (CFO)	Member
8	Head of Special Asset Management (SAM)	Member
9	Head of International Davison (ID)	Member
10	Head of Treasury	Member
11	Head of SME	Member
12	Head of Rural & Agri Investment	Member
13	Mr. Tapas Kumar Mandal, VP	Member Secretary

MODUS OPERANDI OF THE COMMITTEE:

- a. (a) All investment proposals received from the branches is placed to the Committee i.e. MIC.
- b. (b) The Committee is the recommending authority, subject to proper justification, to the approval authority of the Bank or declined the investment proposal which are not found financially viable or contrary to the existing investment policy guidelines of the Bank/regulatory instructions of Bangladesh Bank.
- c. (c) The Branch is free to make appeal for the declined investment proposal(s) provided that they are genuinely convinced about the merit of the case.



TERMS OF REFERENCE (TOR) OF THE MIC:

The Committee is responsible for:

- i. Conducting its meeting as per schedule date and time.
- ii. Reviewing and recommending the investment proposals to the approval authority for approval/decline in line with the prevailing Delegation of Business Power (DBP) taking into cognizance the observation made by Investment Division and regulatory/legal compliance issues and its mitigations made by the respective division, prudential limit of large Investment exposure, standard and acceptable collateral offered, portfolio management, risk concentration, pricing, provisioning etc.
- iii. Examining whether the investment proposals are being prepared complying with the laws, investment norms & standards, policies, regulation laid by the Bangladesh Bank and the internal policies of Standard Bank Limited.
- iv. Reviewing the investment proposals, restructuring, rescheduling the investment if required so, and settlement of investment complying with regulatory norms and in accordance with Banks policies/standards.
- v. While recommending the proposals, the Committee evaluates the business track record and performance, credit worthiness of the investment customer, resilience with due diligence and proper justification.
- vi. Assessing an investment based on Internal Credit Risk Rating (ICRR), actual requirement of business, repayment capacity of the customer.
- vii. Making recommendation to the Board of Directors of the Bank for its perusal and approval; clear policies and standards for presentation of investment proposals, financial covenants, rating standard and benchmark.
- viii. Identification of other risks related to the subject investment proposals, sector, industry, micro and macro-economic trend and suggesting probable way out to mitigate those.
- ix. Reviewing the investment concentration as per approved budget, risk appetite statement, and recommend for its up-gradation, if required so.
- x. Monitoring the investment risk on bank's domain perspective and ensure the comply with limits approved by the Board of Directors of the Bank.
- xi. Monitoring investment deposit ratio of the Bank from time to time so that the ratio does not cross the regulatory boundary.
- xii. Conforming that the transaction is consistent with investment policy/strategy of the Bank in line of approval of Board of Directors and Bangladesh Bank's guideline.
- xiii. Ensuring that the "Exception/Deviation", if any, to the policy are clearly mentioned in the investment proposal and recommendation of "Exception/Deviation" if required so or may suggest the respective division to bring changes in the Policy.
- xiv. Reviewing and taking into consideration the issues raised by Audit Committee, Executive Committee and Board of Directors of the Bank and regulatory bodies on regular basis.
- xv. Discussing the "Early Alert" accounts on regular interval as per approved policy.
- xvi. Maintaining register to have record on all investment proposals discussed in MIC.
- xvii. Maintaining record of minutes of MIC.

Any other issues related to investment proposal.



REPORT OF COMPENSATION REVIEW COMMITTEE

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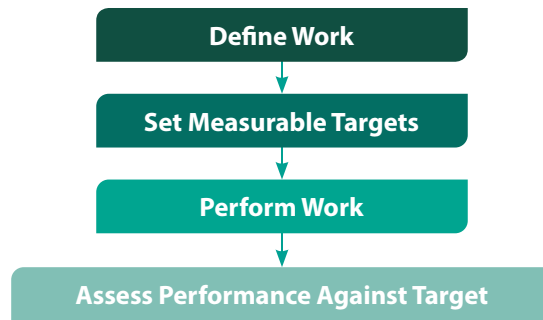
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To make compensation package time proven and attuned to pay packages offered by different banks, SBL usually revises its scale of pay on a regular interval. Besides, revision of pay packages has become indispensable due to government approval of last National Pay Scale with effect from July 01, 2015. Moreover, the necessity of revise of pay scale is also justified as there has been a considerable change in the economic situation as well as people's standard of living due to inflation and continuous price spiral. Keeping this view in mind, a Compensation Review Committee was formed.

The Committee is delegated with the authority from the management to review, and make recommendations on pay package ensuring guidelines as set by the management. It will ensure that all employees of the bank are appropriately remunerated in the track of competition with other peer banks. In commensurate with market trend, salaries of all employees of SBL have been revised from October 01, 2018.

PROMOTION & APPRECIATION



Promotion and appreciation are the tokens of contribution (performance) against targets as set by the management of the Bank. SBL always distinguishes the performers with increment, promotion and appreciation in laudable manner. In 2020, 04 (four) employees were awarded special promotion to next higher grade in recognition of their outstanding performance to create a rewarding and competitive culture within the bank.



REPORT ON GOING CONCERN

Going concern is a basic underlying assumption in accounting. The assumption is that a company or entity will be able to continue operating for a period of time that is sufficient to carry out its commitments, obligations, objectives, and so on. Every company requires assessing its ability to continue as a going concern. The Board of Directors of Standard Bank Ltd (SBL) has made annual assessment about whether there exists any material uncertainty which may cast significant doubt upon the Company's ability to continue as going concern. This assessment involves making appropriate inquiries including review of budget and future outcome of inherent uncertainties in existence. The Directors are convinced from the following indications, which give reasonable assurance as to Company's continuance as a going concern for the foreseeable future.

FINANCIAL PERFORMANCE

Standard Bank Ltd. has excellent growth in its operating performance. Bank's Consolidated Total Asset has increased from BDT 219,272 Million in 2020 to BDT 221,890 Million in 2019, decreased 1.18% over last year. The Bank achieved 1.10% growth in investment with a total investment portfolio of BDT 162,396 million in 2020 compared to BDT 160,625 million in 2019. Import business of the Bank stood at BDT 49,195 million in 2020 with 35% decreased over the previous year BDT 75,399 million, while Export business of the Bank stood at BDT 43,631 million in 2020, which is decreased by 23% than that of previous year i.e. BDT 56,326 million. Consolidated Operating Revenue for the year 2020 amounted to BDT 7,800 Million, which is 0.60% higher than last year's BDT 7,754 million. All through the year 2020, the interest rate was in a declining state, the Net Interest of Standard Bank Ltd. decreased by 49% over last year. Consolidated Net Interest for the year 2020 amounted to BDT 2,185 Million compared to BDT 4,249 million of 2019.

CREDIBILITY IN PAYMENT OBLIGATIONS

Standard Bank Ltd. has strong credibility in terms of payment of its obligations to the lenders and suppliers. Standard Bank Ltd. is very particular in fulfilling the terms of payment or repayment agreements without any exception. This has resultant from our effective liquidity management plan.

OPTIMISTIC KEY FINANCIAL RATIOS

The key financial ratios of Standard Bank Ltd. for the year 2020 indicate a very positive picture as evident from financial highlights and graphical presentation of financial position given separately in this annual report. Financial ratios indicate Standard Bank Ltd.'s sound financial strength and good prospects.

POSITIVE CASH FLOW

SBL's cash flow analysis represents its strengths about its ability to repay its obligations, ability to adapt in changing circumstances and generate sufficient cash and cash equivalents, which will lead the organization to a sustainable future growth. Consolidated Operating Cash Flow before changes in operating assets and liabilities in 2020 was BDT 1,874 million. Net Operating Cash Flow after changes in operating assets and liabilities shows impressive growth of net inflow of BDT 7,032 million, which was BDT 9,498 million in previous year.

BUSINESS EXPANSION

SBL has expanded its segment geographically by opening new branches in different places considering the economic significance. Initiatives have been taken to open new branches in 2020 at different places in Bangladesh. As on 31 December 2020, Standard Bank

Ltd. has 138 Branches. Standard Bank Ltd. gives due importance on product diversification a key strategy to achieve customer satisfaction by tailoring the need of customers. It is the impact of our sound organizational structure, skilled and dedicated work force and business strategies that in the year 2020, Loans and Advances has increased by 1.00% and Term Deposit has decreased by nearly 8.00% compared to that of 2019. SBL's Management has positive intent to maintain this growth in future years which represent bank's intention to perpetuity.

CONSISTENT PAYMENT OF DIVIDENDS

Standard Bank Ltd. has been paying consistent dividend to its shareholders over many years, which reflects company's long term vision and firm commitment to its shareholders.

WORK ENVIRONMENT AND EMPLOYEES' SATISFACTION

There exists a very good corporate working environment in the bank. Standard Bank Ltd. is an excellent work place with a friendly working environment. Communication among the employees is excellent. The organization endeavors to be honest and practices fair treatment to all employees, which ensures healthy corporate environment. The company pays a very competitive compensation package and there exists a good number of employee benefits like provident fund, gratuity fund, home and personal loan for employees at a reduced rate, employees' health insurance, incentive bonus, transport facility to the eligible employees. Pay scale are frequently revised to give effect of inflation as well as to align with the industry level. These factors are instrumental for employee satisfaction.

MAINTENANCE OF ADEQUATE CAPITAL

As per BASEL-III, a Bank should maintain capital at least 10.00% of its Risk Weighted Asset. SBL maintains its capital above the threshold level consistently even though growth of RWA is significant. As on 31 December 2020, Capital to Risk Weighted Asset Ratio (CRAR) of Standard Bank Ltd. stands at 13.00% on solo basis and 12.86% on consolidated basis. To fulfill its capital requirement in the future as per BASEL-III requirements, Standard Bank Limited is already in process of raising BDT 500.00 Crore through issuance of Mudaraba Perpetual Bond.

SATISFACTORY CREDIT RATING

ARGUS Credit Rating Services Limited has rated the Bank on 30 June 2020 with "AA+" in the long term and ST-2 for the Short Term based on audited financial statements of 2018 and other available information up to the date of rating declaration. The validity of the rating will be expired on 30th June 2020. The outlook on the rating is Stable. The rating reflects the strengths of the bank which is backed by a strong team of management, growth in the non-interest income, deposits and investments, adequate capital coverage with high Tier-1 capital, improved asset quality and well controlled liquidity position.

CHANGES IN GOVERNMENT POLICY

Standard Bank Ltd. Management anticipates no significant change in legislation or government policy, which may materially affect the business of Standard Bank Ltd. Based on the above mentioned indications, Directors feel that it is appropriate to adopt going concern assumptions. Adequate disclosures have been made in the financial statements and different sections of the annual report to understand the appropriateness of going concern basis in preparing the financial statements of Standard Bank Ltd.



STATEMENT ON ETHICS AND COMPLIANCE

We are steadfast in our commitment to living up to our Core Values of Trust, Respect, Belief, Humility and Integrity. As Standard Bank Ltd., we live by these values and know that by doing so we promote:

- An environment of Trust and openness that encourages telling the fact always;
- Respect for one another, our Representatives, customers, stakeholders and public servants who regulate and enforce the law;
- Sufficient Belief in ourselves and one another to pursue our mission in accordance with our values;
- The Humility to let our performance speak for itself and admit our mistakes; and
- Integrity in all situations, whatever the pressures or temptations, wherever we may be and no matter the potential consequences.

Standard Bank Ltd. pays close attention to the moral concerns in order to make the right ethical decisions on a day-to-day basis over and above observing the law, one of the basic professional requirements for the banking sector. We at Standard Bank Ltd believe that the upholding of an ethical culture in financial sector is of critical interest to the customers, employees, regulators alike and to the banking sector itself as a secured, reliable and efficient financial sector system in one of the pillars of economic stability of any country. Hence, nurturing an ethical culture is of utmost importance for banking institutions, like any other organization. Our core ethical values include honesty, integrity, fairness, responsible citizenship, and accountability. Enforcing a corporate code of ethics requires understanding and active participation by everyone in Standard Bank Ltd. since the Code spells out the expected standards of behavior and sets the operating principles to be followed. Every official should ensure that the bank at all times maintains high ethical standards and adequate internal control measures are in place guarding against unethical practices and irregularities.

CODE OF ETHICS & PRINCIPLES OF CONDUCT

True spirit of ethical practices is at the core of what Standard Bank Ltd. secures in the course of business. We fondly believe that our achievement can only be sustained by creating effective corporate governance, professionalism among its staff and strictly adhering to rules and regulations designed in high ethical standard. Principles of conduct at Standard Bank Ltd. govern each employee to act ethically in daily activities. Our employee Code of Ethics & Principles of Conduct applies to everyone who works at Standard Bank Ltd., including employees (both permanent and contractual), contractors and consultants. The Code is supported by a number of more detailed policies that form part of the Conduct and Ethics Policy Framework. These cover issues such as anti-bribery, fraud and corruption, equal opportunity, bullying and harassment, conflicts of interest and work expenses. Our ethical acts eventually turns to the commitments we make to our stakeholders.

In a nutshell, our business ethics means, Choosing the good over the bad, the right over the wrong, the fair over the unfair and the truth over the untruth". Strict compliance, confidentiality, avoidance of conflicts of interest, encouraging the reporting by the Officers of the Company on illegal and unethical behaviour is also amongst the guiding principles of the banks Code of Ethics.

MONITORING COMPLIANCE

Compliance with our Code of Conduct and Ethics is embedded in our employment contracts, recruitment and performance management activities. We have set explicit targets for compliance, commencing at executive management level. All employees are required to comply with our Code of Conduct and Ethics and report conduct that may be in breach of the law, the Code or policy. Advice on Standard Bank Ltd. policies, practices and management systems is available via our Human Resources department. Any employee, contractor or consultant can confidentially report concerns about conduct, practices or issues to our HR department. To help our employees in applying the principles of our Code of Conduct and Ethics and the Conduct and Ethics Policy Framework, we have developed a training course regularly for the newly appointed employees, Case studies are provided to assist staff in translating the Code and related policies into real-life situations. All employees are required to complete this training course each year. Declarations within the course require each employee to confirm whether they understand the Code's principles, have complied with them over the previous 12 months and agree to comply with them in the future. Compliance is a Key Result Area examined as part of our Performance Management Process and failure to complete required compliance training can be a factor in determining the employee's entitlement to performance-based remuneration and could lead to termination of employment in serious cases. Additionally, employees are required to undertake issue-specific training for topics such as money laundering, counter terrorist activity, fraud, corruption and privacy. Our HR Manual covers our Code of Conduct and Ethics, standards and behaviors, and important policies and procedures such as our Anti-Bribery Policy and Fraud and Corruption Policy. All Management Cadres must complete an annual attestation that they have read and understood these ground rules and failure to complete this may result in a flag being raised in an individuals performance review.

REPORTING COMPLIANCE

We have reported breaches of our Code of Conduct and Ethics framework yearly. Breaches of operational, regulatory and compliance requirements are tracked and case management, with corrective action closely monitored until closed. All breaches of the Code are reported annually to our Management Committee and form part of regular risk reporting to the Management Credit Committee. Compliance with our Code of Conduct and Ethics is monitored by Internal Audit, who ensures processes are in place to appropriately investigate alleged breaches of the Code. We also conduct annual testing of the controls that support our Code of Conduct and Ethics, which forms part of our financial reporting governance program and the results are made available to External Auditors in connection with their external audit of the Group's consolidated financial statements.



RISK MANAGEMENT





CHIEF RISK OFFICER'S REPORT ON RISK MANAGEMENT

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The COVID-19 pandemic poses a significant threat to the sustainability of banks globally. It will most likely be worse in developing and emerging economies, where financial systems are weak. The Bangladesh banking sector already has a high level of NPLs and is crippled with many systemic problems. Research findings suggest that all banks are likely to see a fall in their risk-weighted asset values, capital adequacy ratios, and interest incomes. The decline in all three dimensions will be disproportionately greater for larger NPL shocks.

At the sectoral level, the NPL shocks will generate a sector-wide decline in all three dimensions. However, findings suggest that larger banks are relatively more vulnerable. Findings further indicate that the loss in RMG exports has a multiplier effect of 'three' on NPL ratios. A 10% NPL shock could force all banks to lose their minimum capital adequacy requirement and a shock of 13% or more will force sectoral CAR down to zero or negative; which is possible due to the just over 3–5% loss in RMG export order values. Given that the value of the cancelled RMG export orders are already three times larger than the sectors' total outstanding loan taken from the banking sector and that overall economic recovery remains uncertain, NPL shocks could realistically be well over 10%. If this happens and persists, it may trigger bank-runs and systemic banking sector crises. Overall, findings call for immediate, phase-wise, and innovation-driven policy measures with a long-term approach to prevent an imminent banking sector crisis in Bangladesh. The findings could be considered as a warning sign for other emerging and developing countries where banks have high lending exposure to COVID-19-sensitive sectors and traditionally suffer from poor asset quality, high rates of NPLs, and weaker policy and regulatory frameworks.

Practicing sound risk management is crucial for banking sector. As also clearly pointed out in the OECD's sixth peer review based on the OECD Principles of Corporate Governance, it is now admitted on all hands that sound enterprise risk management presupposes sound corporate governance practice in banking organizations in particular. In recognition of this, Basel Committee on Banking Supervision (BCBS) cited Risk Management function as its 6th principle in its Guidelines on Corporate Governance Principles for Banks. To quote the Principle 6: "Banks should have an effective independent risk management function, under the direction of a chief risk officer (CRO), with sufficient stature, independence, resources and access to the board"

In timely recognition of the need for enterprise wide risk oversight, Bangladesh Bank recently issued its revised "Risk Management Guidelines for Banks" vide its DOS circular no.04 dated October 08, 2018, which is in line with internationally accepted risk management principles and best practices. The guideline is also aligned with the revised version of Basel Core Principles (BCP) for Effective Banking Supervision published by the Basel Committee on Banking Supervision (BCBS) in September 2012. The BCP on

'Risk Management Processes' (CP15) requires that banks have a comprehensive risk management process (including effective Board and senior management oversight) to identify, measure, evaluate, monitor, report and control or mitigate all material risks on a timely basis and to assess the adequacy of their capital and liquidity in relation to their risk profile and market and macroeconomic conditions. Therefore, the risk management process of any bank is expected to be commensurate with its risk profile and systemic importance. The revised risk management guideline also touched on major CPs such as Corporate Governance (CP14), Capital adequacy (CP16), Credit risk (CP17), Problem Assets Provisions and Reserves (CP18), Concentration Risk and Large Exposure Limits (CP19), Market risk (CP22), Liquidity risk (CP24), Operational risk (CP25), Interest rate risk (CP23), Financial Reporting and External Audit (CP27) and Disclosure and Transparency (CP28). The said guideline also recommended banks to prepare a Board-approved organogram of the risk management division (RMD) ensuring the use of information technology along with the appointment of adequate and skilled manpower. Besides, the RMD has also been entrusted with the responsibility of monitoring implementation of required corrective action, related to objections revealed in the inspections conducted on the basis of the core risk management guidelines. In view of the gravity and importance of oversight of bank-wide risk management, Standard Bank Limited has in place an independent Risk Management Division approved by its Board of Directors under the direct supervision of Chief Risk Officer, who is accountable to the Board Risk Management Committee. In line with the said guideline, the Bank has also put in place 5 (Five) nos. of desks (Credit Risk, Market Risk, Liquidity Risk, Operational Risk and Risk Research & Policy Development) for oversight of bank-wide risks as the bank's second line of defense. Besides, the Bank has also been following the Phase-in arrangements for Basel III implementation in Bangladesh as per Bangladesh Bank BRPD Circular no.-18 dated December 21, 2014. As part of enterprise-wide risk governance framework, the Bank prepares its risk appetite statements on yearly basis in line with its long term plan and conducts its operations within the purview of its risk appetite frameworks and internal limits set by its Board of Directors. Besides, as part of its quantitative and qualitative analysis, the bank also conducts stress analysis on quarterly basis and communicates the same to the Executive Risk Management Committee (ERMC) and Board Risk Management Committee (BRMC).



Risk simply means the unexpected situation or the deviation of the expected outcome. It is an inherent part of any business operation. It may arise from internal faults or from external factors affecting adverse result in the said business or downgrading of the image of the institution. In banking business, risk factors are generally exposed to its lending and trade-service business and other operational activities. Banks need to meet forthcoming regulatory requirements for risk measurement and mitigation thereof by arrangement of capital and provisions. However, to meet the regulatory requirements is not enough. A sound and scientific risk management system should be in place for regular monitoring, performance evaluation and corrective measures. Managing and mitigating such risks are always a prioritized concern of not only the Risk Management Division, but also the entire Management Team of the Bank under the leadership of the Hon'ble Board of Directors of Standard Bank Ltd.

Being a banking organization, Standard Bank Limited is also not immune from inherent risks like liquidity risk, credit risk (including residual risk, dilution risk, settlement/delivery risk, and counterparty risk); interest rate risk; foreign exchange risk and other market risks; concentration risk, particularly including risks of exposure of the bank to one person or a group of related persons; bank's investment risks; risks relating to the country of origin of the entity to which a bank is exposed (country risk); operational risk particularly including legal risk; risk of compliance of the bank's operations; risk of money laundering and terrorist financing; and strategic risk. The entire risk profile of the Bank is constantly monitored by the Management under three (3) lines of defense framework. The risk profile of the Bank is also quantified in terms of Pillar I and Pillar II of Basel III framework. Under Pillar I, the Bank assesses its minimum capital requirement against Credit, Market and Operational Risk on quarterly basis and reports the same to Bangladesh Bank. The Bank also quantifies other risk areas as a part of Internal Capital Adequacy Assessment Process under Supervisory Review Process of Pillar II on yearly basis, which is also submitted to Bangladesh Bank. As per the Pillar III of Basel III framework, the Bank has also been making disclosures as per Basel III framework.

The afore-said banking risks are also addressed through proactive enterprise risk management techniques including Key Risk Indicators (KRIs) developed on the basis of Comprehensive Risk Management Guideline of the Bank, Credit Risk Management Guideline, Asset Liability Management Guideline, Foreign Exchange Risk Management Guideline, Internal Control and Compliance Guideline, Money Laundering & Terrorist Financing Risk Management Guidelines and ICT Security Guideline and other circulars issued by Bangladesh Bank from time to time. Besides, the Bank has also developed its own Risk Appetite Framework, based on which, it sets Risk Appetite Statement on yearly basis with approval of the Hon'ble Board of Directors. The Bank regularly follows up with its Management Action Triggers based on its approved Risk Appetite Statements. In order to ensure that the Bank identifies, monitors and control risks on an ongoing bank-wide and individual entity basis, the Bank has already developed its own risk management framework, risk identification and risk mitigation strategy, which were prepared in light of all the guidelines and circulars issued by Bangladesh Bank from time to time. The upcoming sections of this annual report (namely, Risk Management Framework, Risk Mitigation Strategy, Disclosures on Risk Based Capital based on 31.12.2020, Capital Planning & Management and Statement of Non-Performing Loan) outlines the overall bank wide and individual entity basis risk management practices followed in the bank, where mitigation of the Banking risks are ensured through proactive risk management activities and proper compliance of the core risk management guidelines of the Bank.

It needs no explanation that in addition to existing risk profiles, banks are always exposed to emerging risks. The Executive Risk Management Committee (ERMC) of the Bank always deliberates on such emerging risks, oftentimes, with the aid of its internal stress testing framework. Sometimes, emerging risks are identifiable ahead of time while at other times, it comes next to impossible. For instance, Covid-19 pandemic gripped the bank off-guarded during the greater part of 2020. Be that as it may, as part of its quantitative and qualitative analysis, the bank utilizes stress tests and scenario analyses to better understand potential risk exposures under a variety of adverse circumstances. Stress test results are periodically reviewed with the Board of Directors or Board Risk Management Committee (BRMC). Test results are incorporated into the reviews of the risk appetite, the capital adequacy assessment process, the capital and liquidity planning processes, and budgets. The results are also linked to recovery and resolution planning. The Risk Management Division (RMD) also suggests if and what action is required based on results and the results of stress tests and scenario analyses are also communicated to, and given appropriate consideration by, relevant business lines and individuals within the bank.

An effective risk governance framework requires robust communication within the bank about risk, both across the organization and through reporting to the Board and Senior Management. Therefore, the Bank ensures that there prevail ongoing communications about risk issues including the bank's risk strategy throughout the bank as a key tenet of its risk culture. The Executive Risk Management Committee (ERMC) and the Board Risk Management Committee (BRMC) strongly emphasize on promotion of risk awareness and encourage open communication and challenge about risk taking across the organization as well as vertically to and from the Board and Senior Management.

Standard Bank Limited has already completed its 22 years of journey. The Management and Board of the Bank feel and believe that, with the growth of its business, strengthening its oversight and building a strong risk management structure is a priority. The bank is well aware that its business also carries certain risk elements. Therefore, it has set its risk management policies in terms of risk appetite statement and introduced effective risk assessment procedures, monitoring and oversight in a very methodical and conscious manner in order to control the internal and external risks at an optimum level. It has been able to establish an inherent culture of continuous and gradual improvement. On a final note, we would like to reaffirm our stakeholders that the Bank has always been committed to remaining fully complied and maintaining transparency in risk mitigation so that the Bank can build its business on the concrete foundation of "sustainability"

With Thanks and Best Regards.

Md. Touhidul Alam Khan, FCMA, CSRA
Additional Managing Director & Chief Risk Officer



RISK MANAGEMENT FRAMEWORK

Risks are usually defined by the adverse impact on profitability of several distinct sources of uncertainty. Risk Management system is a pro-active action in the present for the future. Business grows mainly by taking risk. It is generally understood that the greater the risk, the higher the profit. Therefore, every bank must strike a balance between the two.

The goal of risk management is ensuring depositors' interest as well as addressing the objectives of the bank's stakeholders including Customers, Management, Employees, Boards of Directors, Shareholders, Supervisors, Rating Agencies, Investors, Creditors and Counter Parties.

Risk-taking is an inherent element of banking and profits are, in part, the reward for successful risk taking in business. On the other hand, excessive and poorly managed risk can lead to losses and thus endanger the safety of a bank's depositors.

KEY DRIVERS OF RISK





RISK MANAGEMENT STRUCTURE

Responsibility for risk management resides at all levels within the Bank starting from the Board of Directors, Board Risk Management Committee (BRMC) and the Executive Risk Management Committee (ERMC) down through the organization to each business manager and risk specialist. Bank distributes these responsibilities so that risk/return decisions are taken at the most appropriate level; as close as possible to the business and subject to robust and effective review and challenge. The risk management procedures are approved, monitored and mitigated at various stages of the Bank with inputs from the Board of Directors as well as Committees and divisions namely Senior Management Team (SMT), Executive Committee, Audit Committee, Executive Risk Management Committee (ERMC), Management Committee (MANCOM), Assets Liability Committees (ALCO), Risk Management Division (RMD), Management Credit Committee (MCC), Internal Control & Compliance Division (ICCD) and Central Compliance Unit (CCU). On an enterprise basis, the Bank's overall risks are reviewed, monitored and supervised by Chief Risk Officer (CRO) of the Bank supported by Risk Management Division (RMD).

RISK MANAGEMENT STRATEGY

At a strategic level, Bank's risk management objectives are:

- To identify the Bank's material risks.
- To formulate the Bank's Risk Appetite consistent with its overall all risk profile and capital adequacy.
- To optimize risk/return decisions by taking them as closely as possible to the business while establishing strong and independent review and challenge structures.
- To ensure that business growth plans are properly supported by effective risk infrastructure
- To manage risk profile to ensure that specific financial deliverables remain possible under a range of adverse business conditions.
- To help executives improve the control and coordination of risk taking across the business.

RISK MANAGEMENT FRAMEWORK:

The primary objective of risk management is ensuring that the outcomes of risk-taking activities are consistent with the Bank's strategies and risk appetite, and that there is an appropriate balance between risk and reward in order to maximize shareholder returns. The Bank's enterprise wide risk management framework provides the foundation for achieving these goals.

This framework is subject to constant evaluation to ensure that it meets the challenges and requirements of the global markets in which the Bank operates including regulatory standards and industry best practices. The risk management programs of the Bank's subsidiaries conform in all material respects to the Bank's risk management framework, although

the actual execution of their programs may be different. The Bank's risk management framework is applied on an enterprise wide basis and consists of three key elements:

- Risk Governance,
- Risk Appetite, and
- Risk Management Techniques.

RISK GOVERNANCE:

Effective risk management begins with effective risk governance. The Bank has a well-established risk governance structure with an active and engaged Board of Directors supported by an experienced Senior Management Team, that is, independent of the business lines. Decision-making is highly centralized through a number of senior and executive risk management committees.

BOARD RISK MANAGEMENT COMMITTEE:

The Board of Directors, either directly or through its committee ensures that decision-making is aligned with the Bank's strategies and risk appetite. The Risk Management Committee receives regular updates on the key risks of the Bank and approves key risk policies, limits, strategies, and risk appetite. The Risk Management Division of the Bank reports to the Board Risk Management committee on the effectiveness of the risk governance structure and risk management framework regularly.

EXECUTIVE RISK MANAGEMENT COMMITTEE:

The Executive management, and in particular the Managing Director and CEO as well as the Additional Managing Director and Chief Risk Officer (CRO), are responsible for risk management under the oversight of the Board of Directors. The CRO, who oversees the Risk Management Division of the Bank, reports to the CEO, is not only the Chairman of the Executive Risk Management Committee (ERMC), but also has direct access to the Board Risk Management Committee (BRMC).



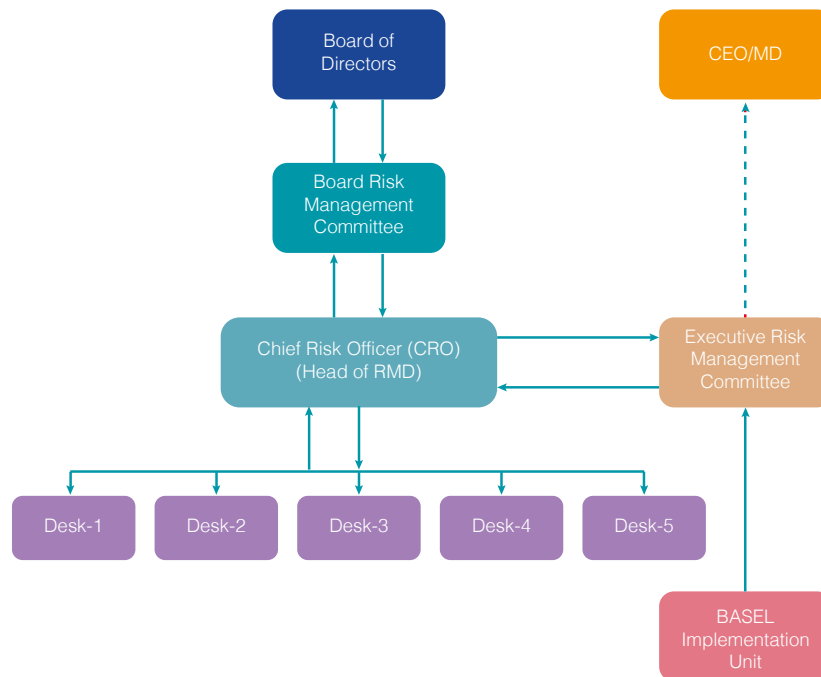


KEY ACTORS IN RISK GOVERNANCE OF THE BANK:

Particulars Roles and Responsibilities	
Board Risk Management Committee (BRMC)	<ul style="list-style-type: none"> • Design and implement Risk strategy and policy • Review, monitor and understand risk profile of the bank • Review and recommend bank's risk appetite, limit and tolerance level • Review of Management level operational risk structure • Performance review and recommendation
Executive Risk Management Committee (ERMC)	<ul style="list-style-type: none"> • Identifying, measuring and managing bank's existing and potential risks through detailed risk analysis • Determining general principal for measuring, managing and reporting the bank's risk • Minimizing/controlling risks through ensuring proper implementation of the decisions; • Reviewing risks involved in new products and activities and ensuring that the risks can be measured, monitored, and controlled adequately; • Oversee the development, implementation and maintenance of the bank's overall risk management framework and risk appetite, strategy, principals and policies • Ensure bank's Risk Management practices are in line with regulatory benchmark and industry best practice
Supervisory Review Process Committee (SRP)	<ul style="list-style-type: none"> • Ensure that the bank has an internal process to identify and assess all relevant risks of the bank • Vetting/recommending general principal for development of ICAAP document • Ensure that capital is adequately allocated against the ICAAP outcome • Error free and timely reporting of ICAAP outcome to Strategic layer and BB
Basel Implementation Unit	<ul style="list-style-type: none"> • Implementation of the Action Plan of Basel Accords in the Bank • Communicating issues related to Basel implementations to the Bank Management • Attending QIS (Quantitative Impact Study) and Accountability for the compliance with Basel Accords. • Arranging customized training programs according to Training Need Assessment. • To place the requirement of new policies of the bank • To monitor the adoption of Policy of the bank

ORGANOGRAM OF RISK MANAGEMENT DIVISION (RMD):

The organogram of the Risk Management Division (RMD) of the bank follows the structure of the revised Risk Management Guidelines for banks issued vide DOS Circular Letter no. 04 dated October 01, 2018 as detailed follows:



RISK MANAGEMENT CULTURE:

Effective risk management requires a strong, robust, and pervasive risk management culture. The Business Lines are responsible for the development and execution of business plans that are aligned with the Bank's risk management framework, and are accountable to the risks they pose. Understanding and managing these risks is a fundamental element of each business plan.

RISK APPETITE:

Effective risk management requires clear articulation of the Bank's risk appetite and how the Bank's risk profile will be managed in relation to that appetite. The Bank's risk appetite framework governs risk taking activities on an enterprise-wide basis.



The Bank's Risk Appetite Framework consists of four components and combines qualitative as well as quantitative terms of reference to guide the Bank in determining the amount and types of risk it wishes to prudently undertake.

RISK MANAGEMENT PRINCIPLES:

Provide the qualitative foundation of the risk appetite framework. These principles include:

- Promotion of a robust risk culture,
- Accountability for risk by the business lines,
- Independent oversight exercised by Risk Management Division,
- Avoidance of excessive risk concentrations, and
- Ensuring risks are clearly understood, measured, and managed.

STRATEGIC PRINCIPLES:

Provide qualitative benchmarks to guide the Bank in its pursuit of the Governing Financial Objectives and to gauge broad alignment between new initiatives and the Bank's risk appetite. Strategic principles include:

- Placing emphasis on the diversity, quality and stability of earnings,
- Focusing on core businesses by leveraging competitive advantages, and
- Making disciplined and selective strategic investments.

GOVERNING FINANCIAL OBJECTIVES:

Key focus lies on long-term shareholder value. These objectives include sustainable earnings growth, maintenance of adequate capital in relation to the Bank's risk profile, and availability of financial resources to meet financial obligations on a timely basis at reasonable prices.

RISK APPETITE MEASURES:

Provide objective metrics that gauge risk and articulate the Bank's risk appetite. They provide a link between actual risk taking activities and the risk management principles, strategic principles and governing financial objectives described above. These measures include capital and earnings ratios, market and liquidity risk limits, and credit and operational risk targets.

RISK MANAGEMENT TECHNIQUES:

Effective risk management includes techniques that are guided by the Bank's Risk Appetite Framework and integrated with the Bank's strategies and business planning processes.



Risk management techniques are regularly reviewed and updated to ensure consistency with risk-taking activities and relevance to the business and financial strategies of the Bank.



STRATEGIES, POLICIES AND LIMITS

Strategies:

Provide quantitative and qualitative guidance. This guidance is, in turn, used to set limits and guidelines on the types of risk taking activities the Bank is prepared to assume in pursuit of its strategic and financial objectives.

Policies:

Apply to specific types of risk or to the activities that are used to measure and control risk exposure. They are based on recommendations from risk management, audit, business lines, and senior executive management. Industry best practices and regulatory requirements are also factored into the policies. Policies are guided by the Bank's risk appetite, and set by the limits and controls within which the Bank and its subsidiaries can operate.

- Key risk policies are approved by the Board of Directors, either directly or through the Board Risk Management Committee.
- Executive Risk Management Committee level risk policies associated with processes such as model development and stress testing are approved by the Board of Directors through Board Risk Management Committee.

Limits:

Control 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 that 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 Board.

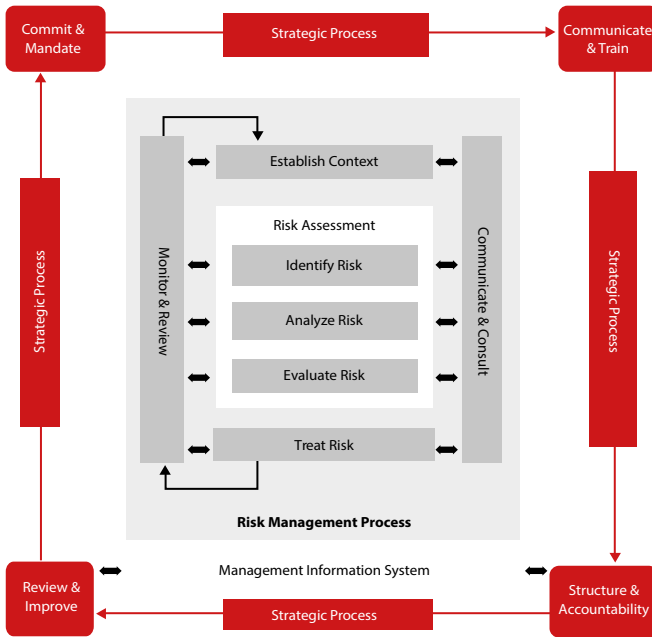
Processes:

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



The context element in the Risk Management Process sets the stage for the decision or activity requiring risk management. Risk assessment identifies, analyzes and evaluates the risks. Risk treatment enhances the probability of positive outcomes and reduces the incidence of negative outcomes to within acceptable levels. Monitoring, reviewing and keeping close watch over the risks and the controls are implemented to mitigate the risk. Finally, the process includes a permanent and ongoing effort at communication and consultation to ensure that the stakeholders are engaged and contribute to the management of risks.

COMPATIBLE RISK MANAGEMENT FRAMEWORK AND RISK MANAGEMENT PROCESS



Standards:

Define the breadth and quality of information required to make a decision and set the expectations in terms of quality of analysis and presentation. Processes and standards are developed on an enterprise wide basis and documented in a series of policies, manuals and handbooks under the purview of RMD.

ROLE OF RISK MANAGEMENT DIVISION:

RMD is responsible for developing and maintaining an appropriate suite of risk management techniques to support the operations of the various business lines, and for supporting the measurement of economic capital on an enterprise-wide basis. The risk sections explain the application of these techniques.

Risk measurement techniques include the use of models and stress testing. The Bank uses models for a range of purposes including estimating the value of transactions, risk exposures, credit risk ratings, parameters and 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:

Ensure 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 the Senior Management, and/or the Board depending on the limit or guideline.

RISK REPORTS:

Through the Revised Risk Management Guidelines for Banks issued by Department of Offsite Supervision (DOS) vide its DOS Circular Letter no. 04 dated October 01, 2018, Bangladesh Bank instituted greater expertise in the area of risk management activities of the bank through exercise of international best practices. Accordingly, the Bank conducts risk reporting as per one Bangladesh Bank reporting format namely 'Comprehensive Risk Management Report (CRMR)' for the month of June and December and another reporting format namely 'Monthly Risk Management Report (MRMR)' for all other months of the year. In addition to the above issues, the bank also complies with the following instructions of Bangladesh Bank:

1. The RMD shall report high-risk related matters identified by the Executive Risk Management Committee, directly to the Board Risk Management Committee and shall provide a copy to the Managing Director & Chief Executive Officer for acknowledgement.
2. Banks shall entrust in the RMD the responsibility of monitoring implementation of required corrective action related to objections revealed in the inspections conducted on the basis of the core risk management guidelines.

In today's economy, banks are faced with critical challenges in finding new and better ways of increasing top-line revenues, maintaining necessary capital ratios, improving margins, strengthening balance sheets and enhancing efficiencies. Regulatory changes, compliance, economic volatility, and issues involving data security, distressed lending and troubled assets add even other more concerns.



RISK MITIGATION STRATEGY

KEY RISK ISSUES TO ADDRESS:

When it comes to Risk Assessment and Risk Mitigation, Standard Bank Limited always adheres to some cardinal values which include ethics, planning, review, disclosure, competence and KPIs. Standard Bank Limited firmly believes that sustainability of risk management framework cannot be meaningful in absence of the said values as depicted in the following:



In consideration of its overall risk profile and in light of the guidelines of Bangladesh Bank, Standard Bank Limited formulated its core risk and integrated risk management policies. The onus of integrated risk management policy is mainly vested with its Risk Management Division as the operational arm. Besides, business level risk management is carried out by respective 6 core risk-owing divisions. Therefore, the key risk management framework of the Bank encompasses both integrated and business level risk management strategies. On the whole, the major risk areas addressed by the Bank are as under:

1. Credit Risk:

Credit risk primarily triggers either from unwillingness or inability of a credit borrower to serve its obligation, resulting in economic loss to the bank. Credit risk arises from on balance sheet claims such as loan and overdrafts as well as off

balance sheet commitments such as guarantee, acceptance, letter of credit etc. Similar to most other banking institutions, in the case of Standard Bank Limited, loans are the largest and most obvious source of credit risk.

Bank's credit risk management (CRM) specifically addresses the following areas as the CRM is mainly responsible for:

- Implementation of the credit risk policy/ strategy approved by the Board.
- Ensure compliance with limits approved by the Board
- Making recommendations to the Board, for its approval, clear policies on standards for presentation of credit proposals, financial covenants, rating standards and benchmarks.
- Deciding on delegation of credit approving powers, prudential limits on large credit exposures, standards for loan collateral, portfolio management, loan review mechanism, risk concentrations, risk monitoring and evaluation, pricing of loans, provisioning, regulatory/legal compliance, etc.

A. Operating Under Sound Credit Granting Procedure

The Bank strictly followed specified policy standards for granting credit by way of evaluating borrower:

- Internal credit rating assessment in combination with Internal Credit Risk Rating System (ICRRS);
- External credit rating assessment by ECAI;
- Analysis of specific borrower repayment capacity, review of financial statements by way of analysis of five key financial indicators - Balance Sheet, Income Statement, Net worth and Fixed Assets reconciliation as well as Key ratios and Cash flows statements;
- Risk based loan pricing;
- Credit growth increase after ensuring optimum asset quality and without compromising bank's standard of excellence;
- Credit facilities are allowed after consideration of absolute due diligence;
- Inherent risk in credit proposal are being identified and mitigation steps are taken;
- Collateral is properly valued and verified by concerned officer on periodic basis;
- Risk grading is being done in line with the Bangladesh Bank guideline and bank's own policy
- Credit delegations are specified for new/fresh limit, renewal or enhancement of limit, consumer/retail loan, personal loan etc.



B. Maintaining and Appropriate Credit Administration Measurement and Monitoring Process

- The Bank established an appropriate credit administration, measurement and monitoring process to mitigate credit risk;
- Borrower follow-up and corrective action;
- Internal loan review;
- Timely identification of problem assets as well as Documentation Weakness;
- Failing to file collateral agreements/security agreements with appropriate public departments;
- Transferring the collateral to another country/state;
- Guaranties with expired date changes in legal status;
- Unauthorized corporate/partner signatures;
- Collateral Deterioration;
- Changes of value in the marketplace;
- Rising interest rates;
- decrease real estate and investments;
- Technological advances;
- Rapid depreciation of equipment or inventory;
- Tax law changes (real estate);
- Natural disasters;
- Spoilage or mishandling of collateral;

Extended Credit and High Use of Lines of Credit:

- Borrower is at the top of line each month;
- Failure to meet financial covenants in loan agreement;
- Delays in payment of principal and interest;
- Use of overdrafts/low balances in current account;
- Credit inquiries from other lenders;
- Change of accountants;
- Other Indications of Problem Loans;
- Delay in receipt of financial statements;
- Delay in management promises; or
- Adequate provision maintenance

2. Market Risk:

Market risk is defined as the risk of losses against expected (fair) value of financial assets, liabilities and off-balance sheet items resulting from absurd market condition (e.g. macro-economic factors). The underlying risk is also considered as non-diversifiable risk, i.e. risk that cannot be avoided. In general, market risk is often triggered by other forms of financial risks such as credit and market liquidity risks. For example, a downgrade of the credit standing of an issuer (e.g. share) could lead to a drop in the market value of the securities issued by the issuer. Furthermore, a major sale of security by another holder could depress the price of the security.

2.1 Interest Rate Risk arising from mismatches in the interest rate profile of assets, liabilities and capital instruments

including basis risk arising from different interest rate benchmarks, interest rate re-pricing risk, yield curve risk and embedded optionality.

2.2 Equity risk is defined as losses due to changes in market price of equity held by the Bank. To measure and identify this risk, marks-to-market valuations of the equity instruments that are traded in secondary market are made. The minimum capital standard for equities is expressed in terms of two separately calculated charges for the “specific risk” of holding a long or short position in an individual equity and for the “general market risk” of holding a long or short position in the market as a whole.

2.3 Foreign exchange risk arising mainly from our strategic investments which are denominated in currencies other than the BDT. Foreign exchange position is managed by treasury division.

2.4 Commodity risk is the risk of loss due to changes in spot and forward prices and the volatility of precious and base metals, and energy products. A commodity is defined as a physical product which is or can be traded on a secondary market, e.g. agricultural products, minerals (including oil) and precious metals. The price risk in commodities is often more complex and volatile than that associated with currencies and interest rates. Commodity markets may also be less liquid than those for interest rates and currencies and, as a result, changes in supply and demand can have a more dramatic effect on price and volatility. These market characteristics can make price transparency and the effective hedging of commodities risk more difficult. For spot or physical trading, the directional risk arising from a change in the spot price is the most important risk. However, banks using portfolio strategies involving forward and derivative contracts are exposed to a variety of additional risks, which may well be larger than the risk of a change in spot prices. In the year ended 2020, Bank had no Risk Weighted Assets for Commodity Risk.

Risk Concerns & Mitigation Plan at Operational Level		
Key Risk	Reference Tool for Assessment	MAT, Mgt. Strategy & capital allocation
Market Sensitivity	VaR (FX & Equity), Sensitivity, interest rate risk, Duration Gap, Portfolio analysis	
Regulatory Compliance	Investment limit	
Concentration Risk	HHI, Gini, SEI, SI	
Macro-Economic Review	Industry Outlook	

3. Liquidity Risk:

Liquidity risk is the potential for loss to an institution arising from either its inability to meet its obligations as they fall due or to fund increases in assets without incurring unacceptable cost or losses. An institution short of liquidity may have to

undertake transaction at heavy cost resulting in a loss of earning or in worst case scenario; the liquidity risk could result in bankruptcy.

Banking organization like Standard Bank Ltd., where off-balance sheet exposure is significant or has strong dependency on corporate deposit or experiencing steep asset (i.e. primarily credit portfolio or investment book) growth is exposed to high level of Liquidity risk. Liquidity risk should not be seen in isolation because financial risks are not mutually exclusive and liquidity risk is often triggered by consequence of other financial risks such as credit risk, interest rate risk, foreign exchange risk etc.

A. Funding liquidity risk when bank will be unable to meet its current and future cash flow and collateral needs without affecting its daily operations or its financial condition.

B. Market liquidity risk generates when bank cannot easily offset or sell a position without incurring a loss because of inadequate depth in the market.

Standard Bank Limited assesses liquidity risk in ICAAP document under Pillar-2 by considering following key indicators:

Regulatory Liquidity Indicators (RLIs):

- Cash Reserve Requirement (CRR)
- Statutory Liquidity Ratio (SLR)
- Medium Term Funding Ratio (MTFR)
- Maximum Cumulative Outflow (MCO)
- Advance Deposit Ratio (ADR)/Investment Deposit Ratio (IDR)
- Liquidity Coverage Ratio (LCR)
- Net Stable Funding Ratio (NSFR)

Bank's own liquidity monitoring tools:

- Wholesale Borrowing and Funding Guidelines,
- Liquidity Contingency Plan,
- Management Action Trigger (MAT)

Through computation of capital charge against above key liquidity indicators, the Bank maintained additional capital.

Risk Concerns & Mitigation Plan at Operational Level		
Key Risk	Reference Tool (example)	Mitigation Process
Sensitivity	Stress Testing, LCR, NSFR	MAT, Escalation to senior mgt. and ALCO
Liquidity Ratio	CRR, SLR, MTF, MCO, AD	
Maturity Mismatch	Duration Gap, Structured Liquidity Profile	

4. Operational Risk:

Operational Risk refers to the risk of loss resulting from inadequate or failed internal process, people and system or from external events. This definition includes legal risk but excludes strategic and reputational risk. Unlike other risk as faced by the bank, the operational risk is inherent in most of the process and operations of the bank and cannot be separated from other risks. Operational risks in a bank are the functions of the bank's overall environment and culture, employee competence and integrity, management strategies and philosophies, extent and degree of process centric approach to business, etc.

Risk Concerns & Mitigation Plan at Operational Level		
Key Risk	Reference Tool (example)	Mitigation Process
Corporate Governance & Strategic risk	Assessment of Corp. Governance Status & Strategic Risk	MAT, Escalation and Capital allocation
Control Lapses in Opr. Process	Attachment, Risk Control Self-Assessment	
Fraud & all other opr. risks	Incident reporting, internal audit, Key Risk Indicator (KRI)	

5. Reputation Risk:

Reputation risk is the current or prospective risk to earnings and capital that arise from decline in the customer base, costly litigation due to adverse perception of the stakeholders. It originates from the lack of compliance with industry service standards or regulation, failure to meet commitments, inefficient and poor quality customer service, lack of fair market practices, unreasonably high costs and inappropriate business conduct. In a nutshell, "reputation risk arises from the failure to meet stakeholders' reasonable expectation of bank's performance and behavior". Reputation risk is a subset of operational risk which can adversely affect the capital base if the driving forces of the risk turn worse. The Bank assesses reputational risk in ICAAP document under Pillar-2 by considering following key indicators:

- Credit Rating conducted by ECALs
- Internal fraud
- External fraud
- Non-payment or delayed payment of accepted bills (foreign & domestic)
- Quality of customer service.

By assessing the above key indicators for all aspects, the Bank maintains additional capital for that/those risk(s).

6. Strategic Risk:

Strategic risk means the current or prospective risk to earnings and capital arising from imperfection in business strategy formulation, inefficiencies in implementing business strategy, non-adaptability/less adaptability with the changes in the business environment and adverse business decisions. Strategic risk induces operational loss that consequentially hampers the capital base.



In this context, strategic risk possesses a significant space in the ICAAP of the banks, the following aspects are considered:

- CAMELS rating – optimum level (satisfactory)
- Operating expenses as % of operating income - optimum level up to 45%
- Classified loans as % of total outstanding loans - optimum level up to 5%
- Classified loan recovery as % of total classified loans - optimum level minimum 20%
- Written-off loans as % of total classified loans - optimum level up to 15%
- Interest waiver as % of total classified loans - optimum level up to 5%.

7. Internal Control & Compliance Risk:

Internal control is the process, affected by a company's Board of Directors, Management and other personnel designed to provide reasonable assurance regarding the achievement of objectives in the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with applicable laws, regulations, and internal policies.

Bank's senior management is responsible for establishing a compliance policy that contains the basic principles to be approved by the Board and explains the main processes by which compliance risks are to be identified and managed through all levels of the organization.

The Board and Management are accountable for the bank's compliance, the compliance function has an important role in supporting corporate values, policies and processes that help ensure that the bank acts responsibly and fulfils all applicable obligations.

8. Money Laundering Risk:

Money Laundering Risk can be defined as the loss of reputation and expenses incurred as penalty for being negligent in prevention of money laundering. The bank has a designated Chief Compliance Officer at Head Office and Compliance Officers at branches who independently review the transactions of the accounts to verify suspicious transactions.

The convergence of several remarkable changes in the world markets propelled Money Laundering to become a worldwide problem. Standard Bank Limited considers Money Laundering and Terrorist Financing Risk not only a compliance requirement of the regulatory bodies but also as one of its core business values. The Board of Directors and the Management are firmly committed to combating Money Laundering activities.

9. Environmental and Climate Change Risk:

Environmental and climate change risk refers to the uncertainty or probability of losses that originates from any adverse environmental or climate change events (natural or manmade) and/or the non-compliance of the prevailing

national environmental regulations. This is a facilitating element of credit risk arising from environmental issues. These can be due to environmental impacts caused by and/or due to the prevailing environmental conditions. Environmental and climate change risk can hamper the business stability of the borrowers in respect of both - i) profitability and ii) reputation. Consequentially, the extent of risk for the banks will be higher. Sector Environmental Due Diligence (EDD) Check List specified in Guidelines on Environmental Risk Management (ERM) issued vide BRPD Circular No. 01/2011 dated 30/01/2011 is used to determine this risk. For the loans under the sectors specified in the guidelines and which will have EnvRR of 'High (H)' are considered for the capital charge against this risk.

RISK MITIGATION MEASURES UNDERTAKEN:

In order to address the afore-said risks at both enterprise level and business, level, Standard Bank Limited prepared its own comprehensive and core risk management guidelines, which were prepared in light of the prescriptions of Bangladesh Bank. Key aspects of the guidelines regarding the risk mitigation strategies of the bank include, inter alia, the following prudential aspects:

A. Credit Risk Management:

Credit risk may arise from the banking book, trading book even from non-funded exposures.

In order to mitigate Credit Risk on standalone basis, the Bank has taken the following steps:

- Formulation of Credit Risk Policy, which clearly defines our objectives, criteria, credit approval process and clear-cut responsibilities of individuals associated with approving and administering the credit portfolio of the bank;
- Credit proposals are exhaustive and contains security etc. to enable the credit approving authority to make well-informed decisions;
- Centralized setting up of credit limits to ensure accuracy and control;
- Customers are actively encouraged to rate themselves through approved credit rating agencies which is a good indicator of the financial health of the customers;
- System based monitoring of credit limits, maturity etc.;
- Periodic credit portfolio review;
- Industry and business segment focus including lending caps;
- Types of credit facilities;
- Industry and Business segment focus - grow, maintain & shrink;
- Single borrower exposure limit including syndication of loans;
- Discouraged business types;
- Large loan -10% or more of Bank's total capital is considered and the maximum limit set according to net classified loans of the bank;
- Loan facility parameters (Loan size, tenor, margin & security etc.);



- Acceptable securities with quality and value;
- Internal Credit Risk Rating System (ICRRS) is followed;
- Insurance coverage (on goods/machineries etc financed by the bank) policy;
- Loan pricing strategy;
- Loan Approval Process is clearly defined;
- The Early Alert Reporting system is in place;
- Cross-border risk;
- Credit assessment and credit risk grading;
- Environmental Risk Rating;
- NPL Account Management and Credit Recovery policy is in place;
- Audit & Inspection is done on CRM annually;
- Periodic stress testing etc;

The Bank has segregated duties of the officers/executives involved in credit related activities. Credit approval, administration, monitoring and recovery functions have been segregated. For this purpose, two separate units have been formed within the credit functions namely Credit Division and Credit Administration Division. Credit Division is entrusted with the duties of maintaining asset quality, assessing risk in lending to a particular customer, sanctioning credit, formulating policy/strategy for lending operation, etc.

A thorough assessment is performed by Credit Division before sanctioning of any credit facility. The risk assessment includes borrower's risk analysis, industry analysis, historical performance of the customer, security of the proposed credit facility, etc. The assessment process starts at the branch level by the relationship manager/officer and ends at Credit Division when it is approved/declined by the Competent Authority. Credit approval authority has been delegated to the Credit Committee.

In determining Single Borrower Exposure/Large loan limit, the instructions of Bangladesh Bank are strictly followed. Internal audit is conducted at periodic intervals to ensure compliance of Bank's internal and Regulatory policies.

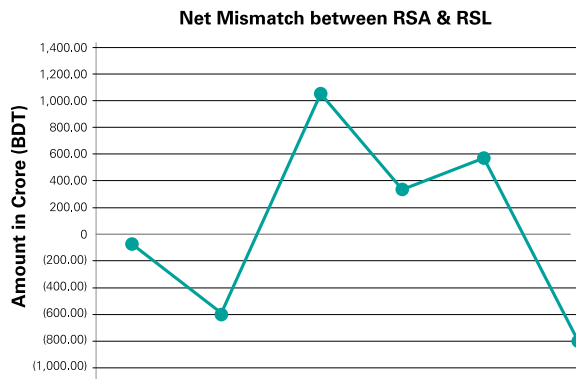
Loans are classified as per Bangladesh Bank's guidelines. Interest accrued on classified loan is suspended and adequate provision is maintained thereagainst as per Bangladesh Bank Guidelines.

In order to mitigate Credit Risk on portfolio basis, the Bank has taken the following steps:

Key Risk	Reference Tool (example)	Mitigation Process
Portfolio Growth	Reason for growth	MAT
Credit Concentration	HHI, Gini, SEI, SI	Sectoral Lending Cap, Capital Allocation
Security/ Collateral/Margin Status	Coverage Assessment, Stress Testing	MAT
Loan Categorization & Classification	Transition Matrix, Reason for Classification, Stress Testing, Foundation IRB approach	MAT, Escalation, Crash program
Documentation Lapses	Audit report review	Continuous follow-up, Capital allocation
Unplanned conversion & undrawn	Separate product and periodic review	Management Strategy & Capital Allocation
Regulatory Adherence	Single borrower limit, Env. Risk rating	

B. Asset Liability Risk Management

The Bank's assets and liabilities are managed in order to maximize stakeholder's value, to enhance profitability and increase capital, to serve customer and community needs, and to protect the bank from any disastrous financial consequences arising from changes in interest rate/liquidity. The responsibility of managing the asset/liability management procedures are monitored by the Asset Liability Management Committee (ALCO).



Asset Liability Risk Management is an integral part of risk management in our bank. There is a structured and systematic process to manage the asset liability risk as well as the Balance Sheet. Asset Liability Management (ALM) Desk is an independent unit within the Treasury Division. The desk meticulously monitors and analyzes cash flows and cash positions, balance sheet gaps, daily profit and loss, economic trends, investment options, arbitrage opportunities, business growth, liquidity and places the facts and findings before the ALCO with its recommendations on a regular basis.

A committee named Asset Liability Committee (ALCO) comprising Senior Management of the Bank has been established to make important decisions relating to liquidity, interest rate and balance sheet management of the bank.

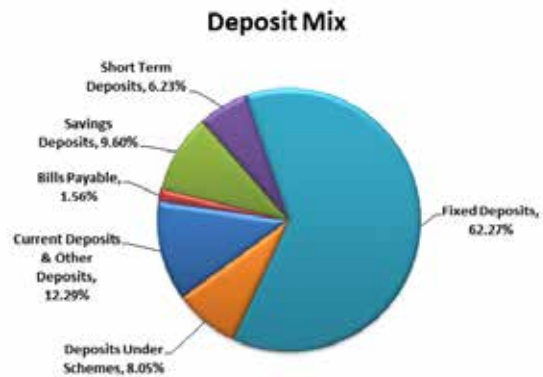
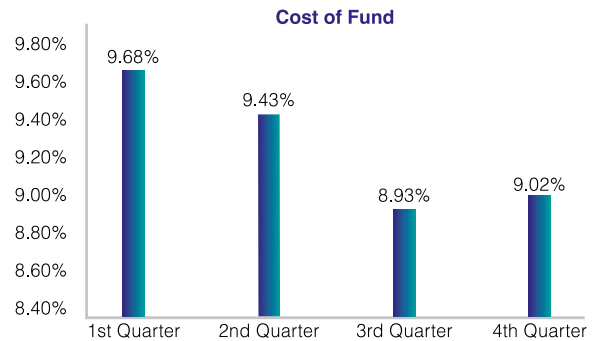
ALCO meeting is held once or more in every month to analyze, review and formulate strategies in order to manage the same. However, the main functions of the ALCO are:

- To ensure adequate liquidity at all times;
- To ensure adequate capital to meet business and regulatory requirements;
- To diversify funding sources;
- To manage balance sheet and ensure business strategies consistent with liquidity requirements;
- To establish asset and liability pricing policies to protect liquidity structure;
- To recommend the aggregate volume of all the Bank's standby liquidity commitments;
- To prepare Liquidity and Capital Plans and Contingency Funding Plans and recommend liquidity limits;
- To review and approve assumptions used in Maximum Cumulative Outflows and Contingency Funding Plans;
- To approve revenue targets related to Earnings at Risk limits;

- To comply with corporate policies on hedging capital;
- To comply with all regulatory requirements and review regulatory reporting;
- To establish and monitor relevant liquidity ratios and balance sheet targets;
- To ensure that the Head of Treasury has the necessary support to perform his/her job.

LIQUIDITY RISK MANAGEMENT

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 increases in assets without incurring unacceptable cost or losses. Liquidity risk is often triggered by the consequences of other financial risks such as credit risk, interest rate risk, foreign exchange risk, etc.

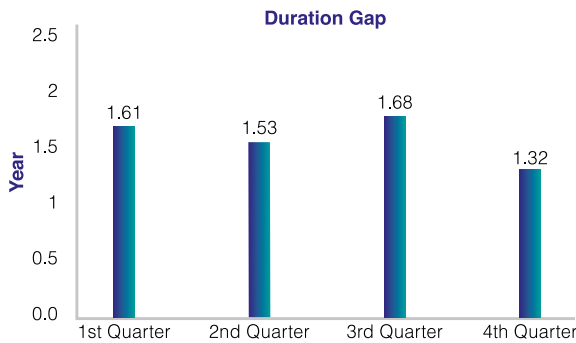


The intensity and sophistication of liquidity risk management processes depend on the nature, size and complexity of a bank's activities. Sound liquidity and controlling liquidity risk is critical to the viability of the Bank. Our liquidity risk management procedures are comprehensive and holistic. Responsibility of managing and controlling liquidity of the bank lies with Asset Liability Committee (ALCO) and the Committee meets at least once in every month. Asset Liability Management (ALM) desk of the treasury function closely monitors and controls liquidity requirements on a daily basis by appropriate coordination of funding activities and they are primarily responsible for management of liquidity in the Bank. A monthly projection of fund flows is received in ALCO meeting regularly.

INTEREST RATE RISK MANAGEMENT

Interest rate risk has the potential impact on a bank's earnings and net asset values due to changes in market interest rates. Interest rate risk arises when a bank's principal and interest cash flows (including final maturities), both on-and off-balance sheet, have mismatched re-pricing dates.

However, the Bank has segregated both the interest rate sensitive assets and liabilities into different time buckets to find the asset liability mismatch. The duration gap analysis is also being carried out on quarterly basis.



Existing Interest Rate Risk assessment structure and control system of the Bank are as follows:

- Duration Gap Analysis: Calculate net GAP per time period and the cumulative GAP. Determine maximum tolerated GAP as determined by the ALCO policy;
- Market Value Analysis;
- The following ratios are good indicators of Interest Rate Risk analysis and these are calculated on regular basis :
 - Net Interest Income
 - Net Interest Margin
 - Interest Earning Asset to Total Assets
 - Average Interest Rates of Loan
 - Average Interest Rates of Deposit etc.
- Sensitivity Analysis;
- Maturity profile Analysis;
- Stress Testing is conducted;

Moreover, most of the bank's assets and liabilities are on floating interest rates as per amendment clauses of loan sanction letters and therefore, the bank is less exposed to interest rate risk due to mismatch between floating and fixed rate.

However, due to market wide downward trend of interest rate, the Bank is likely to be exposed to lower income due to lower interest spread. To manage this risk, the Bank is actively planning to reduce its administrative expenses and increase fee-based income.

C. Foreign Exchange Risk Management

Foreign Exchange Risk is the risk to earning arising from adverse movements in currency exchange rate. It refers to the impact of adverse movement in currency exchange rates on the value of open foreign currency position. An investment's

value may change adversely incurring loss due to changes in exchange rates.

Treasury Division of the bank measures and monitors the foreign exchange risks. The Bank has formulated a treasury manual, which has been implemented for managing foreign exchange risks as per directives of Bangladesh Bank.

The functions of treasury front office, mid office and back office have been segregated. The operational guidelines have also been formulated specifying the roles and responsibilities of front, mid and back office so that various foreign exchange transactions can be conducted according to the policy guidelines of the Bangladesh Bank and the risks can be measured, monitored and mitigated.

Existing structure of risk assessment and control system of Foreign Exchange Risk of the Bank are as follows:

- All exchange trading positions are conducted and maintained by Treasury Front Office within the limits approved by Board of Directors and Bangladesh Bank.

The following limits are in place:

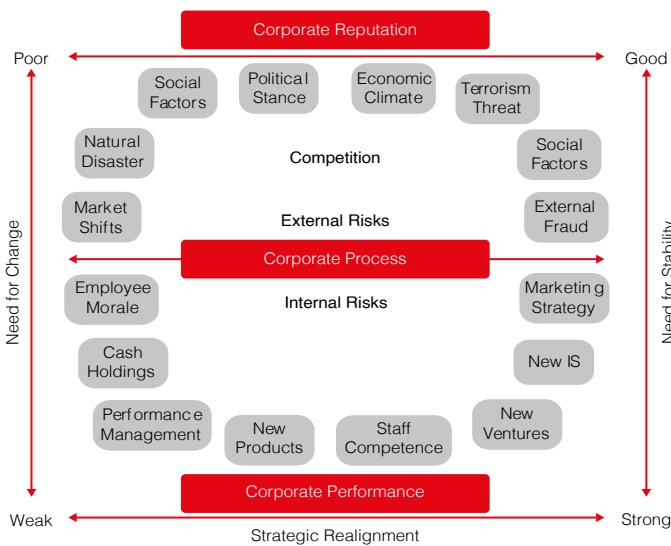
- Intraday Spot Trading Limit
- Per Deal Limit
- Individual Dealer's Limit
- Forward and Swap Trading Limit
- Overnight Trading Limit
- Open Position Limit
- Per Deal Stop-loss Limit
- Daily Stop Loss Limit
- Trigger Limits
- Limit for Cover Operations
- Corporate Limits
- Off Premises Limit
- After Hour's Limit
- Counter Party Limits
- From time to time, dealers are monitoring dealing limit and the dealers are maintaining and keeping record of their Foreign Currency Transactions;
- Treasury Back Office is in place, which monitors and settles all foreign currency dealings. The Back Office is maintaining all accounting entries of foreign exchange deals originated by Front Office as also entries originated by the branches. The Back Office is also maintaining Daily Exchange Positions to assess and monitoring FEX risks;
- Treasury Middle Office is in place to check whether the deals are being struck within the limits.

D. Internal Control and Compliance Risk Management

Internal Control refers to policies, plans and processes effected by the Board of Directors of the Bank and performed on continuous basis by the Senior Management and all levels of employees within the Bank. These internal controls are used to provide reasonable assurance regarding the achievement of organizational objectives. The system of internal controls includes financial, operational and compliance controls.

For safeguarding the organization's assets, internal controls primarily aim to support the management in the identification and mitigation of those risks, which the Bank may encounter in the fulfillment of its business objectives.

The internal control system of the bank ensures that all the necessary policies, guidelines and manuals are in place and all concerned are following the same strictly and meticulously including Departmental Control Function Check List (DCFCL). To monitor the overall effectiveness of the internal control system, the Management Committee (MANCOM) regularly reviews the policies & procedures as well as the structure assigning clear responsibility, authority and reporting relationship.



The Internal Control & Compliance (ICC) Division is working independently to evaluate the Internal Control System of the Bank so as to ensure good governance, transparency & accountability. The ICC Division is conducting comprehensive internal audit of the branches as well as different divisions/ departments of Head Office on an ongoing basis.

The Division reviews the activities of branch's Internal Control Unit (ICU) continuously through different control processes to minimize irregularities/lapses, to prevent fraud/forgery and to control existing/emerging risks. The significant deficiencies identified by the audit team are placed before the Senior Management as well as the Audit Committee of the Board. Audit Committee of the Board regularly monitors the functions of Internal Control & Compliance Division with their necessary suggestions/recommendations and also reports to the Board of Directors from time to time.

Risk Based Internal Audit (RBIA) is being carried out annually for risk profiling/categorization of the branches based on the level of its various risks. Strong monitoring & close supervision ensure functional efficiency of the branches & different divisions/departments of Head Office by maintaining control environment at operational level. Compliance culture is developed by strict adherence to statutory & regulatory requirement and also bank's own policy & procedures.

By enforcing effective & sound Internal Control System, ICC is performing its activities for further improving overall

work performance of the Bank towards achieving its ultimate objectives.

E. Money Laundering Risk Management

Effective anti-money laundering and combating the financing of terrorism regimes are essential to protect the integrity of markets and of the global financial framework as they help mitigate the factors that facilitate financial abuse. Money laundering risk is a risk of incurring loss due to inadequate due-diligence resulting in reputational, operational, legal and concentration risks involving significant cost.

"Guidelines on Prevention of Money Laundering" and "Policy for Combating Financing of Terrorism" have been formulated for strict compliance as per directives of Bangladesh Bank.

The Chief Anti-Money Laundering Compliance Officer (CAMLCO) regularly submits status report to the Competent Authorities as per regulatory requirement in respect of hundi activities, abnormal transactions, Suspicious Transaction/ Activity Report (STR/SAR), Cash Transaction Report (CTR), Know Your Customer (KYC) Procedure, Transaction Monitoring Report, Structuring Monitoring Report, Half Yearly Report on Self Assessment Reports of branches & independent testing procedure conducted by ICC Division and similar other areas.

The bank has so far ensured compliance with all the rules and regulations on Anti-Money Laundering (AML) and Combating Financing of Terrorism (CFT) issues.

Existing Risk Assessment structure and control system of AML of the Bank are as follows:

- Each Branch has a Branch Anti-Money Laundering Compliance Officer (BAMLCO) to assess and monitor Money Laundering Risk.
- Cash Transaction Reporting System is in place and the concerned department regularly submitted CTRs to Bangladesh Bank.
- Suspicious Transaction/Activity Reporting system is in place and the concerned department is regularly submitting the report to Bangladesh Bank.
- Hundi Activities and Abnormal Transaction/Activity monitoring system are in place.
- Self Assessment Process & Independent Testing Procedure as per 'Guidance Notes on Prevention of Money Laundering' of Bangladesh Bank is in operation.
- ICC division regularly conducts Audit & Inspection to the Branches on AML.

The Bank is regularly arranging Training Programs on Prevention of Money Laundering & Combating Financing of Terrorism for all categories of Executives/Officers of the Bank.

F. Information & Communication Technology Risk Management

ICT risk management is embedded with organizational internal control system which is used as part of the management control for risk management in the organization. This management control emphasizes both business control and technological control which support business requirement and governance. Business and technological controls are involved



in the policies, processes and systems. Internal control and the audit process control the entire range of interactive transactions and internal transactions across organization as well as monitor and manage risks including business risks and ICT risks. Internal control and audit have played a vital role of risk management which can be used to:

- Provide risk management and control advice to relevant personnel.
- Provide independent assurance to the authority about the adequacy and effectiveness of controls and other risk management activities.

The Bank has integrated technology for its business operation and is continuously upgrading its technological aspects to keep pace with modern banking practice. With its centralized online banking solution, the Bank is now able to serve its customers from anywhere at any time. The Bank has already launched debit card, credit card, prepaid card, SMS banking, web-based remittance facility and automated emailing customer's statement. Bangladesh Automated Cheque Processing System (BACPS) and Bangladesh Electronic Fund Transfer Network (BEFTN) have also been established as per guidelines of Bangladesh Bank.

The Bank has upgraded its data centre during the previous year with high-end servers and networking equipments to accommodate growing business transactions with adequate security. Besides the data and network securities, various physical security measures like data center access control, environmental security, fire prevention, etc. have been maintained adequately. The bank has also set-up disaster recovery site with advanced technology which can be readily accessed in case of any disaster of the data centre so that the customer services are not hampered.

Existing Risk Assessment structure and control system for ICT operations of the Bank are as follows:

- Centralized ICT Operation;
- The entire computer Terminals/PC/Servers locating inside the infrastructure of the Bank are connected to each other through secure network communication;
- Internal Information System audit is done once in every year by Internal Control and Compliance Division (other than IT Division);
- Adequate insurance coverage or risk coverage fund is being maintained;
- Mission critical equipments & applications are being kept under Service Level Agreement;
- Record keeping of inventory details of computing assets is in place;
- Operating procedures for all applications / systems / modules etc. are documented and maintained;
- Redundancy at each level of Network, Server, Power system, has been placed to ensure high-availability of data center;

- Fall-back plan of technical persons are in place;
- Hot Categorized Disaster Recovery Site (DRS) has been established and is being properly maintained to ensure the data protection of Data Center (DC) environment as well as to ensure business continuity during any disaster situation;
- Data backup procedure is being maintained properly and one copy of daily data backup is being kept in a secured locker at Data Center;
- Fire detection and auto suppression system in Server Room are in place;
- Access Control (i.e., User ID/Password/Token) procedure are strictly controlled centrally;
- Anti-virus software is installed in each server and computer;
- Effective risk management & Control system is in place.

STATUS OF IMPLEMENTATION OF BASEL-III

Basel III refers to the latest capital and liquidity standards prescribed by the Basel Committee on Banking Supervision (BCBS). Bangladesh has entered into the Basel III regime effective from January 01, 2015. Bangladesh Bank (BB) amended its capital standard which was based on Basel II and circulated new regulatory capital and liquidity guidelines in line with Basel III of BCBS. These new global regulatory and supervisory standards mainly focused on the following areas:

- Raising of the quality and level of capital to ensure that banks are better able to absorb losses on both going-concern and a gone-concern basis;
- Increase of the risk coverage of the capital framework;
- Introduction of leverage ratio to serve as a backstop to the risk-based capital measure;
- Introduction of Liquidity Standard including two liquidity ratios such as Liquidity Coverage Ratio (LCR) & Net Stable Funding Ratio (NSFR);
- Raising of the standards for the Supervisory Review Process (Pillar 2) and;
- Enhanced public disclosures (Pillar 3).

The Banking Regulation & Policy Department (BRPD) of Bangladesh Bank, vide BRPD circular no.-18 dated December 21, 2014, issued an Action Plan/Roadmap for implementation of Basel-III in Bangladesh, which came into force with effect from January 01, 2015. In this connection, Bangladesh Bank circulated its "Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for Banks in line with Basel-III)", which replaced "Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for Banks in line with Basel-II)" issued vide BRPD circular No.-35/2010. On the other hand, the Department of Offsite Supervision of Bangladesh Bank, vide DOS circular no.01 dated January 01, 2015, published a Guidance Note on Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR), which came into force with effect from January 01, 2015.



Standard Bank Limited formed a Basel Unit with a Committee as well as a competent working team for robust operation of Basel-III framework also known as Basel Accords. The Basel Accords implementation Committee is constituted of a working team with the Managing Director & CEO in the chair.

As per Bangladesh Bank guidelines, the year-end Minimum Capital Requirement as well as Capital Adequacy position is given below:

SOLO BASIS (ONLY BANK)

(BDT in Crore)

SI	As on	Capital Maintained	Maintained CRAR (%)	Required CRAR	Required (CRAR + CCB)
01.	31.12.2019	1,962.14	11.45%	10.00%	12.50%
02.	31.12.2020	2,309.15	13.00%	10.00%	12.50%

CONSOLIDATED BASIS (WITH SUBSIDIARIES)

(BDT in Crore)

SI	As on	Capital Maintained	Maintained CRAR (%)	Required CRAR	Required (CRAR + CCB)
01.	31.12.2019	1,953.25	11.32%	10.00%	12.50%
02.	31.12.2020	2,302.94	12.86%	10.00%	12.50%

LIQUIDITY RATIOS:

The year-end Liquidity Ratio requirements for Basel III are as follows:

Particular	Maintained Ratio	Required Ratio
Liquidity Coverage Ratio (LCR)	114.65%	≥100.00%
Net stable Funding Ratio (NSFR)	111.97%	>100.00%
Stock of High quality liquid assets	BDT 3,532.56 crore	
Total net cash outflows over the next 30 calendar days	BDT 3,088.56 crore	
Available amount of stable funding	BDT 17,918.37 crore	
Required amount of stable funding	BDT 15,860.33 crore	

LEVERAGE RATIO:

The year-end Leverage Ratio for Basel III is as follows:

Particular	Solo	Consolidated	Required Ratio
Leverage Ratio	6.21%	6.14%	3.00%
On balance sheet exposure	BDT 21,431.48 crore	BDT 21,590.14 crore	
Off balance sheet exposure	BDT 2,072 crore	BDT 2,072 crore	
Total Deduction	BDT 232.89 crore	BDT 238.48 crore	
Total exposure	BDT 23,270.56 crore	BDT 23,423.62 crore	



SUPERVISORY REVIEW PROCESS (SRP):

Supervisory Review Process, the Second Pillar of Basel-III of Risk Based Capital Adequacy Framework, is intended not only to ensure that banks have adequate capital to support all the risks in their business, but also to encourage banks to develop and use better risk management techniques in monitoring and managing their risks. The key principle of the Supervisory Review Process (SRP) enjoins that banks should have a process for assessing overall capital adequacy in relation to their risk profile and a strategy for maintaining their capital at an adequate level. The main aspects of a rigorous SRP are as follows:

- Board and senior management oversight,
- Sound capital assessment,
- Comprehensive assessment of risks,
- Monitoring and reporting and
- Internal control review.

BOARD AND SENIOR MANAGEMENT OVERSIGHT:

As per Bangladesh Bank guidelines, SRP of the Bank is being implemented under the following structure of three layers: Strategic Layer: The Risk Management Committee is responsible on behalf of the Board of Directors for implementation of SRP in banks. The agenda of each meeting of the committee includes the SRP implementation in bank.

- Strategic Layer:** The Board Risk Management Committee is responsible on behalf of the Board of Directors for implementation of SRP in banks. The agenda of each meeting of the committee includes the SRP implementation in bank.
- Managerial Layer:** The Bank has an exclusive body namely SRP team constituted by the concerned departmental heads of the bank and headed by Managing Director. The formation and modification of SRP team and its terms of reference (ToR) are approved by the Board of Directors and notified to Bangladesh Bank. The SRP meets at least bimonthly to monitor the implementation of SRP.
- Operational Layer:** The bank has an operational unit in this respect, which is responsible for collecting information from concerned departments and branches, regulatory correspondences, compiling the required calculations of ICAAP reporting and the tasks assigned by the SRP team.

SOUND CAPITAL ASSESSMENT:

The Bank has a board approved manual namely Manual of Internal Capital Adequacy Assessment Process (ICAAP). The ICAAP manual includes

- Policies and procedures designed to ensure that the bank identifies, measures, and reports all material risks;
- A process that relates capital to the level of risk;
- A process that states capital adequacy goals with respect to risk taking account of the bank's strategic focus and business plan; and
- A process of internal control, review and audit to ensure the integrity of the overall management process.

COMPREHENSIVE ASSESSMENT OF RISKS IN SRP:

All material risks faced by the bank are addressed in the adequate capital assessment process except credit risk, market risk and operation risk. Therefore, SRP considers all risks of the banks, not considered under pillar 1 of Basel III namely:

- Residual risk:** Error in documentation and error in valuation of collateral security.
- Concentration Risk:** Credit concentration in groups, sectors or regions.
- Interest Rate Risk in the Banking Book:** Probable loss due to poor asset liability management and volatile movement of marketable instruments like bills, bond, debentures.
- Liquidity Risk:** Inability to fulfill the commitments on time as payment falls due. The indicators tracked for identification of the risks include CRR, SLR, Medium Term Funding Ratio (MTFR), Maximum Cumulative Ratio, Advance Deposit Ratio (ADR), Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NFSR).
- Reputation Risk:** Internal & External Fraud, Non-payment of ABP, Credit Rating and Bad customer service.
- Strategic Risk:** CAMELS rating falling below 2, operating expenses exceeding 45% of operating income, classified loans exceeding 5% of total loan, recovery rate falling below 20%., write-off loan recovery falling below 15%., interest waiver exceeding 5% of total classified loans, cost of fund, strategic plan (deposit growth plan, loans growth plan, profit growth plan), rescheduling of loans and advances (rescheduled more than three times are where capital charge are considered).
- Settlement Risk:** The risks posed to the banks when it fulfills its contractual obligations (payment or delivery), but the counterparty fails or defaults to do the same. Non receiving or delayed receiving of receivable bills (foreign & domestic) are evaluated to assess settlement risk.



8. Appraisal of Core Risk Management Practice. BB identified 6 (six) risk areas which are termed as core risks through issuing an industry best practice framework. The Bank developed its own methodology for assessing each core risk separately. No capital charge is imposed for risk rating Strong and Satisfactory. Additional capital charge is imposed for Fair, Marginal and unsatisfactory.

9. Environmental and Climate change Risk. To evaluate this risk, Sector Environmental Due Diligence (EDD) Check List is specified in Guidelines on Environmental Risk Management (ERM) issued vide BRPD Circular No. 01/2011 dated 30/01/2011. For the loans under the sectors specified in the guidelines and which have EnvRR of 'High (H)' are considered for the capital charge against this risk.

10. Other Material Risk: In the context of an institution's activities, all risks which affect the achievement of business objectives are considered to be material. Other risks (such as Accounting Risk, Human Resources Risk, Natural Disaster Risk) are usually difficult or impossible to quantify and thus their measurement and management typically call for qualitative methods.

In order to address the SRP issues under Basel-III in Standard Bank limited, an exclusive body namely SRP team headed by Managing Director is in place with the following terms of reference:

Terms of reference (ToR) of the Team:

1. To conduct dialogue with Bangladesh Bank for determining the adequate level of capital requirement for the Bank;
2. To meet at least bimonthly to monitor the implementation status of SRP in the Bank;
3. To formulate policies and procedures in order to address all existing/probable material risk of the bank (through risk avoidance, reduction, transfer and retention);
4. To set standard for capital requirement of the bank depending on degree of risk of the borrower;
5. To monitor and follow-up the comprehensive assessment of risk in the Bank;
6. To prepare and review the capital planning of the Bank.

Stress Testing:

Stress tests are used in proactively managing the bank's risk profile, capital planning & management, strategic business planning and setting of capital buffers. Stress testing is an integral component of the bank's internal capital adequacy assessment process (ICAAP) and is used to assess and manage the adequacy of regulatory and economic capital.

More specifically, stress testing may reveal a reduction in surplus capital or a shortfall in capital under specific scenarios. This may then serve as a leading indicator to the bank to raise additional capital, reduce capital outflows, adjust the capital structure and/or reduce its risk appetite.

The Bank assessed combined shock by aggregating the results of credit shock, exchange rate shock, equity shock & interest rate shock. In case of credit shock, increase in NPLs, results of increase in NPLs due to default of top large borrowers, fall in the forced sale value (FSV) of mortgaged collateral, negative shift in the NPL categories & increase of NPLs in particular 2 sectors were taken into consideration.

The outcome of the stress tests indicated that the bank was well within its risk tolerance levels in all of the scenarios. This process finally produces a numerical estimate of the change in the value of risk exposed positions. To interpret the result, the Bank used a series of consideration to evaluate bank's overall positions; deterioration in quality of asset resulting in stress losses that affect bank's profitability and finally bank's capital adequacy.



DISCLOSURES ON RISK BASED CAPITAL (BASEL-III)

BASED ON 31.12.2020

Introduction

Corporate Governance

Risk Governance

Management Retrospection

Stakeholders' Information

Sustainability

Financial Information

(A) SCOPE OF APPLICATION

Qualitative Disclosure

- | | |
|-----|--|
| (a) | The Revised Risk Based Capital Adequacy (RBCA) framework which is called Basel-III guideline issued by Bangladesh Bank in December-2014 duly applies to Standard Bank Limited. |
| (b) | Standard Bank Limited prepared its RBCA report on 'Solo Basis' as well as 'Consolidated Basis' where four (04) subsidiaries belong to Standard Bank Ltd. |
| (c) | No incidence occurred which may cause for imposing any regulatory restriction or impediment for transferring fund within the Standard Bank group. |

Quantitative Disclosure

- | | |
|-----|---|
| (d) | No Capital deficiency in solo or consolidated assessment. |
|-----|---|

B) CAPITAL STRUCTURE

Qualitative Disclosure

(a) The regulatory capital of bank has been classified into two tiers which is consisted of sum of the following categories:

1) Tier 1 Capital (going-concern capital)

- a) Common Equity Tier 1
- b) Additional Tier 1

2) Tier 2 Capital (gone-concern capital)

a) Common Equity Tier 1 Capital

Common Equity Tier 1 (CET1) capital consists of sum of the following items:

1. Paid up capital
2. Non-repayable share premium account
3. Statutory reserve
4. General reserve
5. Retained earnings
6. Dividend equalization reserve
7. Minority interest in subsidiaries
8. Others

Less:Regulatory adjustments applicable on CET1 capital:

1. Shortfall in provisions against NPLs and Investments
2. Goodwill and all other Intangible Assets
3. Deferred tax assets (DTA)
4. Defined benefit pension fund assets
5. Gain on sale related to securitization transactions
6. Investment in own CET-1 instruments/shares
7. Reciprocal crossholdings in the CET-1 Capital of Banking, Financial and Insurance Entities
8. Any investment exceeding the approved limit under section 26 ka(1) of Bank Company Act-1991 (50% of investment)
9. Investment in Subsidiaries which are not consolidated (50% of investment)
10. Other if any

b) Additional Tier 1 Capital (AT-1)

Additional Tier 1 (AT1) capital consists of the following items:

1. Non-cumulative irredeemable preference shares
2. Instruments issued by the banks that meet the qualifying criteria for AT1 as specified in the guideline.
3. Minority Interest i.e. AT1 issued by consolidated subsidiaries to third parties (for consolidated reporting only)
4. Others

Less:Regulatory adjustments applicable on AT1 Capital:

1. Investment in own AT-1 instruments/shares
2. Reciprocal crossholdings in the AT-1 Capital of Banking, Financial and Insurance Entities
3. Other if any

2) Tier 2 Capital (T-2)

Tier 2 capital, also called 'gone-concern capital', represents other elements which fall short of some of the characteristics of the core capital but contribute to the overall strength of a bank. Tier 2 capital consist of the following items:

1. General Provisions (Eligible for inclusion in Tier 2 will be limited to a maximum 1.25 percentage points of credit risk-weighted assets calculated under the standardized approach)
2. All other preference shares
3. Subordinated debt / Instruments issued by the banks that meet the qualifying criteria for Tier 2 capital as specified in the guideline.
4. Minority Interest i.e. Tier-2 issued by consolidated subsidiaries to third parties as specified in the guideline.
5. Revaluation Reserves as on December 31, 2014 (50% of Fixed Assets and Securities and 10% of Equities)
6. Others

Less: Regulatory adjustments applicable on Tier-2 capital:

- Revaluation Reserves for Fixed Assets, Securities and Equity Securities (followed phase-in deductions as per Basel-III).
- Investment in own T-2 instruments/shares
- Reciprocal crossholdings in the T-2 Capital of Banking, Financial and Insurance Entities.
- Any investment exceeding the approved limit under section 26 ka(1) of Bank company Act-1991 (50% of investment).
- Investment in Subsidiaries which are not consolidated (50% of investment)
- Others if any



The calculation of Common Equity Tier-1, Additional Tier-1, Tier-1 and Tier-2 capital shall be subject to the following conditions:

1. Common Equity Tier 1 of at least 4.5% of the total RWA.
2. Tier-1 capital will be at least 6.0% of the total RWA.
3. Minimum CRAR of 10% of the total RWA.
4. Additional Tier 1 capital can be admitted maximum up to 1.5% of the total RWA or 33.33% of CET1, whichever is higher.
5. Tier-2 capital can be admitted maximum up to 4.0% of the total RWA or 88.89% of CET1, whichever is higher.
6. In addition to minimum CRAR, Capital Conservation Buffer (CCB) of 2.5% of the total RWA is being introduced which will be maintained in the form of CET1.

Quantitative Disclosure

The quantitative disclosure of Capital Structure are as follows:

Tier 1 Capital (going-concern capital)			
	Common Equity Tier 1 Capital (CET1)	SOLO	Consolidated
1.1	Fully Paid-up Capital	1,005.99	1,005.99
1.2	Non-repayable Share premium account	-	-
1.3	Statutory Reserve	602.93	602.93
1.4	General Reserve	-	-
1.5	Retained Earnings	68.06	67.42
1.6	Dividend Equalization Reserve	-	-
1.7	Minority interest in Subsidiaries	-	0.02
1.9	Other if any (if any item approved by BB)	-	-
1.10	Sub-Total: (1.1 to 1.9)	1,676.98	1,676.35
	Less: Regulatory adjustments applicable on CET1		
1.11	Shortfall in provisions required against Non Performing Loans (NPLs)	229.89*	229.89*
1.12	Shortfall in provisions required against investment in shares	-	-
1.13	Remaining deficit on account of revaluation of investment in securities after netting off from any other surplus on the securities	-	-
1.14	Goodwill and all other intangible assets	3.00	3.16
1.15	Deferred tax assets (DTA)	-	-
1.16	Defined benefit pension fund assets	-	-
1.17	Gain on sale related to securitization transactions	-	-
1.18	Investment in own CET-1 instruments/shares	-	-
1.19	Reciprocal crossholdings in the CET-1 Capital of Banking, Financial and Insurance Entities	-	5.43
1.2	Any investment exceeding the approved limit under section 26 ka(1) of Bank company Act-1991 (50% of investment)	-	-
1.21	Investment in Subsidiaries which are not consolidated (50% of investment)	-	-
1.22	Other if any	-	-
1.23	Sub-Total (1.11 to 1.22)	232.89	238.48
1.24	Total Common Equity Tier-1 (1.10 -1.23)	1,444.08	1,437.87
	Additional Tier 1 Capital		
2.1	Non-cumulative irredeemable preference shares	-	-
2.2	Instruments issued by the bank that meets the qualifying criteria for AT1	-	-
2.3	Minority Interest i.e. AT1 issued by consolidated subsidiaries to third parties (for consolidated reporting only)	-	-
2.4	Others	-	-



2.5	Sub-Total (2.1 to 2.4)	-	-
	Less: Regulatory adjustments applicable on AT1 Capital		
2.5	Investment in own AT-1 instruments/shares	-	-
2.6	Reciprocal crossholdings in the AT-1 Capital of Banking, Financial and Insurance Entities	-	-
2.7	Other if any	-	-
2.8	Sub-Total (2.5 to 2.7)	-	-
2.9	Total Additional Tier 1 Capital (2.5 – 2.8)	-	-
2.1	Total Eligible Tier-1 Capital (1.24 + 2.9)	1,444.08	1,437.87
Tier 2 Capital (gone-concern capital)			
3.1	General Provisions (Eligible for inclusion in Tier 2 will be limited to a maximum 1.25 percentage points of credit risk-weighted assets calculated under the standardize approach)	160.06	160.06
3.2	All other preference shares	-	-
3.3	Subordinated debt / Instruments issued by the banks that meet the qualifying criteria for Tier 2 capital as specified in the guideline.	705.00	705.00
3.4	Minority Interest i.e. Tier-2 issued by consolidated subsidiaries to third parties as specified in the guideline.	-	-
3.5	Revaluation Reserves as on 31 December, 2014 (50% of Fixed Assets and Securities and 10% of Equities)	1.31	1.31
3.6	Other if any (if any item approved by BB)	-	-
3.7	Sub-Total (3.1 to 3.6)	866.37	866.37
3.8	Less: Regulatory adjustments applicable on Tier-2 capital		
3.9	Revaluation Reserves for Fixed Assets, Securities and Equity Securities (follow phase-in deductions as per Basel-III).	1.31	1.31
3.1	Investment in own T-2 instruments/shares	-	-
3.11	Reciprocal crossholdings in the T-2 Capital of Banking, Financial and Insurance Entities.	-	-
3.12	Any investment exceeding the approved limit under section 26 ka(1) of Bank company Act-1991 (50% of investment).	-	-
3.13	Investment in Subsidiaries which are not consolidated (50% of investment)	-	-
3.14	Other if any	-	-
3.15	Sub-Total (3.9 to 3.14)	1.31	1.31
3.16	Total Eligible Tier-2 Capital (3.7 – 3.15)	865.06	865.06
	Total Eligible Capital (Tier-1+Tier-2)(2.10+3.16)	2,309.15	2,302.94

Note: Shortfall in provisions required against Non Performing Loans (NPLs) as in 1.11 has been deducted as per DBI-1(Division-2)/111/2021-962 dated 01.04.2021.



(C) CAPITAL ADEQUACY

Qualitative Disclosure

- (a) Adequate capital means enough capital to compensate with Bank's risks profile. For assessing overall risk profile and a strategy for maintaining adequate capital, Bank has followed an Internal Capital Adequacy Assessment Process (ICAAP) which is issued by Bangladesh Bank for calculating adequate capital under Supervisory Review Process (SRP) of Basel-III.
- Bank has strengthened its risk management process and internal control system in assessing and planning of economic capital against all risks.
- The strategic planning process critically analyzes bank's current and future capital requirements. The strategic plan includes the bank's capital needs, anticipated capital expenditures, desirable capital level, and external capital sources.

Quantitative Disclosure

		Solo Consolidated	
(b)	Capital Requirement for Credit Risk	1,709.27	1,693.59
(c)	Capital Requirement for Market Risk	5.07	34.38
(d)	Capital Requirement for Operational Risk	61.74	63.15
(e)	Total Capital, CET-1 Capital, Total Tier-1 Capital and Tier-2 Capital Ratio:		
	<ul style="list-style-type: none"> • For the consolidated group: <ul style="list-style-type: none"> » Total CRAR » CET-1 Capital Ratio » Total Tier-1 Capital Ratio » Tier-2 Capital Ratio • For stand alone: <ul style="list-style-type: none"> » Total CRAR » CET-1 Capital Ratio » Total Tier-1 Capital Ratio » Tier-2 Capital Ratio 		12.86% 8.03% 8.03% 4.83% 13.00% 8.13% 8.13% 4.87%
(f)	Capital Conservation Buffer-		
	Minimum Requirement: 2.50% of Total RWA. <ul style="list-style-type: none"> • For the consolidated group: 2.03% of Total RWA • For stand alone: 2.13% of Total RWA 		
(g)	Available Capital under Pillar-2 requirement BDT 1,953.25 Crore as on 31.12.2019. Based on 31.12.2020 it is not calculated yet, it will be calculated within 31.07.2021.		

(D) CREDIT RISK

Qualitative Disclosure

(a)

Credit Risk

Definitions of past due and impaired (for accounting purposes)

Past dues and impaired exposures are defined in accordance with the relevant Bangladesh Bank regulations. Specific and general provisions are computed periodically in accordance with the Bangladesh Bank regulations.

Special Mention Account (SMA)

These assets have potential weaknesses thus deserve management's close attention. If left uncollected, these weaknesses may result in deterioration of the repayment prospect of the borrower.

Sub-Standard

These are the loans where the bank has reason to doubt about the payment of the loan although recovery prospect is encouraging.

Doubtful.

A Continuous Loan, Demand Loan, Fixed Term Loan or any installment(s)/part of installment(s) of a Fixed Term Loan which will remain past due/overdue for a period of 09 (nine) months or beyond but less than 12 (twelve) months, the entire loan will be put into the "Doubtful (DF)";

Bad/ loss.

These are the loans that have a bleak recovery possibility.

Unclassified

These are the loans where bank is fully satisfied about its repayment.

Description of approaches followed for specific and general allowances and statistical methods;

As per relevant Bangladesh bank guidelines, 0.25% to 5% provision is maintained against unclassified loans, 5% to 20% provision is maintained against sub-standard loans, 5% to 50% provision is maintained against doubtful loans and 100% provision is maintained against bad/loss after deducting value of eligible security, if any, as per Bangladesh Bank guidelines. All interest is suspended/discontinued if the loan is identified as sub-standard, doubtful or bad/ loss.

Discussion of the bank's credit risk management policy

Credit risk is the risk of financial loss if a customer or counterparty fails to meet a payment obligation under a contract. It arises principally from direct lending, trade finance and leasing business, but also from off-balance sheet products such as guarantees and credit derivatives, and from the holdings of debt securities. The failure may result from unwillingness of the counterparty or decline in his/her financial condition. Among the risks the Standard Bank Limited engages in, credit risk generates the largest regulatory capital requirement. Standard Bank Limited has standards, policies and procedures dedicated to controlling and monitoring risk from all such activities.

The aims of credit risk management, underpinning sustainably profitable business, are principally:

- to maintain a strong culture of responsible lending, supported by a robust risk policy and control framework;
- to both partner and challenge business originators effectively in defining and implementing risk appetite, and its re-evaluation under actual and scenario conditions; and
- to ensure independent, expert scrutiny and approval of credit risks, their costs and their mitigation.

The standardized approach is applied for risk weighting of exposure as per directive of Bangladesh Bank. It requires banks to use risk assessments prepared by External Credit Assessment Institutions (ECAIs) to determine the risk weightings applied to rated counterparties. The bank has used all customer ratings wherever available for use based on their entity rating as assigned by the approved ECAIs of Bangladesh Bank.

Credit risk is one of the major risks faced by the Bank. To assess and to mitigate the credit risk, the Bank has implemented risk management manual, which is considered an important tool for retaining the quality and performance of the assets. Accordingly, the Bank's credit risk management functions have been designed to address all these issues including risks that arise from global changes in banking, finance and related issues.

The Bank has defined segregation of duties for all credit risk related activities like credit approval, administration, monitoring and recovery functions. The Bank has set policies and procedures for the controlling and monitoring of credit risks from these activities. A thorough risk assessment is done before sanction of any credit facility at risk management units. The risk assessment includes borrower risk analysis, financial analysis, industry analysis, historical performance of the customer, security of the credit facility etc. The Bank also has established separate Credit Risk Management Services, which helps in ensuring credit compliance with the post-sanction processes/ procedures laid down by the Bank from time to time. Bank has in place a risk grading system for analyzing the risk associated with credit. The parameters, while risk grading the customers, include financial condition and performance, quality of disclosures and management, facility structure, collateral and country risk assessment where necessary. Maximum counterparty/group exposures are limited to 15% (funded) of the bank's capital base as stipulated by Bangladesh Bank. Exposure beyond the said limit may be allowed only upon prior approval from Bangladesh Bank.

Throughout the year, the Bank reviews loans and advances to assess whether objective evidence has arisen of impairment of a loan or portfolio that warrants a change in the classification of loans and advances which may result in a change in the provision required in accordance with BRPD circular No. 24 (17 November 2019), BRPD circular No.6 (19 May 2019), BRPD circular No.4 (16 May 2019), BRPD circular No. 3 (21 April 2019), BRPD circular No.1 (20 February 2018), BRPD circular No.15 (27 September 2017), BRPD circular No.16 (18 November 2014), BRPD circular no.14 (23 September 2012) as amended by BRPD circular no. 19 (27 December 2012). The guidance in the circulars follows a formulaic approach whereby specified rates are applied to the various categories of loans as defined in the circulars.

Quantitative Disclosure

(b) Total gross credit risk exposures broken down by major types of credit exposure:		BDT in Crore
Secured overdraft/Quard against TDR		1,851.22
Term Loan		5,598.99
Export Development Fund (EDF)		392.88
Agriculture Loan		570.58
Cash credit/ Murabaha		1,657.29
House Building loans		339.78
Transport Loans		130.70
Loans against trust receipt		441.31
Payment against document		76.60
Packing credit		44.18
Demand Loan		918.15
Lease Finance / Izara		148.34
Syndicate/Club Finance		214.07
VISA Credit Card		76.86
SME/SE		3,230.44
Green Finance		1.38
Consumer Credit Scheme/Hire purchase		49.34
Bills Purchased and Discounted (Local and Foreign)		202.90
Total		15,945.02
(c) Geographical distribution of exposures, broken down in significant areas by major types of credit exposure:		BDT in Crore
Urban:		
Dhaka Division		10,894.71
Chittagong Division		2,680.29
Khulna Division		729.05
Barishal Division		41.73
Rajshahi Division		572.59
Rangpur Division		617.32
Sylhet Division		64.49
Mymensing Division		21.06
Total		15,621.24
Rural:		
Dhaka Division		148.86
Chittagong Division		70.14
Khulna Division		-
Barishal Division		-
Rajshahi Division		47.09
Rangpur Division		22.38
Sylhet Division		10.59
Mymensing Division		24.72
Total		323.78
Grand Total (urban + rural)		15,945.02



(d)	Industry or counterparty types distribution of exposures broken down by major types of credit exposure:	BDT in Crore
	Commercial lending	1,435.21
	Export financing	333.33
	House building loan	240.19
	Consumers Credit Scheme	433.11
	Small and medium enterprises	3,230.44
	Special program loan	48.38
	Other Loans and advances/Investments	458.18
	Total	6,178.84
	Industrial loans:	
	Agricultural Industries	272.69
	Textile Industries	575.48
	Food and allied Industries	1,065.90
	Pharmaceuticals Industries	25.87
	Leather, Chemical and Cosmetics etc	221.25
	Cement and Ceramic Industries	139.84
	Service Industries	499.78
	Transport and Communication Industries	347.59
	Other Industries	6,617.78
	Total	9,766.18
(e)	Residual contractual maturity breakdown of the whole portfolio broken down by all types of credit exposure including bill purchased & discounted:	BDT in Crore
	Payable On demand	---
	Up to one month	886.59
	Over one month but not more than three months	2,125.31
	Over three months but less than one year	5,299.93
	Over one year but less than five years	4,187.37
	Above five years	3,445.82
(f)	By major industry or counterparty type :	BDT in Crore
	Amount of impaired loans and if available, past due loans, provided separately	
	Corporate	5,839.10
	SME	3,250.54
	Consumer Financing	239.98
	Others (Agri, SOD Individual)	6,615.40
	Specific and general provisions; and	487.92
	Charges for specific allowances and charge-offs during the period	776.42
(g)	Gross Non Performing Assets (NPAs)	BDT in Crore
	Non Performing Assets (NPAs) to Outstanding Loans & Advances	776.42
	Movement of Non Performing Assets (NPAs)	4.87%
	Opening balance	923.24
	Additions	28.07
	Reductions	174.89
	Closing balance	776.42
	Movement of specific provisions for NPAs	
	Opening balance	258.90
	Provisions made during the period	66.24
	Write-off	-
	Write-back of excess provisions	-
	Closing balance	325.14



(E) EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS

Qualitative Disclosure

- (a) The general qualitative disclosure requirement with respect to the equity risk, including:
- The Bank does not hold any value which is describes as “Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons” in RBCA Guidelines of Bangladesh bank.
- Therefore the Bank does not needed to narrate any “Discussion of important policies covering the valuation and accounting of equity holding in the banking book, This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices”.
- Apart from above, the Bank has being calculated **value at cost** method for Quoted shares & Unquoted shares.

Quantitative Disclosure

- (b) Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value.

	Cost Price	Market Price
Quoted shares	BDT 15.57 crore	BDT 14.09 crore
Unquoted shares	BDT 266.66 crore	BDT 266.66 crore

- (c) The cumulative realized gain (losses) arising from sales and liquidations in the reporting period.
Realized gain (losses) from equity investments
- (d)
- | | |
|---|------|
| Total unrealized gains (losses) – | 0.00 |
| Total latent revaluation gains (losses) - | 0.00 |
| Any amounts of the above included in Tier 2 Capital | 0.00 |
- (e) There are no Capital requirements broken down by appropriate equity groupings, consistent with the bank’s methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements.

(F) INTEREST RATE RISK IN THE BANKING BOOK (IRRBB)

Qualitative Disclosure

- (a) The Banking Book consists of assets and liabilities contracted basically on account of relationship or for steady income and statutory obligations and are generally held till maturity/payment by counter party.
- The earnings or changes in the economic value are the main focus in banking book.
- Interest rate risk is the risk that a bank will experience deterioration in its financial position as interest rates move over time.
- Interest rate risk in the banking book arises from a bank's core banking activities.
- Interest rate risk is the exposure of a bank's financial condition to adverse movements in interest rates. Changes in interest rates affect a bank's earnings by changing its net interest income and the level of other interest sensitive income and operating expenses.

Quantitative Disclosure

(b)	Interest Rate Risk -Increase in Interest Rate:	Minor	Moderate	Major
	Magnitude of Shock	1.00%	2.00%	3.00%
	Net Interest Income impact			
	<12 Months	7.24	14.53	21.8
	Capital after shock	2316.42	2323.68	2330.95
	CRAR aftershock (%)	13.04	13.08	13.12
	Change in CAR after shock (%)	0.04	0.08	0.12
	Re-pricing Impact			
	Change in the value of the bond portfolio	-0.05	-0.1	-0.15
	Capital after shock	2316.36	2323.58	2330.8
	CRAR aftershock (%)	13.04	13.08	13.12
	Change in CAR after shock (%)	0.00	0.00	0.00
	Overall change in CAR (NII & re-pricing impact, %)	0.04	0.08	0.12



(G) MARKET RISK

Qualitative Disclosure

(a) Views of BOD on trading/investment activities:

Market risk is potential for loss resulting from adverse movement in market risk factors such as interest rates, For-ex rates, and equity and commodity prices.

The important aspect of the Market Risk includes liquidity management, interest rate risk management and the pricing of assets and liabilities. There are three types of Market Risk such as Interest Rate Risk, Foreign Exchange Risk & Equity Price Risk.

The Board will have to approve all policies related to market risk, sets limits and reviews compliance on a regular basis.

Method used to measure Market Risk:

In Standardized Approach, the capital requirement for various market risks (interest rate risk, equity price risk, commodity price risk, and foreign exchange risk) is determined separately.

Market Risk Management System:

The Treasury Division manages market risk covering Liquidity, interest rate and foreign exchange risk with oversight from Assets Liability Management Committee (ALCO) comprising senior executives of the Bank. ALCO is chaired by the Managing Director. ALCO meets at least once in a month.

Policies and Processes for mitigating market risk:

There are approved limits for credit deposit Ratio, liquid assets to total assets ratio, maturity mismatch, commitments for both on-balance sheet and off-balance sheet items and borrowing from money market and exchange position. The limits are monitored and enforced on a regular basis to protect against market risk. The exchange rate committee of the Bank meets on a daily basis to review the prevailing market condition, exchange rate, exchange position and transactions to mitigate foreign exchange risks.

Quantitative Disclosure

(b)	The capital requirement for:	Solo	Consolidated
	Interest rate risk	0.33 crore	0.33 crore
	Equity position risk	2.76 crore	32.06 crore
	Foreign exchange risk	1.98 crore	1.98 crore
	Commodity risk	0.00 crore	0.00 crore

(H) OPERATIONAL RISK

Qualitative Disclosure

(a)

Views of BOD on system to reduce Operational Risk:

Operational risk is associated with human error, system failures and inadequate procedures and controls. It is the risk of loss arising from the potential that inadequate information system; technology failures, breaches in internal controls, fraud, unforeseen catastrophes, or other operational problems may result in unexpected losses or reputation problems. Operational risk exists in all products and business activities.

In addressing Operational Risk, Bank has been strengthened its Internal Control System, and ensure sound Corporate Governance in all sphere of Management and Operation level as well.

The Bank should maintain a robust CBS (Core Banking Software) and enriches its IT infrastructure in terms of demand of time. Besides, in order to ensure capacity building of its Human Resources, the Bank may take up a number of steps like training, workshop etc.

Performance gap of executives and staffs:

SBL has a policy to provide competitive package and best working environment to attract and retain the most talented people available in the industry. SBL's strong brand image plays an important role in employee motivation. As a result, there is no significant performance gap.

Potential external events:

No potential external events are expected to expose the Bank to significant operational risk.

Policies and Processes for mitigating operational risk:

To mitigate operational risk, the Bank uses basic indicator approach to calculate capital charge against operational risk. The policy for operational risks including internal control & compliance risk is approved by Board taking into account relevant guidelines of Bangladesh Bank. The Bank developed a Risk Management Division and Supervisory Review Committee for review and managing operation risk as well as evaluation of the adequacy of the capital. For mitigating operational risk, Internal Control and Compliance Division (ICCD) undertakes periodical and special audit of the branches and departments at the Head Office for review of the operation and compliance of statutory requirements.

Approach for calculating capital charge for operational risk:

The Bank followed Basic Indicator Approach (BIA) for measuring capital charges for operational risk. Under the Basic Indicator Approach (BIA), the capital charge for operational risk is a fixed percentage (denoted by alpha) of average positive annual gross income of the Bank over the past three years.

Quantitative Disclosure

(b)

The Capital Requirement for Operational Risk (Solo)	BDT 61.74 crore
The Capital Requirement for Operational Risk (Consolidated)	BDT 63.15 crore



I. LIQUIDITY RISK

Qualitative Disclosure

a) **Views of BOD on system to reduce liquidity risk**

The board of directors is ultimately responsible for the liquidity risk assumed by the bank and the manner in which this risk is managed and therefore should establish the bank's liquidity risk tolerance. The tolerance, which should define the level of liquidity risk that the bank is willing to assume, should be appropriate for the business strategy of the bank and its role in the financial system and should reflect the bank's financial condition and funding capacity.

The prerequisites of an effective liquidity risk management include an informed board, capable management, staff having relevant expertise and efficient systems and procedures. It is primarily the duty of board of directors to understand the liquidity risk profile of the bank and the tools used to manage liquidity risk. The board has to ensure that the bank has necessary liquidity risk management framework and bank is capable of confronting uneven liquidity scenarios.

Generally speaking, the board of a bank is responsible:

- a. To position bank's strategic direction and tolerance level for liquidity risk.
- b. To appoint senior managers who have ability to manage liquidity risk and delegate them the required authority to accomplish the job.
- c. To continuously monitors the bank's performance and overall liquidity risk profile.
- d. To ensure that liquidity risk is identified, measured, monitored, and controlled.

Senior management is responsible for the implementation of sound policies and procedures keeping in view the strategic direction and risk appetite specified by board. To effectively oversee the daily and long-term management of liquidity risk senior managers should:

- a. Develop and implement procedures and practices that translate the board's goals, objectives, and risk tolerances into operating standards that are well understood by bank personnel and consistent with the board's intent.
- b. Adhere to the lines of authority and responsibility that the board has established for managing liquidity risk.
- c. Oversee the implementation and maintenance of management information and other systems that identify, measure, monitor, and control the bank's liquidity risk.
- d. Establish effective internal controls over the liquidity risk management process.

Method used to measure Liquidity risk

1. Contractual maturity mismatch:

The contractual maturity mismatch profile identifies the gaps between the contractual inflows and outflows of liquidity for defined time bands. These maturity gaps indicate how much liquidity a bank would potentially need to raise in each of these time bands if all outflows occurred at the earliest possible date. This metric provides insight into the extent to which the bank relies on maturity transformation under its current contracts.

2. Concentration of funding:

This metric is meant to identify those sources of wholesale funding that are of such significance that withdrawal of this funding could trigger liquidity problems. The metric thus encourages the diversification of funding sources recommended in the Committee's Sound Principles.

3. Available unencumbered assets:

These metrics provide supervisors with data on the quantity and key characteristics including currency denomination and location of banks' available unencumbered assets. These assets have the potential to be used as collateral to raise additional HQLA or secured funding in secondary markets or are eligible at central banks and as such may potentially be additional sources of liquidity for the bank.

4. LCR by significant currency:

While the LCR is required to be met in one single currency in order to better capture potential currency mismatches, banks and supervisors should also monitor the LCR in significant currencies. This will allow the bank and the supervisor to track potential currency mismatch issues that could arise.

5. Market-related monitoring tools:

High frequency market data with little or no time lag can be used as early warning indicators in monitoring potential liquidity difficulties at banks.

Liquidity risk management system

The liquidity risk strategy defined by board should enunciate specific policies on particular aspects of liquidity risk management, such as:

- a. Composition of Assets and Liabilities
- b. Diversification and Stability of Liabilities.
- c. Access to Inter-bank Market

The liquidity strategy must be documented in a liquidity policy, and communicated throughout the bank. The responsibility for managing the overall liquidity of the bank should be delegated to a specific identified group within the bank. This might be in the form of an Asset Liability Committee (ALCO) comprised of senior management, the treasury function or the risk management department. However, usually the liquidity risk management is performed by an ALCO. Ideally, the ALCO should comprise of senior management from each key area of the institution that assumes and/or manages liquidity risk.

An effective liquidity risk management includes systems to identify, measure, monitor and control its liquidity exposures. Management should be able to accurately identify and quantify the primary sources of a bank's liquidity risk in a timely manner. To properly identify the sources, management should understand both existing as well as future risk that the institution can be exposed to. Management should always be alert for new sources of liquidity risk at both the transaction and portfolio levels. Key elements of an effective risk management process include an efficient MIS, systems to measure, monitor and control existing as well as future liquidity risks and reporting them to senior management.

Policies and processes for mitigating liquidity risk

An effective measurement and monitoring system is essential for adequate management of liquidity risk. Discussed below are some (but not all) commonly used liquidity measurement and monitoring techniques that may be adopted by the banks.

Contingency Funding Plans: In order to develop a comprehensive liquidity risk management framework, institutions should have way out plans for stress scenarios. Such a plan commonly known as Contingency Funding Plan (CFP) is a set of policies and procedures that serves as a blue print for a bank to meet its funding needs in a timely manner and at a reasonable cost. A CFP is a projection of future cash flows and funding sources of a bank under market scenarios including aggressive asset growth or rapid liability erosion. To be effective, it is important that a CFP should represent management's best estimate of balance sheet changes that may result from a liquidity or credit event. A CFP can provide a useful framework for managing liquidity risk both for short term and in the long term. Further, it helps ensure that a financial institution can prudently and efficiently manage routine and extraordinary fluctuations in liquidity.

Use of CFP for Routine Liquidity Management

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

Use of CFP for Emergency and Distress Environments

Not necessarily, a liquidity crisis shows up gradually. In case of a sudden liquidity stress it is important for a bank to seem organized, candid, and efficient to meet its obligations to the stakeholders. Since such a situation requires a spontaneous action, banks that already have plans to deal with such situation could address the liquidity problem more efficiently and effectively. A CFP can help ensure that bank management and key staffs are ready to respond to such situations.

Scope of CFP

To begin, the CFP should anticipate all of the bank's funding and liquidity needs by:

- a. Analyzing and making quantitative projections of all significant on-and off-balance-sheet fund flows and their related effects.
- b. Matching potential cash flow sources and uses of funds.
- c. Establishing indicators that alert management to a predetermined level of potential risks.

Quantitative Disclosures

b)	Liquidity coverage ratio (LCR)	114.65%
	Net stable Funding Ratio (NSFR)	111.97%
	Stock of High Quality Liquid Assets	BDT 3,532.56 crore
	Total net cash outflows over the next 30 calendar days	BDT 3,088.56 crore
	Available amount of stable funding	BDT 17,918.37 crore
	Required amount of stable funding	BDT 15,860.33 crore

J) LEVERAGE RATIO:

Qualitative disclosures

a) Views of BOD on system to reduce excessive leverage

In order to avoid building-up excessive on-and off-balance sheet leverage in the banking system, a simple, transparent, non-risk based leverage ratio has been introduced. The leverage ratio is calibrated to act as a credible supplementary measure to the risk based capital requirements. The leverage ratio is intended to achieve the following objectives:

- a) constrain the build-up of leverage in the banking sector which can damage the broader financial system and the economy; and
- b) reinforce the risk based requirements with an easy to understand and a non-risk based measure.

Policies and processes for managing excessive on and off balance sheet leverage

Introducing the leverage ratio as an additional prudential tool has several potential benefits. The financial crisis has illustrated the disruptive effects of procyclicality (amplification of the effects of the business cycle) and of the risk that can build up when financial firms acting in an individually prudent manner collectively creates systemic problems. There is now broad consensus that micro-prudential regulation needs to be complemented by macro-prudential regulation that smoothens the effects of the credit cycle. This has led to proposals for countercyclical capital requirements and loan loss provisions that would be higher in good times and lower in bad times.

Approach for calculating exposure

The leverage ratio should be calculated by dividing an institution's capital measure by the total exposure (expressed as a percentage). The ratio should be calculated as the simple arithmetic mean of the monthly leverage ratios over a quarter. For the numerator of the ratio (capital measure), the Tier 1 capital should be considered. The denominator (exposure measure) should be the sum of the exposure values of all assets and off-balance sheet items not deducted from the calculation of Tier 1 capital.

Leverage Ratio = Tier 1 Capital (after related deductions)/ Total Exposure (after related deductions)

A minimum Tier 1 leverage ratio of 3% is being prescribed both at solo and consolidated level.

The bank is maintaining leverage ratio on quarterly basis. The calculation at the end of each calendar quarter is submitted to BB showing the average of the month end leverage ratios based on the following definition of capital and total exposure.

Quantitative disclosures

	Solo	Consolidated
Leverage ratio	6.21%	6.14%
On balance sheet exposure	21,431.48 crore	21,590.14 crore
Off balance sheet exposure	2,071.97 crore	2,071.97 crore
Regulatory adjustments	232.89 crore	238.48 crore
Total exposure	23,270.56 crore	23,423.62 crore



K) REMUNERATION

The following are the main disclosure on remuneration that bank includes in their pillar-3 documents. The Bank is strongly encouraged not only to disclose the required information, but to articulate as far as possible how these factors complement and support their overall risk management framework.

This requested quantitative disclosures detailed below should only cover senior management and other material risk takers and be broken down between these two categories.

Qualitative disclosures		
(a)	Information relating to the bodies that oversee remuneration	<p>The Management of Standard Bank Limited for Remuneration program holds the responsibilities for overseeing the framing, reviewing and implementing of overall compensation structure and related policies over remuneration package issues payable to all or specialized employees and the Directors / MD/ any other appointed / engaged person(s)/ Material Risk Takers of the Bank.</p> <p>They also oversee performance-oriented incentives, perquisites, other financial options etc. to attract, motivate and retain employees and review compensation packages/pay structure in comparison to that of other Banks to enjoy competitive advantages in this industry.</p> <p>In addition, the Management of SBL also carries out the following roles and responsibilities:</p> <ul style="list-style-type: none"> • Review of the Compensation Policy annually or as demanded by market. • Exercise such other powers and play the roles delegated to it by the Board. • Till date, the Bank has not yet engaged any External Consultant for conducting such exercise since these have been done by the Bank's Management.
(b)	Information relating to the remuneration of the processes	<p>All applicable substantive pay and other allowances including perquisites to the employees including all subordinates, officers and executives up to the rank of SEVP are designed in well accord with the prevailing competitive remuneration structure in the industry.</p> <p>The package structure of all executives above the rank of SEVP i.e. DMD, AMD & MD, the individual remuneration is fixed and approved by the Board of Directors. All the Pay Structure and perquisites payable to the employees get approved by the Board of Directors of the Bank. In order to format and design the remuneration package, the Management and the Board take into the following consideration:</p> <ol style="list-style-type: none"> 1. Minimum Qualification level set during the recruitment 2. Level of Experience 3. Level of Risk involved 4. Complexities of the job 5. Degree of creativity or productivity expected in the job 6. Business developing excellence and expertise 7. Leadership capability 8. Corporate exposure <p>However, the remuneration structure/package for the Managing Director (MD) of the Bank is subject to approval of Bangladesh Bank.</p>



(c)	Description of the ways in which current and future risks are taken into account in the remuneration processes	<p>The Management has always been in practice of reviewing remuneration/compensation package/structure of the prime employees in top positions who are associated with high degree of risk factors, current and future position.</p> <p>The Board of Directors oversees and governs effective framing and implementation of the remuneration policy. Human Resource Management under the guidance of MD administers the compensation and benefit structure in line with the best suited practices and statutory requirements as applicable.</p>
(d)	Description of the ways in which the banks seeks to link performances during a performance measurement period with levels of remuneration	<p>On the way to link performances during a performance measurement period with levels of remuneration, the management takes the feedback or appraisal from head of branch (in case of branch officials) or concerned Head of Division (for Head Office) in the form of Annual Performance Appraisal (APA) previously known as Annual Confidential Report (ACR).</p> <p>Although all employees receive the festival bonuses irrespective of performance, yearly incentive is determined and awarded on basis of the Annual Performance Appraisal (APA). In case of hiring exceptionally deserving candidate, bank offers enhanced package program with seniority in rank.</p>
(e)	Description of the ways in which the banks seeks to adjust remuneration to take account of longer-term performance	<p>The Bank follows various schemes in regard to deferred and vested variable remuneration as follows:</p> <ul style="list-style-type: none"> - PF (Vesting or entitlement to employer's contribution) <p>happens on completion of 03 (three) years of regular service and the Bank contributes equal amount of contribution as contributed by the employee) @ 10% of substantive pay.</p> <ul style="list-style-type: none"> - Gratuity as vesting or entitlement to employer's contribution is provided on completion of 05 (five) years of regular service in the Bank) @ one substantive pay for each completed year of service -Death cum Survival Superannuation Fund (provides superannuation and other benefits to the employees of the Bank on their death, disability, retirement/or being incapacitated at any time or for any other cause that may be deemed fit as per Board's approved policy. - Furniture & Fixture (the executives of the Bank are entitled to a rank-wise specific amount to meet the cost of furnishing or decoration of residence with furniture and fixture. The amount is amortized in 05 years of continuous service of the respective employee. - Staff House Building Loan (a permanent employee in the rank of Senior Executive Officer or above, after completion of 5 (five) years of service, can avail of a House Building Loan at Bank Rate as per policy and approval from the appropriate Authority).
(f)	Description of the different forms of variable remuneration that the bank utilizes and the rationale for using these forms	<p>Variable pay refers to the compensation as fixed by the Board on recommendation of the Management, which is based on the performance appraisal of an employee in that role, that is, how well they accomplish their goals. It may be paid as:</p> <ul style="list-style-type: none"> • Performance Linked Incentives to those employees who are eligible for incentives. • Ex-gratia for other employees who are not eligible for Performance linked Incentives. • Different awards based on extra-ordinary performance & achievement. • Employee/ Manager of the Month/Quarter award • Reimbursement/award for brilliant academic/professional achievement. • Leave Fare Compensation (LFC)



Quantitative Disclosures		
(g)	Number of meetings held by the main body overseeing remuneration during the financial year and remuneration paid to its member	Number of meetings held by the main body overseeing remuneration during the financial year: Nil Remuneration paid to member: Nil
(h)	Number of employees having received a variable remuneration award during the financial year	Number of employees having received a variable remuneration award during the financial year: 2,338 Number and total amount of guaranteed bonuses award during the financial year: 02, BDT 10.01 crore Number and amount of sign-on awards made during the year: 00
(i)	Total amount of outstanding deferred remuneration, split into cash, shares, and share-linked instruments and other forms	Total amount of outstanding deferred remuneration, split into cash, shares, and share-linked instruments and other forms: BDT 298.63 crore Total amount of deferred remuneration paid out in the financial year: BDT 32.46 crore
(j)	Breakdown of amount of remuneration awards for the financial year to show:	Breakdown of amount of remuneration awards for the financial year to show: -fixed remuneration : BDT 274.09 crore variable remuneration: BDT 5.77 crore -deferred remuneration: BDT 298.63 crore and non-deferred remuneration: BDT 286.71 crore -different forms used (cash, shares and share-linked instruments, other forms): All the remunerations are provided in the form of cash.
(k)	Quantitative information about employees' exposure to implicit (e.g. fluctuation in the value of shares or performance units) and explicit adjustments (eg claw back or similar reversals or downward revaluations of awards) of deferred remuneration and retained remuneration:	Quantitative information about employees' exposure to implicit (e.g. fluctuation in the value of shares or performance units) and explicit adjustments (eg claw back or similar reversals or downward revaluations of awards) of deferred remuneration and retained remuneration: <ul style="list-style-type: none"> Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments: Nil Total amount of reductions during the financial year due to ex post explicit adjustments: Nil Total amount of reductions during the financial year due to ex post Implicit adjustments: Nil



CAPITAL PLANNING AND MANAGEMENT

Capital planning is a dynamic and ongoing process that, in order to be effective, is forward-looking in incorporating changes in the bank's strategic focus, risk tolerance levels, business plans, operating environment, or other factors that materially affect capital adequacy. Capital planning assists the bank's Board of Directors and senior management to:

1. identify risks, improve their understanding of the bank's overall risks, set risk tolerance levels, and assess strategic choices in longer-term planning,
2. identify vulnerabilities such as concentrations and assess their impact on capital,
3. integrate business strategy, risk management, capital and liquidity planning decisions, including due diligence for a merger or acquisition, and
4. a forward-looking assessment of the bank's capital needs, including capital requirements that may arise from rapid changes in the economic and financial environment.

Bank has been maintained some key principle for its capital framework to operate smooth banking activities. These principles are, meet regulatory requirement, maintain proper CRAR level, support implementation of development strategy planning, optimize asset structure, allocate economic capital reasonably, realize maximum return on capital, and assurance sustainable and healthy development of bank.

The bank's capital framework serves to ensure that the bank and its principal subsidiaries are adequately capitalized in line with the risk profile, regulatory requirements, economic capital standards and target ratios, at both bank and subsidiary level. The bank's capital planning objectives are to:

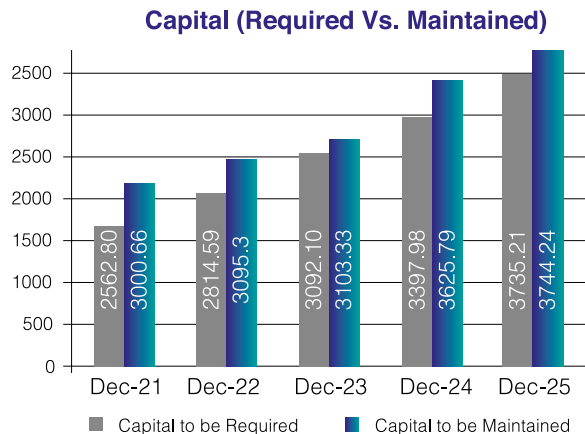
- maintain sufficient capital level to meet minimum regulatory capital requirements set by Central Bank in accordance with Basel III requirements;
- maintain sufficient capital resources to support the bank's business & risk appetite;
- cover unexpected loss within the bank's target confidence levels and support the bank's credit rating;
- allocate capital to businesses to support the bank's strategic objectives, including optimizing returns on economic and regulatory capital; and
- ensure to maintain buffer capital as excess of minimum requirements to meet ICAAP need.

The capital planning process has been included the following components:

- i. Identifying and evaluating risks
- ii. Setting and assessing capital adequacy goals that relate to risk
- iii. Maintaining a strategy to ensure capital adequacy and contingency planning
- iv. Ensuring integrity in the internal capital planning process and capital adequacy assessments.

A) CAPITAL PLANNING:

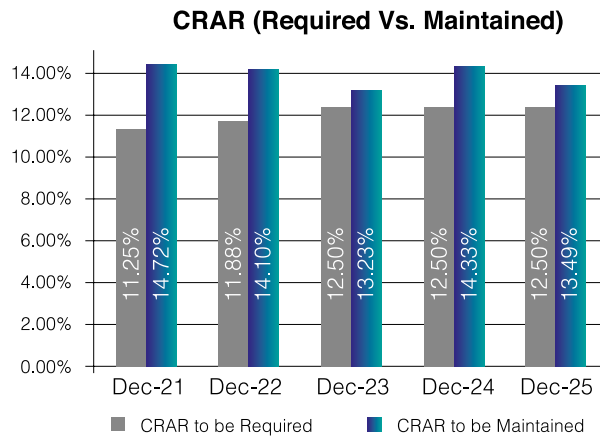
SBL has been forecasting capital for 5 (five) years from 2021 to 2025 for meeting ICAAP (Internal Capital Adequacy Assessment Process) requirement under SRP (Supervisory Review Process) of Basel-III guideline. Bank has already enhanced its Authorized Capital from Tk.880.00 crore to Tk.1,500.00 crore. To use of capital efficiently Bank tries to reduce Risk Weighted Asset (RWA) by its best effort. Moreover Bank issued mudaraba subordinated bond of Tk.200.00 crore in 2015, Tk.400.00 crore in 2017 and Tk.495 crore in 2020 for enhancing Tier-II capital as well as we applied to BSEC and Bangladesh Bank for issuance of 1st SBL Mudarabah Perpetual of BDT 500 crore for enhancing Tier-I capital to meet regulatory requirement. In 5 (Five) years capital planning Bank has been predicted to be required and maintained of capital which are shown in the below graphs:





B) CAPITAL STRUCTURE:

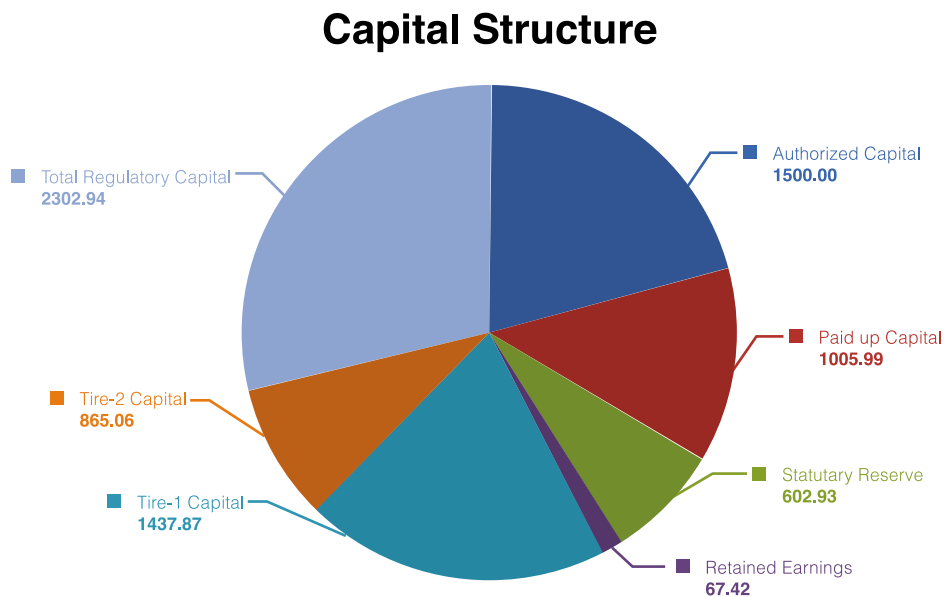
Bank's Authorized Capital is now Tk.1,500.00 crore. The Paid-up Capital of the Bank has stood at Tk.1,005.99 crore and the Statutory Reserve stood at Tk.602.93 crore as on 31.12.2020. Total Regulatory Capital of the Bank stood at Tk.2,309.15 crore and Tk.2,302.94 crore on solo and consolidated basis respectively at the end of 2020.



C) CAPITAL ADEQUACY POSITION:

In terms of Bangladesh Banks' revised Basel-III Guidelines, the Minimum Capital Requirement (MCR) stands at 12.50% of Risk Weighted Asset (RWA) including Capital Conservation Buffer (CCB) of 2.50%. The Tier-1 Capital of SBL on solo & consolidated basis stood at Tk.1,444.08 crore and Tk.1,437.87 crore respectively. Besides Tier-II, another part of the Capital Structure stood at Tk.865.06 crore at the end of 2020, which includes General Provision on unclassified loans & advances & off balance sheet exposure and subordinated bond.

Capital Adequacy Ratio is measured by the total regulatory Capital to total Risk Weighted Asset. Capital to Risk Weighted Asset Ratio (CRAR) stood at 13.00% for solo basis and 12.86% for consolidated basis at the end of 2020.





STATEMENT OF NON-PERFORMING LOAN

Banking sector has undergone turmoil over the years due to various reasons: excess liquidity, very high NPL in Banks, slower demand for credit from private sector as well as shrink of profitability due to the stiff competition with the peer group make the overall environment difficult for business. Moreover, credit performance of few large commodity traders and importer continues to put pressure on NPL as well as profitability of banking sectors. Establishing or maintain good governance, managing NPL including collecting bad loans and increasing profitability were major challenges for 2020 since recovery from rescheduled loans was not encouraging.

From the micro prudential perspective, it is in the Standard Banks' interest to reduce the amount and number of NPLs, as it protects solvency and liquidity, which is ultimately, aimed at protecting our clients' interests. At the same time, resolving the issue of NPLs has a macro-prudential dimension as well, considering that the high rate of NPLs can pose a systemic risk. Systemic risk can occur if the aggregate lending activity is lower than it would be if the NPL ratio was not that high. The evidence shows that the level of NPLs is the indication of problems faced by a country's economy and its real sector. Which is not capable to repay its debt, but it can also be a sign of a poor economy scenario.

Non-Performing Loan (NPL) is a debt obligation where the borrower has not paid previous agreed upon interest and principal repayments to the designated lender for an extended period of time. The non –performing Loans are therefore not yielding any income to the lender in the form of principal and interest payment. Therefore, managing Non-Performing Loan (NPL) to keep it at the lowest possible level is at the core of our business priorities. We have embedded the essence of asset quality in our business values, therefore, instituted the best local as well as international industry practices throughout our business processes.

Standard Bank has a recovery Division dedicated for management, settlement and recovery of problematic loans and advances. Major responsibility of this Division is to formulate strategy and action plans for minimize of risk, prevention of credit losses, and maximization of recoveries and /or pursuing legal actions.

The recovery process of Standard Bank Limited is defined as the set of coordinated, appropriate and timely activities aimed at full recovery of loans from clients. The process is intended to convert the receivables into liquid assets as quickly and efficiently as possible, while at the same time maintaining the good relation with the client for the sake of future business. As such, the recovery process require significant interaction with the client, beginning with a careful analysis of the client situation and continuing through timely and frequent contact over the duration of the loan. Clients should be offered payment alternatives that are timely and appropriate to

each situation and all recovery activities should be recorded to facilitate continuous monitoring and follow-up as well as control of client compliance with negotiated agreements.

KEY PRIORITIES

In order to achieve the general goal, Standard Bank has identified several key areas and decided to make improvements in regulatory framework, capacity building and implementation of laws;

- Structural development of the Division all through the year;
- Enhancing Bank's capacity & strategy to deal with NPLs;
- Enabling business process & structure to facilitate NPL Management;
- Improving and promoting out-of-court debt settlement;
- Improving in-court debt resolution

ENHANCED BANKS' CAPACITY TO DEAL UP NPLS

Furthermore, banks are required to establish efficient monitoring of lending, including the system of early warning for increased credit risk, which enables timely identification of debtors with whom this increase occurred and which includes the definition of qualitative and quantitative indicators for early observation of increased credit risk. NPL management is one of the topmost priorities of Standard Bank. At Standard Bank, monitoring starts from the very beginning of the business process. The steps of NPL management work flow are as follows:

- Standard Bank has promulgated self –credit policies in line with best practices which are guiding business relationship terms to involve their best business efforts towards quality business through systematic management of any potential risk for being highly judicious in selecting borrowers.



- Relationship Managers are preparing loan proposal without any interference of any third party, top management of the Bank or the client. Our Management Credit Committee of Head Office which is consist of top officials from different Division independently reviews the credit proposal, approves, recommends for onward approval where the potential risk are being screened of ensuring adequate protection against any hidden NPL.
- Even after approval of credit facilities, the post approval activities like credit facilities documentations and execution are carried out by separate Division namely Credit Administration Division (CAD) are vetting of credit facility which are independent in reporting line from business units to avoid conflict of interests.
- Post disbursement activities like monitoring, supervision, early alerts, rescheduling of Non Performing Loan etc. are performed by credit Risk Management Division. Recovery activities are initiated by Recovery Division which continuously thrives for protection against NPLs. Overdue status , reminder through SMS, email, letter, telecommunications, meeting , discussions, visits etc. with clients are consistently carried out by the division which facilities managing NPL at lowest possible level.
- For Managing NPL case arising out even after all the above mentioned efforts, dedicated teams are in place to directly monitor, put into action and intensify recovery and collection drives through internal recovery and collection drives through internal recovery officers and third party recovery agents where necessary , Litigation Unit of legal Division is well organized with the assistance of internal law officers and assistance may be sought from leading law firms of the country to ensure all out legal actions for collection of Bank's dues.
- Risk Management Division, Credit Risk Management division and Internal Control & compliance Division are consistently reviewing and monitoring the implementation and execution of policies, procedures, Systems; blowing whistles where necessary; updating with approval of competent authority with various stake holding Divisions.
- Top Management of the Bank is very vigilant to monitor and review all the relevant aspects, provides necessary directions and guidance time to time; to ensure asset quality and keep the NPL ratio low .
- On top of all, there are several Recovery Task forces headed the divisional head has been formulated which periodically monitors and reviews the NPL movements and performance of the NPL recovery; Provides necessary directions and guidance , there by ensure highest quality asset portfolio and maximize business and profitability growth.

Under the present overall socio economic dynamics, Standard Bank has prioritized to extend purpose -oriented credit facilities with required security/collateral support as the policy priority since diversion of fund is one of the identified causes of loan default. So, it becomes of imperative need to keep close watch on the borrower's business operations and the movement of its financial indicators in an empirical manner.

Standard bank has formulated well-structured recovery strategy in its credit policy covering following areas:

- Strengthening of the operational recovery process throughout the bank
- Reinforcement of cash recovery system
- Strengthening of credit administration
- Initiative to adopt electronic due date register & account servicing system
- Review of project completion report(s)
- Review of documentation completion report(s)
- Weekly action plan of monitoring
- Overall NPL management strengthening
- Introduction of Incentive scheme for recovery of doubtful and bad loans
- Deputation of bank officials in the borrower company Board of Directors
- Management change of defaulted companies
- Sale of goods, assets and other collaterals
- Invocation of personal guarantees
- Outside the court settlement of litigated loans

Standard Bank believes that its intense recovery strategies and innovative approaches will lead to a transition in aspired higher growth trajectory.

MANAGEMENT RETROSPECTION



MANAGEMENT DISCUSSION & ANALYSIS



I take this opportunity to express my sincere gratitude to all Honorable Shareholders, Valued Clients, distinguished Patrons and Well-wishers. It is a matter of great honour and privilege to present before you the Management Discussion & Analysis on the different aspects and activities of Standard Bank Limited (SBL) in the year 2020.



CUSTOMER SERVICE

Customers are our first priority who acts as ambassadors of the Bank for image buildup. The Bank has developed a conducive organizational structure and implemented Service Excellence through appropriate blending of 4 Ps namely People, Process, Premises and Professionalism with a view to ensuring excellence in customer service. The Bank envisages conducting of promotional activities and establishes brand marketing through ensuring excellent Customer Service. Our Company philosophy is customer friendly and fully responsive to customer needs and expectations. We leverage technology and expertise to provide best services and convenience to its customers. We spend money on things that matter to them and add value to the Bank in terms of image and profit. The Bank has focused on rendering dignified, prompt and personalized services to the customers. SBL believes in developing strong interpersonal relationship. As such, the Bank is morally bound to provide high quality banking services supported by the latest technology to obtain optimum return on shareholder's equity, ensuring safety of

depositor's money and making all-out efforts to introduce innovative banking products to the existing and prospective customers. SBL is happy that the Bank could give enough emphasis on empowering poor families by creating income opportunity and providing financial support to make them self-reliant. The Bank considers that services to be of utmost importance to improve the fate of deserving people in our society. Now, SBL has been able to extend more comfortable services to the valued clients such as any-branch- banking, ATM services. Debit and Credit Card, SMS Banking, Internet Banking, Mobile Banking, Agent Banking, Electronic Fund Transfer, Bangladesh Automated Clearing House facilities app based banking i.e. Digibanking etc. These services have surely added new dimensions and have offered new and advanced means of banking to the clients. SBL is looking forward to expand its area of operation from urban to rural by introducing new customized products and services that are tailored to different economic classes of people of the society in order to bring the un-banked people into banking channels. That is why our customer-base has been steadily expanding over the years.



BRANDING

To increase brand visibility by creating positive image of the bank, SBL is undoubtedly gaining momentum in its day-today activities to implement the slogan "Setting a New Standard in Banking" by strengthening the Bank's financial capability to an international standard, increasing the brand image, and practicing high degree of planned corporate good governance.

INFORMATION TECHNOLOGY

Technology is considered as one of the strategic pillars and key factors of the Bank towards achieving goals of the Bank. We must keep innovating to offer our customers with new and better solutions, cut costs and reinforce risk management as staying committed to the goal of delivering excellent banking services requires continuous improvements in technological platform. The Bank has put in place a state-of-the-art IT Infrastructure and is providing an array of various products and services through all its delivery channels. It is the combination of technology and banking knowledge that can redefine the competitive landscape of the banking industry. In an inherently digital industry, it is essential to embrace technology-driven innovation in order to flourish. We have invested on technological advancement to increase automation of our back-end systems to drive down transaction costs and to improve service quality and resilience. As a result our operations cost/income ratio would decline consistently, whilst staff productivity would rise gradually in the near future. The main objective of investment in technology is to provide our customers' convenience and quick service at branch level. We have already established a network of one hundred twenty (120) ATMs mainly at our branch locations so that customers can have access regardless of banking hours and holidays. We have already connected with National Payment Switch under Bangladesh Bank (NPSB) where our customers can have access to more than 10,500+ ATMs & more than 60,000+ Merchant POS outlets all around the country.

In order to cater the need of customers, SBL Introduced technology savvy services like Branch POS, Internet Banking, SMS Banking, SBL EXPRESS Booth which is incorporated with ATM & CDM etc. By using secured Internet Banking service anyone can check their account balance, printed statement and transfer fund easily from anywhere around the country through using Internet SMS Banking service provides instant notifications about all transactions as and when it happens. It helps SBL clients to keep a watch on their account with a round the clock service. Moreover, it helps know the balances and mini statements instantly through sending Push-Pull SMS. During the year with the approval of Bangladesh Bank, SBL has introduced mobile banking as a brand name "SPOT CASH" throughout the country which is completely a new addition to its existing services. The "SPOT CASH" Mobile Account model of SBL works on the fundamental principle of giving everyone an access to a bank account and adding value to lifestyle of customers irrespective of social strata in Bangladesh. SBL already deployed one hundred twenty nine (129) units of Branch POS and will incorporate all branches of SBL by the year 2021. POS terminals help customers carry out chequeless transactions at branch by swiping debit cards on the PoS machine. The Bank has given due emphasis on the continuous development of Information Technology (IT). In this regard, some young and experienced professionals

are working to explore the ideas of the cutting-edge, new IT products and services so that our IT-based banking service can reach to the "banked and un-banked" people around the country.

GREEN BANKING

The Bank has specially focused on green banking to safeguard the mother planet. The concept of Green Banking has been adopted by reducing paper work to a great extent Multifarious Green Banking activities have efficiently been done in 2020. During the year 2020, a sum total of Taka 1,618.43 million was disbursed under ETP, Solar Plant/ Energy Renewable Plant, HKK and other Green Industry.

HUMAN RESOURCES DEVELOPMENT

Standard Bank always gives the highest focus on the right placement of its key resource - human resource. The bank believes in certain core values as practiced by all employees to meet the mission and the broader vision of the Bank. We strongly believe human resources are the greatest assets and recognize them as building blocks of the bank's performance. Recognizing "Service Excellence" as the major differentiator in a market of homogeneous products and services, we continued to invest in people to enhance and upgrade their skill sets through various training programs at home and abroad. To ensure long-term sustainability, Standard Bank is relentlessly pursuing its vision to transform the human resources into human capital. Diversely talented, motivated and engaged employees have always been our key assets. The Bank has been maintaining a highly favorable employer image by creating a performance-driven rewarding work culture; where employees receive plenty of opportunities to realize their diverse potentials fully as well as benefit the bank by demonstrating value creating behaviors. The Recruitment & Selection team works dedicatedly as per organization's 'best fit' philosophy to fill up the vacancies and ensure that the additional human resources are being assessed, selected and placed on time as per required competencies.

The Bank has systematic recruitment policies which are reviewed and updated periodically in the light of changing economic scenario and guidelines received from Bangladesh Bank time to time. In most part of 2020, our 2,353 employees worked together to make possible the technological advancement expansion and modernization plan that were set for achievement. Our efforts are focused on the delivery of quality services in all areas of activities with the aim to add increased value to shareholders' investment and offer highest possible convenience and benefits to our customers. I am content that the sewing together of, firstly, our bank's vision and, secondly, the strategies along with the KPIs and roll out plan of the models-occurred one after the other in a natural succession flow, giving the employees readiness to the changes. We always pay due attention to retain professional human capital by providing competitive fringe benefits and better working environment to excel further. Competent and quality workforce is a precondition for continuous growth and success of the bank. As a bank, we always focus on attracting, developing and motivating the very best individuals and encouraging our internal talents. Building a robust and productive workforce is crucial to our technology oriented work environment.



CAPITAL ADEQUACY

To manage the overall risk exposure of the bank, our primary focus has always been to reinforce our risk management policy with a strong internal control system. Our Capital Adequacy Ratio has remained consistently above the threshold (10% of RWA) of Minimum Capital requirement which stood at 13.00% as on 31 December 2020. To meet up the compliance of BASEL-III deadline, with consent of Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, Standard Bank Limited has already raised Tk.495.00 Crore through issuance of "3rd Standard Bank Coupon Bearing Non Convertible Mudaraba Subordinated Debt" for BDT 500.00 Crore to meet up the Tier II capital requirement of the Bank. Besides, the bank has also submitted its application to the regulatory authorities for issuance of Mudaraba perpetual bond of BDT 500.00 Crore.

CORPORATE SOCIAL RESPONSIBILITY

This year Corporate Social Responsibility (CSR) activities of the Bank expenses to Taka 250.40 million under Health, Education, Disaster Management, Environment, Cultural welfare, Infrastructure improvement in remote/ underprivileged areas, Income generating activities for the underprivileged population, and Others program's as against Budget of Taka 120.00 million in 2020 to reaffirm the commitments of the Bank towards society.

The country experienced slower investment demand in 2020 resulting in substantial amount of surplus liquidity in the banking industry. Despite such scenario, the year 2020 SBL maintained and achieved a stable position in all key areas of its operations overcoming manifold challenges. Out of 138 Branches, Operating Performance of 2020 of some Branches may be mentioned as under:

(i) 36 Branches achieved 100% Deposit Target, (ii) 31 Branches achieved 100% Investment Target, and (iii) 5 Branches achieved 100% Profit Target as set out for the year 2020. 21 Branches which incurred loss during the year are expected to be brought under profit club by June 2021. Capital of the Bank stood at Tk. 16,765 million compared to Tk. 16,248 million in 2019. Total Deposit and total Asset of the Bank stood at Tk. 169,639 million and Tk. 219,272 million respectively in 2020 compared to Tk. 175,468 million and Tk. 221,890 million in 2019. The Bank achieved 1% growth in investment with a total investment portfolio of Tk. 162,397 million in 2020 compared to Tk. 160,626 million in 2019. Import business of the Bank stood at Tk. 49,195 million in 2020 with 35% Negative growth over the previous year Tk. 75,399 million in 2019, while Export business of the Bank stood at Tk. 43,631 million in 2020 which is decreased by 23% than that of previous year i.e. Tk. 56,326 million. Total Foreign Remittance was Tk.8,407 million in 2020 with 19% negative growth over the previous year Tk. 10,364 million. Total Foreign Exchange business of the Bank was Tk. 101233million in 2020 which is increased 5% than that of the previous year Tk. 1,42,089 million. The classified loans and advance of the Bank decreased to 4.92% from 5.29% in 2020 and finally registered an operating profit of Tk. 3,115 million in the year 2020 which was decreased by 6% compared to Tk. 3,311 million in 2019. Total manpower of the Bank is 2289. Operating Profit Ratio of 2020 was 16%. In the year under review, country's money market was soft

and domestic lending rates have fallen. Return on equity was 6.45% in 2020 against 9.26% in 2019. Current ratio for the year 2020 was 1.21 times which has been almost steady since long. The Bank was less levered in 2020 (Debt equity ratio 12.08 times) compared to 2019 (ratio 12.66 times). Cost of Deposit was 6.20% in 2020 compared to 7.37% in 2019. Return on Average Assets was 0.49% in 2020 against 0.76% in 2019. At the end of year 2020, EPS and PE Ratio was Taka 1.08 and 7.72 times respectively compared to Taka 1.50 and 5.95 times in 2019.

FINANCIAL INCLUSIONS

Financial infusion remains a necessity for providing access to financial services to all the unbanked and under-banked people in a fair, transparent and equitable manner at an affordable cost. Financial services include, inter alia, credit delivery to micro and SME enterprises, agricultural and other rural and urban farm and non-farm productive activities. Retail and SME have been recognized by Bangladesh Bank as a major thrust of economic growth. Consequently we have deepened our stake in both the areas. All of our branches are now ready to provide SME services across the country at strategically important locations. In agriculture and non-farm sectors, we have taken new Initiatives to make lending collateral free as much as possible. Standard Bank has also initiated for 'Agent Banking' operation to provide financial service for unbank people.

OUTLOOK 2021

From the very beginning of the year 2021, due to the unrest capital market, and above all the banking scandal, the overall economic condition of the country looks unstable. Moreover, the global economy has drastically disrupted due to pervasive COVID-19 pandemic from the end of 1st quarter of 2021. Our RMG export and inward remittance, which is the backbone of our economy, has significantly degraded due to this pandemic. Our Government has already announced emergency stimulus package and Bangladesh Bank has issued various circular time to time. To adopt with the changing world we have to foresee with a clear vision abiding Government Monetary and Fiscal Policy. Despite such limitation, financial sectors still expect to record a steady growth. Operating profit of the 1st quarter of Standard Bank Limited is expected to keep Rowing. To make the year 2021 another success, SBL is ready to accept the challenges of 2021 with new visionary zeal to achieve the common objectives of the Bank and, hence, the year 2021 will definitely be a challenge for every individual of SBL Considering the stands and commitments towards stakeholders, SBL has prepared financial budget for the year 2021, which is realistic and challenging. To achieve success in the year, SBL has undertaken the following short-term strategies with the mid-term and long-term strategies:



- To strengthen the automation procedures of the Bank.
- To control and reduce the cost at optimum level.
- To increase the profitability.
- To enhance non-funded business.
- To undertake special recovery drive and reduce the NPL.
- To explore the business opportunities in SME investments.
- To present innovative deposit and investment products to the customers.
- To conduct special program for business.
- To take strong initiative for launching 'Agent Banking operation to provide financial service for nonbank people.
- To enhance the CSR activities in line with the Bank's CSR policy

Some factors may cause the actual results to differ and some may significantly cause to deviate from the outlook 2020. Some of the factors that may affect the business environment are given below:

- Changes in government policy Issues
- Changes in the general economic condition resulting from natural calamities and political disturbances.
- in international prices of essentials which may result to volatility in Foreign Exchange Market
- Compliance issues raised by the international forums which are likely to affect the export growth.
- International embargo/unrest may affect remittances and trade.
- Increase in corporate tax rate,
- Volatility in interest rate
- Increase in CRR and SLR of the banks.
- Directives to reduce the lending rates to finance essential items.
- Increase In provisioning requirement may reduce the ROA and ROE.
- Reducing the margin ratio for investment accounts.
- Volatility in capital market arising from speculations
- Withdrawal of incentive given to some thrust sectors which may make the projects slowly moving.

Nevertheless, the successes of Standard Bank Ltd. (SBL) In 2020 dearly affirm that this bank is ready to accept challenges of the future. We hope, SBL's momentum of growth of business and profitability will be maintained definitely in 2021 and the years to come. We will always be responsive to the needs of our communities and ultimately our customers. To show our commitment to all our stakeholders and Increase their trust on Standard Bank Ltd., we have embraced a business principle called Creating Shared Value (CSV), which is for us to be successful in the long-term. We have to create value not only for our shareholders but also for people in the communities where we do business. We look forward to a brighter and rewarding two thousand twenty one.

May the Almighty ALLAH bestow His choicest blessings on all of us.

Khandaker Rashed Maqsood
Managing Directors CEO

REPORT ON HUMAN RESOURCE MANAGEMENT

HR MISSION STATEMENT

HR will nourish and create an environment which will enable to motivate, develop and retain the right people in order to achieve qualitative productivity.

If we think an organization as a tree then, people working with it are the roots on which it is spreading its branches for future growth. Actually, Human Resource isn't a thing we do, it's the thing that runs an organization. It is the catalyst to give the organization a strong footing for unflinching headway to success. Standard Bank Limited recognizes the necessity of HR and inculcates congenial culture as such to make them change agent to bring about a positive and rewarding environment in the bank.

HUMAN RESOURCE MANAGEMENT AS A STRATEGIC FUNCTION

Strategic human resource management is the practice of attracting, developing, rewarding, and retaining employees for the benefit of both the employees as individuals and the organization as a whole. It manages human resources that support long-term business goals and outcomes with a strategic framework.

It aims at all HR processes and activities to build the competitive advantage for the organization. The organization has to identify the strategic HR areas that will be used as a basis for a competitive advantage. No organization can excel in all areas because it would be no cost effective. The organization has to choose the right mix of different HR processes, and it has to develop them as the best practice for competitors. The approach focuses on longer-term people issues, matching resources to future needs, and macro-concerns about structure, quality, culture, values and commitment.

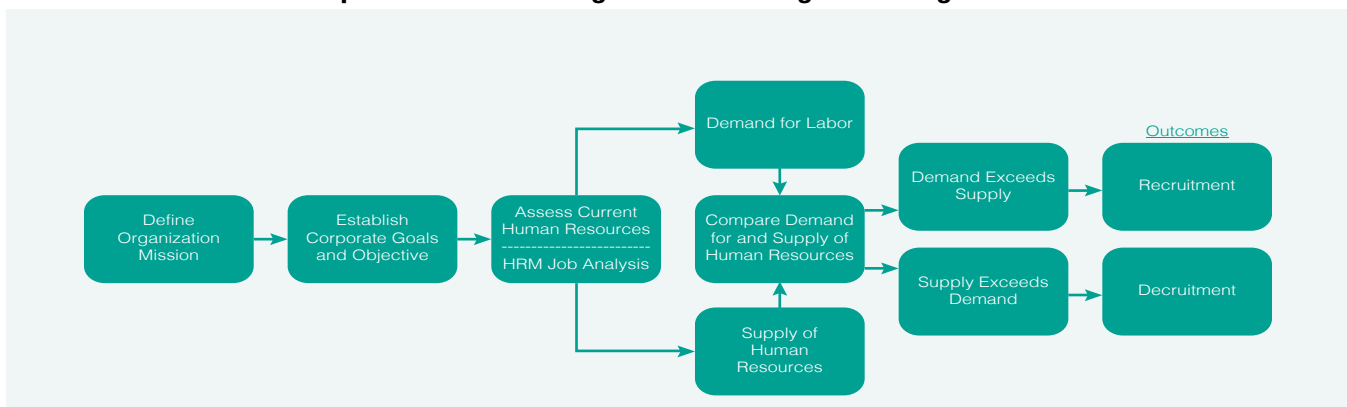


HRM is a strategic process because management of human resources plays a decisive role in determining the future success or failure of employee performance and the business as a whole. It is important that the HR strategy has to be aligned with the organizational strategy; otherwise a healthy strategic fit cannot be achieved.

HR planning must link back to the organization's strategic plan. Current strategic HRM trends suggest that firstly, there is a relationship between HR systems and organizational performance. Secondly, strategic HRM is more likely to be adopted in privately owned companies rather than state owned or public sector organizations, especially in the case of emerging economics. Thirdly, in the case where there are parent and subsidiary organizations.

LINKING ORGANIZATIONAL STRATEGY TO HUMAN RESOURCE PLANNING

Empowerment Planning and the Strategic Planning Process





REPORT ON HUMAN CAPITAL

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Risk Governance

Management Retrospection

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TRANSFORMATION OF HUMAN CAPITAL

Human capital refers to the intangible aspect of human resources. It enhances the value of employees by striking a win-win goal for employers and employees. It focuses on the intrinsic value of each employee, where any expenditure on employees is regarded as an investment rather than an expense. The varying talents and motivations of employees are given cognizance so that incentives and working arrangements can be created to enhance each employee's contributions to organizational performance.

Human capital now accounts for approximately 70% of a company's operating expenses and is responsible for creating 85% of a company's value; its people are its profits. How its workforce is recruited, hired, aligned, educated, developed, managed and inspired is the key to successfully implementing a company's strategy and driving its best results. Activating these success factors are now the roles of the company's HR professionals.

CAREER PROGRESSION:



Needless to say that career development is one of the key points in attracting and retaining employees. It is therefore significant to both employees, in terms of their individual progression, and also to the organization, in terms of retaining vital critical resource for competitive advantage. In order to gain employees trust, improve their commitment and motivation and prolong their stay in the organization, SBL HR provides opportunities for them to develop their careers. Standard Bank Ltd. has completed its successful business year i.e. 2020 with 2289 employees. Every year SBL recruits number of efficient employees to achieve organizational goals.

SUCCESSION PLANNING:

Every organization has its own Succession Planning in place to coach, develop prospective successors or people within a firm or from outside to take up key positions in an organization

through an organized process of assessment and training. SBL also has a well-defined & thorough succession plan for its employee for some form of job vacancy arising in future due to attrition or people retiring from their jobs. It serves as contingency planning and motivation factors for key employees to a great extent.

COMBINATION OF HUMAN CAPITAL:

Standard Bank Ltd. always tries to ensure right number of people in right place in right time. For ensuring smooth operations, Standard Bank Ltd. has divided the total employees into four levels in which 8.26% employees are in senior level, 24.12% are in mid-level, 41.76% are in junior level and rest of 25.86% are in ancillary level.

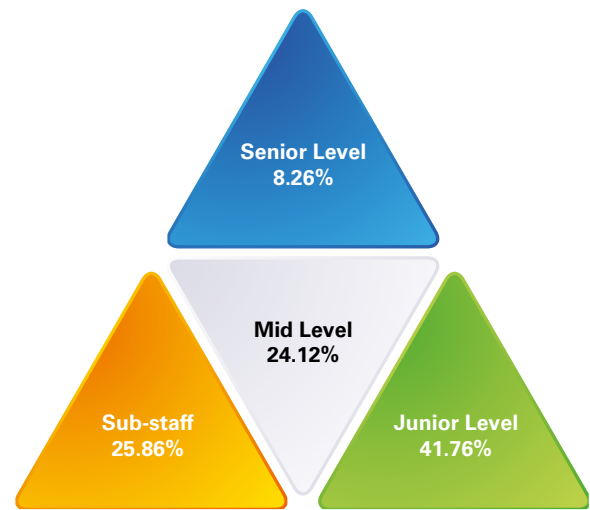


Figure: Employees at various levels of SBL

PEOPLE IN ORGANIZATIONS:

Organizations are created by the rules and resources drawn upon and enacted by people; and the nature of organizations is a result of people's actions. Thus an organization's behavior reflects people's psychological, ethnic, racial, cultural, political and social make-up. People are the most important assets of an organization. The importance of people in organization is immense it is the people that plan, design, implement, sustain and end an organization's life. From this simplistic but vital point, we can assume that one of the most important functions in an organization in the management of the human resource function.

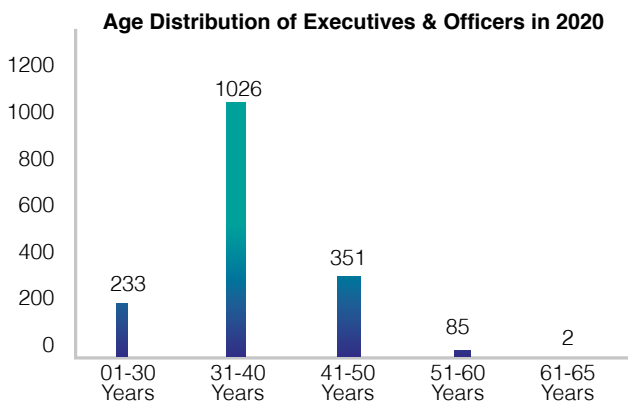
To achieve the desired goals and to hold values, SBL management focuses managing an efficient human capital inventory. The changes in employee level over the last 3 years are as follows:



Particular	2020	2019	2018
Total Employee at the beginning	2353	2386	2076
Number of Newly Recruited Employee	101	147	452
Departures (Retirement/ Resignation etc.)	165	180	142
Total Employee at the end	2289	2353	2386

AGE WISE EMPLOYEES

Status quo attitude is the main bottleneck in bringing new ideas, innovations. Organizations, that is why, are keen to hire new minds to bring about a change in thinking, methods or approaches along with its existing experienced employees. SBL is fortunate enough to have significant blend of young and experienced employees to run the Bank.



MOTIVATION AND COMMITMENT AT WORK

An organization always aspires to get motivated and committed work force for continuous organizational growth and thus keeps trying to gear up their morale and energy in intrinsic and extrinsic means. SBL also believes the same and relentlessly tries by promoting, rewarding cash incentives & certificate of appreciation, arranging foreign trips or training for performing employees of the bank. Even at the time of pandemic-COVID 19, the management of SBL promoted 541 employees to next higher grade in 2020 to keep them motivated and to uphold their highest spirit to work.

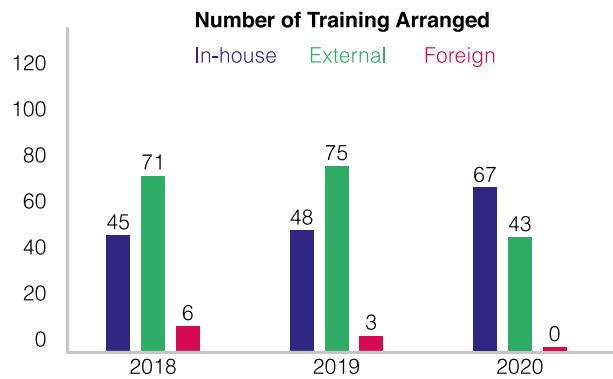
TRAINING AND DEVELOPMENT

All organizations today face rapid and often unexpected changes. Giving employees the skills, knowledge and attitudes to cope with such change is a primordial factor to survival and success, both personal and business.

Standard Bank Training Institute focuses to research and planning for analytical review of bank's operational achievement and performances to review the management and set strategy to sustain and improve bank's qualitative growth to build up public image and prestige. Since, the training institute is mainly entrusted with the responsibility of imparting training, a tailor-made training courses have been designed to equip employees with required knowledge, skills and virtue so that they can translate bank's dream into a reality. Since its inception, SBL Training Institute has been working relentlessly to train and retrain employees on various

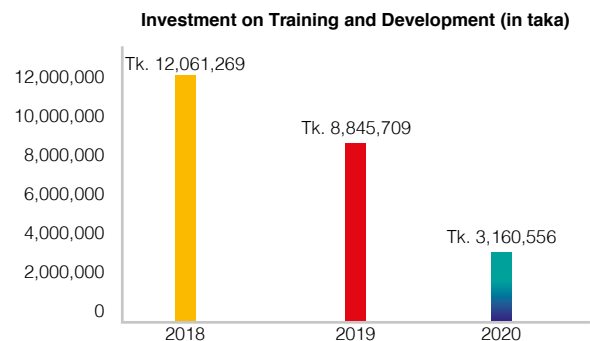
banking issues apart from different soft skills throughout the year. The training scenario over the last 3 years is as follow:

Training Programs in 2020		
Name of Institution	Number of Training Programs	Number of Participants
Internal		
SBTI	67	4926
HRD	0	0
External		
BIBM	27	98
BBTA	8	15
BAB	0	0
FIN EXCEL	0	0
Others	8	50
Total (In Bangladesh)	43	163
Foreign		
	0	0
Grand Total	110	5089



INVESTMENT ON TRAINING & DEVELOPMENT:

Standard Bank Ltd. always emphasizes on actual need based training to enhance the efficiency and to ensure the necessary knowledge, skills and competencies for carrying out the individual responsibilities. It invested a lot to its employees on training and development for the development of its existing talents. The investment on training & development over the last 3 years is as follows:





REPORT ON MANAGEMENT REMUNERATION COMMITTEE

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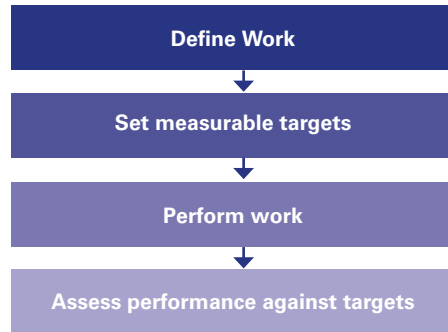
Financial Information

COMPENSATION REVIEW COMMITTEE

To make compensation package time proven and attuned to pay packages offered by different banks, SBL usually revises its scale of pay on a regular interval. Besides, revision of pay packages has become indispensable due to government approval of 8th National Pay Scale with effect from July 01, 2015. Moreover, the necessity of revise of pay scale is also justified as there has been a considerable change in the economic situation as well as people's standard of living due to inflation and continuous price spiral. Keeping this view in mind, a Compensation Review Committee was formed.

The Committee is delegated with the authority from the management to review, and make recommendations on pay package ensuring guidelines as set by the management. It will ensure that all employees of the bank are appropriately remunerated in the track of competition with other fellow banks. In commensurate with market trend, salaries of all employees of SBL have been revised from October 01, 2018.

PROMOTION & APPRECIATION



Promotion and appreciation are the tokens of contribution (performance) against targets as set by the management of the Bank. SBL always distinguishes the performers with increment, promotion and appreciation in laudable manner. In 2020, 541 (Five Hundred Forty One) employees were awarded promotion to next higher grade in recognition of their outstanding performance to create a rewarding and competitive culture within the bank.



REPORT ON HR ACCOUNTING

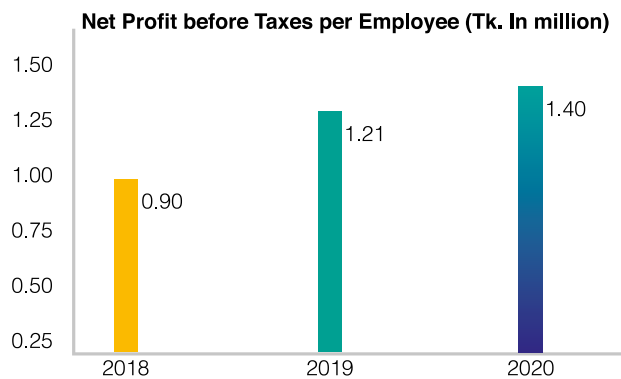
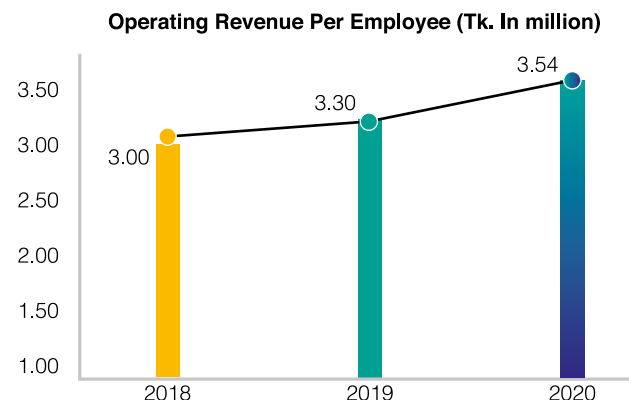
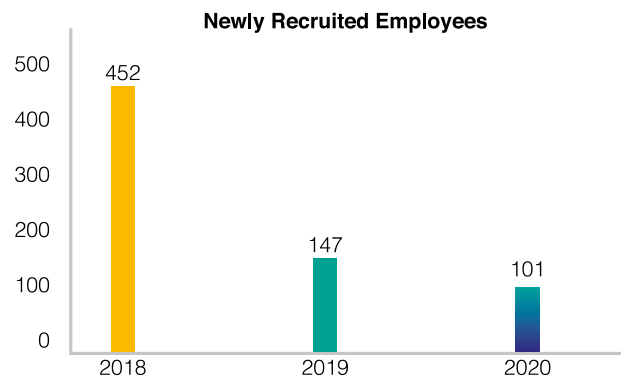
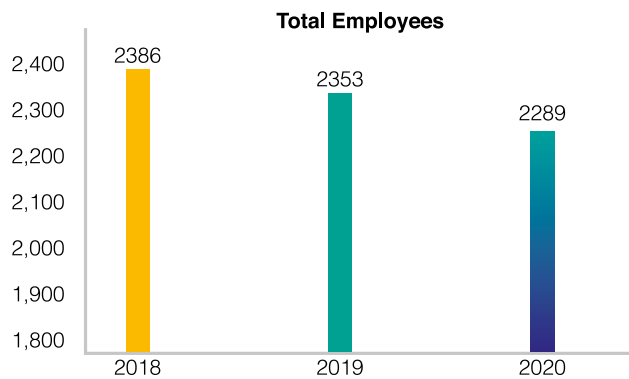
HUMAN RESOURCE ACCOUNTING:

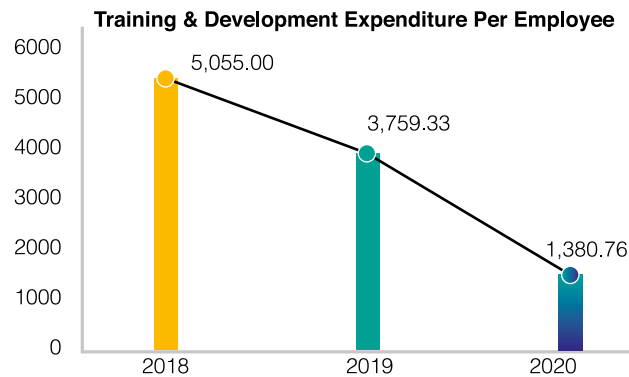
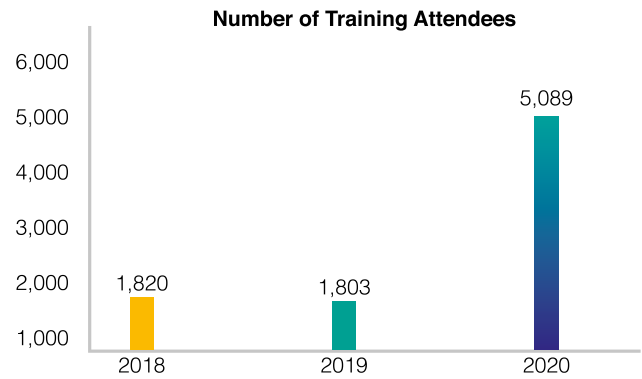
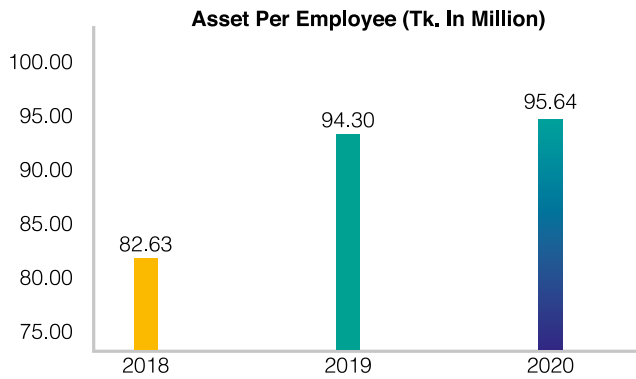
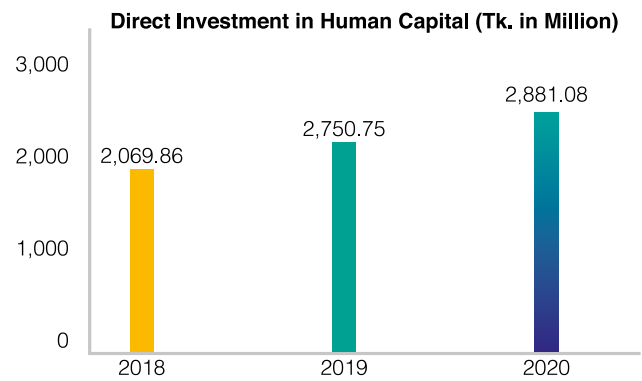
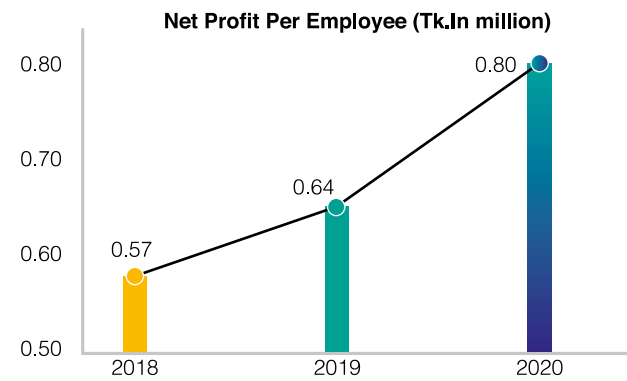
Human Resource Accounting involves measuring the costs incurred by organizations to recruit, select, hire, train, and develop human assets. It also involves measuring the economic value of people to the organization. It is the measurement of the cost and value of people to organizations. Nowadays this concept has been used to measure the cost incurred on human resources should be capitalized as it yields benefits measurable in monetary terms. Human Resource accounting is highly important for an organization to assess the overall strength of the organization. That's why; the management keeps record and prepares some reports based on the HR accounting data to analyze and to take strategic decisions for the betterment of the organization.

Some key HR accounting information of Standard Bank Ltd is as follows:

Particulars	2018	2019	2020
Total Employees	2386	2353	2289
Operating Revenue Per Employee (Million in Tk.)	2.99	3.30	3.54
Net Profit before Taxes per Employee (Million in Tk.)	0.90	1.21	1.40
Net Income Per Employee (Million in Tk.)	0.57	0.64	0.80
Asset Per Employee (Million in Tk.)	82.63	94.30	95.64
Direct Investment in Human Capital (Million in Tk.)	2,069.86	2750.75	2881.08
Training & Development Expenditure (Tk.)	1,20,61,269.00	88,45,709.00	31,60,556.00
Training & Development Expenditure Per Employee (Tk.)	5055	3759	1381

GRAPHICAL PRESENTATION OF SOME HUMAN CAPITAL ISSUES:





STANDARD BANK TRAINING INSTITUTE:

SBL has a full-fledged training institute that aims at imparting hands-on training as well as sharpening skills, attitudes and gaining professional knowledge to improve performance of employees. Since inception in 2005, the training institute has arranged various training on different topics conducted by in-house & external facilitators to enhance the professional efficiency in banking to compete in this era of knowledge-based economy. In 2020, SBTI conducted 67 training & development programs for 4926 executives/officers on Cash Management, Credit & Advances, Foreign trade, General Banking, leadership and managerial skills. On the other hand, as the bank will transform its operations into fully Islamic Bank from 2021, it has arranged significant number of training programs on virtual platform to its employees to get them well acquainted with Islamic Banking Operations.





SBL SUSTAINABILITY REPORT ON HUMAN RESOURCES

EMPLOYEE PROFILE

SBL always cherishes to build a work environment with full of satisfied, loyal and performing employees by creating performance driven rewarding culture. Here, it is believed that, employees are the most intriguing but valuable resources that keep the voyage of the bank afloat even in stormy journey. SBL nurtures its employees with proper training & development programs and boosts up the morale by various motivational approaches.

PAY PACKAGE POLICY

Standard Pay Package is the prerequisite for retaining and attracting smart, vibrant and performing employees. A fair and comprehensive compensation policy can gear up the spirit of employees to contribute more for the development of the organization. Keeping this view in mind, SBL has a market tested pay package policy to bring in discrimination free workforce in the bank.

Facilities and Benefits

Compensation includes basic and other facilities/allowances which are paid on monthly basis and disbursed on 25th day (or any other day if 25th is holiday or weekend) of every month. Facilities and benefits are illustrated below:

- House Rent Allowance
- House Maintenance Allowance
- Conveyance Allowance for Non Executives
- Medical Allowance
- Entertainment
- Cook & Servant
- Residence Security Guards
- Extra Allowance
- Car Maintenance Allowances for Executives

Apart from the above SBL is also providing benefits & rewards which are given below:

- Incentive Bonuses
- Festival Bonuses
- Boishakhi Allowances
- Car Loan for Executives
- Maternity Benefits for Employees
- Leave Fare Compensation
- Charge Allowance for Branch Managers
- Risk Allowances for Officers of Cash Department

- Consumer Credit Schemes (Staff) at concessional interest rates
- Staff House Building Loans at concessional interest rates
- Major surgical (Medical)treatment expenses borne by the bank
- Honorarium for passing Banking Diploma
- Crest, Certificate and Cash Incentives for Performing Employees
- Arranging Foreign Training for Employees.

END SERVICE BENEFITS

End Service Benefits are valuable benefits that impact the present and future lives of employees. End service benefits are important catalysts that increase employees appeal to job, minimize turnover rate, enhance job performance etc. Following end service benefits are offered at SBL:

- Gratuity
- Provident Fund
- Welfare Fund
- Leave Encashment

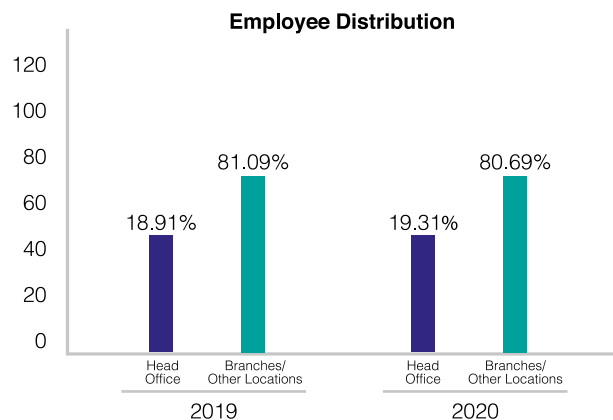
TOTAL EMPLOYEES

There are 2289 employees out of which 292 employees are female and 1997 are male. Among the employees, there are permanent, contractual and daily basis employees at SBL.

Particular	2018	2019	2020
Total Employee	2386	2353	2289

TOTAL EMPLOYEES DISTRIBUTION

Significant number of employees is working at Head Office and Branches/Other locations as illustrated below:



GENDER POSITIONING

SBL believes in gender equality and balancing and it strives to recruit sufficient female employees alongside male to enrich its workplace. Honorable Board of Directors and Management of the bank are also very compassionate regarding proper gender positioning. Present scenario of gender positioning is given below:

Gender	Year		
	2018	2019	2020
Male	2076	2051	1997
Female	310	302	292

GENDER POSITIONING BY GRADE

SBL has enriched its working environment with diverse workforce. It has employees of permanent, contractual and daily basis nature. There are 2011, 242 & 36 employees of permanent, contractual and daily basis nature at SBL.

Type	Gender	Permanent		Contractual		Daily Basis		Total	
		2020	2019	2020	2019	2020	2019	2020	2019
Executive	Male	160	145	9	6	0	0	169	151
	Female	19	19	1	0	0	0	20	15
Officer	Male	1223	1297	13	7	0	0	1236	1304
	Female	268	280	4	7	0	0	272	287
Sub-staff	Male	341	357	215	207	36	32	592	596
	Female	0	0	0	0	0	0	0	0
Total		2011	2098	242	227	36	32	2289	2353

PERFORMANCE MANAGEMENT SYSTEM:

Performance management system is the systematic approach to measure the performance of employees. SBL inculcates a rewarding culture for performing employees through a fair and equitable evaluation process. There is KPI Based Performance Appraisal System for employees through which performance of all employees is measured against a number of KPIs as set by the management every year.

In the performance appraisal, there are 70% marks are distributed for core business areas and 30% for behavioral traits.

TRAINING & DEVELOPMENT:

Training & development is the most important factor that increases the efficiency and the effectiveness of both employees and the organization. SBL has separate wing—Standard Bank Training Institute (SBTI) for training & developing its human resources. SBTI prepares its training calendar every year considering Training Needs Analysis (TNA). A number of training programs are arranged in the areas of general banking, credit/investment, foreign trade and others to serve the purposes of customers and other stakeholders of the bank in the best possible ways.

MATERNITY LEAVE:

SBL has a maternity leave policy that allows regular female employees six-month maternity leave (pre-natal and post-natal) with full pay at a time. However, it is not granted more than twice during the entire period of service. Besides, bank also reimburses maternity benefits to male or female employees up to birth of two children.

Maternity Leave in 2020			
Female	No. of Female Employees	Days of Leave at a time	Total Days
	19	180	3420

CHILD CARE CENTER FACILITIES:

SBL is one of the founder members for establishing and operating Puspita Day Care Centre, Dilkusha C/A, Dhaka along with other commercial banks as guided by Bangladesh Bank. The bank also pays about four lac subscription for the Child Care Center every year.



HUMAN RIGHTS, GENDER EQUALITY, CHILD LABOR ISSUES:

SBL is committed to providing a safe & equitable environment for all its employees free from gender inequality, child labor and other adverse human rights related issues at work. The benevolent Board of Directors and veteran Management are sensible in these regards and express stance of zero tolerance for any form of such issue in the workplace.

GRIEVANCE HANDLING POLICY:

SBL always stands with the aggrieved employees and takes the prompt action if any allegation is reported. On the other hand, the management arranges various awareness creation session through training/workshop to create awareness about any harassment or to help them learn the prevention procedure of any harassment/offence take place at Workplace.

ANTI-MONEY LAUNDERING WORKSHOP:

SBL is one of the most compliant banks in the banking arena of Bangladesh. It tries to comply with all circulars, directives and guidelines of regulatory authorities. To combat with Money Laundering (ML) and Terrorist Financing (TF), SBL arranges adequate number of workshops to familiarize with the pros and cons of ML & TF and to prevent the problem from every sphere of banking channels.

CUSTOMER SERVICE:

The management of SBL believes "Customer is the king of the market, thus, satisfaction of every customer matters". At SBL, every customer is valued and gets more than he/she perceives. To keep track of consistent customer service quality, it has a cell named as Central Customer Services & Complaint Management Cell.

STATEMENT OF COMPLIANCE:

As a compliant bank, SBL strictly follows all instructions given from time to time by the regulatory authority. Besides, the Board of Directors and the management of the bank are also keen and loyal to the prevailing guidelines, rules, regulations and laws of the land. Therefore, no fines/penalties was reported in the year 2020.



VERTICAL ANALYSIS

FOR THE LAST 5 YEARS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Particulars	Amount in Taka				
	31.12.2016	31.12.2017	31.12.2018	31.12.2019	31.12.2020
PROPERTY & ASSETS					
CASH	5.54%	5.55%	4.91%	5.77%	14.06%
Cash in Hand (including foreign currencies)	0.63%	0.69%	0.78%	0.84%	0.79%
Balance with Bangladesh Bank & its agent Bank (including Foreign Currencies)	4.91%	4.86%	4.13%	4.93%	13.27%
BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS					
	0.81%	1.83%	0.84%	0.87%	0.97%
In Bangladesh	0.36%	1.57%	0.78%	0.49%	0.14%
Outside Bangladesh	0.44%	0.26%	0.05%	0.38%	0.83%
MONEY AT CALL AND ON SHORT NOTICE	0.12%	0.26%	0.08%	0.05%	0.00%
INVESTMENTS	16.71%	11.52%	12.48%	13.79%	3.20%
Government	10.28%	9.26%	10.51%	12.03%	1.62%
Others	6.44%	2.25%	1.97%	1.76%	1.57%
LOANS AND ADVANCES / INVESTMENTS	68.75%	72.98%	74.09%	72.39%	74.06%
Loans, Cash Credits, Over Draft etc./ Investments	67.21%	71.09%	71.65%	70.64%	73.14%
Bills Purchased and Discounted	1.54%	1.89%	2.43%	1.75%	0.93%
FIXED ASSETS INCLUDING PREMISES, FURNITURE & FIXTURE	2.30%	2.10%	1.89%	1.72%	1.76%
OTHER ASSETS	5.77%	5.76%	5.72%	5.41%	5.95%
NON-BANKING ASSETS					
TOTAL ASSETS	100.00%	100.00%	100.00%	100.00%	100.00%



Particulars	Amount in Taka				
	31.12.2016	31.12.2017	31.12.2018	31.12.2019	31.12.2020
LIABILITIES & CAPITAL					
Liabilities					
Borrowings from other banks, financial Institutions and agents	3.46%	7.64%	6.13%	5.67%	5.48%
DEPOSITS AND OTHER ACCOUNTS	80.21%	76.68%	78.60%	79.08%	77.36%
Current / Al-Wadeeah Deposits & Other Deposits	9.76%	10.08%	9.19%	9.57%	9.61%
Bills Payable	1.90%	1.52%	1.47%	1.78%	1.21%
Savings Bank / Mudaraba Savings Deposits	5.26%	5.89%	5.62%	6.08%	7.42%
Short Term Deposits / Mudaraba Short Term Deposits	3.02%	2.71%	3.14%	3.44%	4.82%
Fixed Deposits / Mudaraba Term Deposits	54.35%	51.47%	54.69%	53.10%	48.10%
Deposits Under Schemes / Mudaraba Deposit Schemes	5.91%	5.01%	4.49%	5.11%	6.21%
OTHER LIABILITES	8.10%	8.04%	7.75%	7.92%	9.51%
TOTAL LIABILITIES	91.77%	92.37%	92.48%	92.68%	92.35%
CAPITAL / SHAREHOLDERS' EQUITY					
Paid-up Capital	4.94%	4.51%	4.42%	4.32%	4.59%
Statutory Reserve	2.73%	2.62%	2.54%	2.51%	2.75%
General Reserve	0.00%	0.00%	0.00%	0.00%	0.00%
Revaluation Reserve on Investment	0.02%	0.00%	0.08%	0.04%	0.00%
Surplus in Profit and Loss Account/ Retained earnings	0.55%	0.51%	0.47%	0.45%	0.31%
TOTAL SHAREHOLDERS' EQUITY	8.23%	7.63%	7.52%	7.32%	7.65%
Minority Interest	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	100.00%	100.00%	100.00%	100.00%	100.00%



HORIZONTAL ANALYSIS

FOR THE LAST 5 YEARS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Particulars	Amount in Taka				
	31.12.2016	31.12.2017	31.12.2018	31.12.2019	31.12.2020
PROPERTY & ASSETS					
CASH	233.70%	239.26%	223.13%	484.46%	145.16%
Cash in Hand (including foreign currencies)	116.21%	125.27%	127.92%	144.14%	107.58%
Balance with Bangladesh Bank & its agent Bank (including Foreign Currencies)	117.49%	113.99%	95.22%	340.31%	37.58%
BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS					
	214.05%	564.17%	79.58%	410.58%	392.13%
In Bangladesh	29.10%	497.08%	55.86%	11.38%	345.49%
Outside Bangladesh	184.95%	67.09%	23.72%	399.20%	46.63%
MONEY AT CALL AND ON SHORT NOTICE	17.76%	236.84%	33.33%	1.11%	2348.00%
INVESTMENTS	16.71%	11.52%	12.48%	3.20%	13.79%
Government	107.97%	103.67%	127.32%	21.87%	749.80%
Others	215.27%	40.25%	98.29%	87.13%	113.36%
LOANS AND ADVANCES / INVESTMENTS	269.01%	263.21%	257.50%	189.45%	288.68%
Loans, Cash Credits, Over Draft etc./ Investments	114.14%	121.63%	113.10%	128.39%	97.74%
Bills Purchased and Discounted	154.87%	141.57%	144.40%	61.06%	190.93%
FIXED ASSETS INCLUDING PREMISES, FURNITURE & FIXTURE	101.23%	104.95%	100.76%	104.60%	98.77%
OTHER ASSETS	113.88%	114.81%	111.34%	128.90%	91.98%
NON-BANKING ASSETS					
TOTAL ASSETS	115.43%	114.99%	112.21%	124.80%	101.19%



Particulars	Amount in Taka				
	31.12.2016	31.12.2017	31.12.2018	31.12.2019	31.12.2020
LIABILITIES & CAPITAL					
Liabilities					
Borrowings from other banks, financial Institutions and agents	473.51%	254.08%	90.08%	89.43%	104.87%
DEPOSITS AND OTHER ACCOUNTS	843.46%	648.78%	667.39%	868.54%	599.96%
Current / Al-Wadeeah Deposits & Other Deposits	112.11%	118.77%	102.27%	118.93%	100.76%
Bills Payable	233.72%	91.85%	108.18%	99.15%	149.05%
Savings Bank / Mudaraba Savings Deposits	132.08%	128.79%	107.12%	157.11%	82.98%
Short Term Deposits / Mudaraba Short Term Deposits	148.62%	102.97%	129.98%	221.89%	72.21%
Fixed Deposits / Mudaraba Term Deposits	111.25%	108.90%	119.23%	116.63%	111.71%
Deposits Under Schemes / Mudaraba Deposit Schemes	105.69%	97.51%	100.62%	154.82%	83.26%
OTHER LIABILITES	96.35%	114.17%	108.10%	147.60%	84.29%
TOTAL LIABILITIES	115.98%	115.74%	112.35%	124.78%	101.55%
CAPITAL / SHAREHOLDERS' EQUITY					
Paid-up Capital	115.00%	105.00%	110.00%	127.05%	95.24%
Statutory Reserve	111.24%	110.06%	109.18%	131.21%	92.52%
General Reserve	-	-	-	-	-
Revaluation Reserve on Investment	144.59%	11.14%	5869.66%	64.97%	4918.95%
Surplus in Profit and Loss Account/ Retained earnings	72.65%	107.39%	104.51%	75.39%	148.99%
TOTAL SHAREHOLDERS' EQUITY	109.58%	106.66%	110.49%	125.02%	96.91%
Minority Interest	102.99%	105.27%	102.02%	104.17%	98.42%
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	115.43%	114.99%	112.21%	124.80%	101.19%



VERTICAL ANALYSIS

FOR THE LAST 5 YEARS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Particulars	31.12.2016	31.12.2017	31.12.2018	31.12.2019	31.12.2020
Interest Income / Profit on Investment	78.64%	75.03%	80.51%	71.00%	83.07%
Interest / Profit paid on Deposits & Borrowings etc.	71.09%	70.36%	73.63%	71.16%	74.46%
Net Interest / Net Profit on Investments	25.13%	21.27%	21.05%	11.28%	20.52%
Investment Income	12.07%	14.47%	10.47%	21.71%	8.68%
Commission, Exchange Earnings & Brokerage	7.01%	8.14%	6.45%	5.14%	5.69%
Other Operating Income	2.28%	2.37%	2.57%	2.16%	2.56%
TOTAL OPERATING INCOME (A)	46.49%	46.24%	40.54%	40.29%	37.45%
Salary & Allowances	17.25%	17.41%	14.98%	18.12%	16.14%
Rent, Taxes, Insurance, Electricity etc.	4.71%	4.75%	4.33%	3.78%	4.02%
Legal Expenses	0.17%	0.17%	0.18%	0.11%	0.15%
Postage, Stamp, Telecommunication etc.	0.31%	0.23%	0.21%	0.14%	0.15%
Stationery, Printing, Advertisement etc.	0.63%	0.76%	0.69%	0.38%	0.69%
Managing Director's salary & fees	0.08%	0.10%	0.07%	0.09%	0.04%
Directors' Fee & Other benefits	0.09%	0.10%	0.06%	0.03%	0.05%
Audit Fees	0.02%	0.01%	0.01%	0.01%	0.01%
Charges on loan losses	0.00%	0.00%	0.00%	0.00%	0.00%
Depreciation and Repair of Bank's Assets	1.79%	1.69%	1.77%	2.28%	1.72%
Other Expenses	3.87%	4.43%	4.08%	3.91%	2.57%
TOTAL OPERATING EXPENSES (B)	28.91%	29.64%	26.37%	28.84%	25.54%
Profit / (Loss) Before Provision (C) = (A - B)	24.73%	23.60%	19.24%	16.09%	15.99%
Specific Provision	7.15%	8.08%	7.59%	4.08%	1.85%
General Provision	1.29%	0.15%	0.80%	0.11%	0.62%
Provision for Off-Balance Sheet items	0.44%	0.78%	0.10%	-0.49%	-0.04%
Provision for diminution in value of investments	0.35%	0.06%	0.11%	0.11%	0.15%
Provision for impairment of client margin loan	0.96%	0.62%	0.08%	0.14%	0.07%
Other Provision	0.00%	0.00%	0.00%	0.00%	0.00%
Total Provision (D)	10.18%	9.68%	8.68%	3.95%	2.63%
Total Profit / (Loss) before Taxes (E)=(C - D)	17.06%	16.20%	12.23%	12.78%	13.78%
Provision for Taxation	11.58%	9.69%	6.33%	6.61%	7.76%
Current Tax	11.49%	9.52%	6.22%	7.96%	7.67%
Deferred Tax	0.09%	0.18%	0.10%	-1.35%	0.08%
Net Profit / (Loss) after Taxation :	8.35%	8.79%	7.12%	7.23%	7.27%



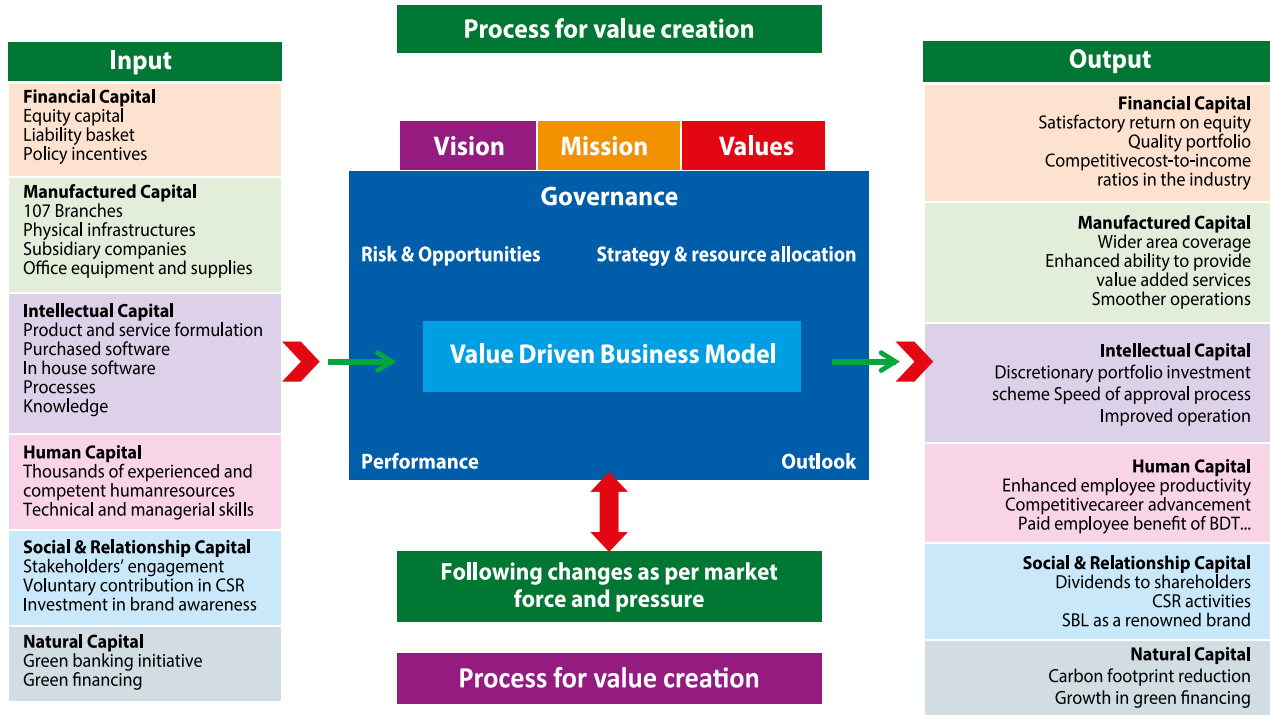
HORIZONTAL ANALYSIS

FOR THE LAST 5 YEARS

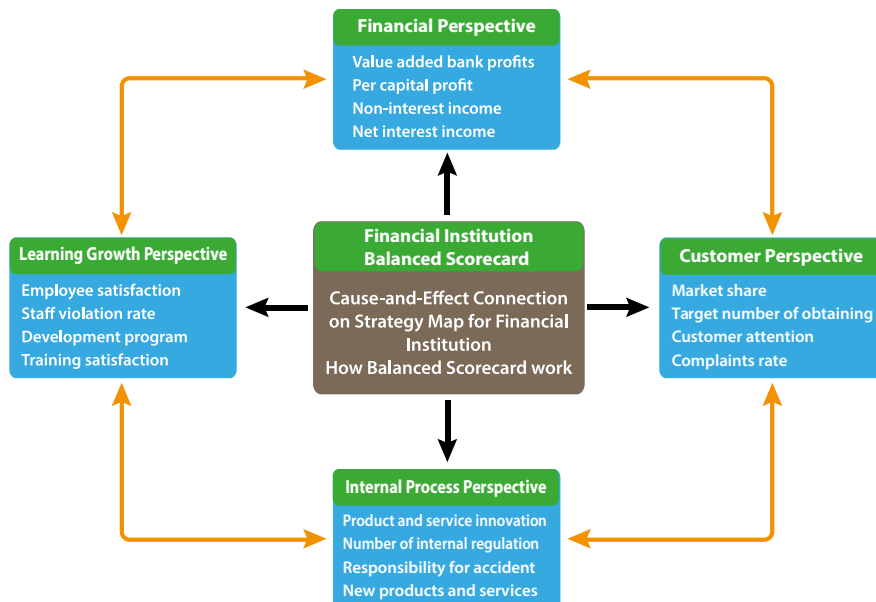
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Particulars	31.12.2016	31.12.2017	31.12.2018	31.12.2019	31.12.2020
Interest Income / Profit on Investment	97%	103%	134%	130%	125%
Interest / Profit paid on Deposits & Borrowings etc.	89%	109%	138%	153%	112%
Net Interest / Net Profit on Investments	8%	-5%	-4%	-23%	13%
Investment Income	82%	130%	90%	206%	43%
Commission, Exchange Earnings & Brokerage	102%	125%	99%	87%	118%
Other Operating Income	107%	112%	136%	125%	127%
TOTAL OPERATING INCOME (A)	103%	108%	110%	120%	99%
Salary & Allowances	104%	111%	114%	157%	95%
Rent, Taxes, Insurance, Electricity etc.	119%	111%	120%	120%	114%
Legal Expenses	248%	110%	136%	98%	142%
Postage, Stamp, Telecommunication etc.	107%	82%	119%	89%	117%
Stationery, Printing, Advertisement etc.	118%	132%	120%	75%	195%
Managing Director's salary & fees	91%	137%	100%	132%	54%
Directors' Fee & Other benefits	130%	112%	81%	43%	183%
Audit Fees	260%	51%	117%	215%	140%
Charges on loan losses	0%	0%	0%	0%	0%
Depreciation and Repair of Bank's Assets	113%	104%	138%	203%	81%
Other Expenses	139%	126%	122%	133%	70%
TOTAL OPERATING EXPENSES (B)	110%	112%	118%	147%	95%
Profit / (Loss) Before Provision (C) = (A - B)	98%	103%	102%	94%	106%
Specific Provision	156%	124%	124%	76%	48%
General Provision	395%	13%	721%	117%	578%
Provision for Off-Balance Sheet items	221%	197%	16%	-94%	9%
Provision for diminution in value of investments	48%	18%	248%	276%	147%
Provision for impairment of client margin loan	0%	70%	17%	34%	51%
Other Provision	0%	0%	0%	0%	0%
Total Provision (D)	155%	104%	118%	61%	71%
Total Profit / (Loss) before Taxes (E)=(C - D)	-56%	-1%	-16%	32%	35%
Provision for Taxation	241%	318%	162%	-1012%	97%
Current Tax	110%	91%	86%	126%	103%
Deferred Tax	131%	227%	76%	-1138%	-7%
Net Profit / (Loss) after Taxation :	68%	114%	101%	113%	107%
Retained earnings brought forward from previous year	687%	46%	133%	57%	141%
Net Profit available for distribution	77%	105%	103%	110%	108%
Appropriations :					
Statutory Reserve	89%	100%	100%	107%	124%
Proposed Bonus Shares	0%	0%	0%	0%	0%
Retained Earnings carried forward	72%	108%	105%	111%	101%
Earning per Share (EPS):	65%	103%	92%	76%	139%

HOW WE CREATE VALUE



BALANCED SCORECARD

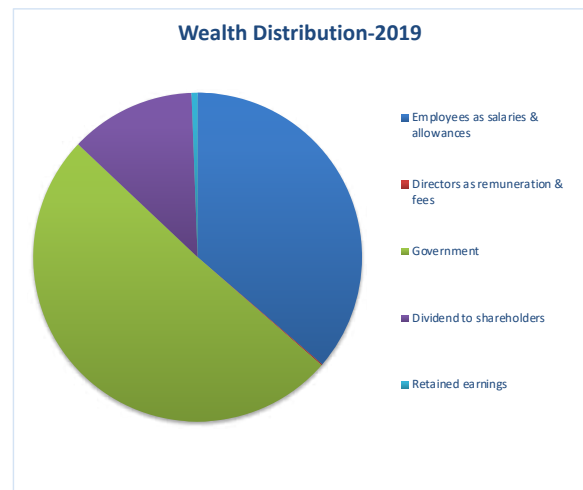
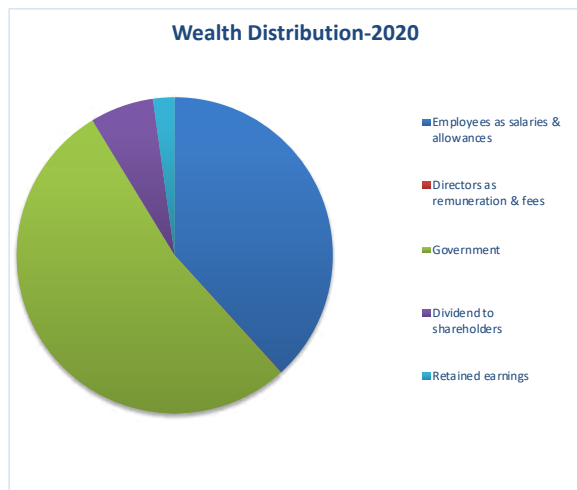


VALUE ADDED STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

Value added statement shows exactly how much value (wealth) has been created by the bank during 2020 through its banking activities i.e. utilization of its capacity, capital, manpower and other resources and how it is allocated among different stakeholders i.e. employees, directors, shareholders, government in the form of salaries & allowances, remuneration, dividend, duties & taxes respectively and also indicates value of use of fixed assets through depreciation. Now a days the most complex and modern business environment does not earn profit for itself only rather it cares to the society and thus is committed to contribute to the economic growth. Such value is being added due to spill over economic impact due to operation of the business houses. SBL as a commercial bank, has a large scale of spill over economic impact side by side its financial impact through creating values for distributions to the society year to year. The Statement shows how the total wealth has been created and distributed among the stakeholders of the Bank in the year.

Particulars	31.12.2020	31.12.2019
	Taka	Taka
Wealth creation:		
Revenue from Banking services	19,360,929,033	20,706,322,217
Less: Cost of services & supplies	(12,992,063,768)	(14,337,945,508)
	6,368,865,266	6,368,376,709
Non-banking income	-	-
Provision for loans & other assets	919,771,640	420,772,851
Total wealth creation	7,288,636,906	6,789,149,560
Wealth distribution:		
Employees & Directors		
Employees as salaries & allowances	2,957,566,616	2,815,853,026
Directors as remuneration & fees	4,407,998	8,048,728
Government	4,099,044,225	3,927,417,735
Corporate tax	1,027,707,986	933,053,360
Service tax/ Value added tax	2,792,678,688	2,749,445,426
Excise duties	278,657,550	244,918,950
Shareholders		
Dividend to shareholders	502,995,394	958,086,465
Retention for future business growth		
Retained earnings	171,209,623	46,378,701
Depreciation and amortization	291,812,961	233,146,365
Total Wealth Distribution	8,027,036,816	7,988,931,020





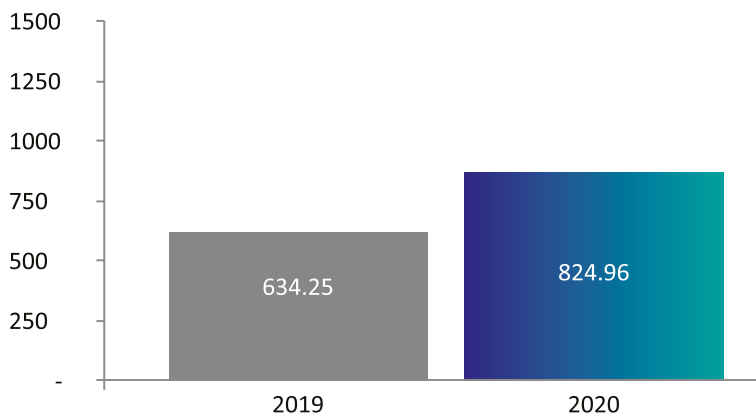
ECONOMIC VALUE ADDED (EVA) STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2020

EVA statement indicates the true economic profit of a company. EVA is an estimate of the amount by which earnings exceed or fall short of required minimum return for shareholders at comparable risk. It is based on the principle that since a company's owner 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. As a commercial bank, SBL is deeply concerned for distribution of value to all of its Shareholders. EVA of SBL has stood at Tk 825 million as of December 31, 2020 as against Tk 634 million in 2019. 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.

Particulars	31.12.2020	31.12.2019
	Taka	Taka
Shareholders equity	16,765,238,028	16,247,876,352
Add: Accumulated provision for loans & advances and other assets	4,756,887,270	3,888,288,718
Capital Employed	21,522,125,298	20,136,165,069
Average Capital Employed / Shareholders' equity	16,506,557,190	15,532,138,719
Earnings:		
Profit after tax	1,082,055,142	1,504,433,637
Add: Provision for loans & advances and other assets charged during the year	959,435,432	457,733,835
Less: Written off loans during the year	-	3,027,673
Net earnings	2,041,490,575	1,959,139,799
Cost of equity:		
Average cost of equity (Based on weighted average rate of 10 years treasury bond issued by the Bangladesh Government) Plus 2% risk premium	7.37%	8.53%
Capital charge (Cost of average equity)	1,216,533,265	1,324,891,433
Economic Value Added	824,957,310	634,248,366

Economic Value Added (Million Taka)



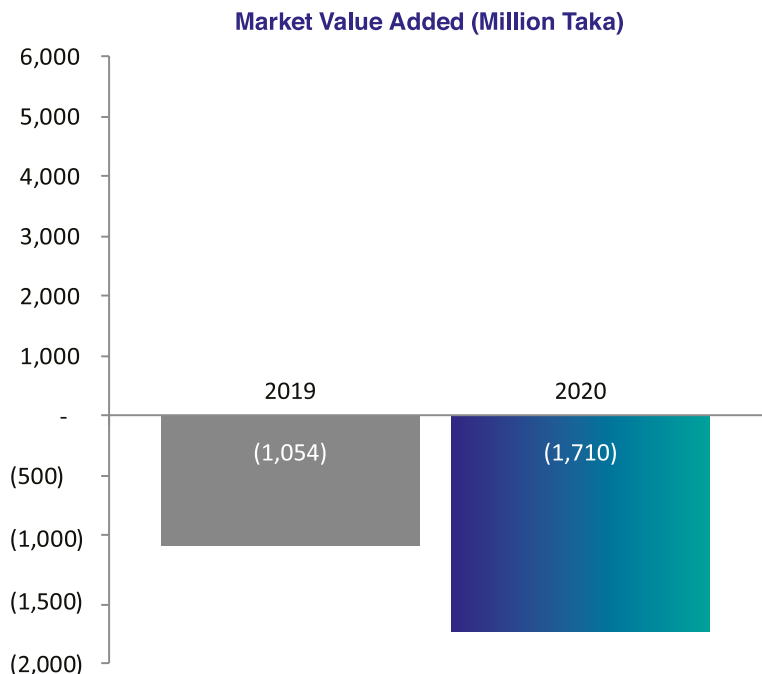


MARKET VALUE ADDED (MVA) STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2020

Market Value Added (MVA) is the difference between the current market value of the Bank and the capital contributed by shareholders. It reflects the bank's performance which is evaluated on the market price of its own shares. 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. Positive and higher MVA indicate that the bank has created substantial wealth for its shareholders. On the other hand, negative MVA indicates that the wealth of the bank is lower than the capital contributed by the investors.

Particulars	31.12.2020	31.12.2019
Face value per share (BDT)	10.00	10.00
Market value per share (BDT)	8.30	8.90
Number of shares outstanding	1,005,990,788	958,086,465
Total market capitalization (BDT million)	8,350	8,527
Book value of paid up capital (BDT million)	10,060	9,581
Market value added (BDT million)	(1,710)	(1,054)





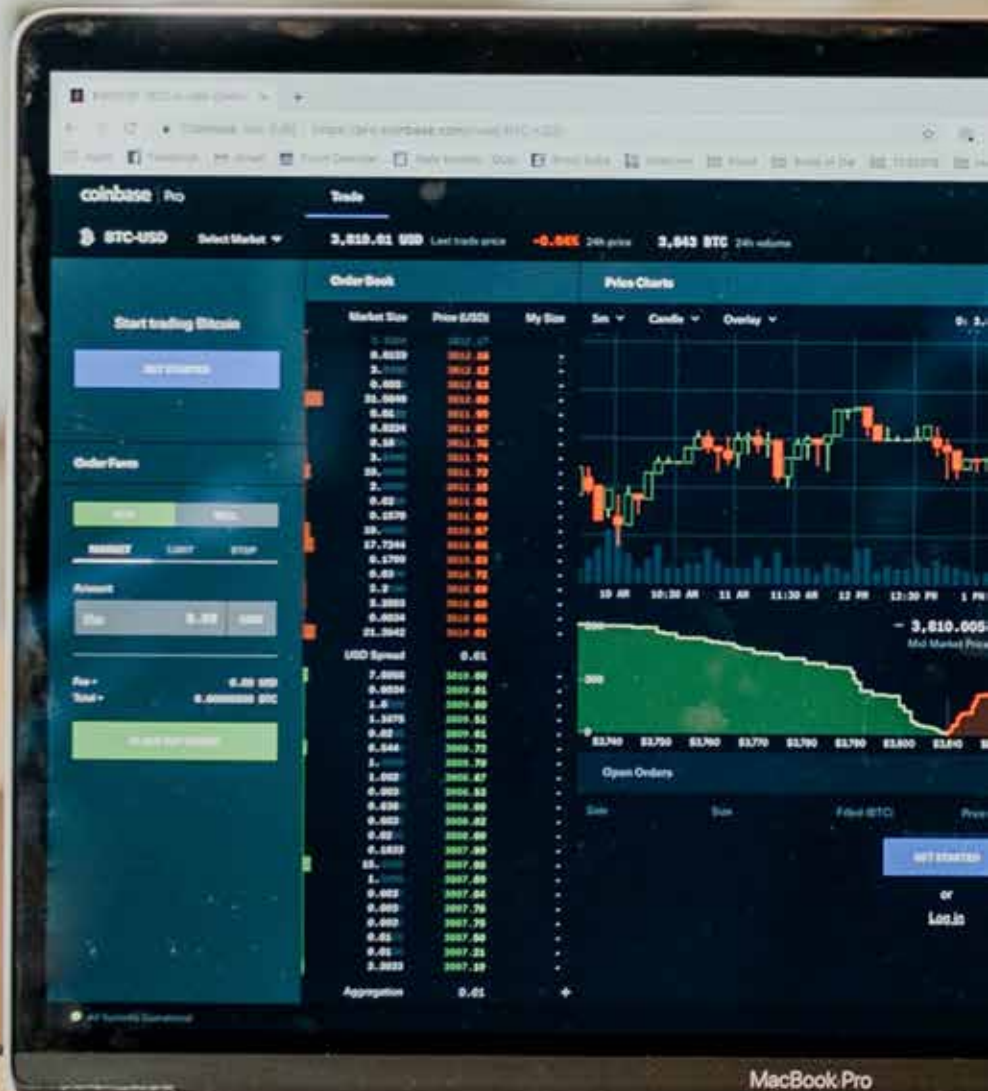
STATEMENT ON CONTRIBUTION TO GOVERNMENT EXCHEQUER

FOR THE YEAR ENDED 31 DECEMBER 2020

Management Discussion and Analysis Statement on Contribution to Government Exchequer Government is considered as one of the most important stakeholders which play a critical role in the economic development of the country. Being a legitimate and ethical company, Standard Bank contributes to the Government Exchequer when the necessary amounts fall due. For the year 2020, Standard Bank and its subsidiaries made a handsome contribution to Government Exchequer of an amount equal to BDT 3071 million, composed of income tax, withholding tax, VAT, withholding VAT and excise duty. This is in comparison to BDT 2994 million in 2019, reflecting its fair and consistent commitment towards national contribution.

Particulars	31.12.2020	31.12.2019
Income Tax	2,609,485,744	2,515,434,789
Salary	81,633,420	71,822,227
Interest on deposit	1,184,915,188	1,102,040,849
Payment on Supplier	16,131,119	29,550,650
House rent	16,626,451	17,394,346
IT on subordinate bond	23,100,000	24,900,000
Advance IT on LC commission	7,623,983	11,348,275
Advance Corporate Tax	939,434,688	1,150,000,000
Return for Professional & Technical Service	1,316,923	2,113,181
IT on Local LC	5,488,192	4,652,578
Others	333,215,780	101,612,683
VAT	183,192,945	234,010,637
House rent	52,367,133	55,200,324
LC Commission	30,792,621	48,277,036
Procurement of goods and Service	38,146,301	60,283,101
Legal , Professional & Technical Fees	1,630,040	3,602,104
Director Fees	319,687	274,430
VAT on Banking Service	59,915,331	66,373,642
Indenting	21,832	-
Excise duty	278,657,550	244,918,950
Total Paid to Government Exchequer	3,071,336,238	2,994,364,376

STAKEHOLDERS' INFORMATION



MacBook Pro



5 YEARS FINANCIAL HIGHLIGHTS

(Figure in million Taka)

	2016	2017	2018	2019	2020
Income Statement					
Interest Income	10,252	10,572	14,190	17,201	13,745
Interest Expenses	6,976	7,575	10,479	12,952	11,561
Net Interest Income	3,276	2,998	3,710	4,249	2,185
Investment Income	1,574	2,039	1,844	1,797	4,203
Commission, Exchange Earnings & Brokerage	912	1,147	1,137	1,178	995
Other Operating Income	300	333	452	530	417
Non-Interest Income	2,785	3,519	3,434	3,505	5,616
Non-Interest Expense	2,837	3,192	3,753	4,443	4,685
Net Non-Interest Income	-52	327	-319	-938	930
Profit before Provision & Tax	3,224	3,325	3,391	3,311	3,115
Provision for Loans & Assets	999	1,043	1,236	458	959
Profit after provision before Tax	2,224	2,282	2,156	2,854	2,156
Provision for Tax (Including Deferred Tax)	1,136	1,044	900	1,349	1,074
Profit after Tax	1,088	1,238	1,256	1,504	1,082
Balance Sheet					
Authorised Capital	15,000	15,000	15,000	15,000	15,000
Paid-up Capital	7,541	7,918	8,710	9,581	10,060
Shareholders' Equity (Capital & Reserve)	12,573	13,410	14,816	16,248	16,765
Borrowings	5,284	13,425	12,092	12,591	12,006
Deposits	122,554	134,731	154,961	175,468	169,639
Other Liabilities	12,379	14,134	15,279	17,583	20,861
Liquid Assets	35,419	33,661	36,101	45,454	39,971
Money At Call & On Short Notice	190	450	150	117	5
Loans & Advances	105,039	128,228	146,061	160,626	162,397
Investments	25,533	20,234	24,614	30,598	7,008
Fixed Assets	3,516	3,690	3,718	3,812	3,859
Other Assets	8,815	10,120	11,268	11,998	13,045
Total Assets (Excluding off-balance sheet items)	152,789	175,699	197,148	221,890	219,272
Net Asset Value (NAV)	12,573	13,410	14,817	16,248	16,765
Off-Balance Sheet exposure	33,487	41,920	49,442	48,747	38,902
Others Business					
Import Business	55,684	66,510	74,464	75,399	49,195
Export Business	38,506	43,807	51,884	56,326	43,631
Foreign Remittance	5,764	7,563	9,579	10,364	8,407
Capital Measures					
Total Risk Weighted assets	121,009	146,144	169,828	172,584	179,112
Core Capital (Tier I)	10,404	13,337	10,138	13,070	14,379
Supplementary Capital (Tier II)	3,369	7,066	6,790	6,462	8,651
Total capital	13,773	20,404	16,927	19,533	23,029
Tier I Capital Ratio	8.60%	9.13%	5.97%	7.57%	8.03%
Tier II Capital Ratio	2.78%	4.84%	4.00%	3.74%	4.83%
Risk Weighted CAR	11.38%	13.96%	9.97%	11.32%	12.86%



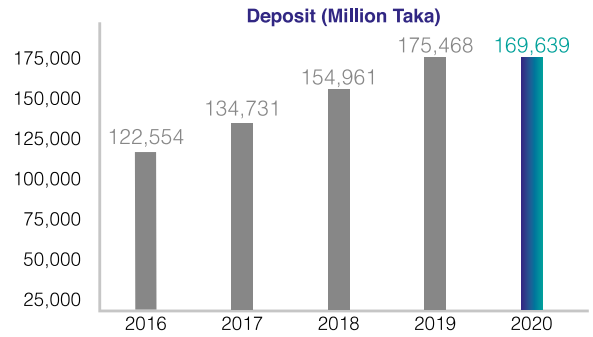
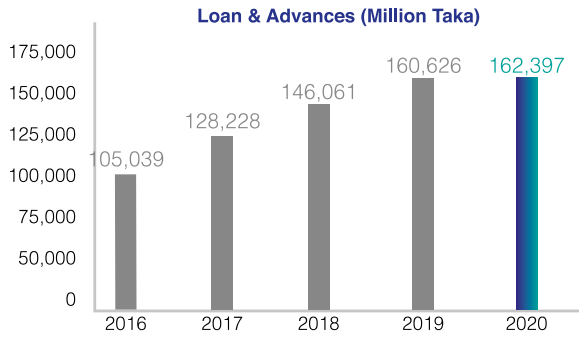
	2016	2017	2018	2019	2020
Internal Capital Generation Ratio	6.93%	6.88%	6.82%	6.77%	4.08%
Leverage Ratio	6.21%	6.72%	6.74%	6.74%	5.94%
Credit Quality					
Volume of Non-performing loans	3,799	10,451	11,349	9,232	7,764
SMA loan outstanding	440	246	201	3,915	4,288
% of NPLs to Total Loans & Advances	3.62%	8.44%	7.42%	5.29%	4.92%
Gross NPL Coverage	49.87%	20.96%	20.01%	28.04%	41.88%
SMA to Credit Portfolio	0.42%	0.19%	0.14%	2.44%	2.64%
Provision for Unclassified Loans	1,026	1,042	1,156	1,263	1,282
Provision for Classified Loans	1,894	2,191	2,271	2,589	3,251
Provision for Off-Balance Sheet Items	335	419	433	426	346
Share Information					
Number of Share Outstanding	754	792	871	958	1,006
Earning Per Share (Taka)	1.44	1.42	1.31	1.50	1.08
Book Value Per Share (Taka)	10.00	10.00	10.00	10.00	10.00
Market Price Per Share (Taka)	11.90	15.60	15.60	8.90	8.30
Price Earning Ratio (Times)	8.25	10.97	11.90	5.95	7.72
Net Asset Value Per Share (Taka)	16.67	16.94	17.01	16.96	16.67
Cash Dividend (%)	-			5%	2.5%
Bonus Share (%)	10%	10%	10%	5%	2.5%
Rights Share Issue	-				
Operating Performance Ratio					
Net Interest Margin on average earning assets	3.11%	2.51%	2.74%	2.81%	1.26%
Net Non-Interest Margin on average earning assets	-0.05%	0.27%	-0.24%	-0.62%	0.54%
Total operating expenses to average total assets	2.08%	1.94%	2.01%	2.24%	2.12%
Net operating income to average total assets	2.36%	2.02%	1.82%	1.67%	1.41%
Credit / Deposit Ratio(%)	85.71%	82.09%	83.89%	83.89%	87.17%
Return On Equity(ROE) %	8.66%	9.24%	8.47%	9.26%	6.45%
Return On Average Equity(ROAE) After Tax	9.69%	9.53%	8.90%	10.15%	6.56%
Return On Assets (ROA)%	0.80%	0.75%	0.67%	0.76%	0.49%
Return On Average Assets(ROAA) Before Tax	1.63%	1.39%	1.16%	1.44%	0.98%
Return On Investment (ROI)	6.93%	8.91%	8.22%	7.07%	22.35%
Price Earning Ratio (times)	8.25	10.97	11.90	5.95	7.72
Yield on average advance (%)	12.28%	9.59%	10.46%	11.54%	8.82%
Return On Average RWA	0.90%	0.85%	0.74%	0.87%	0.60%
Liquid Assets Ratio	1.08	1.12	1.14	1.14	1.16
Loan to Deposit Ratio	85.71%	82.09%	83.89%	83.89%	84.55%
Efficiency Ratio	75.27%	76.40%	80.76%	84.01%	83.91%
Debt to Equity Ratio	11.15	12.10	12.31	12.66	12.08
Net Income Ratio	8%	9%	7%	7%	6%
Operating Income Ratio	46%	46%	41%	37%	40%
Debt to Total Assets Ratio	91.77%	92.37%	92.48%	92.68%	92.35%
Asset Turnover ratio	9.56%	8.58%	9.45%	10.42%	8.78%
Times Interest Earned Ratio	1.87	1.86	1.68	1.60	1.67
Debt Service Coverage Ratio	3%	2%	2%	2%	2%
Quick Ratio	2.07	1.75	1.08	1.34	1.21



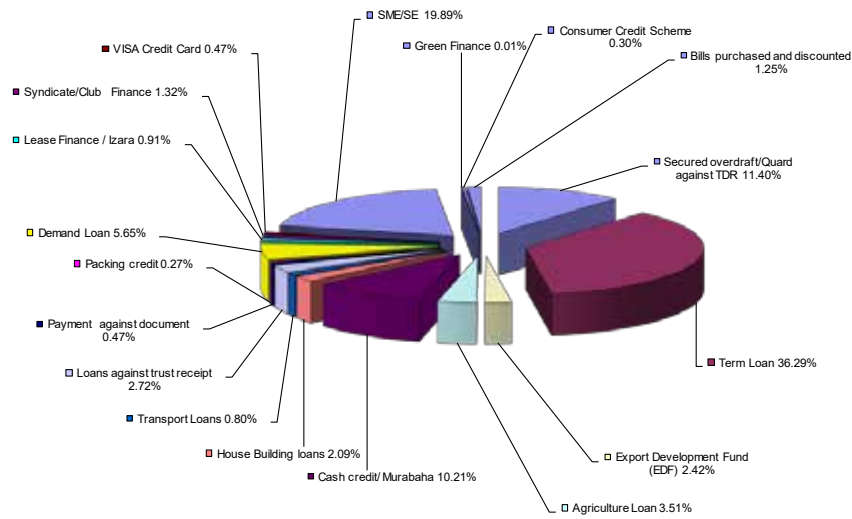
	2016	2017	2018	2019	2020
Average Branch wise Manpower	18	17	18	17	17
Total Operating Profit to Total Income	25%	24%	19%	16%	16%
Interest expense to Total Expenses	71%	70%	74%	74%	71%
Interest Income to Total Income	79%	75%	81%	83%	71%
Operating profit per branch	28.78	27.25	25.31	24.00	22.57
Operating profit per employee	1.62	1.60	1.42	1.41	1.36
Per employee Income	6.54	6.79	7.38	8.80	8.46
Per employee expenses	4.93	5.19	5.96	7.39	7.10
Per employee Advances	52.73	61.77	61.14	68.26	70.95
Per employee Assets	76.70	84.63	82.52	94.30	95.79
Per employee Deposit	61.52	64.90	64.86	74.57	74.11
Burden Coverage Ratio	43%	46%	42%	38%	30%
NFI to Total Operating Income	21%	25%	19%	17%	29%
Cost income ratio	47%	49%	53%	57%	60%
Operating profit as % of working funds	2.70%	2.49%	2.30%	1.91%	1.73%
Net interest income as % of working funds	2.75%	2.24%	2.51%	2.45%	1.21%
Total cost of Fund	8.52%	8.00%	8.85%	9.73%	8.82%
Cost of Deposit(%)	6.32%	5.71%	6.63%	7.37%	6.20%
Administrative cost (%)	2.20%	2.29%	2.22%	2.36%	2.62%
Other Information					
Number of Branches	112	122	134	138	138
Urban	69	75	81	83	83
Rural	36	40	46	48	48
Number of SME & Agriculture Branches	7	7	7	7	7
Number of Employees	1992	2076	2389	2353	2289
Number of Shareholders	29633	22650	24124	20847	20017
Number of Foreign Correspondents	21	21	21	21	21
Average earning assets	105,188	119,456	135,215	151,168	173,424
Average Total assets	136,360	164,244	186,424	198,795	220,581
Average Deposits	109,928	128,642	144,846	155,099	172,554
Average Advance	92,744	116,634	137,144	144,427	161,511
Average Investment	22,693	22,883	22,424	25,416	18,803
Average Equity	11,229	12,991	14,113	14,829	16,507



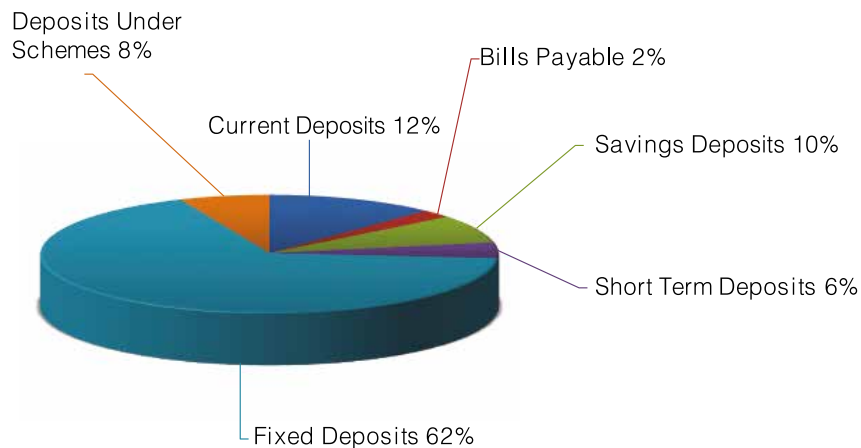
GRAPHICAL PRESENTATION



Loan Portfolio Mix-2020

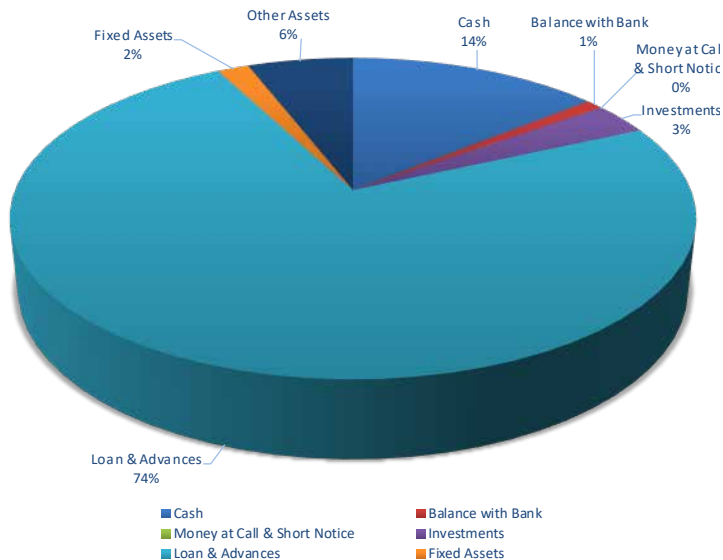


Deposit Portfolio Mix - 2020

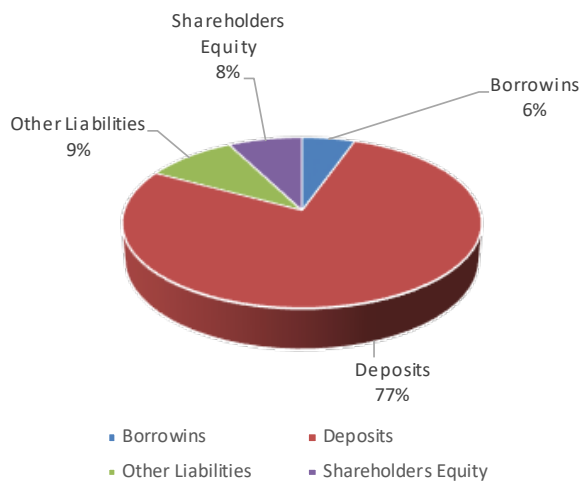




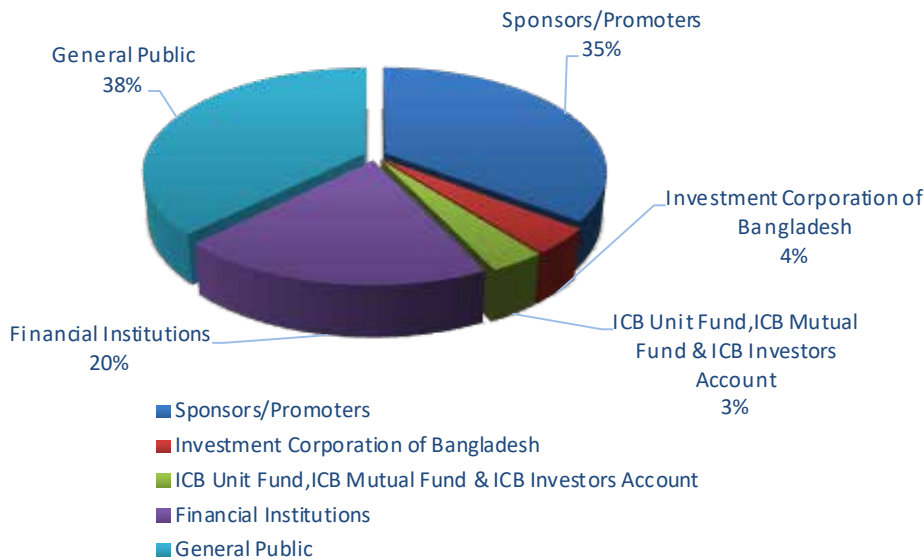
Assets Mix-2020



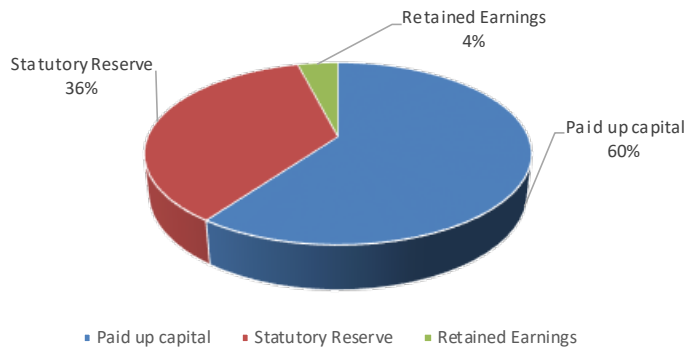
Assets Funding Mix-2020



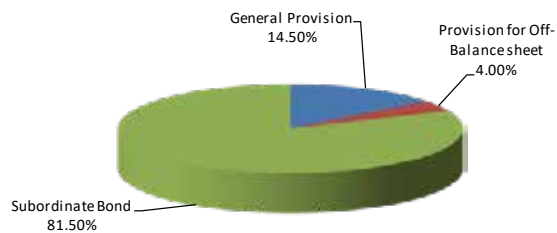
Types of Shareholding (Million)



Tier -I Capital

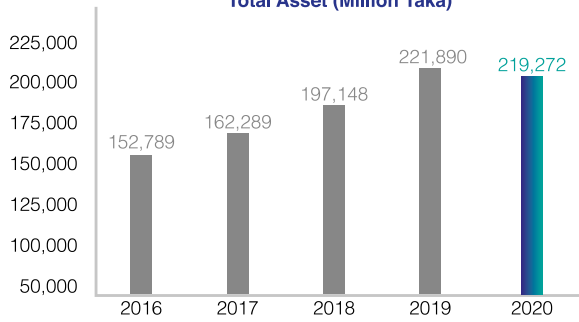


Tier -II Capital

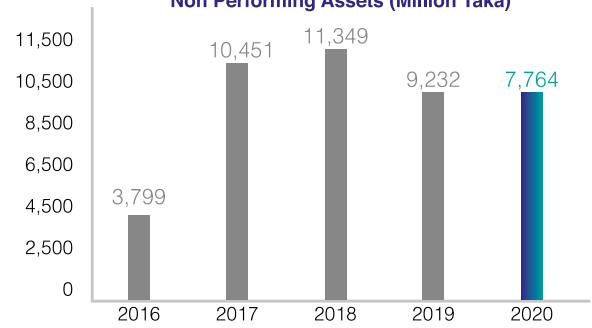




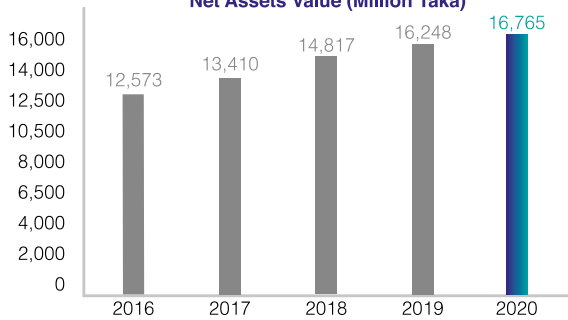
Total Asset (Million Taka)



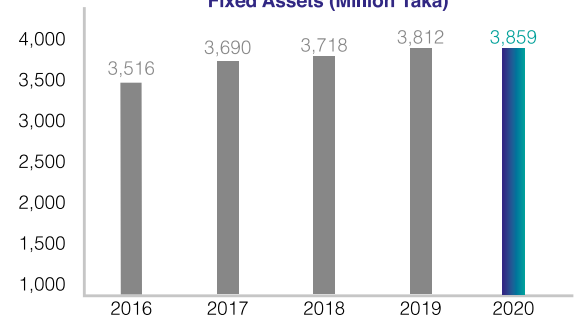
Non Performing Assets (Million Taka)



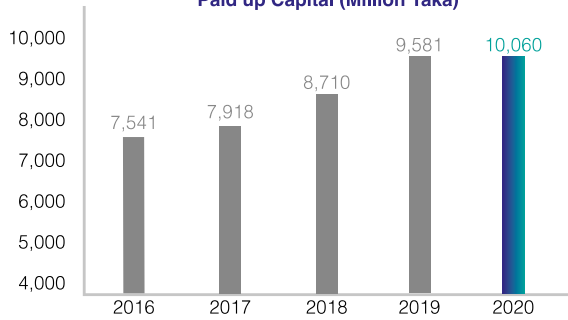
Net Assets Value (Million Taka)



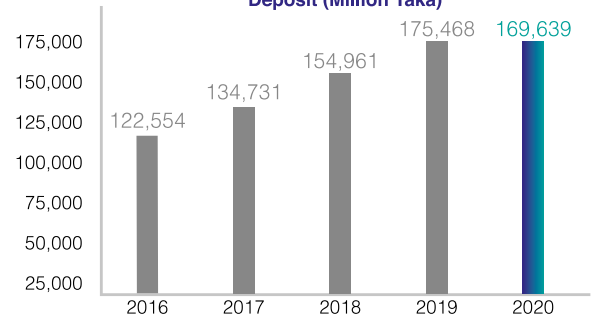
Fixed Assets (Million Taka)



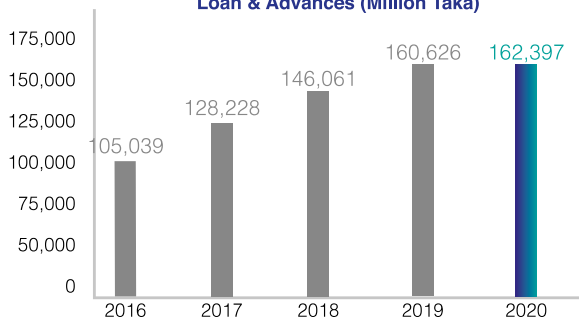
Paid up Capital (Million Taka)



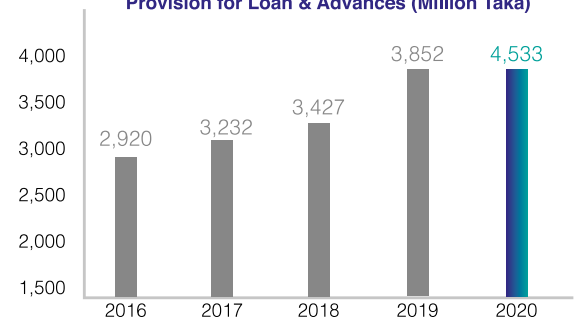
Deposit (Million Taka)

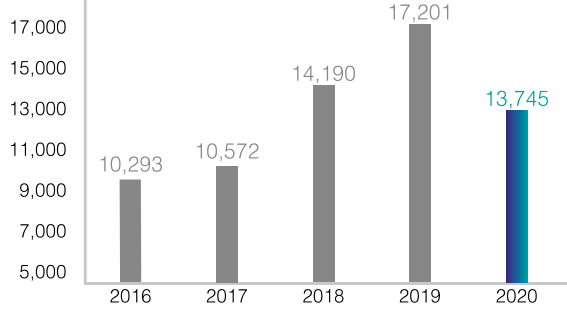
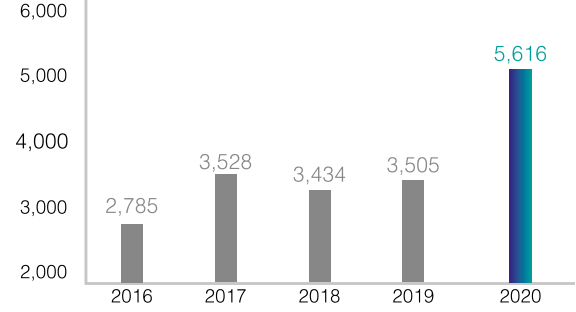
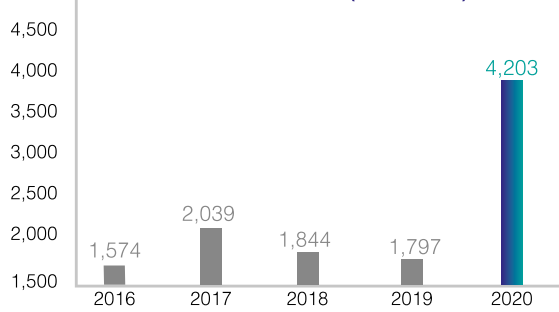
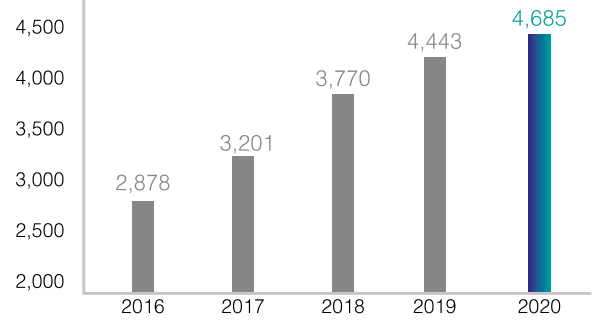
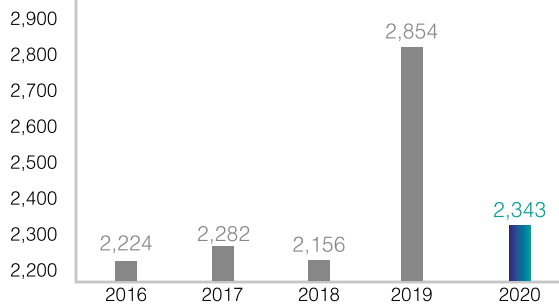
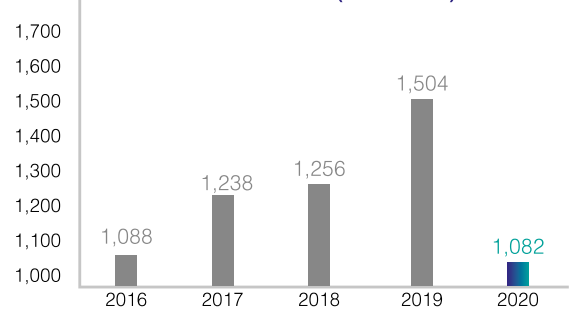
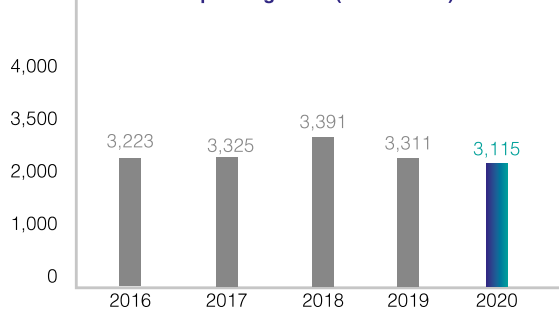
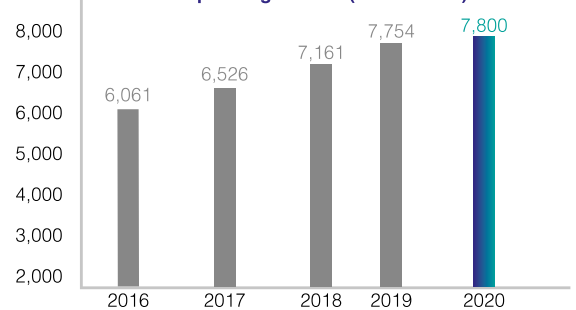


Loan & Advances (Million Taka)



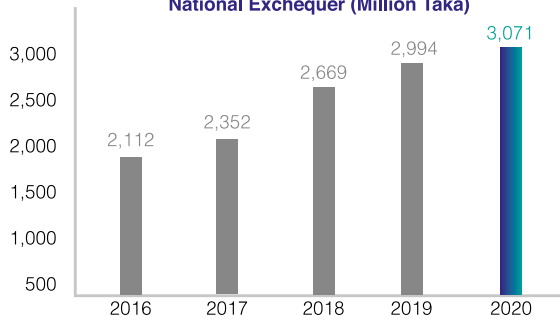
Provision for Loan & Advances (Million Taka)



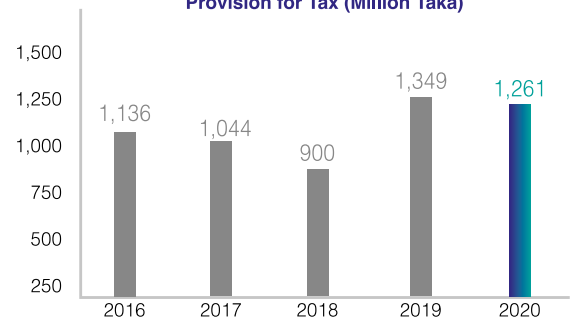
**Interest Income (Million Taka)****Non Interest Income (Million Taka)****Investment Income (Million Taka)****Operating Expense (Million Taka)****Profit Before Tax (Million Taka)****Profit After Tax (Million Taka)****Operating Profit (Million Taka)****Operating Income (Million Taka)**



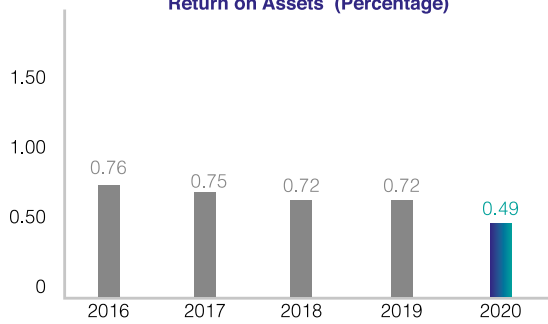
Total Contribution to National Exchequer (Million Taka)



Provision for Tax (Million Taka)



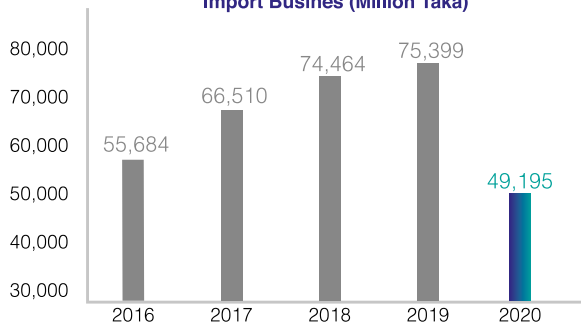
Return on Assets (Percentage)



Return on Equity



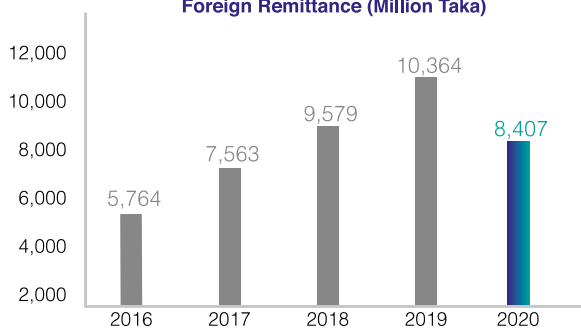
Import Busines (Million Taka)



Export Busines (Million Taka)



Foreign Remittance (Million Taka)



CSR Expense (Million Taka)

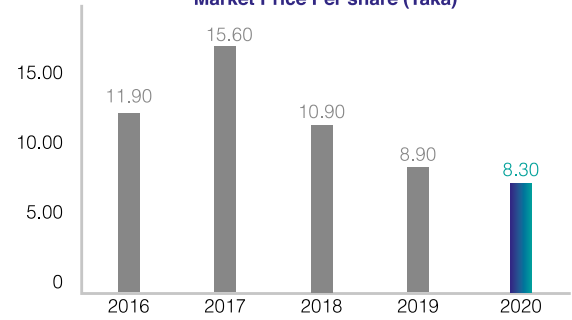




Number of Shareholders



Market Price Per share (Taka)



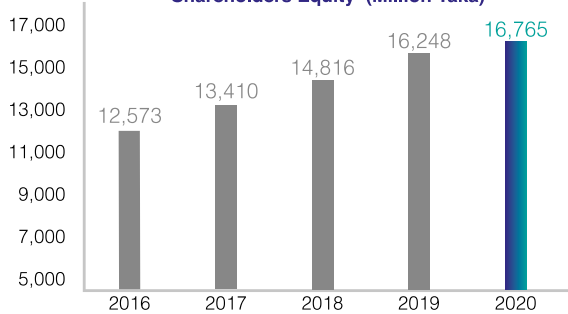
Earnings Per share (Taka)



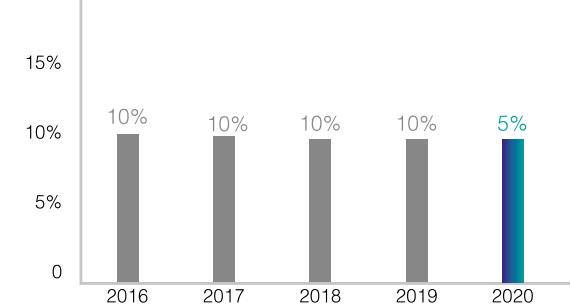
Price Earning Ratio (Times)



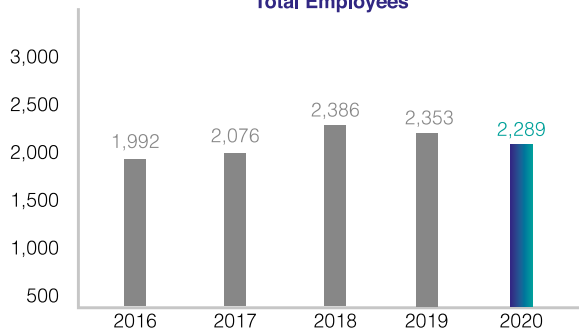
Shareholders Equity (Million Taka)



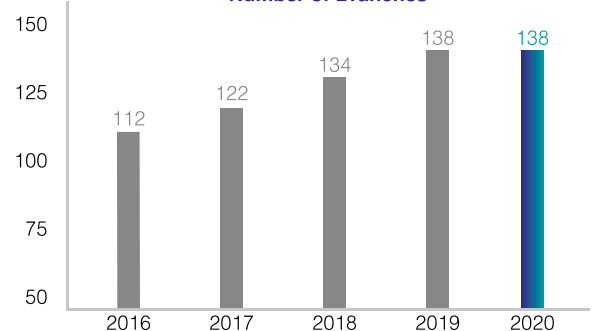
Dividend (Percentage)



Total Employees



Number of Branches



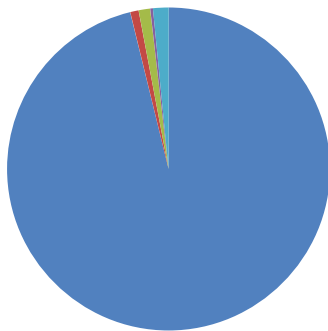


SEGMENT REPORTING

Following table also summarizes both the stand alone performance of the Bank and its subsidiaries.

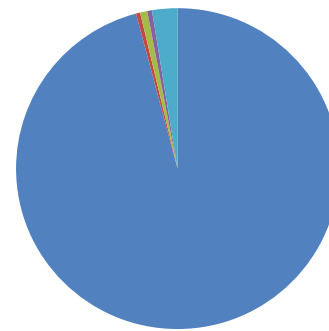
Particulars	Standard Bank Ltd.	Subsidiaries		Overseas		Total
		SBL Capital Management Ltd	SBL Securities Ltd	UK Ex.House	USA Ex. House	
Net interest Income	2,187,564,936	(32,815,151)	50,383,230	-	950,146	2,206,083,162
Total Operating Income	7,087,392,710	83,401,683	62,480,749	22,444,386	127,012,908	7,382,732,436
Total Non Operating Income	407,404,883	1,703,950	747,984	1,632,485	5,933,922	417,423,223
Total Operating Expenses	4,506,719,377	19,307,614	19,013,306	24,651,754	115,385,917	4,685,077,968
Profit before Provision	2,988,078,216	65,798,019	44,215,426	(574,884)	17,560,913	3,115,077,691
Total Provision against assets	919,771,640	30,109,601	9,554,191	-	-	959,435,432
Profit before Tax (PBT)	2,068,306,576	35,688,418	34,661,235	(574,884)	17,560,913	2,155,642,258
Provision for Taxation	1,026,303,751	34,739,324	12,544,040	-	-	1,073,587,116
Profit After Tax (PAT)	1,042,002,825	949,094	22,117,194	(574,884)	17,560,913	1,082,055,142
Segment Assets	217,685,387,322	991,833,221	460,499,003	34,900,728	99,309,408	219,271,929,682
Segment Liabilities	217,685,387,322	991,833,221	460,499,003	34,900,728	99,309,408	219,271,929,682

Total Operating Income



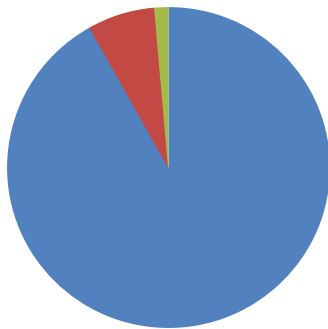
- Standard Bank Ltd.
- SBL Capital Management Ltd
- SBL Securities Ltd
- UK Ex.House
- USA Ex.House

Total Operating Expenses



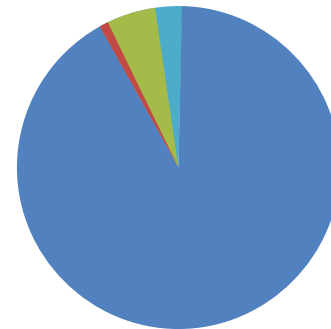
- Standard Bank Ltd.
- SBL Capital Management Ltd
- SBL Securities Ltd
- UK Ex.House
- USA Ex.House

Total Provision against assets



- Standard Bank Ltd.
- SBL Capital Management Ltd
- SBL Securities Ltd
- UK Ex.House
- USA Ex.House

Profit After Tax (PAT)



- Standard Bank Ltd.
- SBL Capital Management Ltd
- SBL Securities Ltd
- UK Ex.House
- USA Ex.House

CREDIT RATING REPORT

Credit Rating	2020	2019
Long Term Rating	AA+	AA
Short Term Rating	ST-2	ST-2
Outlook	Stable	Stable
Validity	30 June, 2021	30 June, 2020



ARGUS Credit Rating Services Limited reaffirms surveillance rating of Standard Bank Limited to “AA+” (Pronounced as double A) in the Long Term and “ST-2” in the Short Term. The rating has been conducted through an in-depth analysis of the operational & financial performance of the Bank along with all its relevant quantitative and qualitative factors. The basis of the evaluation was financials of the Bank up to December 31, 2019 and other prevailing factors up to the date of rating.

Long Term Rating: The Bank rated “AA+” (High Safety) in Credit rating is adjudged to be of high quality, offers higher safety and has high credit quality. This level of rating indicates a corporate entity with sound credit profile and without significant problems. Risks are modest and may vary slightly from time to time because of economic conditions.

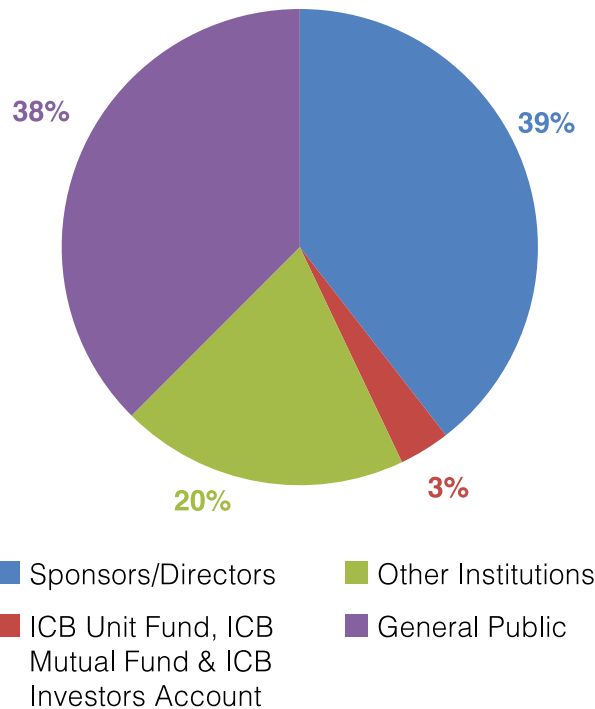
Short Term Rating: The Bank rated ST-2 (High Grade) in short term in credit rating is considered to have high certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.



DISTRIBUTION OF SHAREHOLDING

S.L No.	Designation	No. of Share		No. of Share in (%)	
		31.12.2020	31.12.2019	31.12.2020	31.12.2019
1	Sponsors/Directors	397,232,765	379,689,280	39.49	39.63
2	ICB Unit Fund, ICB Mutual Fund & ICB Investors Account	34,725,348	34,924,062	3.45	3.64
3	Other Institutions	196,615,404	180,805,943	19.55	18.87
4	General Public	377,417,271	362,667,180	37.51	37.86
	Total	1,005,990,788	958,086,465	100	100

DISTRIBUTION OF SHAREHOLDING





REDRESSAL OF INVESTORS' GRIEVANCES

Standard Bank Limited is fully committed to ensuring equitable treatment of every shareholder irrespective of whether they are majority shareholders, minority shareholders, institutional investors or foreign shareholders. With a view to ensuring equal treatment of all shareholders, the bank resorts to a number of means such as the following:

The bank provides proxy forms to shareholders who are unable to attend the shareholders' meeting allowing them cast their vote on each agenda. The proxy forms, which are prepared in accordance with the standard format, are sent along with the annual report.

The shareholders' meetings are conducted according to the order of the agenda, without adding new and unformed agenda, in order to give the opportunity to shareholders to study the information on the given agenda before embarking on a decision. Moreover, no abrupt changes to the important information are proposed in the shareholders' meeting.

The bank evaluates the importance of the consideration of transactions, which may have conflicts of interest or may be connected or related transactions. Besides, the bank religiously abides by good corporate governance principles including the rules and regulations of the Bangladesh Securities and Exchange Commission, the Dhaka Stock Exchange and the Chittagong Stock Exchange transactions. The Directors or the Management do not entertain any consideration to approve such transactions.

The bank provides a channel for minority shareholders to propose issues deemed important and appropriate to include in the agenda of the bank's annual general meeting of shareholders and to nominate candidates with appropriate knowledge, abilities and qualifications to be considered for the position of Director.

Complaint redressal is supported by a review mechanism to minimize the recurrence of similar issues in future.

SBL FOLLOWS THE FOLLOWING PRINCIPLES

- Investors must be treated fairly at all times;
- Complaints raised by investors must be dealt with courtesy and in a timely manner;
- Investors are informed of avenues to raise their complaints within the organization;
- Complaints are treated efficiently and fairly;
- SBL employees work in good faith and without prejudice, towards the interests of the investors.

WAY OF REDRESSAL OF INVESTOR COMPLAINTS

- Investor can complain through email sblho@standardbankbd.com;
- An Investor can make a written complaint through letter;
- The bank maintains investor grievance file in which full detail of every written complaint enters;
- There are 2 designated persons looking after the investor grievances in due time;
- The full detail of the written complaints are passed to the concerned departments and the compliance officer of the bank is informed as soon as it is received;
- A letter or an email is written to all the investors who submits written complaints by the designated persons or the Compliance Officer acknowledging receipt of the complaint informing them that it will be dealt with;
- Audit & Compliance Department obtains all information available on the complaint, which is considered necessary for a proper investigation and subsequently look into all the necessary information for resolving them soon as possible;

The bank continues to have regular communication with the shareholders through periodic updates of performance and at any other time when it believes it to be in the best interest of shareholders generally.

INVESTORS' INQUIRIES/COMPLAINT

Any queries relating to shareholdings, for example, transfer of shares, changes of name and address, and payment of dividend should be sent to the following address:

Mr. Md. Sahriaz Hossain Khan, SEO

Mr. Farhad Bin Amin, AO

Share Department

Metropolitan Chamber Building (Mezzanine floor)
122-124, Motijheel C/A, Dhaka-1000
Phone: 9578385, 9577913



COMMUNICATION TO STAKEHOLDERS

Annual Report 2020 and other information about SBL may be viewed on SBL's website www.standardbankbd.com. SBL provides copies of Annual Reports to the Bangladesh Securities and Exchange Commission, Bangladesh Bank, Dhaka Stock Exchange and Chittagong Stock Exchange for their reference.

Investors may read them at their public reference room or library.

Mr. Md. Sahriaz Hossain Khan, SEO

Mr. Farhad Bin Amin, AO

Contact Numbers:

PABX : +88-02-9578385,9577913,9558375,9552981

Fax : +88-02-9577898

SWIFT Code : SDBLBDDH

E-mail : share@standardbankbd.com



PHOTO GALLERY

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Standard Bank Limited Arranged rally to celebrate birth centenary of the father of the nation Bangabandhu Sheikh Mujibur Rahman at Gulshan Branch Premises on 18 March 2020, Wednesday at 10:00 am. Honorable Chairman of the Bank Mr. Kazi Akram Uddin Ahmed was present the rally as chief guest. It was attended by Directors Mr. Kamal Mostafa Chowdhury, Ferozur Rahman, S. A. M. Hossain, Al-Haj Mohammed Shamsul Alam, Mohammed Abdul Aziz, Kazi Khurram Ahmed, Md. Nazmus Salehin and Managing Director & CEO Khondoker Rashed Maqsood. Furthermore all executives, officers and supporting stuffs participated at the rally. Similarly, a rally was held in the presence of all the employees of the bank in front of all the branches and head office of Standard Bank across the country. After the rally, the cake was cut in the boardroom of the bank and in all the branches on the centenary of the birth of Bangabandhu Sheikh Mujibur Rahman.



21ST ANNUAL GENERAL MEETING (AGM) OF STANDARD BANK LIMITED HELD THROUGH DIGITAL PLATFORM



28TH EXTRAORDINARY GENERAL MEETING (EGM) OF STANDARD BANK LIMITED HELD THROUGH DIGITAL PLATFORM



PROJECTS FINANCED BY STANDARD BANK LTD.

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Standard Bank Limited (Foreign Exchange Branch) Financed Noman Home Textile Mills Ltd., Gazipur



Standard Bank Limited Khulna Branch Financed Glory Engineering Ltd., Khulna



Standard Bank Limited Khulna Branch Financed Glory Jute Ltd., Khulna



Standard Bank Limited Khulna Branch Financed Glory Poles & Concrete Ltd., Khulna



Standard Bank Limited Khulna Branch Financed Glory Poles & Concrete Ltd., Khulna



Standard Bank Limited (Foreign Exchange Branch) Financed Anwar Cement Limited, Meghna Ghat, Narayangonj

Awards



STANDARD BANK LIMITED GETS “19TH ICAB NATIONAL AWARD FOR BEST PRESENTED ANNUAL REPORTS”

Standard Bank Limited has been adjudged “Joint Third Position” under the Category: Corporate Governance Disclosures in 19th ICAB National Award for Best Presented Annual Reports 2018 based on independent evaluation of the Review Committee for Published Accounts & Reports (RCPAR) of Council-ICAB and due recommendation of the Jury Board. The honorable Managing Director Mr Md. Tariqul Azam & Md. Ali Reza FCMA, Chief Financial Officer of Standard Bank Limited received the Award from the Chief Guest Mr Tipu Munshi MP & Minister, Ministry of Commerce, Government of the People’s Republic of Bangladesh at an award giving ceremony held at Hotel Pan Pacific Sonargaon in the capital on November 30, 2019.





STANDARD BANK LIMITED HAS WON THE SOUTH ASIAN FEDERATION OF ACCOUNTANTS (SAFA) AWARD 2018

Standard Bank Limited has won the South Asian Federation of Accountants (SAFA) Award 2018 for Best Presented Annual Report and SAARC Anniversary Award for Corporate Governance Disclosure 2018.

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STANDARD BANK LIMITED GETS FIRST PRIZE OF "NATIONAL PRODUCTIVITY AND QUALITY EXCELLENCE AWARD 2018" LARGE INDUSTRY (OTHERS) CATEGORY

Standard Bank Limited achieved the 1st Position in Large Industry (others) category in the "National Productivity and Quality Excellence Award 2018" by National Productivity Organization (NPO) under the Ministry of Industries of the Government of Bangladesh for its significant contribution to the development of productivity and quality of products in the national industrial sector. Mr Mamun-Ur-Rashid, Managing Director and CEO of SBL received award & certificate from honorable Industries Minister of the People's Republic of Bangladesh Mr Nurul Majid Mahmud Humayun at an event at Institution of Diploma Engineers in Dhaka on July 28, 2019. Mr Kamal Ahmed Majumder, Hon'ble State Minister of the Ministry of Industries was present as the special guest and Mr Md Abdul Halim, Honorable Secretary of the Ministry of Industries chaired the program.



STANDARD BANK LIMITED OBTAINED CAMELS RATED BEST BANK AWARD

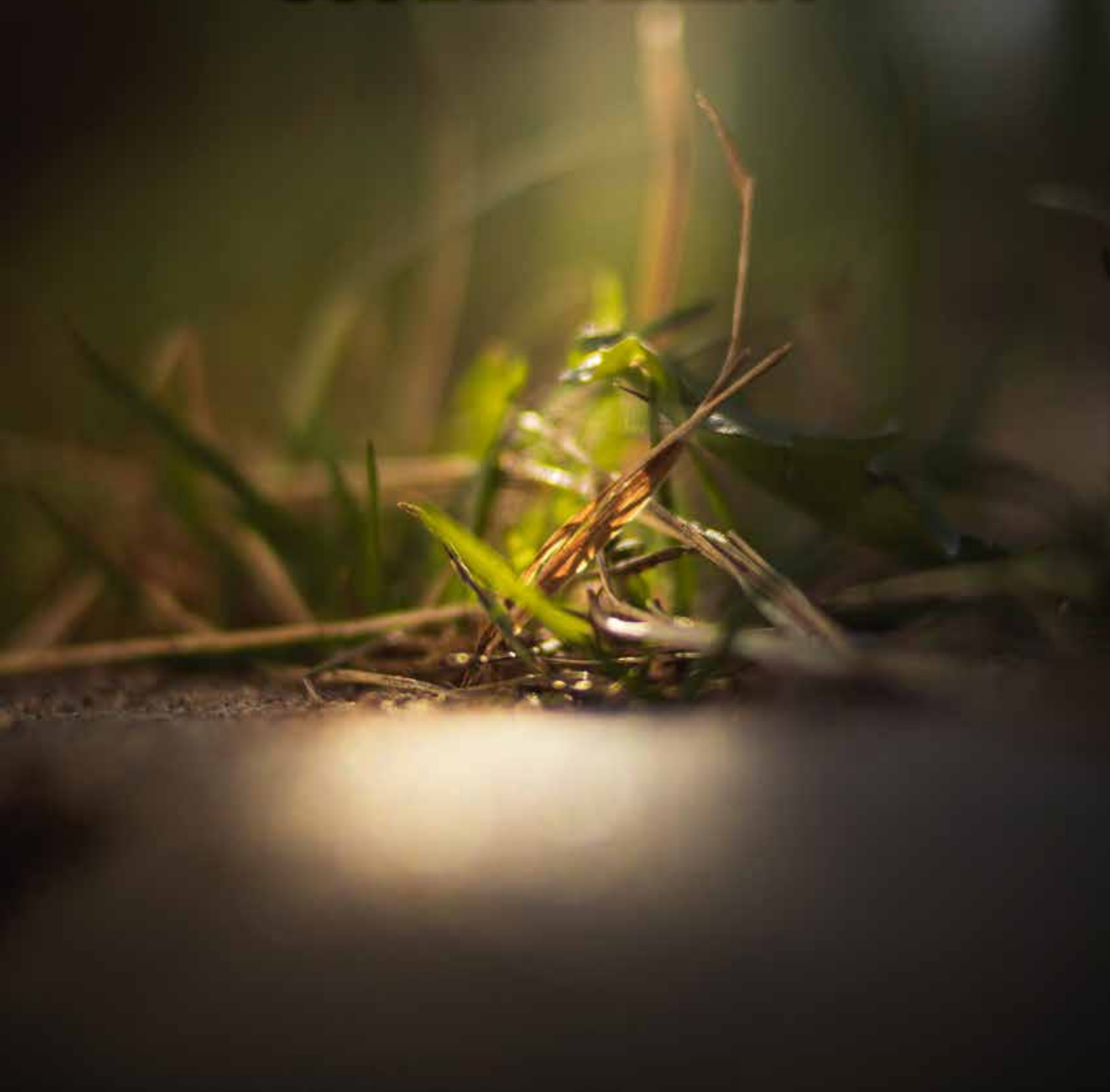


STANDARD BANK LIMITED GETS WORLD QUALITY COMMITMENT AWARD



STANDARD BANK LIMITED OBTAINED NATIONAL TAX CARD AWARD FROM NBR

SUSTAINABILITY



SUSTAINABILITY REPORT

We want to be profitable complying Shari'ah in doing business ensuring the environmental and social aspects to support achieving the Sustainable Development Goals (SDGs) of United Nations.

Also committed to ensuring the future life on earth and its endless endeavor to create values on economic, environmental, social, ethical perspective for overall social benefit in line with the objective of Shari'ah.





OVERVIEW

Sustainability is the combination of two words; 'Sustain' and 'Ability' i.e. Sustainability. The simplest and most fundamental meaning of sustainability is: "the ability to sustain" or "the capacity to sustain". Other way, sustainability means "able to be maintained at a certain rate or level" i.e. sustainable economic growth. Sustainability is the state of global system, which includes economic, environmental, and social subsystems, in which the needs of the present are met without compromising the ability of future generations to meet their own needs.

Sustainable development has been recognized as a potential roadway to build resilient societies, reduce poverty and safeguard the natural environment. This represents a demand for greater social and environmental responsibility as well as a new landscape of business opportunity for the private sector. Standard Bank Ltd (SBL) has made sustainability as 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

Sustainability is not an only an environmental issue, it also takes into account economic & social issues, labor practices, human rights, economic performance, community, society, corruption, corporate governance and responsibility of product & services. And a sustainable global economy is not a luxury. Without a sustainable business model, environmental and social issues will continue to badly impact our economy and compromise for our future needs. The planet and society need a sustainable global economy and an organization needs at first a long time strategy and success. How does it get started? The change to a sustainable economy requires organizational change. To drive change, the organization needs to set goals and measures on how the organization will forward.



For many years, the international community has been looking for answers on how to create economic growth in a socially just and environmentally safe way. But all previous approaches fell short. They were not comprehensive enough, neglected certain connections and put down an emphasis on activities in developing countries. On September 18, 2015, the United Nations' General Assembly finally adopted the 2030 Agenda, an agreement of all 193 member states which includes 17 global Sustainable Development Goals (SDG) and 169 sub-goals. It has been effective since January 01, 2016 and serves as a kind of instruction manual for a better world.

With this agreement, the international community achieved something great: a plan for all people in all countries, aiming to create sustainable development including all of its social, ecological and economic aspects. The Agenda names five dimensions that need to be equally addressed: the people, the planet, prosperity and peace and a global partnership (the five Ps). The ultimate vision of the 2030 Agenda is a healthy mankind, living in a peaceful, fair society and a sound

environment – everywhere in the world.

SUSTAINABILITY REPORTING

Sustainability reporting is the practice of measuring, disclosing and being accountable to internal and external stakeholders for organizational performance towards the goal of sustainable developments. It is a key tool to help the organization to set goals, measure progress and manage sustainability within the organization. Reporting on the organization's sustainability performance will give internal and external stakeholders a clear idea of its impact and can increase the efficiency and improve the performance. And reporting enables the organization to move forward into a successful sustainable future.

As per Bangladesh Bank's guideline of 'Guidelines for Green Banking' dated February 27, 2011, all commercial banks are supposed to produce their sustainability reporting for their stakeholders under Independent Annual Sustainability Report



(IASR) following the standards issued by the Global Reporting Initiative (GRI) which is an internally accepted format of sustainability reporting. As per definition of Global Reporting Initiative (GRI), "A sustainability report enables companies and organizations to report sustainability information in a way that is similar to financial reporting. Systematic sustainability reporting gives comparable data, with agreed disclosure and metrics." Sustainability reporting complements financial reports with forward-looking information and the understanding of key value drivers, such as human capital formation, corporate governance, management of environmental risks and liabilities. It shows an understanding of the external environments (products, labor, and capital markets and regulatory structures) in which the company conducts its business. Besides, it assesses the elements that emphasize in the company's competitive advantage (through cost leadership and product/service differentiation and the formation of intellectual capital). Sustainability reporting also discloses known future uncertainties (risks) and trends that may materiality affect financial performance.

Sustainability reports based on the Global Reporting Initiatives (GRI), Reporting framework disclose outcomes and results that occurred within the reporting period in the context of the organization's commitments, strategy and management approach. Reports can be used for the following purposes, among others:

Benchmarking and assessing sustainability performance with respect to laws, norms, codes, performance standards, and voluntary initiatives.

Demonstrating how the organization influences and is influenced by expectations about sustainable development; and

Comparing performance within an organization and between different organizations over time.

The followings are the recommendations to move forward on sustainability reporting:

Capacity building: There is an urgent need to develop in house capabilities, as mitigation strategies are implemented. Now, the educational institutions are expected to customize their programs to include sustainability as a discipline and Bangladesh should focus on industry-university linkages to develop an institutionalized knowledge base.

Industry commitment: Industry has to demonstrate a long term commitment both at a strategic and operational level

MATERIALITY

As the Bank aims to advance its position in sustainable business operations, and in order to increase our positive impact on the community, we have identified the most material sustainability aspects based on understanding of our stakeholders' needs and priorities. Comprehensive assessment takes place on an annual basis to identify and categorize the sustainability topics that are most relevant to our operations. The main material aspects have been outlined below are in alignment with our six sustainability focus areas.

to sustainable business practices. This is essential for them to realize the potential benefits as they refine their business process and merits for performance measurement and success.

Increasing awareness: Awareness building initiatives need to be undertaken for various stakeholder communities, both at the firm level as well as sector level. This would lead to useful stakeholder engagement and strategic commitment of the top management, making sustainability an imperative and ensuring reliable and transparent disclosures.

Synchronizing reporting guideline with local conditions: It is very sensitive to describe materiality disclosure including some other indicators of the company as per GRI guidelines within the present local corporate structure in Bangladesh. It requires synchronization in Bangladesh's context based on GRI framework, which is globally acceptable framework, in all sectors including small and medium enterprises.

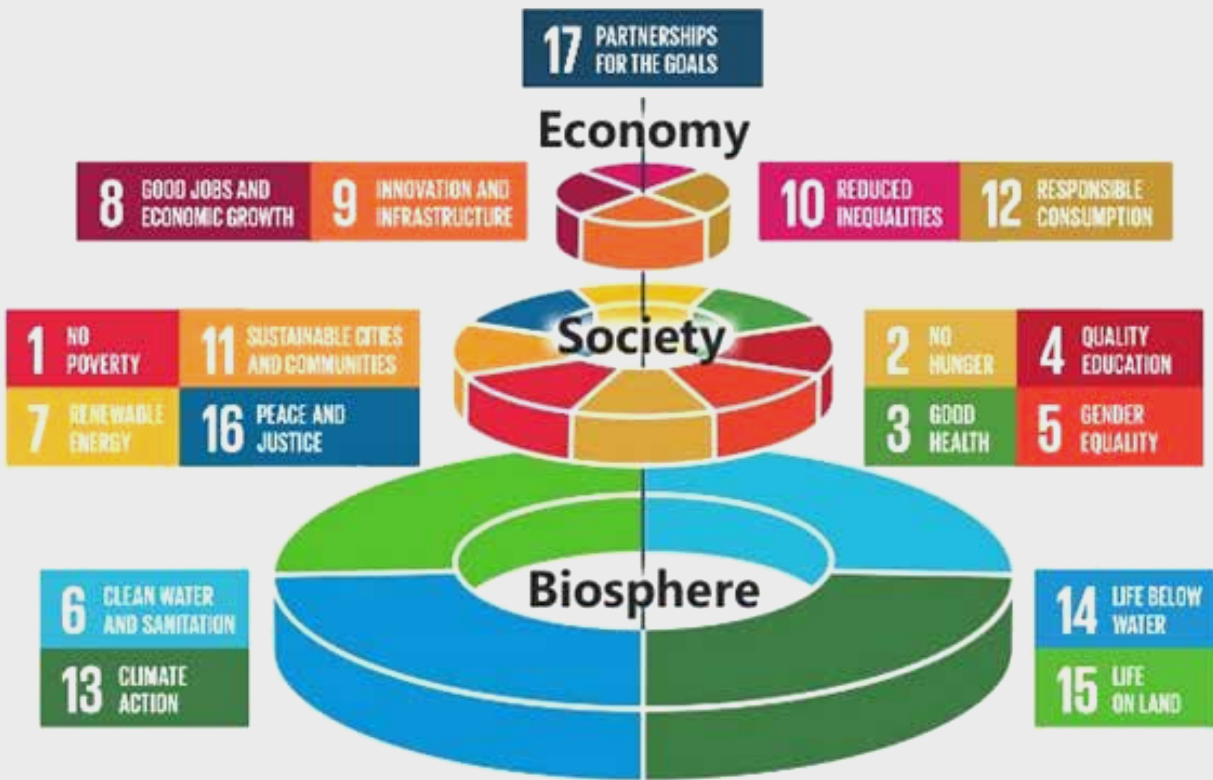
Government's initiatives: The government can be a catalyst for ensuring speedy adoption of sustainability through policy for sustainable society committed to sustainable development.

Civil society: It is well accepted that the competitiveness of a company and the well-being of the communities around it are inseparable. A Successful Communities can create demand for products and can also provide a supportive environment to business. Sustainability operating is being emerged as a common practice of 21st century business. Where once sustainability disclosure was the province of a few unusually green or community-oriented companies, today it is the best practice employed by companies worldwide. A focus on sustainability helps organizations manage their social & environmental impacts and improve operating efficiency and natural resources stewardship, and it remains a vital component of shareholder, employee and stakeholder relations, Peter F, Drucker-a writer, professor and management consultant told, "what you can't measure, you cannot manage. What you can't manage, you cannot change." Sustainability reporting is therefore a vital step for managing change towards a sustainable global economy- one that companies long term profitability measuring social justice and environment care and a dedicated sustainability report is a reflection of company's commitment to the issue of sustainability, which helps companies and their stockholders identify comprehensive reference point for reporting, thereby aligning many of their CSR initiatives with goals that can be measured and monitored.



Transparency and long-term approach in customer relationships	Responsible investments	Social responsibility	Environmental responsibility	Long-term employer	Business Ethics
Ensuring the best long-term outcome for customers and doing so in an open and comprehensive manner.	Responsible investment of customer's capital to promote favorable returns while taking consideration for the environment, social responsibility and ethics.	Helping to improve society in a positive direction by preventing ill-health and social segregation.	Reducing our environmental impact.	Creating a workplace and culture distinguished by health, development and diversity.	Building trusted relationships with suppliers and partners by adhering to laws and regulations, and acting in an honest and fair manner in general complying the principles of Islamic Shari'ah.

MOVEMENT TOWARDS SUSTAINABLE DEVELOPMENT GOALS (SGDS)



The United Nations Sustainable Development Goals (SDGs) set the global agenda for action on improving the wellbeing of present & future generations. The 17 goals aim to tackle the world's most pressing challenges through the promotion of sustainable development to 2030. As we respond to our most material issues, The Bank's actions in focus areas are supporting the achievement of these priority goals.

An outline of our contribution to the SDGs is illustrated below:

<p>Transparency and long-term approach in customer relationships</p> <p>Ensuring the best long-term outcome for customers and doing so in an open and comprehensive manner.</p>	<p>Related to SDGs number-1, 8, 10, 11, 17</p>
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<p>Responsible investments</p> <p>Responsible investment of customer’s capital to promote favorable returns while taking consideration for the environment, social responsibility and ethics.</p>	<p>Related to SDGs number- 1, 4, 6, 7, 9, 11, 13, 17</p>
<p>Social responsibility</p> <p>Helping to improve society in a positive direction by preventing ill-health and social segregation.</p>	<p>Related to SDGs number-1, 3, 4, 15, 17</p>
<p>Environmental responsibility</p> <p>Reducing our environmental impact.</p>	<p>Related to SDGs number- 6, 7, 12, 13, 14, 15, 17</p>
<p>Long-term employer</p> <p>Creating a workplace and culture distinguished by health, development and diversity.</p>	<p>Related to SDGs number- 1, 4, 5, 8, 17</p>
<p>Business Ethics</p> <p>Building trusted relationships with suppliers and partners by adhering to laws and regulations, and acting in an honest and fair manner in general complying the principles of Islamic Shari’ah.</p>	<p>Related to SDGs number- 16,17</p>

SUSTAINABLE BANKING:

Sustainable development is such development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

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

At SBL, we always believes that growth should be both inclusive and environmentally sound to reduce poverty and build shared prosperity for our society to continue to meet up the needs of future generations.

SBL’s aim is to be one of the best practices Bank in the sector on corporate social responsibility and good governance. Our aim is to take a leadership position in sustainable finance.

POLICY FORMULATION AND GOVERNANCE

Standard Bank Limited is following the regulations and guidelines issued by the Sustainable Finance Department of Bangladesh Bank and already formed a ‘Sustainable Finance Department’ as per instructions stated in Bangladesh Bank’s SFD Circular No. 02 dated December 01, 2016 to work on the areas specified therein. Since beginning of its journey, the department is working hard to ensure due diligence in environmental and social issues in every investment of SBL.

Standard Bank has a ‘Sustainable Finance Committee’ headed by the Additional Managing Director & CRO and comprises of heads of different divisions following the instruction Bangladesh Bank. This Committee meets at least once a quarter and proposes, coordinates and promotes the Bank’s sustainability initiatives.



ENVIRONMENT RELATED INITIATIVES

Introduction

Corporate Governance

Risk Governance

Management Retrospection

Stakeholders' Information

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GREEN BANKING

“Green Banking” is a form of banking taking into account the social and environmental impacts and their main objects are to safe-guard and conserve the environment. As the intermediary of financial sector, banks can ensure that business entities adopt environment-friendly practices. The main objective is to reduce carbon footprint from banking operations as well as from financed projects.

The banking sector in Bangladesh is considered to be in a relatively environmentally friendly industry (in terms of emissions and pollution). However, environmental impact of banks is not physically related to their banking activities but with the activities of the customers. Banking sector is one of the major sources of financing investment for commercial projects, which is one of the most important economic activities for economic growth and encouraging environmentally responsible investments and prudent lending.





Under green banking initiatives, banks are involved in two pronged approaches: firstly, green banking focuses on the green transformation of internal operations of all banks/FIs. It means all the banks/FIs should adopt appropriate ways of utilizing renewable energy, automation and other measures to minimize carbon footprint Secondly, all banks should adopt environmentally responsible financing; weighing up environmental risks of projects before making financing decisions and in particular supporting and fostering growth of upcoming 'green' initiatives and projects. Standard Bank Limited has already started to take necessary initiatives to incorporate this aspect in its daily business & operational activities.

Bangladesh is one of the emerging economics of the world and has witnessed rapid industrial growth over the last two decades that has contributed significantly to the rise in the country's GDP. On the other hand, we are vulnerable to risks related to environmental pollution and climate impacts in the form of natural & man-made disaster. Some of the common environmental & social concerns include land degradation, water pollution and scarcity, air pollution, biodiversity resources and impacts of natural disasters. Rapid population growth, improper use of land, poor resource management and uncontrolled discharge of pollutants are the major causes. Bangladesh is one of the most climate change vulnerable countries and floods, tropical cyclones, storm, surges, drought are likely to become more frequent and severe in the coming years. We need to protect our financing from the risks arising out of the deteriorating environment scenario and climate change. As per conversation of environment and Sustainable Development Goals and social protection, credit operations of banks must be conducted by addressing of environmental and social issues through Environmental and Social Risk Management. Bangladesh Bank advised to banks/financial institutions to finance eco-friendly products/initiatives to make eco-friendly finance more familiar to the all stakeholders including clients and banks/financial institutions as well as to facilitate for implementing various development plans of Bangladesh Govt. such as Perspective Plan of Bangladesh: 2010-2021, National Sustainable Development Strategy 2016-2030, Bangladesh Delta Plan 2100, Eight Five Years Development Plan and Sustainable Development Goals (SDG).



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STANDARD BANK LIMITED ON THE ROAD TO GREEN BANKING

Apprehended the importance of Green Banking and Policy Guideline from Bangladesh Bank, Standard Bank Limited has formulated Product Program Guideline for Green finance. Standard Bank has established a separate Sustainable Finance Department. The Green Banking products specified by Bangladesh Bank can directly or indirectly contribute to the reduction of carbon emissions. A Participation Agreement signed on 12th July 2017 between Bangladesh Bank & Standard Bank Limited for disbursement of Tk.400.00 Crore under Refinance Scheme for Green Products/Initiatives. As on 31 December 2020, Standard Bank Limited financed BDT.1,618.43 million in ETP, Bio-gas and other renewable energy projects under Green Products/Initiatives. At end of the year 2020 receivable principle amount BDT.39.39 million is under Bangladesh Bank refinance facilities.

GREEN BANKING REPORT 2020:

A. Introducing Green Finance		Total	
		No. of Projects	Amount (Million)
1	Effluent Treatment Plant (Project Finance Having ETP)	06	8,866.51
2	Bio-gas Plant	0	0.00
3	Solar Panel/Renewal Energy Plant	59	1,036.45
4	Hybrid Hoffman Kiln (Brick Filled)	03	20.44
5	Others	06	1,360.81
6	Green Finance at reduced rate of interest	0	0
Total		74	11,284.21
B. Online Banking			
1	No. of ATMs (own ATM & CDM)	124(121+3)	
2	Shared ATMs (NPSB Network)	All over Bangladesh (59 Banks connected with NPSB)	
3	No. of Branches with online coverage	138	
4	No. of total accounts transaction through ADC Channel	11,47,664	
5	No. of accounts facilitated with internet Banking	12,672	
6	No. of accounts facilitated with SMS Banking	6,71,739	
7	No. of accounts facilitated with Mobile Banking	1,079	
C. Awareness Building			
1	Training Programs on Green Banking (In-house)		
2	Participants in the training		
D. Disclosure			
1	Website	Uploaded on the website on the onset up to 2020	
2	Annual Report	Green Banking Focus provided in Annual Report 2015, 2016, 2017, 2018, 2019 & 2020	
3	Preparation of Green Banking & Sustainability Report	Yes	



ENVIRONMENTAL & SOCIAL OBLIGATIONS

IN-HOUSE AWARENESS PROGRAMME

In light of Green Banking Policy of Standard Bank Limited, a general instruction has been issued on the followings green activities/practices as part of in-house environment management and to promote Green Banking within the bank:

Electricity Consumption:

- Ensure economic use of electricity
- Use energy saving lights in bank premises
- Shutdown the computer properly and switch off the computer monitor before leaving office each day
- Ensure that light, fans, air conditioner have been switched off before leaving office each day and
- Use energy efficient electronic equipments
- Fuel Consumption:
- Ensure economic use of fuel
- Buy energy efficient cars to reduce gas and petroleum consumption

Paper Consumption:

- Where possible use online communication (e-mail, IP message etc.) instead of printed communication
- Think twice before taking a print
- Take print on the both side of paper to save paper consumption
- Use scrap paper for taking draft print and as note pads
- Water Consumption
- Do not misuse drinking water
- Ensure economic use of water in all other cases
- Avoid use of disposable cups/glasses to become more eco- friendly

TOWARDS A SAFE & ECO FRIENDLY HABITAT

Green Mortgages:

Standard Bank Ltd. has planned to offer special discount to the borrowers who provide mortgage of land and buildings which are greener. This initiative will induce use of more energy-efficient materials and building plans. Standard Bank will not allow the land as mortgage that is prone to environmental impacts by virtue of its geographical location and polluted by the operation business activities. As mortgaged, preference will be given to the buildings which are designed and constructed with energy efficient items such as solar panels and improved insulation.

Carbon Footprint Reduction: Standard Bank has taken following measures to reduce the carbon footprint:

- a. Paperless banking
 - b. Energy consciousness
 - c. Establishment of green building for its own use etc.
- Environmental Risk Rating:

The Environmental Risk Rating of projects is being carried out to assess its impact on the environment at large. Standard bank Limited incorporated Environment Risk Rating (EnvRR) into its core Banking Policy since 2016. SBL assess total 890 nos of accounts, under EnvRR guideline of which High rating accounts are nil, 766 accounts rating as Low category and 124 accounts rated as Moderate category. SBL Financed under Rated project 15,292.36 Million in 2020.

Agriculture in Bangladesh:

Bangladesh since its birth developing gradually based on agriculture mostly. Bangladesh is predominantly an agricultural country where agriculture sector plays a vital role in accelerating the economic growth. Among the economic sector in Bangladesh agriculture is the most important economic sector. So agriculture sector influences the development of national economy. Majority percent people depend on agriculture directly or indirectly in Bangladesh. The most significant part of gross domestic income comes from the agriculture sector. It is therefore important to have a productive, sustainable and environment-friendly agricultural system in order to ensure long-term food security for people. Moreover, this sector provides raw material for micro, medium and small industries. Although the Coronavirus outbreak in Bangladesh has halted almost all economic activities and disrupted the supply chain, the agriculture sector continued playing a key role in saving the lives and livelihoods of people. **Standard Bank Limited** feel proud being a part of developing Bangladesh. Standard Bank Limited is doing its best for the progress of Bangladesh by the agricultural investment. **The Management of Standard Bank Limited** always enthusiastic to contribute to achieve **Sustainable Development Goal (SDG)** by financing the poor farmers and also for the development of Bangladesh. Standard Bank Limited has started a separate division by the name of **Agriculture & Rural Credit Division** in Head Office level & fixed up a target in every fiscal year to all its Branches for financing, to provide best service & an easy access of the poor farmers.

Role of Government of Bangladesh in Agricultural Sector:

Government slogan “মুজিববর্ষের অঙ্গিকার, কৃষি হবে দুর্বীর” is the reflection of the importance of agriculture sector. It was a dream project of the Father of the Nation, we will be able to build up dreamt Golden Bangladesh with the aim of building Bangladesh as a hunger and poverty-free middle-income country. Government of Bangladesh has undertaken various programs for the improvement of agriculture. Government objectives in agriculture, food and nutrition security. Now, Bangladesh is self-sufficient in food production and it is possible due to strong motivation and devotion from the government to grass-root level farmers along with every stakeholder in the agriculture sector. There is no way to deny the appreciation to our agriculturists here, by utilizing their knowledge and experience, several unemployed youths have turned their backs on employment and keep the country's economy in a significant role. In the case of livestock rearing, we see progressive impressions. Poultry and dairy industries have flourished throughout the country, especially the increase of beef fattening program, rearing of goats and sheep is highly promising.

In line with the Bangladesh Government, Bangladesh Bank are making proactive policy and support to boost up agricultural production along with the help of different Banks and private sectors. Considering the growing demand for agricultural products every year the central bank fixed up target to provide agricultural & rural investment to attain the Sustainable Development Goals (SDG), poverty alleviation and remove hunger from the country. To facilitate farmers and to go ahead the existing progress of agriculture sector, Bangladesh Bank has been playing a leading role and making up-to-date 'Agricultural and Rural Credit Policy and Program' in every fiscal year.

Bangladesh Bank has taken many initiatives with the support of Government of Bangladesh to resolve the crisis due to the outbreak of the coronavirus. Earlier Bangladesh Bank has announced special refinance scheme for Tk.5,000.00crore for the agricultural sector with a view to boosting up agricultural production to support farmers during the corona virus crisis.

Standard Bank's Initiatives:

Standard Bank Limited is dedicated to contribute to Sustainable Development (SDG) for achieving the goal by eradicating poverty and hunger from the country. Agriculture is the backbone of our national economy, top-priority should be given for the development of this sector, considering the fact **Honorable Board of Directors and Management** of Standard Bank Limited have been showing notable eagerness in any issue related to Agriculture and Rural Investment Division to ensure agricultural productivity. It may be mentioned here that the Honorable Chairman of Standard Bank Limited has emphasized to disburse Agriculture & Rural Credit through own network instead of MFI/NGOs Linkage. Standard Bank Limited has been providing direct investment to the farmers for sustainable growth of the country.

Target and Achievement:

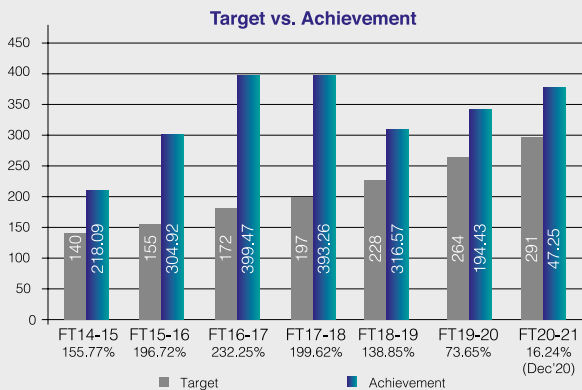
As agriculture & Rural Investment is a priority sector, Standard Bank Limited started financing from the Fiscal Year 2009-2010 as per instruction of Bangladesh Bank. The trend of achieving target fixed by Bangladesh Bank is the reflection of close attention of Standard Bank Limited. We are very delighted to poster that our bank achieved the target set by Bangladesh Bank from the begging. We achieved the stipulated targets by Bangladesh Bank in **last 07 (seven) Fiscal Years (FY: 2009-2010, 2013-2014, 2014-2015, 2015-2016, 2016-2017, 2017-2018 & 2018-2019)**. Consequently, the Governor of Bangladesh Bank appreciated Standard Bank Limited by awarding “**Letter of Appreciation**” for achieving target under Agri/Rural credit in 02 (Two) fiscal years 2013-2014 & 2014-2015.

Unique feature of Agricultural & Rural Investment:

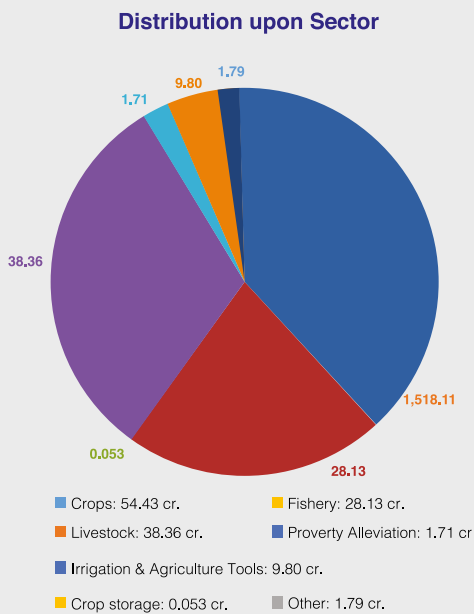
- Fiscal Year wise target fixed up by Bangladesh Bank highest @2.5% of total investment amount on 31st March of previous fiscal year.
- Branch wise separate disbursement target are allocated as per target fixed up by Bangladesh Bank.
- Disbursement to be made at least 60% in crops sector, at least 10% in fisheries & at least 10% in livestock sector from the total target.
- At least 30% of Agriculture & Rural investment target to be provided through own network.
- Investment also provide through Microfinance Institution (MFI) registered with Microcredit Regulatory Authority (MRA).
- Moreover agricultural support sectors, income generating, irrigation & agricultural tools, crops storage & marketing & poverty alleviation in rural area also included in Agricultural and Rural investment.
- Highest rate of profit/rent is 9%; which may be reframed time to time by Bangladesh Bank.
- Provide investment for cultivating pulse, oilseed, spices, maize & salt (Import Substitute Crops) at 4%.
- 03 (Three) core sectors (i.e. crops, fisheries & livestock) get priority in Agricultural investment.
- Providing large investment in Dairy farm, Beef fattening, Poultry, Fishery & Hatchery etc.
- Agriculture & Rural Investment Division (ARID) is a separate division in Head Office level to accelerate agricultural investment by the help of trained & experienced Officers in the Branches.

Graphical presentation of Agricultural and Rural Credit Performance for consecutive 06 (Six) years & up to December 2020 i.e. from FY 2014-2015 to FY 2019-2020&2020-2021 (31 December 2020):

Graphical presentation of Agricultural and Rural Credit disbursement in the year 2020:



Graphical presentation of Agricultural and Rural Credit disbursement in the year 2020:



Agriculture Projects under SBL Own Financing:



Mr. Mohammad Idrich, In-charge of ARCD and Mr. DipokSarker, Officer of ARCD, Head Office has visited the business premises of M/S. Uzzaman Robin Poultry Khamar, a poultry farm under Agricultural financing of Standard Bank Limited, Malibag Branch, Dhaka.



Financing through a woman Borrower "M/S. SwassoKrishiKhamar," Proprietor: Mst. Anjuman Ara Begum, a Dairy & Beef Fattening farm under Agricultural finance of Standard Bank Limited, Pirgonj Branch, Rangpur.



Romana Agro Fisheries, a fishery project under Agricultural finance of Standard Bank Limited, Sultanpur Branch, Brahmanbaria.



M/s Islam MatshoKhamar, a fishery project under Agricultural financing of Standard Bank Limited, Tungipara Branch, Gopalganj.

MFIs/NGOs Linkage:

Micro Finance Institutions (MFIs)/Non-Government Organizations (NGOs) plays a significant role in association with Banks for the alleviation poverty in rural area of Bangladesh. Considering the limited area coverage of Bank's Branches & to ensure the finance under Agriculture sector, these MFIs/NGOs work as media to reach the borrowers in remote territory. Standard Bank Limited has financed a substantial amount under NGO linkage investment program some renowned Microfinance Institution (MFI).



CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES

CSR is about (i) taking stock of the economic, social and environmental impacts of the business, (ii) mitigating the negative impact and bolstering the benign impacts (iii) taking up action programs and community investment to reduce social exclusion and inequality and to address the key sustainable development challenges.

The 03 Approach- People, Planet and Profit are the model of sustainability of Standard Bank Limited. The Bank believes that a responsible and sustainable business organization does its business responsibility by keeping in mind the interests of its stakeholders- both internal and external. We believe our conscious choice of protecting the environment today will lead to a better and sustainable in future.

In line with the conformity SBL involves in various activities apart from usual banking. As guided by Bangladesh Bank, Standard Bank Ltd. has enthused itself into a broad range of direct and indirect CSR engagements including advancement of education for all the poor and underprivileged community, preventive and curative health support for the under privileged population segment, humanitarian relief and disaster response including warm cloth/Blanket, widening of greening initiatives arresting environmental degradation and so forth. The endowment of Standard Bank Foundation has growth to a significant size since its inception in 2010. Standard Bank takes part to eliminate the impropriety in the society, to create fellow feeling among the citizens of the country, motivate people to do good works and conserve nature. Thus education, health care, creation of social awareness, rehabilitation of destitute, standing beside the victim caused by natural disasters, preserve the art & culture of the country and address human sufferings arising out of different causes are some of the important areas where SBL has been carrying out its social and philanthropic representation.

Summary of CSR contribution during the year 2020 is here in under

SL No.	Sectors/Initiatives (Social project + Community Investment)	Figure in Crore	
		Budget	Actual
01	Education	3.60	0.25
02	Health	2.40	5.31
03	Disaster Management	2.65	8.89
04	Environment	1.20	0.00
05	Cultural Welfare	0.50	10.54
06	Infrastructure improvement in remote/underprivileged area	0.05	0.00
07	Income generating activities for the underprivileged Population	0.20	0.00
08	Others	0.20	0.05
09	Climate Risk Fund	1.20	0.00
	Total	12.00	25.04

SOME OF THE CSR ACTIVITIES OF SBL IN 2020

Investment in Education

Standard Bank Ltd. stands beside the meritorious students of low income family in reputed academic and vocational training institutions by granting scholarships/stipends. We also support for upgrading of facilities in academic and vocational training institutions subsequently engaged with students and trainees from the under privileged rural & urban population.

Our commitment to education helps the poor and meritorious students to discover their potentiality in the area of academic development. Recognizing education as a focus area of the bank's CSR activities, the bank has donated BDT 2.50 million in the focus of scholarship/stipend to the poor and meritorious with education sector in social intervention and supplementing initiatives to the community in the year 2020.

Donation to Honorable Prime Minister's Relief and Welfare Fund.

Standard Bank Ltd. donates BDT 100.00 million to Honorable Prime Minister's Relief and Welfare Fund in 2020 to mitigate impact of COVID-19 outbreak and helping to flood affected people in Bangladesh.



Standard Bank Ltd donated BDT FiveCrore to Prime Minister's Relief & Welfare Fund. Honorable Prime Minister & Leader of the People Sheikh Hasina joined the program through video conferencing on 20 September 2020. Chairman of the Board of Directors of Standard Bank Ltd. Mr. Kazi Akram Uddin Ahmed handed over the cheque of grant to Dr. Ahmad Kaikus, Principal Secretary of Honorable Prime Minister.

Disaster management

Disaster management is a collective term encompassing all aspects of planning for and responding to emergencies and disasters, including both pre-and post-event activities. It refers to the management of both the risk and the consequences of an event. It is also a systematic process aimed at reducing the negative impact and/or consequences of adverse events. Standard Bank Limited donated BDT 50.00 million to Honorable Prime Minister's Relief and Welfare Fund to helping flood affected people in Bangladesh.



Donation of Blankets to Hon'ble Prime Ministers Relief Fund

As a part of Corporate Social Responsibility (CSR), Standard Bank is distributing blankets among the distressed people of cold stricken areas in Bangladesh every year. On the base of 30.12.2020, Bank donated 75,000 pcs blankets to Hon'ble Prime Minister's Relief Fund for winter-affected people in the country.



Standard Bank Limited donated 75,000 pcs blankets for the cold stricken people to the Honorable Prime Minister's Relief Fund. Honorable Prime Minister & Leader of the People Sheikh Hasina joined the program through video conferencing on 28 October 2020. Chairman of the Board of Directors of Standard Bank Ltd. Mr. KaziAkram Uddin Ahmed handed over the blankets to Dr. Ahmad Kaikus, Principal Secretary of Honorable Prime Minister.

Art, Cultural Welfare and Sports

Art is a creative work generally, or its principles; the marking or doing to things that have form and beauty: art includes painting, sculpture, architecture, music, literature, drama, dance etc. Culture is among other things, the products of the training and refining of the mind, emotions, manners, tasks etc. Art and culture plays an important role for development of a nation. Standard Bank always promotes Bangladeshi art & culture. During the year 2020 the Bank contributes BDT 105.40 million for some creative activities in this area.

Donation to Bangabandhu Memorial Trust.

Standard Bank Ltd. donates BDT.100.00 million to Bangabandhu Memorial Trust for celebrating Mujib Year & establishing Bangabandhu Corner in 2020.



Standard Bank Limited has donated BDT Ten Crore to the "Bangabandhu Memorial Trust" for celebration of Mujib Year on the occasion of birth centenary of the Greatest Bengali of all time, Father of the Nation Bangabandhu Sheikh Mujibur Rahman. Mr. KaziAkram Uddin Ahmed, Chairman of the Bank, handed over the cheque on behalf of the Bank to the Honorable Prime Minister Sheikh Hasina at her official residence Ganabhabanon 06 January 2020. Vice Chairman of the Bank Mr. Md. Zahedul Hoque were present on the occasion.

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Health Care

Preventive and curative healthcare support for underprivileged people the next aim of Standard Bank's CSR initiatives. Supporting in this regard are direct grants i.e., incurring the costs of curative treatment of patients, costs of existing service rendering hospitals/diagnostic centres, costs of preventive public health and hygiene initiatives like provision of pure drinking water, hygienic toilet facilities etc. for poor and floating population. In the year 2020 the bank has expensed BDT 53.10 million in this sector including BDT 50.00 million to Prime Minister's Relief and Welfare Fund donate for purchasing of PPE, Testing Kit, Respiratory Equipment and Financial Aid to jobless people for recently effected Corona Virus (COVID-19) in the country.



Standard Bank Limited distributed Hand Sanitizer among the mass people at free of cost to prevent Coronavirus on 25 March 2020. Managing Director & CEO of the Bank Mr. Khondoker Rashed Maqsood and Dean, Faculty of Pharmacy, University of Dhaka, Dr. S. M. Abdur Rahman inaugurated the distribution program at Department of Pharmacy, Curzon Hall, University of Dhaka and then distributed sanitizers among the people at main gate of Curzon Hall. Professor of Pharmacy Department Dr. Firoz Ahmed, Teachers, Senior Officials of Standard Bank and a large number of students were present at that moment.

OTHERS CSR ACTIVITIES

Since its inception Standard Bank takes a move to promote humanity, moral values and patriotism as well as for well being of society and country. During the year 2020, bank donates BDT.0.50 million to individuals for assisting education, treatment etc. and operating Day Care Centre.

Financial Inclusion through Financial Literacy

Standard Bank emphasis for financial inclusion especially among the students and street children towards educate them about financial literacy. We have arranged/participated many School Banking Conferences/Fairs all over the country in the year 2020 under the supervision of Bangladesh Bank for making familiar the students, teachers and guardians about school banking and financial literacy. Standard Bank opens the accounts of students (Rising Star). There are 15,143 nos. school banking account are running with credit balance BDT.9.97 crore as on 31st December 2020. Among these 7,858 male students accounts and 7,285 female students accounts are running with credit balance BDT.5.12 crore and BDT.4.85 crore respectively.

Without its Partnership Agreement for disbursement of Tk.10.00 Crore under Refinance Scheme under Financial Inclusion Program of 10 Taka account holder between Bangladesh Bank & Standard Bank Limited was signed on 21st August 2014 for financing in small/marginal/ landless farmer, poor income generating people, affected people by natural disaster & marginal/ small business. Standard Bank Limited has financed Tk.77.79 million among the 1612 nos. of client (Male 1,319 & Female 293) as on 31.12.2020 under this program. In the year-2020 the Bank has financed Tk.10.25 million among the 206 nos. of individual client (Male 173 & Female 33).

Sustainability is the issue never ever be compromised with anything. Where ever we go, where ever we may be, if we are there, if we exist, if anything persists it is because of sustainability. It is our struggle, it is our untiring effort, the best we can do for the survival on earth- the contribution we can minimize pollution, environmental threats, resilience to climate change with respect to climate change mitigation and climate change adaption; resilience to inequality, imbalance, fight against all evils, inconsistency, corruption, fight for helpless, distressed, underprivileged, the CSR community investment with a view to preserving the basic rights of human being, addressing gender equity for women empowerment



INTEGRATED REPORTING

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Integrated reporting is a process that results in communication to its stakeholders about value creation by the Company over the period of time. An integrated report is a concise communication about how an organization's strategy, governance, performance and prospects lead to the creation of value over the short, medium and long term. It means the integrated representation of a company's performance in terms of both financial and other value relevant information.

We face a time of substantial and all encompassing change. Amid the excitement and managing great change we are careful about the success of our clients and the trust and support of our stakeholders, strengthening our commercial sustainability. Annual Report for the year 2020 of Standard Bank Limited has been presented as an 'Integrated Report' with the aim to utter how Standard Bank Limited, as a growing organization, has effectively managed its business to deliver consistent value to its stakeholders. It incorporates 'efforts' the company has undertaken towards contributing towards economic prosperity, environmental sustainability and social wellbeing for a brighter future.

Our 2020 annual integrated report covers the period between 1st January 2020 and 31 December 2020. All materials that matters, up to board of directors approval, are included here. The annual integrated report reflects operations of Standard Bank Limited and its subsidiaries. Unless indicated otherwise, all data pertains to the group, which includes our financial operations and subsidiaries. In presenting the Annual Integrated Report, we have consistently followed the guidelines issued by the Institute of Chartered Accountants

of Bangladesh (ICAB) in the form of 'Integrated Reporting Checklist', which is in congruence with the integrated reporting framework prototype issued by the International Integrated Reporting Council (IIRC). In explaining the Company's operations and financial performance, financial information has been extracted from the Audited Financial Statements for the year ended 31 December 2020 with relevant comparative information. The financial statements consistently comply with the requirements of:

- International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs),
- Relevant rules & regulations of Bangladesh Bank (The Central Bank);
- Companies Act 1994;
- Bank Companies Act 1991 (Amended upto 2018) ;
- Securities and Exchange Rules 1987;
- The Income Tax Ordinance 1984;
- and other applicable laws and regulations of the land



The Sustainability requirements, as elaborated separately in our Sustainability Report, adhere to the guidelines issued by the Global Reporting Initiative (GRI)-G4 Framework. To report our corporate governance practices, we have followed the revised Corporate Governance Guidelines (CGG) issued by Bangladesh Securities and Exchange Commission (BSEC). The scope of our Annual Report comprises of activities that have been carried out within the geographical boundaries of Bangladesh, as we do not have operation or subsidiary in other countries.

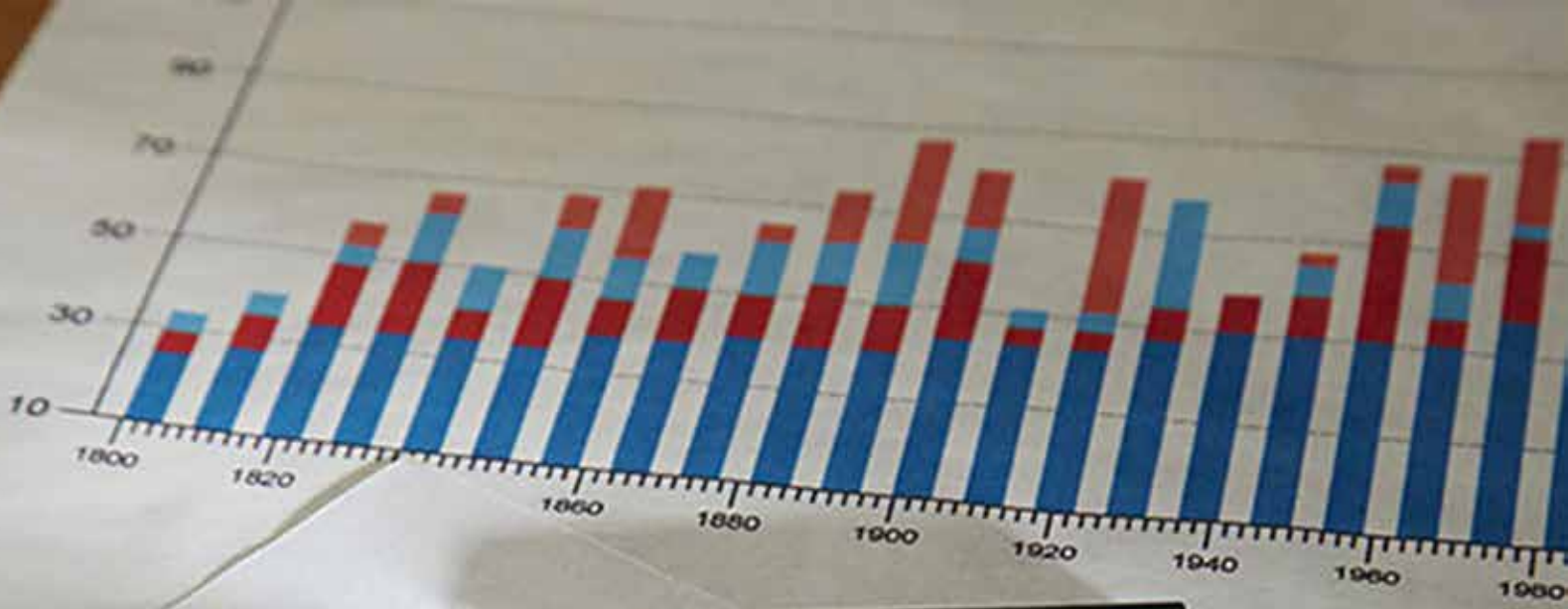
Our annual integrated report aims to present a balanced and concise analysis of our strategy, performance, governance and prospects. In determining the content to be included in this report, we considered the issues that are material to maintain the commercial viability and social relevance required to achieve our vision in the medium term. We show the process of determining material issues as a business tool that facilitates integrated thinking. The materiality determination process undertaken in 2020 complemented our day to-day stakeholder engagements, going beyond these engagements

We show the process of determining material issues as a business tool that facilitates integrated thinking. The materiality determination process undertaken in 2020 complemented our day to-day stakeholder engagements, going beyond these engagements and placing particular emphasis on aspects that are likely to influence the social, economic and physical environments in which we operate. Based on our leadership engagement, governance processes and our formal and informal stakeholder engagement initiatives, particularly with investors, we are confident that all material matters have been identified and disclosed in this report. Management of group functions and the business units approved the relevant content in the annual integrated report.

EXTERNAL ASSURANCE

Sl.	Particulars	Assurance Provider
1	Consolidated and Separate Financial Statements of Standard Bank Limited	Shafiq Basak & Co. Chartered Accountants
2	Financial Statements of Standard Bank Limited	Shafiq Basak & Co. Chartered Accountants
3	Financial Statements of Standard Bank Capital Management Limited	Shafiq Basak & Co. Chartered Accountants
4	Financial Statements of Standard Exchange (UK) Limited	Jahan & Co. Chartered Management Accountants
5	Financial Statements of Standard Co (USA) Inc	United Financial CPA,PC
6	Corporate Governance	Mahfel Huq & Co. Chartered Accountants
7	Financial Statements of Standard Bank Foundation	Shafiq Basak & Co. Chartered Accountants
8	Provident Fund	Shafiq Basak & Co. Chartered Accountants
9	Gratuity Fund	Shafiq Basak & Co. Chartered Accountants
10	Welfare Fund	Shafiq Basak & Co. Chartered Accountants
11	IT Security compliance & Gap review	Shafiq Basak & Co. Chartered Accountants

The Management as well as Managing Director of Standard Bank Limited acknowledges the responsibility to ensure the integrity of the disclosure contained in the Integrated Report presented herewith that comprises the discussion and analysis, disclosures pertaining to stewardship, which should be read in conjunction with the audited financial statements. In his opinion, the integrated report, incorporated in this annual report has been prepared in accordance with the IIRC's international integrated reporting framework and addresses all material issues and fairly presents the group's integrated performance.



FINANCIAL INFORMATION





INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF STANDARD BANK LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

OPINION

We have audited the consolidated financial statements of Standard Bank Limited and its subsidiaries (the "Group") as well as the separate financial statements of Standard Bank Limited (the "Bank"), which comprise the consolidated and separate balance sheets as at 31 December 2020 and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statements 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 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 2020, and of its consolidated and separate profit and loss accounts and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2.00.

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 Auditors' 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), Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, 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.

OTHER MATTERS

The financial statements of the year ended 31 December 2019, were audited by another auditor who expressed an unmodified opinion on those statements on March 24, 2020.



KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

DESCRIPTION OF KEY AUDIT MATTERS	OUR RESPONSE TO THE KEY AUDIT MATTERS
<p>1. Measurement of Provision for Loans and Advances :</p> <p>The process for estimating the provision for loans and advances portfolio associated with credit risk is significant and complex.</p> <p>For the individual analysis, these provisions consider the estimates of future business performance and the market value of collateral provided for credit transactions.</p> <p>For the collective analysis, these provisions are manually processed that deals with voluminous databases, assumptions and calculations for the provision estimates of complex design and implementation.</p> <p>At year end 2020 the Bank reported total gross loans and advances of BDT 159,450.21 million (2019: BDT 158,079.99 million) and provision for loans and advances of BDT4,533.02 million (2019: BDT 3,852.07 million).</p> <p>See Note No. 7 and 12.00 to the financial statements</p>	<ul style="list-style-type: none"> • We tested the design and operating effectiveness of key controls focusing on the following: • Tested the Credit monitoring and provisioning process; • Identification of loss events, including early warning and default warning indicators; • Reviewed quarterly Classification of Loans (CL); • Followed Bangladesh Bank’s Circulars and Guidelines. • Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following: • Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank’s Guidelines. • Assessed the methodologies on which the provision amounts based, recalculated the provisions and tested the completeness and accuracy of the underlying information; and • Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.
<p>2. Valuation of Treasury Bills and Treasury Bonds:</p> <p>The classification and measurement of treasury bills and treasury bonds require significant judgment and complex estimates.</p> <p>In the absence of a quoted price in an active market, the fair value of treasury bills and treasury bonds is determined using complex valuation techniques which takes into consideration of direct or indirect unobservable market data and complex pricing models.</p> <p>See Note No.6 and 15.1to the financial statements</p>	<p>We tested the design and operating effectiveness of key controls focusing on the classification and measurement of treasury bills and treasury bonds.</p> <p>We tested a sample of the valuation models and the inputs used in those models, using a variety of techniques applicable in the circumstances.</p> <p>Finally, we have assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>



3. Legal and Regulatory Matters :

We focused on legal and regulatory matters because the Bank operates in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from 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 potential outflows with respect to the provisions and other contingent liabilities.

We obtained an understanding of the Bank's key controls over the legal provision and contingencies process.

We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.

We enquired of the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports. We also received formal confirmations from external counsel.

We assessed the methodologies on which the provision amounts are 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.

4. IT Systems and Controls :

Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.

Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application based controls are operating effectively.

We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting.

We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized. We tested the Bank's periodic review of access rights. We inspected requests of changes to systems for appropriate approval and authorization.

See Note No. 3.15.6 to the financial statements

5. Carrying Value of Investments in Subsidiary by the Bank :

The Bank has investment in equity shares of its subsidiary namely "Standard Exchange Co.(UK) Ltd.," "Standard Express(USA) Ltd.," "SBL Capital Mgt. Ltd.," and "SBL Securities Ltd.," As at 31 December 2020, the carrying value of this investment is BDT 2,463.85 million.

The Bank is required to perform impairment test of Investment in subsidiary when impairment indication exists. The impairment testing is considered to be a key audit matter due to the complexity and judgements required in determining the assumptions to be used to estimate the recoverable amount.

Management has conducted impairment assessment and calculated recoverable value of its subsidiaries in accordance with IAS 36 (Impairment of Assets) as there was no existence of impairment indication.

See Note No. 6.3 to the financial statements

We have reviewed Management's analysis of impairment assessment and recoverable value calculation of subsidiaries in accordance with IAS 36: Impairment of Assets.

We have analyzed the appropriateness of the value in use model, the key assumptions used in the model, the reasonably possible alternative assumptions, particularly where they had the most impact on the value in use calculation.



OTHER INFORMATION

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the consolidated and separate financial statements and our auditors' 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 consolidated and separate 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 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 annual report, if we conclude that 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 CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AND INTERNAL CONTROLS

Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Group and also separate financial statements of the Bank in accordance with IFRSs as explained in note 2.00, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Group. 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 consolidated and separate 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 Group and 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 consolidated and separate 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 consolidated and separate 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 consolidated and separate 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 consolidated and separate 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 consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate 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 to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 Securities and Exchange Rules 1987, the Bank Company Act, 1991 and the rules and regulations issued by Bangladesh Bank, we also report that:

- a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b. to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibilities for the audit of the consolidated and separate Financial Statements section in forming the above opinion on the consolidated financial statements of the Group and the separate financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on antifraud internal controls and instances of fraud and forgeries as stated under the Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate financial statements and internal controls for the financial statements and internal control:
 - i. 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;
 - ii. 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 Bank and its related entities.
- c. financial statements for the year ended 31 December 2020 of subsidiaries including foreign operation have been audited (except Standard Exchange Co.(UK) Ltd. being exempted) and properly reflected in the consolidated financial statements;
- d. in our opinion, proper books of accounts as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- e. the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- f. the consolidated balance sheet and consolidated profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- g. the expenditures incurred by the Bank were for the purpose of the Bank's business for the year;
- h. the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- i. adequate provisions have been made for loan & advance and other assets as per Bangladesh Bank letter DBI-1 (division-2)/111/2021-962 dated April 01, 2021 and DOS(RMMCMS)1154/161/2021-1829 dated April 22, 2021;
- j. the information and explanations required by us have been received and found satisfactory;
- k. we have reviewed over 80% of the risk weighted assets of the Bank and spent over 6,632 person hours; and
- l. Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

Md. Shafiqul Islam FCA
Enrolment # 595
Partner

SHAFIQ BASAK & CO.
Chartered Accountants
DVC: 2105030595AS652035

Place, Dhaka
April, 28, 2021

STANDARD BANK LIMITED & IT'S SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2020

Particulars	Notes	Amount in Taka	
		31.12.2020	31.12.2019
PROPERTY & ASSETS			
CASH	3(a)	30,831,059,554	12,806,040,024
Cash in Hand (including foreign currencies)		1,742,136,632	1,874,124,644
Balance with Bangladesh Bank & its agent Bank (including Foreign Currencies)		29,088,922,922	10,931,915,380
BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS	4(a)	2,126,608,682	1,932,919,549
In Bangladesh		314,946,977	1,088,123,117
Outside Bangladesh		1,811,661,706	844,796,432
MONEY AT CALL AND ON SHORT NOTICE	5	5,000,000	117,400,000
INVESTMENTS	6(a)	7,008,006,959	30,598,089,070
Government		3,559,474,650	26,688,824,637
Others		3,448,532,309	3,909,264,433
LOANS AND ADVANCES / INVESTMENTS	7(a)	162,396,783,610	160,625,510,886
Loans, Cash Credits, Over Draft etc./ Investments		160,367,802,027	156,751,507,655
Bills Purchased and Discounted		2,028,981,583	3,874,003,231
FIXED ASSETS INCLUDING PREMISES, FURNITURE & FIXTURES	8(a)	3,859,486,400	3,811,857,285
OTHER ASSETS	9(a)	13,044,984,478	11,998,289,825
NON-BANKING ASSETS		-	-
TOTAL ASSETS		219,271,929,683	221,890,106,639
LIABILITIES & CAPITAL			
LIABILITIES			
Borrowings from other banks, financial Institutions and agents	10(a)	12,006,087,417	12,590,934,656
DEPOSITS AND OTHER ACCOUNTS	11(a)	169,639,336,100	175,467,924,673
Current / Al-Wadeeah Deposits & Other Deposits		21,067,840,562	21,227,212,610
Bills Payable		2,648,739,561	3,947,844,037
Savings Bank / Mudaraba Savings Deposits		16,261,413,034	13,493,759,639
Short Term Deposits / Mudaraba Short Term Deposits		10,559,249,429	7,624,557,568
Fixed Deposits / Mudaraba Term Deposits		105,474,904,687	117,828,775,845
Deposits Under Schemes / Mudaraba Deposit Schemes		13,627,188,827	11,345,774,974
OTHER LIABILITES	12(a)	20,861,268,137	17,583,370,958
TOTAL LIABILITIES		202,506,691,654	205,642,230,287
CAPITAL / SHAREHOLDERS' EQUITY			
Paid-up Capital	13	10,059,907,880	9,580,864,650
Statutory Reserve	14(a)	6,029,256,984	5,578,066,726
General Reserve	15	-	-
Revaluation Reserve on Investment	15.1(a)	1,714,358	84,328,448
Surplus in Profit and Loss Account/ Retained earnings	16(a)	674,205,017	1,004,465,166
Non-controlling Interest	16.1(b)	153,790	151,362
TOTAL SHAREHOLDERS' EQUITY		16,765,238,028	16,247,876,352
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		219,271,929,683	221,890,106,639
Net Asset Value (NAV) per share	48	16.67	16.15

STANDARD BANK LIMITED & IT'S SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2020





Particulars	Notes	Amount in Taka	
		31.12.2020	31.12.2019
OFF-BALANCE SHEET ITEMS			
CONTINGENT LIABILITIES			
	17(a)		
Acceptances and Endorsements		10,721,978,308	17,537,916,173
Letters of Guarantee		12,833,411,761	13,691,325,458
Irrevocable Letters of Credit		11,066,404,802	11,328,500,692
Bills for Collection		4,280,149,013	6,189,609,905
Other Contingent Liabilities		-	-
TOTAL:		38,901,943,884	48,747,352,228
OTHER COMMITMENTS:			
Documentary credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
TOTAL OFF - BALANCE SHEET ITEMS		38,901,943,884	48,747,352,228

These financial statements should be read in conjunction with annexed notes


Managing Director


Director


Director


Chairman

Subject to our separate report of even date

Dated, Dhaka
 April 28, 2021


Md. Shafiqul Islam FCA
 Enrolment # 595
 Partner
 Shafiq Basak & Co.
 Chartered Accountants
 DVC: 2105030595AS652035

**STANDARD BANK LIMITED & IT'S SUBSIDIARIES
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2020**

Particulars	Notes	Amount in Taka	
		31.12.2020	31.12.2019
Interest Income / Profit on Investment	18.3(a)	13,745,406,390	17,200,994,911
Interest / Profit paid on Deposits & Borrowings etc.	19(a)	11,560,773,374	12,951,889,809
Net Interest / Profit on Investments		2,184,633,016	4,249,105,102
Investment Income	20(a)	4,202,684,339	1,797,308,127
Commission, Exchange Earnings & Brokerage	21(a)	995,415,081	1,178,314,864
Other Operating Income	22(a)	417,423,223	529,704,315
		5,615,522,643	3,505,327,306
TOTAL OPERATING INCOME (A)		7,800,155,659	7,754,432,408
Salary & Allowances	23(a)	2,943,617,422	2,808,323,026
Rent, Taxes, Insurance, Electricity etc.	24(a)	614,129,872	699,755,691
Legal Expenses	25(a)	18,045,990	25,607,114
Postage, Stamp, Telecommunication etc.	26(a)	22,490,037	26,415,860
Stationery, Printing, Advertisement etc.	27(a)	61,389,148	119,757,273
Managing Director's salary & fees	28	13,949,194	7,530,000
Directors' Fee & Other benefits	29(a)	4,407,998	8,048,728
Audit Fees	30(a)	1,629,938	2,289,119
Charges on loan losses	31(a)	-	-
Depreciation and Repair of Bank's Assets	32(a)	369,594,933	298,901,750
Other Expenses	33(a)	635,823,437	446,475,255
TOTAL OPERATING EXPENSES (B)		4,685,077,968	4,443,103,818
Profit / (Loss) Before Provision (C) = (A - B)		3,115,077,691	3,311,328,590
Provision for Loans/ investments	34(a)		
Specific Provision		662,410,595	320,995,935
General Provision		18,543,248	107,150,579
Special General Provision-COVID-19		100,651,780	
Provision for Start-up Fund		29,880,782	
Provision for Off-Balance Sheet items		(79,359,475)	(7,373,663)
Provision for diminution in value of investments		17,238,977	25,425,667
Provision for impairment of client margin loan		22,424,816	11,535,316
Other Provision		187,644,710	-
Total Provision (D)		959,435,432	457,733,835
Total Profit / (Loss) before Taxes (E)=(C - D)		2,155,642,258	2,853,594,755
Provision for Taxation	12.1		
Current Tax		1,292,876,205	1,334,830,717
Deferred Tax		(219,289,089)	14,330,402
Net Profit / (Loss) after Taxation :		1,082,055,143	1,504,433,637
Retained earnings brought forward from previous year	16.1(a)	43,340,132	61,240,471
Net Profit available for distribution		1,125,395,274	1,565,674,108
Appropriations :			
Statutory Reserve	14(a)	451,190,257	561,208,942
Non-controlling interest		2,428	734
General reserve		-	-
Dividend		-	-
Retained Earnings carried forward		674,202,589	1,004,464,431
Consolidated Earning per Share (EPS):	36	1.08	1.50
Bank Earning per Share (EPS):		1.04	1.49

These financial statements should be read in conjunction with annexed notes



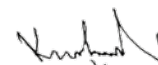
Managing Director



Director



Director



Chairman

Subject to our separate report of even date

Dated, Dhaka
April 28, 2021



Md. Shafiqul Islam FCA
Enrolment # 595
Partner
Shafiq Basak & Co.
Chartered Accountants
DVC: 2105030595AS652035

STANDARD BANK LIMITED & IT'S SUBSIDIARIES CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020



Particulars	Notes	Amount in Taka	
		31.12.2020	31.12.2019
A) CASH FLOWS FROM OPERATING ACTIVITIES			
Interest receipts in Cash		16,182,377,237	18,756,529,541
Interest payments in Cash		(12,081,812,283)	(12,266,388,543)
Dividend receipts		12,266,714	17,981,150
Fee and commission receipts in Cash		627,049,222	777,641,930
Recoveries on loans previously written off		-	-
Cash Payments to employees		(2,957,566,616)	(2,815,853,026)
Cash Payments to suppliers		(61,389,148)	(119,757,273)
Income taxes paid		(1,027,707,986)	(933,053,360)
Receipts from other operating activities	37 (a)	2,601,521,314	667,185,058
Payments for other operating activities	38 (a)	(1,420,401,632)	(1,265,848,615)
Cash generated from operating activities before changes in operating assets and liabilities	2.15	1,874,336,823	2,818,436,862
Increase / (Decrease) in operating assets and liabilities			
Statutory deposits		-	-
Purchase of trading securities		460,732,123	(18,758,361)
Loans and advances to other banks		-	-
Loans and advances to customers		(1,771,272,724)	(14,564,723,293)
Other assets	39(a)	(323,786,415)	244,237,687
Deposits from other banks		(3,070,000,000)	(2,870,000,000)
Deposits from customers		(2,237,549,664)	22,691,723,196
Other liabilities account of customers		-	-
Trading liabilities		(2,834,847,239)	498,650,131
Other liabilities	40(a)	870,238,241	698,742,781
		(8,906,485,678)	6,679,872,141
Net cash flows from operating activities (A)		(7,032,148,856)	9,498,309,003
B) CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of non-trading securities		-	-
Payments for Purchase of securities		-	-
Purchase of property, plant & equipment		(47,761,920)	(94,225,056)
Sale of property, plant & equipment		160,915	108,342
Purchase / sale of subsidiary		-	-
Net cash flow from investing activities (B)		(47,601,005)	(94,116,714)
C) CASH FLOWS FROM FINANCING ACTIVITIES			
Received from issue of loan capital and debt security		3,450,000,000	-
Received for redemption of loan capital and debt security		(1,200,000,000)	(400,000,000)
Receipts from issue of ordinary shares		-	-
Dividends paid		(479,043,233)	-
Net cash flow from financing activities (C)		1,770,956,768	(400,000,000)
D) NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		(5,308,793,092)	9,004,192,289
E) EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		368,365,859	400,672,934
F) CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		41,460,855,762	32,055,990,539
G) CASH AND CASH EQUIVALENTS AT END OF THE QUARTER (D+E+F)		36,520,428,528	41,460,855,762
CASH AND CASH EQUIVALENTS AT END OF THE QUARTER			
Cash in hand (including foreign currencies)		1,742,136,632	1,874,124,644
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		29,088,922,922	10,931,915,380
Balance with other Banks and financial institutions		2,126,608,682	1,932,919,549
Money at Call and Short Notice		5,000,000	117,400,000
Govt. Security/Reverse repo (Less:Revaluation Reserve on Investment)		3,554,333,592	26,600,110,889
Prize Bonds		3,426,700	4,385,300
		36,520,428,528	41,460,855,762
Net Operating Cash Flows (NOCF) per Share	41	(6.99)	9.44

These financial statements should be read in conjunction with annexed notes

Managing Director

Director

Director

Chairman

Dated, Dhaka
April 28, 2021



STANDARD BANK LIMITED & IT'S SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

(Amount in Taka)

Particulars	Paid up Capital	Statutory Reserve	Minority Interest	Revaluation gain/loss on investments	Profit & Loss surplus A/c	Total
Balance as on 01-01-2020	9,580,864,650	5,578,066,726	151,362	84,328,448	1,004,465,166	16,247,876,352
Prior years adjustment	-	-	-	-	-	-
Changes in accounting policy	-	-	-	-	-	-
Restated Balance	9,580,864,650	5,578,066,726	151,362	84,328,448	1,004,465,166	16,247,876,352
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-
Adjustment of last year revaluation gain on investments	-	-	-	(84,328,448)	-	(84,328,448)
Surplus/Deficit on revaluation of investment	-	-	-	1,714,358	-	1,714,358
Currency translation difference	-	-	-	-	(3,036,141)	(3,036,141)
Net gains and losses not recognised in the income statement	-	-	-	-	-	-
Addition during the period	-	-	-	-	-	-
Adjustment of last year	-	-	-	-	-	-
Net profit for the period	-	-	-	-	1,082,055,142	1,082,055,142
Dividends (Cash & Bonus shares)	479,043,230	-	-	-	(958,086,465)	(479,043,236)
Minority Interest	-	-	2,428	-	(2,428)	-
Issue of Right Shares	-	-	-	-	-	-
Appropriation made during the year	-	451,190,257	-	-	(451,190,257)	-
Balance as on 31.12.2020	10,059,907,880	6,029,256,984	153,790	1,714,358	674,205,017	16,765,238,028
Balance as on 31.12.2019	9,580,864,650	5,578,066,726	151,362	84,328,448	1,004,465,166	16,247,876,352

These financial statements should be read in conjunction with annexed notes

Managing Director

Director

Director

Chairman

Dated, Dhaka
April 28, 2021

STANDARD BANK LIMITED
BALANCE SHEET
AS AT 31 DECEMBER 2020



Particulars	Notes	Amount in Taka	
		31.12.2020	31.12.2019
PROPERTY & ASSETS			
CASH	3	30,686,757,899	12,741,448,478
Cash in Hand (including foreign currencies)		1,597,834,977	1,809,533,099
Balance with Bangladesh Bank & its agent Bank (including Foreign Currencies)		29,088,922,922	10,931,915,380
BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS	4	1,929,591,527	1,792,218,031
In Bangladesh		196,958,955	1,044,472,813
Outside Bangladesh		1,732,632,572	747,745,218
MONEY AT CALL AND ON SHORT NOTICE	5	5,000,000	117,400,000
INVESTMENTS	6	9,609,749,434	32,688,659,016
Government		3,559,474,650	26,688,824,637
Others		6,050,274,784	5,999,834,379
LOANS AND ADVANCES / INVESTMENTS	7	159,450,205,397	158,079,995,226
Loans, Cash Credits, Over Draft etc./ Investments		157,421,223,814	154,205,991,995
Bills Purchased and Discounted		2,028,981,583	3,874,003,231
FIXED ASSETS INCLUDING PREMISES, FURNITURE & FIXTURES	8	3,845,140,563	3,792,928,634
OTHER ASSETS	9	12,158,942,503	11,265,769,251
NON-BANKING ASSETS		-	-
TOTAL ASSETS		217,685,387,322	220,478,418,637
LIABILITIES & CAPITAL			
LIABILITIES			
Borrowings from other banks, financial Institutions and agents	10	12,006,087,417	12,511,022,969
DEPOSITS AND OTHER ACCOUNTS	11	169,603,542,780	175,466,124,086
Current / Al-Wadeeah Deposits & Other Deposits		21,032,047,241	21,225,412,023
Bills Payable		2,648,739,561	3,947,844,037
Savings Bank / Mudaraba Savings Deposits		16,261,413,034	13,493,759,639
Short Term Deposits / Mudaraba Short Term Deposits		10,559,249,429	7,624,557,568
Fixed Deposits / Mudaraba Term Deposits		105,474,904,687	117,828,775,845
Deposits Under Schemes / Mudaraba Deposit Schemes		13,627,188,827	11,345,774,974
OTHER LIABILITIES	12	19,304,286,620	16,210,146,577
TOTAL LIABILITIES		200,913,916,817	204,187,293,632
CAPITAL / SHAREHOLDERS' EQUITY			
Paid-up Capital	13	10,059,907,880	9,580,864,650
Statutory Reserve	14	6,029,256,984	5,578,066,726
General Reserve	15	-	-
Revaluation Reserve on Investment	15.1	1,714,358	84,328,448
Surplus in Profit and Loss Account/ Retained earnings	16	680,591,284	1,047,865,181
TOTAL SHAREHOLDERS' EQUITY		16,771,470,505	16,291,125,005
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		217,685,387,322	220,478,418,637
Net Asset Value (NAV) per share	48	16.67	16.19



STANDARD BANK LIMITED
BALANCE SHEET
AS AT 31 DECEMBER 2020

Introduction

Corporate Governance

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Management Retrospection

Stakeholders' Information

Sustainability

Financial Information

Particulars	Notes	Amount in Taka	
		31.12.2020	31.12.2019
OFF-BALANCE SHEET ITEMS			
CONTINGENT LIABILITIES			
Acceptances and Endorsements	17.1	10,721,978,308	17,537,916,173
Letters of Guarantee	17.2	12,833,411,761	13,691,325,458
Irrevocable Letters of Credit	17.3	11,066,404,802	11,328,500,692
Bills for Collection	17.4	4,280,149,013	6,189,609,905
Other Contingent Liabilities	17.5	-	-
TOTAL:		38,901,943,884	48,747,352,228
OTHER COMMITMENTS:			
Documentary credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
TOTAL OFF - BALANCE SHEET ITEMS		38,901,943,884	48,747,352,228

These financial statements should be read in conjunction with annexed notes

Managing Director

Director

Director

Chairman

Subject to our separate report of even date

Md. Shafiqul Islam FCA
Enrolment # 595
Partner
Shafiq Basak & Co.
Chartered Accountants
DVC: 2105030595AS652035

Dated, Dhaka
April 28, 2021

STANDARD BANK LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2020



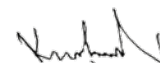
Particulars	Notes	Amount in Taka	
		31.12.2020	31.12.2019
Interest Income / Profit on Investment	18	13,746,242,808	17,183,710,895
Interest / Profit paid on Deposits & Borrowings etc.	19	11,558,677,871	12,948,993,307
Net Interest / Net Profit on Investments		2,187,564,936	4,234,717,588
Investment Income	20	4,090,907,649	1,705,963,533
Commission, Exchange Earnings & Brokerage	21	808,920,126	1,022,613,963
Other Operating Income	22	407,404,883	522,397,305
		5,307,232,657	3,250,974,801
TOTAL OPERATING INCOME (A)		7,494,797,593	7,485,692,389
Salary & Allowances	23	2,867,127,923	2,743,218,639
Rent, Taxes, Insurance, Electricity etc.	24	564,916,374	631,951,069
Legal Expenses	25	13,050,844	20,548,242
Postage, Stamp, Telecommunication etc.	26	19,980,956	23,740,487
Stationery, Printing, Advertisement etc.	27	58,427,033	116,578,379
Managing Director's salary & fees	28	13,949,194	7,530,000
Directors' Fee & Other benefits	29	3,264,323	5,983,943
Audit Fees	30	805,000	1,774,750
Charges on loan losses	31	-	-
Depreciation and Repair of Bank's Assets	32	363,010,823	292,677,255
Other Expenses	33	602,186,907	414,872,061
TOTAL OPERATING EXPENSES (B)		4,506,719,377	4,258,874,825
Profit / (Loss) Before Provision (C) = (A - B)		2,988,078,216	3,226,817,563
Provision for Loans / Investments	34		
Specific Provision		662,410,595	320,995,935
General Provision		18,543,248	107,150,579
Special General Provision-COVID-19		100,651,780	-
Provision for Start-up Fund		29,880,782	-
Provision for Off-Balance Sheet items		(79,359,475)	(7,373,663)
Provision for diminution in value of investments		-	-
Other Provision		187,644,710	-
Total Provision (D)		919,771,640	420,772,851
Total Profit / (Loss) before Taxes (E)=(C - D)		2,068,306,576	2,806,044,712
Provision for Taxation	12.1		
Current Tax		1,245,592,840	1,292,637,114
Deferred Tax		(219,289,089)	14,330,402
Net Profit / (Loss) after Taxation :		1,042,002,825	1,499,077,196
Retained earnings brought forward	16.1	89,778,716	109,996,927
Net Profit available for distribution		1,131,781,541	1,609,074,123
Appropriations :			
Statutory Reserve		451,190,257	561,208,942
General reserve		-	-
Dividend		-	-
Retained Earnings carried forward		680,591,284	1,047,865,181
Earning Per Share (EPS):	36	1.04	1.49

These financial statements should be read in conjunction with annexed notes


Managing Director


Director


Director


Chairman

Subject to our separate report of even date

Dated, Dhaka
April 28, 2021


Md. Shafiqul Islam FCA
Enrolment # 595
Partner
Shafiq Basak & Co.
Chartered Accountants
DVC: 2105030595AS652035


STANDARD BANK LIMITED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

Particulars	Notes	Amount in Taka	
		31.12.2020	31.12.2019
A) CASH FLOW FROM OPERATING ACTIVITIES			
Interest receipts in Cash		16,071,436,964	18,647,900,931
Interest payments in Cash		(12,070,825,415)	(12,263,492,042)
Dividend receipts		12,266,714	17,981,150
Fee and commission receipts in Cash		440,554,267	621,941,029
Recoveries on loans previously written off		-	-
Cash Payments to employees		(2,881,077,117)	(2,750,748,639)
Cash Payments to suppliers		(58,427,033)	(116,578,379)
Income taxes paid		(1,011,176,690)	(908,858,645)
Receipts from other operating activities	37	2,591,502,974	659,878,047
Payments for other operating activities	38	(1,320,501,153)	(1,149,303,163)
Cash generated from operating activities before changes in operating assets and liabilities		1,773,753,511	2,758,720,289
Increase / (Decrease) in operating assets and liabilities			
Statutory deposits		-	-
Purchase of trading securities		(50,440,405)	(215,822,445)
Loans and advances to other banks		-	-
Loans and advances to customers		(1,370,210,171)	(14,349,525,915)
Other assets	39	(276,320,517)	294,112,769
Deposits from other banks		(3,070,000,000)	(2,870,000,000)
Deposits from customers		(2,271,542,398)	22,691,376,207
Other liabilities account of customers		-	-
Trading liabilities		(2,754,935,552)	887,721,455
Other liabilities	40	790,924,984	504,119,872
		(9,002,524,058)	6,941,981,942
Net cash flow from operating activities (A)		(7,228,770,546)	9,700,702,231
B) CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of non-trading securities		-	-
Payments for Purchase of securities		-	-
Purchase of property, plant & equipment		(69,780,065)	(331,712,694)
Sale of property, plant & equipment		160,915	108,342
Purchase / sale of subsidiary		-	-
Net cash flow from investing activities (B)		(69,619,150)	(331,604,352)
C) CASH FLOW FROM FINANCING ACTIVITIES			
Received from issue of loan capital and debt security		3,450,000,000	-
Payments for redemption of loan capital and debt security		(1,200,000,000)	(400,000,000)
Receipts from issue of ordinary shares		-	-
Dividends paid		(479,043,233)	-
Net Cash flow from financing activities (C)		1,770,956,768	(400,000,000)
D) NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		(5,527,432,929)	8,969,097,879
E) EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		368,365,859	400,672,934
F) CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		41,339,891,146	31,970,120,333
G) CASH AND CASH EQUIVALENTS AT END OF THE YEAR (D+E+F)		36,180,824,076	41,339,891,146
CASH AND CASH EQUIVALENTS AT END OF THE YEAR			
Cash in hand (including foreign currencies)		1,597,834,977	1,809,533,099
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		29,088,922,922	10,931,915,380
Balance with other Banks and financial institutions		1,929,591,527	1,792,218,031
Money at Call and Short Notice		5,000,000	117,400,000
Govt. Security/Reverse repo (Less:Revaluation Reserve on Investment)		3,556,047,950	26,684,439,337
Prize Bonds		3,426,700	4,385,300
		36,180,824,076	41,339,891,146
Net Operating Cash Flows (NOCF) per Share	41	(7.19)	9.64

These financial statements should be read in conjunction with annexed notes



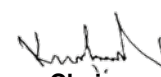
Managing Director



Director



Director



Chairman

Dated, Dhaka
April 28, 2021



STANDARD BANK LIMITED
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

(Amount in Taka)

Particulars	Paid up Capital	Statutory Reserve	Minority Interest	Revaluation gain/loss on investments	Profit & Loss surplus A/c	Total
Balance as on 01-01-2020	9,580,864,650	5,578,066,726	-	84,328,448	1,047,865,181	16,291,125,005
Changes in accounting policy	-	-	-	-	-	-
Restated Balance	9,580,864,650	5,578,066,726	-	84,328,448	1,047,865,181	16,291,125,005
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-
Adjustment of last year revaluation gain on investments	-	-	-	(84,328,448)	-	(84,328,448)
Surplus/Deficit on revaluation of investment	-	-	-	1,714,358	-	1,714,358
Currency translation difference	-	-	-	-	-	-
Net gains and losses not recognised in the income statement	-	-	-	-	-	-
Adjustment of last year	-	-	-	-	-	-
Net profit for the period	-	-	-	-	1,042,002,825	1,042,002,825
Dividends from SBL Capital Management Ltd	-	-	-	-	-	-
Dividends from SBL Securities Ltd	-	-	-	-	-	-
Dividends (Cash & Bonus shares)	479,043,230	-	-	-	(958,086,465)	(479,043,236)
Issue of Right Shares	-	-	-	-	-	-
Appropriation made during the year	-	451,190,257	-	-	(451,190,257)	-
Balance as on 31.12.2020	10,059,907,880	6,029,256,984	-	1,714,358	680,591,284	16,771,470,505
Balance as on 31.12.2019	9,580,864,650	5,578,066,726	-	84,328,448	1,047,865,181	16,291,125,005

These financial statements should be read in conjunction with annexed notes

Managing Director

Director

Director

Chairman

Dated, Dhaka
April 28, 2021



STANDARD BANK LIMITED
LIQUIDITY STATEMENT
(ASSET AND LIABILITY MATURITY ANALYSIS)
FOR THE YEAR ENDED 31 DECEMBER 2020

Particulars	Up to 01 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	More than 5 Years	Total
Assets:						
Cash in hand	1,597,834,977	-	-	-	-	1,597,834,977
Balance with Bangladesh Bank	21,987,868,000	-	-	-	7,101,054,922	29,088,922,922
Balance with other banks and financial institutions	1,839,591,527	-	90,000,000	-	-	1,929,591,527
Money at call & on short notice	5,000,000	-	-	-	-	5,000,000
Investment	3,426,700	-	799,800,000	908,437,950	7,898,084,784	9,609,749,434
Loans and Advances	7,979,594,814	21,019,652,732	52,999,255,695	41,873,738,206	35,577,963,949	159,450,205,397
Fixed assets including premises, furniture and fixtures	-	-	-	-	3,845,140,563	3,845,140,563
Other assets	249,615,011	2,436,470,386	2,250,157,188	7,114,560,695	108,139,224	12,158,942,503
Non-banking assets	-	-	-	-	-	-
Total Assets	33,662,931,029	23,456,123,118	56,139,212,883	49,896,736,851	54,530,383,442	217,685,387,322
Liabilities:						
Borrowing from Bangladesh Bank, Other banks, financial institutions and agents	11,990,153,749	-	-	15,933,667	-	12,006,087,417
Deposits	7,286,868,769	21,496,937,125	54,969,835,560	43,744,488,233	42,105,413,093	169,603,542,780
Other Accounts	-	-	-	-	-	-
Provision and other liabilities	1,287,390,443	78,346,558	699,099,249	5,895,303,260	11,344,147,109	19,304,286,619
Total Liabilities	20,564,412,962	21,575,283,682	55,668,934,809	49,655,725,161	53,449,560,202	200,913,916,816
Net Liquidity Gap	13,098,518,067	1,880,839,436	470,278,075	241,011,690	1,080,823,240	16,771,470,507

These financial statements should be read in conjunction with annexed notes

Managing Director

Director

Director

Chairman

Dated, Dhaka
April 28, 2021



STANDARD BANK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. LEGAL STATUS AND NATURE OF THE COMPANY

Standard Bank Limited is a scheduled commercial bank established under the Bank Company Act, 1991 and incorporated in Bangladesh as a Public Limited Company with limited liability under the Companies Act, 1994 on 11th May, 1999 and commenced commercial operation on 3rd June, 1999. The Bank went for the public issue of shares in 2003 and its shares are listed with Dhaka Stock Exchange Ltd and Chittagong Stock Exchange Ltd. The registered address of the bank is Metropolitan Chamber Building (3rd Floor), 122-124 Motijheel C/A, Dhaka. The Bank has 138 Branches, 03 (Three) Zonal offices, 120 ATMs and 26 Agent Banking outlets all over the country.

Main Activities and nature of operation

The principal activities of the Bank encompass a wide range of services including accepting deposits, lending to retail, Small Money Enterprise (SME) and corporate customers, trade financing, lease financing, project financing, discounting bills, conducting money transfer and foreign exchange transactions and performing other related services such as safe keeping, collections, issuing guarantees, acceptances and letters of credit, inter bank borrowing and lending, dealing in government securities etc. There have been no significant changes in the nature of the principal activities of the Bank during the financial year but we are going to migrate our bank from conventional banking to Islamic banking from 1 January 2021.

As a fully operational commercial bank, we focus on pursuing unexplored market niches in the Small and Medium Enterprises (SME) business, Corporate Business, RMG & Knitware Sector which has remained largely untapped within the country. With the view to reaching clients, the Bank has established a wide network of branches, zonal offices and agent banking outlets.

a) Conventional Banking:

The principal activities of the bank are to provide all kinds of commercial banking services to its respected customers through its branches, SME branches, ATM outlets, Agent Banking outlets and foreign currency Booths.

b) Islamic Banking:

The Bank operates Islamic banking in two branches designated for this purpose in complying with the rules of Islamic shariah. A separate balance sheet, income statement are presented as recommended by the Central Shariah Board for Islamic Banking in Bangladesh.

c) Off-Shore Banking Unit (OBU) :

The Bank obtained Off-shore Banking Unit Permission vide Letter No. BRPD (P-3)744(110)/2010-839 dated March 11, 2010 and commenced operation on March 23, 2015. The Off-shore Banking Unit is governed under the rules and guidelines of Bangladesh Bank. The principal activities of the Unit are to provide all kinds of commercial banking services to its customers in foreign currencies approved by the Bangladesh Bank.

d) Mobile Financial Services 'Spot Cash' & Digi banking:

With the view to bring the unbanked people to the banking facilities SBL started Mobile Banking Services under the title of 'Spot Cash' in 2014. The bank obtained the license from Bangladesh Bank for mobile banking business vide letter no. PSD/37(Q)/2013-1035 dated 3rd September, 2013.

SBL DigiBanking is an app based solution which connects customers to bank's core banking system securely so that customer can carry out the transaction 24/7 from any where. This document clearly describes the day to day operational process of SBL DigiBanking System.



e) Agent Banking:

Standard Bank obtained permission from Bangladesh Bank to commence Agent Banking services. we have 26 Agent Banking Outlets up to reporting period of 31.12.2020 across the country. Services that are currently being dispensed include account opening (savings), cash deposit and withdrawal (agent banking A/C), cash deposits in branch A/C, SME loan repayment collection, Internet and SMS banking, corporate bill/distributor fee collection etc.

1.1 Subsidiary Companies

1.1(a) SBL Capital Management Ltd (SCML):

The Bank obtained permission to embark upon Merchant banking from the Bangladesh Securities and Exchange Commission(BSEC) vide its certificate no. SEC/Reg/MB/SUB/13/2010/529 dated January 05, 2011 Under the Securities and Exchange Commission Act, 1993. The main objectives of the Company are to carry out the business of full fledged merchant banking activities like issue management, portfolio management, underwriting, corporate advisory services etc. The audited financial statements is enclosed.

1.1(b) Standard Exchange Company (UK) Limited :

Bangladesh Bank vide their letter No.BRPD(M) 204/15/2009-18 Dated 15th February 2009 has accorded approval to the bank for opening a fully owned subsidiary company in the name and style of Standard Exchange Company (UK) Limited. The company was incorporated 19th March, 2009 under the Companies Act 2006 of UK with the registration number 06851946 as private company limited by shares. The registered office is located at 101 whitechapel Road , London. The main activities of the exchange house are to carry on the remittance business and to undertake and participate in transactions, activities and operation commonly carried on or undertaken by remittance and exchange houses. The audited financial statements is enclosed.

1.1(c) Standard Co (USA) Inc.DBA : Standard Express:

Bangladesh Bank vide their letter No. BRPD(M) 204/15/2009-116 Dated 27th October ,2009 has accorded approval to the bank for opening a fully owned subsidiary company in the name and style of Standard Co (USA) Inc.DBA : Standard Express, in short we presented "Standard Express (USA) Ltd".The company was incorporated on 1st February, 2010 with the registration number 27-2118554 as private company limited by shares. The registered office is located at 37-22 73rd street #2B Jackson heights, New York. The main activities of the exchange house are to carry on the remittance business and to undertake and participate in transactions, activities and operation commonly carried on or undertaken by remittance and exchange houses. The audited financial statements is enclosed.

1.1(d) Standard Bank Securities Limited

Standard Bank Securities Limited was incorporated on November 22,2012 as a public limited company under the Companies Act ,1994 vide certificate of incorporation no. C-105725/12. Standard Bank Securities Limited become member of Dhaka Stock Exchange Limited for brokerage transaction. Standard Bank Securities Limited commenced its operation from 21 June, 2013. The main objectives of the company is to carry on the business of stock broker /stock dealer and other related business in connection with the dealing of listed securities . Other objectives of the company are to buy,sell, hold or otherwise acquire or invest the capital of the company in shares,stocks and fixed income securities etc. The audited financial statements is enclosed.

1.1(e) Summary of shareholding in subsidiaries:

Name of Subsidiaries	Face Value per Share		Total Number of Ordinary Share		No. of Ordinary Shares held by SBL		SBL's Percentage of Shareholding	
			2020	2019	2020	2019	2020	2019
SCML	Tk	100	15000000	15000000	14999400	14999400	99.996%	99.996%
SBSL	Tk	10	80000000	80000000	79994000	79994000	99.99%	99.99%
UK Exchange	Tk	100	33843240	32757960	33843240	32757960	100.00%	100.00%
USA Exchange	Tk	100	130122500	130122500	130122500	130122500	100.00%	100.00%



2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

The financial statements of the Bank have been prepared in accordance with “First Schedule” (section 38) of the Bank Companies Act, 1991 (amendment upto 2018), International Financial Reporting Standards (IFRSs) and the requirements of the Banking Companies Act, 1991 (amendment upto 2018), the rules and regulations issued by Bangladesh Bank, the Companies Act, 1994, Bangladesh Securities and Exchange Rules, 1987; Bangladesh Securities and Exchange Ordinance, 1969; Bangladesh Securities and Exchange Act, 1993 and Bangladesh Securities and Exchange Commission (Public Issue) Rules 2015 and amendments thereon, The Income Tax Ordinance, 1984, and amendments thereon, The Value Added Tax Act, 2012, The Value Added Tax Rules, 2016 and amendments thereon, Financial Reporting Act 2015. In case any requirement of the Banking Companies Act 1991 as amended, and provisions and circulars issued by Bangladesh Bank differ with those of IFRSs, the requirements of the Banking Companies Act 1991 as amended, and provisions and circulars issued by Bangladesh Bank shall prevail. Material departures from the requirements of IFRSs are as follows:

i) Basis of Preparation for Financial Statements

IFRS/IAS: As per IAS 1 Financial Statements shall comprise statement of financial position, comprehensive income statement, changes in equity, cash flows statement, adequate notes comprising summary of accounting policies and other explanatory information. As per para 60 of IAS 1, the entity shall also present current and non-current assets and current and non-current 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 flows statement, changes in equity, liquidity statement) and certain disclosures therein are guided by the “First Schedule” (section 38) of the Bank Companies Act, 1991 (amendment upto 2018) and BRPD Circular no. 14 dated 25 June, 2003 and subsequent guidelines of BB. In the prescribed format there is no option to present assets and liabilities under current and non-current classifications.

Bank’s Methodology: The Financial statements of the Bank are made upto 31st December 2020 and are prepared under the historical cost convention and in accordance with the “First Schedule (Sec-38) of the Bank Companies Act, 1991, BRPD Circular # 14 dated 25 June 2003, other Bangladesh Bank Circulars, International Accounting Standards and International Financial Reporting Standards adopted by the Institute of Chartered Accountants of Bangladesh, Companies Act, 1994, the Securities and Exchange Rules 1987, Dhaka & Chittagong Stock Exchange Listing Regulations and other laws and rules applicable in Bangladesh. In case of the requirement of Bangladesh Bank differs with those of IAS/IFRS, the requirement of Bangladesh Bank have been applied”

ii) Investments in shares and Securities

IFRS/IAS: As per requirements of IFRS 9 investment in shares and securities generally falls either under “at fair value through profit and loss account” or under “at fair value through other comprehensive income” where any change in the fair value (as measured in accordance with IFRS 13) at the year-end is taken to profit and loss account or revaluation reserve respectively.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June, 2003 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment; otherwise investments are recognised at cost.

iii) Revaluation gains/losses on Government securities

IFRS: As per requirement of IFRS 9 where securities will fall under the category of Held for Trading (HFT), any change in the fair value of held for trading assets is recognised through profit and loss account. Securities designated as Held to Maturity (HTM) are measured at amortised cost method and interest income is recognised through the profit and loss account. As per requirements of IFRS 9, bills can be categorised either as “Fair Value Through Profit or Loss (FVTPL)” or “Fair Value through Other Comprehensive Income (FVOCI)”. Any change in fair value of bills is recognised in the profit and loss account or other reserves as a part of other component of equity, respectively.

Bangladesh Bank: HFT securities are revalued on the basis of mark to market and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognised in other reserves as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortisation of discount are recognised in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortised at the year end and gains or losses on amortisation are recognised in other reserve as a part of equity.



iv) Provision on Loans and Advances/Investments

IFRS/IAS: As per IFRS 9: Financial Instruments, an entity shall recognise an impairment allowance on loans and advances based on expected credit losses. At each reporting date, an entity shall measure impairment allowance for loans and advances at an amount equal to the lifetime expected credit losses considering the three stages model of IFRS -9(Stage-1,2 & 3), if the credit risk on these loans and advances has increased significantly or have any objective evidence of default since initial recognition, whether assessed on an individual or collective basis, considering all reasonable information (including that which is forward looking). For those loans and advances for which credit risk has not increased significantly since initial recognition, at each reporting date, an entity shall measure the impairment allowance at an amount equal to 12 month expected credit losses that may result from default events on such loans and advances that are possible within 12 months after the reporting date.

Bangladesh Bank: As per BRPD Circular no. 17, Dated 28 September,2020,BRPD Circular no. 03,Dated 21 April,2019, 14 dated 23 September 2012, and BRPD Circular no. 16 dated 18 November 2014, a general provision @ 0.25% to 5% under different categories of unclassified loans (Standard/SMA loans) should be maintained regardless of objective evidence of impairment. And specific provision for sub-standard/ doubtful/ bad-loss loans should be made at 20%, 50% and 100% respectively on loans net off eligible securities (if any). Also, a general provision @ 1% should be provided for certain off-balance sheet exposures except bills for collections. Such provision policies are not specifically in line with those prescribed by IFRS 9.

v) Recognition of interest in suspense

IFRS/IAS: Loans and advances to customers are generally classified as 'loans and receivables' 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 recognised in profit and loss account on the same basis based on revised carrying amount.

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012, once a loan is classified (other than bad loss), interest on such loans are not allowed to be recognised as income, rather the corresponding amount needs to be credited to an interest in suspense account, which is presented as liability in the balance sheet.

vi) Other comprehensive income

IFRS/IAS: As per IAS 1 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 statement.

Bangladesh Bank: Bangladesh Bank has issued templates for financial statements which will strictly be followed by all banks. 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.

vii) Financial instruments - presentation and disclosure

In several cases Bangladesh Bank guidelines categories, recognise, measure and present financial instruments differently from those prescribed in IFRS 9. As such full disclosure and presentation requirements of IFRS 7 and IAS 32 cannot be made in the financial statements.

viii) Financial guarantees

IFRS/IAS: As per IFRS 9, 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 a debt instrument. Financial guarantee liabilities are recognised initially at their fair value, and the initial fair value is amortised over the life of the financial guarantee. The financial guarantee 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 included within other liabilities.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June, 2003, financial guarantees such as letter of credit, letter of guarantee will be treated as off-balance sheet items. No liability is recognised for the guarantee except the cash margin.

ix) Repo transactions

IFRS/IAS: Repo is calculated under IFRS-9. 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 collateralized borrowing and the underlying asset continues to be recognized in



the 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 BB 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 derecognized in the sellers book and recognized in the buyer's book.

x) Cash and cash equivalent

IFRS/IAS: Cash and cash equivalent items should be reported as cash item as per IAS 7.

Bangladesh Bank: Some cash and cash equivalent items such as 'money at call and on short notice', treasury bills, Bangladesh Bank bills and prize bond are not shown as cash and cash equivalents. Money at call and on short notice presented on the face of the balance sheet, and treasury bills, prize bonds are shown in investments.

xi) Non-banking asset

IFRS: No indication of Non-banking asset is found in any IFRS.

Bangladesh Bank: As per BRPD 14, dated 25 June ,2003, there must exist a face item named Non-banking asset.

xii) Cash flow statement

IFRS/IAS: The Cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

Bangladesh Bank: As per BRPD 14,dated 25 June ,2003, cash flow is the combination of direct and indirect methods.

Bank's Methodology: Cash Flow Statement is prepared in accordance with IAS-7 "Cash Flow Statement" under direct method and indirect method as recommended in BRPD circular no. 14 dated 25 June ,2003 issued by Bangladesh Bank.

xiii) Balance with Bangladesh Bank: (Cash Reserve Requirement)

IFRS/IAS: Balance with Bangladesh Bank should be treated as other asset as it is not available for use in day to day operations as per IAS 7.

Bangladesh Bank: Balance with Bangladesh Bank is treated as cash and cash equivalents.

xiv) Off-balance sheet items

IFRS/IAS: There is no concept of off-balance sheet items in any IFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

Bangladesh Bank: As per BRPD 14, dated 25 June ,2003 ,off balance sheet items (e.g. Letter of credit, Letter of guarantee etc) must be disclosed separately on the face of the balance sheet.

Bank's Methodology: Off-Balance Sheet items have been disclosed under contingent liabilities and other commitments as per Bangladesh Bank's guidelines. BRPD circular No.7 dated 21 June, 2018 requires a general provision for Off Balance Sheet exposures except bills for collections to be calculated @ 1% which has been followed by the bank properly on the following Off Balance Sheet Items:

- a. Acceptance and endorsements
- b. Irrevocable letter of credit
- c. Letter of guarantee

xv) Presentation of intangible asset

IFRS/IAS: An intangible asset must be identified and recognised, and the disclosure must be given as per IAS 38.

Bangladesh Bank: There is no regulation for intangible assets in BRPD 14 dated 25 June ,2003 hence,it is shown in fixed assets.



xvi) Loans and advances/Investments net of provision

IFRS/IAS: Loans and advances/Investments should be presented net of provision as per IFRS-9.

Bangladesh Bank: As per BRPD 14, dated 25 June ,2003 provision on loans and advances/investments are presented separately as liability and can not be netted off against loans and advances.

Bank's Methodology: Loans and advances have been shown at gross amounts at 31 December 2020.

xvii) Disclosure of appropriation of profit

IFRS/IAS: There is no requirement to show appropriation of profit in the face of statement of comprehensive income.

Bangladesh Bank: As per BRPD 14, dated 25 June 2003, an appropriation of profit should be disclosed on the face of Profit & Loss Account.

xviii) Provision on undrawn loan commitments:

IFRS/IAS: As per IFRS 9 bank shall recognise credit losses on undrawn loan commitments such as Letter of Credit (L/C), Letter of Guarantee (L/G) etc. as the present value of the difference between the contractual cash flow that are due by the customer if the commitment is drawn down and the cash flows that bank expects to receive.

Bangladesh Bank: As per BRPD Circular no. 07 dated 21 June 2018 and BRPD Circular no.14 dated 23 September 2012, the Bank is required to maintain provision at 1% rate against off-balance sheet exposures (which includes all types of undrawn loan commitments).

xix) Name of the financial statements:

IFRS/IAS: As per IAS 1, complete set of financial statements consists statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows and notes, comprising significant accounting policies and other explanatory information.

Bangladesh Bank: The forms of financial statements and directives for preparation thereof of the bank companies in Bangladesh are guided by BRPD Circular no. 14, dated 25 June 2003 and subsequent amendments thereof from time to time. BRPD circular no. 14 states the statement of financial position as balance sheet and statement of profit or loss and other comprehensive income as profit and loss account. [Also refer to (note 2.19) Compliance of International Financial Reporting Standards (IFRS)]

2.2 Basis of Consolidation :

The consolidated financial statements include the financial statements of Standard Bank Limited, Islamic Banking Window, Offshore Banking Units (OBU) and its subsidiaries SBL Capital Management Ltd, Standard Bank Securities Ltd, Standard Exchange Company (UK) Ltd and Standard Co (USA) Inc.DBA : Standard Express made up to the end of the financial year. A Banking software system "Stelar" consolidated all transactions of branches as well as head office and produces consolidated Balance Sheet and Profit & Loss Account . These consolidated records are maintained at the Head office of the Bank based on which these financial statements have been prepared.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standard 10: consolidated financial statements & IAS 27 Separate Financial Statements. The consolidated financial statements have been prepared to a common reporting period ending in 31 December,2020.

Subsidiaries:

Subsidiaries are that enterprise which are controlled by the Bank. Control exists when the Bank has the power, directly or indirectly , to govern the financial and operating policies of an enterprise from the date that control commences until the date that control ceases. The financial statements of subsidiary are included in the consolidated financial statements from the date that control effectively commences until the date that the control effectively ceases. Subsidiary Companies are consolidated using the cost method of accounting.

Transactions eliminated on Consolidation:

All intra-Company balances & transactions, and any unrealised income & expenses (Except for foreign currency translation gain/losses) arising from intra-company transactions are eliminated in preparing consolidated financial statement. Unrealised losses are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment. The investments in shares of subsidiaries held by the bank in the separate Financial Statements are eliminated against the corresponding shares capital of subsidiaries in the consolidated financial statements.



2.3 Statement of Cash flows

Statement of cash flows is prepared by using the 'Direct Method' in accordance with IAS 7 "Statement of Cash Flows" and under the guidance of Bangladesh Bank BRPD Circular No. 14 dated 25.06.2003 & BRPD Circular No. 15 dated 09.11.2009 whereby gross cash receipts and gross cash payments on Operating Activities, Investing Activities and Financing Activities have been recognized. Cash and Cash Equivalents comprise short term, highly liquid investments that are readily convertible and are subject to an insignificant risk to changes in value.

2.4 Reporting Period

These financial statements cover one calendar year from January 01 to December 31, 2020.

2.5 Statement of Changes in Equity

Statement of changes in Equity has been prepared in accordance with IAS 1 "Presentation of Financial Statements" and under the guidance of Bangladesh Bank BRPD Circular No. 14 dated 25.06.2003 & BRPD Circular No. 15 dated 09.11.2009

2.6 Statement of Liquidity

The liquidity statement of assets and liabilities as on reporting date has been prepared on residual maturity term as per following basis:

- a. Balance with other banks and financial institutions, money at call etc are on the basis of their maturity term.
- b. Investments are on the basis of their residual maturity.
- c. Loans and advances are on the basis of their repayment/maturity schedule.
- d. Fixed assets are on the basis of their useful lives.
- e. Other assets are on the basis of their realization /amortization.
- f. Borrowing from other banks, financial institutions and agents as per their maturity /repayment terms.
- g. Deposits and others accounts are on the basis of their maturity term and behavioral past trend.
- h. Others loan term liabilities are on the basis of their maturity term.
- i. Provisions and other liabilities are on the basis of their settlement.

2.7 Significant Judgement and Estimates

The preparation of Financial Statements in conformity with Accounting Standards and Statutory requirement which requires the use of critical accounting estimates. It also requires management to exercise its judgment in the process of applying accounting policies. The areas involving a higher degree of judgment or complexity or major areas where assumptions and estimates are significant to the Financial Statements are described in the following:

- 1 Income Taxes
- 2 Deferred Taxation
- 3 Depreciation
- 4 Provisions for investment & other Assets

2.8 Going Concern

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. Key financial parameters (including liquidity, profitability, asset quality, provision sufficiency and capital adequacy) of the bank continued to demonstrate a healthy trend for a couple of years. The rating outlook of the bank, as reported by all the rating agencies is 'Stable'. The management do not see any issue with respect to going concern threat due to recent pandemic COVID-19. Besides, The accompanying financial statements do not include any adjustments should the Bank be unable to continue as a going concern.

2.9 Functional and presentation currency

The financial statements are presented in Bangladeshi Taka (BDT), which is the bank's functional currency. The functional currency of the Bank Off-shore Banking Unit (OBU) and our two subsidiaries, namely USA & UK exchange Limited, is in United States Dollar (USD) and Great Britain Pound (GBP), respectively. Financial statements of the above mentioned unit and subsidiary have been translated into the presentation currency, i.e. Bangladeshi Taka (BDT), following the guidelines of IAS 21: The Effect of Changes in Foreign Exchange Rates. The functional and presentation currency of other subsidiaries is in Bangladeshi Taka (BDT). Except as indicated, figures have been rounded-off to the nearest Taka.



2.10 FOREIGN CURRENCY TRANSACTION

a) Foreign Currencies Transaction

- i. Transaction in foreign currencies are converted into taka at the foreign exchange rates ruling on the transaction date.
- ii. Monetary assets and liabilities in foreign currency are expressed in taka terms at the rates of exchange ruling on the balance sheet date.
- iii. Forward foreign exchange contracts and foreign bills purchased are valued at forward rates applicable to their respective maturities.

b) Commitments

Commitments for outstanding forward foreign exchange contracts disclosed in these financial statements are translated at contracted rates. Contingent liabilities/commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in taka terms at the rates of exchange ruling on the balance sheet date.

c) Translation gains and losses

The resulting exchange transaction gains and losses are included in the profit and loss account, except those arising on the translation of net investment in foreign branches, subsidiaries and associates.

2.11 Loans write-off

Loans are normally written off, when there is no realistic prospect of recovery of these amounts and in accordance with BRPD Circular No.1 (6th February, 2019). A separate Special Asset Management Division (SAMD) has been set up at the Banks Head Office which monitors loans written off and legal action taken through the Arth Rin Adalat. These write-offs do not undermine or affect the amount claimed against the borrower by the bank.

The SAMD maintains a separate ledger for all individual cases written off by each branch. The SAMD follow up on the recovery efforts of these written off loans and reports to management on periodic basis. Written off loans and advances are reported to the Credit Information Bureau (CIB) of Bangladesh Bank.

2.12 Earning Per Share

The company calculates Earning Per Share (EPS) in accordance with International Accounting Standards (IAS)-33 "Earning Per Share" which has been shown on the face of profit and loss account. This has been calculated by dividing the Basic earnings by the weighted average number of ordinary shares outstanding during the year

2.13 Retirement benefits to the employees

Provident Fund

Provident Fund benefits are given to the employees of the bank in accordance with the locally registered Provident Fund Rules. Separate Board of Trustee of the Bank operates it.

Gratuity

The Bank operates an Employees Gratuity Fund Trust by a Board of Trustees consisting of seven members. All confirmed employees who have been in the service of the Bank should eligible to have the benefit under the gratuity schemes. The Gratuity trust rule got recognised from the National Board of Revenue (NBR). The bank has started making provision against gratuity from the year 2006. Provision for the year ended 31 December 2020 for the scheme has been made and the entire amount of the gratuity fund are transferred to a savings account under the control of the Board of trustee.

Welfare Fund

Standard Bank Limited Employees' Welfare Fund is subscribed by monthly contribution of the employees. The Bank also contributes to the fund from time to time. The fund is established to cover the accidental coverage in the event of death or permanent disabilities, retirement benefit and stipend to the employees' children.

Workers Profit Participation Fund (WPPF)

Consistent with the industry practice and in accordance with The Bank Company Act, 1991, no provision has been made for WPPF.

All kinds of employee benefits are calculated in accordance with International Accounting Standard (IAS)-19.



2.14 SBL Foundation

The Bank, as part of corporate social responsibility, has established SBL Foundation for the benefit of the community in which it operates and as part of its said responsibility it commits itself to human development, poverty alleviation and overall national economic development. The Bank contributes to the fund from the annual profit of the bank on requirement basis. The fund is governed and administered by the Board of Trustees consisting of seven members.

2.15 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by group entities except otherwise instructed by the Central Bank as prime regulator. Certain comparative amounts in the financial statements have been reclassified and rearranged to conform to the current year's presentation.

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 (Parent) for transactions and other events in similar nature. The financial statements of subsidiaries have been prepared using the year ended 31 December 2020 which is also same for the Bank. 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.

A. Assets and basis of their valuation

i) Cash and cash equivalents

Cash and cash equivalents include notes and coins in hand and at ATM, unrestricted balances held with Bangladesh Bank and its agent bank, balance with other banks and financial institutions, money at call and on short notice and prize bond which are not ordinarily susceptible to change in value.

ii) Investments

All investments (other than government treasury securities) are initially recognized at cost, including acquisition charges associated with the investment. Accounting treatment of government treasury securities (categorized as HFT or HTM) is made under IFRS-9 and also following Bangladesh Bank DOS Circular no. 05 dated 26 May, 2008 and subsequent clarifications on 28 January, 2009.

Held to Maturity (HTM)

Investments which are intended to be held till maturity are classified as "Held to Maturity". These are measured at amortized cost at each year end by taking into account any discount or premium on acquisition. Premiums are amortized and discount are accredited, using the effective or historical yield method. Any increase or decrease in value of such investments is booked to equity.

Held for Trading (HFT)

These are investments primarily held for selling or trading. After initial recognition, investments are marked to market weekly and any decrease in the present value is recognized in the Profit and Loss Account and any increase is booked to Revaluation Reserve Account through Profit and Loss Account as per Bangladesh Bank DOS Circular no. 05 dated 28 January, 2009.

REPO and Reverse REPO

Since 1 September 2010 transactions of REPO and Reverse REPO are recorded based on DOS Circular no. 06, dated 15 July, 2010 of Bangladesh Bank. In case of REPO of both coupon and non-coupon bearing (Treasury bill) 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.

Investments –Initial recognition and subsequent measurement at a glance Value of investments has been shown as under:

Items	Applicable Accounting Value
Government Treasury Bills and Bonds (HFT)	At present value (using marking to market concept)
Government Treasury Bills and Bonds (HTM)	At present value (using amortization concept)
Bangladesh Government Islamic Bond	At cost
Prize Bond	At cost
Shares & Debentures	At cost

Investment in Subsidiaries

Investment in subsidiaries are accounted for under the cost method of accounting in the Bank's financial statements in accordance with IAS 27 "Separate Financial Statements and IFRS 10 Consolidated Financial Statements" and IFRS 3 "Business Combination". Impairment of investment in subsidiaries is made as per the provision of IAS 36 "Impairment of Assets".

iii) Loans, advances and provisions

Loans and advances are stated at gross amount. Specific provisions were made to adjust all impaired loans and advances with their expected realizable value as per instructions contained in Bangladesh BRPD Circular No.14 of 23 September ,2012 , BRPD Circular No.16 of 18 November ,2014 , BRPD Circular No.3 of 21 April ,2019 and BRPD Circular No.17 of 28 September, 2020 respectively at the following rates:

Rate of provision:

Particulars	Short term Agri-credit	Consumer Financing			SMEF		Loan to BHs / MBs/SDs	All other credit	
		Other than HF & LP	HF	LP	Small	Medium			
Unclassified	Standard	1%	2%	1%	2%	0.25%	0.25%	2%	1%
	SMA	N/A	2%	1%	2%	0.25%	0.25%	2%	1%
Classified	SS	5%	20%	20%	20%	5%	20%	20%	20%
	DF	5%	50%	50%	50%	20%	50%	50%	50%
	BL	100%	100%	100%	100%	100%	100%	100%	100%

iv) Fixed Assets Including Premises, Furniture & Fixtures and lease Assets.

Recognition and measurement

Application of Lease as per IFRS 16 along with its relevant assumptions and disclosures:

IFRS 16: "Leases" has come into force on 1 January 2019, as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). But Standard Bank Limited applied IFRS 16 from 1 January 2020 using prospective approach considering recession due to COVID-19 pandemic where the bank measured the lease liability at the present value of the remaining lease payments, discounted it using the bank's incremental borrowing rate @ 5% at the date of initial application, and recognized a right-of-use asset at the date of the initial application on a lease by lease basis.

Right-of-use assets:

The Bank recognizes right-of-use assets at the date of initial application of IFRS 16. Right-of-use assets are measured at cost, less any accumulated depreciation, and adjusted for any re-measurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the lease term. The right-of-use assets are presented under property, plant and equipment.

Lease liabilities:

At the commencement date of the lease, the bank recognizes lease liabilities measured at the present value of lease payments to be made over the lease term using incremental borrowing rate at the date of initial application. Lease liabilities measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments, and re-measuring the carrying amount to reflect any reassessment or lease modifications. Interest on the lease liability in each period during the lease term shall be the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability.

**Exemption from Lease as per IFRS 16:**

As per IFRS 16 there are some exemptions from application of lease for:-

Short-term leases

A lease will be classified as 'short-term' if it covers a period of 12 months or less at its commencement date. Importantly, a lease cannot qualify as short-term if it contains a purchase option, or if it includes any optional extension periods, unless it is reasonably certain that the lessee will not exercise an option to extend the lease, resulting in the lease period being longer than 12 months.

Low asset-value leases

Another area of exemption to IFRS 16, which will impact lessees, is that of optional accounting simplifications for lower-value assets. In these cases, the value will be assessed according to the value of the underlying stand-alone asset as if it was new, irrespective of the asset's actual age. The IASB has stated that it considers low-value assets such as office furniture, laptops and servers would typically qualify for this exemption.

The Standard Bank has elected not to recognize right-of-use assets and lease liabilities for leases of low value assets and short term leases, i.e. for which the lease term ends within 12 months of the date of initial application. The Bank recognizes lease payments associated with these leases as an expense. In case of low value of lease assets, the bank has set a materiality threshold of 'BDT 10 million and above' which is 0.058 % of total shareholders' equity capital of the bank as of 31-12-2020. The reason behind considering the materiality threshold of BDT 10 million and above is that the bank operates many ATM booths and branches with short and single contracts.

We maintain our fixed assets other than lease assets as per IAS-16. The items of fixed assets excluding land are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Land is measured at historical cost and we do not conduct any revaluation for land.

Cost includes expenditure that are directly attributable to the acquisition of asset and bringing to the location and condition necessary for it to be capable of operating in the intended manner.

When parts of an item of fixed asset have different useful lives, they are accounted for as separate items (major components) of fixed assets.

The gain or loss on disposal of an item of fixed asset is determined by comparing the proceeds from disposal with the carrying amount of the item of fixed asset, and is recognized in other income/other expenses in profit or loss.

Subsequent costs

The cost of replacing a component of an item of fixed assets is 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 Group and its cost can be measured reliably. The carrying amount of the replaced part is recognized. The costs of the day-to-day servicing of fixed assets are recognized in profit or loss as incurred.

Depreciation

Depreciation is charged at the rates stated below on all 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 at the month when the assets are disposed. No depreciation has been charged on land. Rate and method of charging depreciation/ amortization of fixed assets are mentioned below:

Name of the Assets	Rate of Depreciation	Method of charging depreciation/ amortization
Land	Nil	Not applicable
Building	2.50%	Straight Line Method
Furniture & Fixtures	10.00%	Straight Line Method
Office Appliances	20.00%	Straight Line Method
Computer	20.00%	Straight Line Method
Software	20.00%	Straight Line Method
Vehicles	20.00%	Straight Line Method
Right of Use Asset	-	Over Lease period

The contracts for premises with all branches, head office, regional offices, data centers and disaster recovery centers are considered for lease calculation.



v) Intangible Assets

- a. An intangible asset is recognized if it is probable that the future economic benefits that are attributable to the asset will follow to the entity and the cost of the assets can be measured reliably.
- b. Software represent the value of computer application software licensed for use of the bank, other then software applied to the operation software system of computers. Intangible assets are carried at its cost, less accumulated amortization and any impairment losses.
- c. Initial cost comprises license fees paid at the time of purchase and other directly attributable expenditure that are in customizing the software for its intended use.
- d. Expenditure incurred on software is capitalized only when it enhances and extends the economic benefits of computer software beyond their original specifications and lives and such cost is recognized as capital improvement and added to the original cost of software.
- e. Software is amortized using the straight line method over the estimated useful life of 5(five) years commencing from the date of the application. Software is available for use over the best estimate of its useful economic life.

vi) Impairment of Assets

The carrying amounts of banks assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. Any impairment loss is recognized in the profit and loss account if the carrying amount of an asset exceeds its recoverable amount [IAS 36 Impairment of Assets]. No such impairment loss has been arisen and recognized during the year ended 31 December 2020.

vii) Other assets

Other assets include investment in subsidiaries, Membership of DSE & CSE, advance for operating and capital expenditure, stocks of stationery and stamps, security deposits to government agencies etc. As per BRPD Circular No. 14 dated 25 June 2003, Income & Non-income-generating other assets item(s) have been shown separately in the relevant notes to the financial statements.

viii) Contingent asset

A contingent asset is possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events. Contingent asset is not recognized rather disclosed in the financial statements.

B Liabilities & Provision

i) Borrowings from other banks, financial institutions and agents

Borrowings from other banks, financial institutions and agents include interest bearing borrowings which are stated in the financial statements at principal amount of the outstanding balance. Interest payables on such borrowings are reported under other liabilities.

ii) Deposits and other accounts

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 counter parties.

iii) Other liabilities

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 recognized as per the guidelines of Bangladesh Bank and Bangladesh Financial Reporting Standards (IFRS).

iv) Dividend payments

Interim dividend is recognized when it is paid to shareholders. Final dividend is recognized when it is approved by the shareholders in AGM. The proposed dividend for the year 2020, therefore, has not been recognized 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 recognized as a liability and deducted from the shareholders' equity in the period in which the shareholders' right to receive the payment is established.



v) Provision for loans and advances

Provision for classified loans and advances is made on the basis of quarter end review by the management and instructions contained in Bangladesh Bank BRPD Circular No.14 of 23 September ,2012 , BRPD Circular No.16 of 18 November ,2014 ,BRPD Circular No.3 of 21 April ,2020 and BRPD Circular No.17 of 28 September,2020.

vi) Provision for investment in capital market

For recognition of loss suffered from investment in capital market, provision has been made on unrealized loss (gain net off) according to DOS Circular No. 04 dated 24 November ,2011 on portfolio basis.

vii) Provision for off-balance sheet exposures

In compliance with Bangladesh Bank guidelines, contingent liabilities have been disclosed under off-balance sheet items. As per BRPD Circular no. 7 dated 21 June, 2018 and related earlier circulars, the Bank has been maintaining provision @ 1% against off-balance sheet exposures except Bills for Collection.

viii) Provision for other assets

Provision for other assets is made as per the guidelines mentioned in the BRPD Circular No. 14 dated 25 June,2001 i.e.100% provision is required on other assets which are outstanding for one year or more.

ix) Provision for liabilities and accrued expenses

In compliance with IAS 37, provisions for other liabilities and accrued expenses are recognized 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.

x) Provision for Taxation

The company is a publicly traded company as per the Income Tax Ordinance 1984. Provision for Current Income Tax has been made at the existing rate of 37.50% as prescribed in Finance Act 2020 of the accounting profit made by the Bank after considering some of the Taxable add backs of income and disallowances of expenditures.

xi) Deferred Taxation

Deferred Tax arises due to temporary difference deductible or taxable for the events or transaction recognized in the income statement. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary difference. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the balance sheet date. The bank has recognized deferred tax accounting policy as per International Accounting Standard (IAS)-12.

xii) Contingent Liabilities

Contingent liabilities which include certain guarantees and letters of credit pledged as collateral are possible obligations that 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 not recognized in the financial statements as per IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'. However, disclosure on contingent have been made on the face of balance sheet under 'Off-balance Sheet Items' as per guidelines of BRPD Circular No. 14 dated 25 June, 2003.

C Share capital and reserves

i) Authorized and issued capital

The authorized capital of the bank is the maximum amount of share capital that the bank is authorized by its Memorandum and Articles of Association to issue (allocate) among shareholders. Part of the authorized capital can (and frequently does) remain unissued. This number can be changed by shareholders' approval upon fulfillment of related provisions of Companies Act, 1994. The part of the authorized capital which has been issued to shareholders is referred to as the issued share capital of the bank.

**ii) Paid-up capital**

The paid-up capital represents the amount of bank's capital that has been contributed by ordinary shareholders. The holders of ordinary shares 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).

iii) Asset revaluation reserve

When an assets carrying amount is increased as a result of revaluation, the increased amount is credited directly to equity under the heading of assets revaluation reserve as per IAS 16 Property, Plant and Equipment. The Bank also follows the assets revaluation guidelines issued by BSEC on 18 August 2013.

iv) Statutory reserve

In compliance with the provision of Section 24 of Bank Companies Act 1991, the bank transfers at least 20% of its profit before tax to "Statutory Reserve Fund" each year until the sum of statutory reserve and share premium equal to the paid up capital of the bank.

v) Reserve for Amortization/ revaluation of securities

When a Financial Asset categorized under HTM or HFT and subsequent value of the asset is increased as a result of amortisation of assets or mark to market revaluation, the net increased amount (for HTM increase or decrease of book value and for HFT loss to P&L but gain to revaluation reserve through P&L) is credited directly to equity under the heading of reserve for amortization/ revaluation of securities as per Bangladesh Bank DOS circular no. 06, dated 15 July, 2010.

vi) Retained Earnings

The surplus amount after appropriation of yearly profit, kept in Retained Earnings.

vii) Non controlling interest

Non controlling interest (non-controlling interest) in business is an accounting concept that refers to the portion of a subsidiary company's stock that is not owned by the parent company. The magnitude of the Non controlling interest in Standard Bank Securities Limited & Standard Bank Capital Management Limited, a majority owned subsidiary (99.99%) of Standard Bank Limited is very insignificant. Non controlling interest belongs to a sponsor Director of the Bank and is reported on the consolidated balance sheet to reflect the claim on assets belonging to the other non-controlling shareholder. Also, Non controlling interest is reported on the consolidated income statement as a share of profit belonging to the Non controlling shareholder.

D. Revenue Recognition

Revenue is recognised as per IFRS 15 and also following the guidelines of Bangladesh Bank.

i) Interest income

Interest on unclassified loans and advances is accounted for as income on accrual basis, interest on classified loans and advances 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 14 dated 23 September 2012, BRPD 16 dated 18 November, 2014 and BRPD 3 dated 21 April, 2019 of Bangladesh Bank.

ii) Fees and commission income

Fees and commission income arises on services provided by the Bank and recognized as and when received basis. Commission charged to customers on letters of credit, letters of guarantee and acceptance are credited to income at the time of effecting the transactions except those which are received in advance.

iii) Interest income from investments

Interest income on investments in Government and other securities, debentures and bonds is accounted for on accrual basis.

iv) Income from Exchange

Exchange income includes all gain and losses from foreign currency day to day transactions, conversions and revaluation of Non Monetary items.

v) Dividend income

Dividend income from investments is recognized at the time when it is declared, ascertained and right to receive the payment is established.

vi) Interest paid on borrowings and deposits

Interest paid on borrowings and deposits are calculated on 360 days basis (except for some treasury instruments which are calculated on 365 days basis) in a year and recognized on accrual basis.

vii) Management and other expenses

Expenses incurred by the Bank are recognized on actual and accrual basis.

viii) Taxes

The expense comprises current and deferred tax. Current tax and deferred tax is recognized in profit or loss except to the extent that it relates to a business combination or items recognized directly in equity.

a. Current tax

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 @ 37.50% considering major disallowances of expenses and concessional rates on certain incomes (0% on gain on trading of govt. securities, 10% on capital gain (net off loss) of shares traded in secondary market and 20% on dividend income) as per Income Tax Ordinance (ITO), 1984. Tax provision of the Group entities has been 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.

b. Deferred tax

Deferred tax is calculated on taxable/deductible temporary differences between tax base amount and carrying amount of assets and liabilities as required by International Accounting Standard (IAS) 12 'Income Taxes' and BRPD Circular no.11 dated 12 December, 2011.

E. 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 financial liabilities are offset and the net amount is presented in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

iii) Earnings per share (EPS):

The company calculates earnings per share (EPS) in accordance with IAS 33 'Earnings Per Share' which has been shown on the face of Profit and Loss Account. Earning Per Share (EPS) has been calculated by dividing the net profit after tax by the total number of ordinary shares outstanding at the end of the year. Details are shown in note 36 to the financial statements.

Basic Earnings per Share:

Basic earnings per share shall be calculated by dividing profit or loss attributable to ordinary equity holders of the parent entity (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the period.



Diluted Earnings per Share:

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares. However, diluted earnings per share are not required to calculate as there are no dilution possibilities during the financial year 2020.

iv) 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 notes 44.

v) Reconciliation of books and 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 un-reconciled balances within non-material level.

vi) Events after the reporting period:

Where necessary, all the material events after the balance sheet date have been considered and appropriate adjustment/disclosures have been made in the financial statements as per IAS 10 Events after the Reporting Period. The only material event after the balance sheet date is: the Board of Directors recommended 2.5% stock dividend & 2.5% cash dividend for the year 2020 in its meeting no. 341 held on 28.04.2021.

2.16 Reconciliation of inter-bank /inter-branch 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 un-reconciled balances within non-material level.

2.17 Core Risk Management:

The Banking Regulation & Policy Department (BRPD) of Bangladesh Bank vide BRPD circular no.17 dated October 7, 2003 and BRPD circular no.4 dated March 5, 2007 issued guidelines on managing Core Risk in Banks to ensure sustainable performance in the Banking sector. Bangladesh Bank revised its core risk management guidelines on March-2016. There are six core risks which require banks to put in place an effective risk management system. Bangladesh Bank monitors the progress of implementation of these guidelines through its on-site inspection teams through routine inspection. The risk management systems in place at the Bank are discussed below:

2.17.1 Internal Control & Compliance Risk

Internal Control Mechanism refers to a set of tools aimed at the achievement of organizational overall objectives. It helps an organization to safeguard its assets, check the accuracy and reliability of data. Internal Control & Compliance (ICC) promotes operational efficiency and encourages compliance with managerial policies and procedures, laws and regulations and supervisory requirement. The ICC comprises the following three units:

- i) Internal Audit & Inspection Unit
- ii) Monitoring Unit and
- iii) Compliance Unit

An effective Internal control System can assure banks to meet the following objectives:

1. To establish an effective and efficient system to identify and detect errors, omission, fraud and forgeries and to take/suggest effective measures to protect repetition thereof.
2. To help to establish reliable, complete adequate and timeliness of financial and management information.



3. To ensure compliance with applicable laws and regulations.

As per the instruction of Bangladesh Bank the Bank has set Internal Control & Compliance (ICC) Division at Head Office to ensure that the internal control process are in place through establishment of Audit Committee. The Committee reviews the internal & external Audit reports without any intervention of the Bank Management and ensures that Management takes effective measures in case of any deficiencies/lapses are found in the reports of Internal Control System.

4. Fraud and forgery

Fraud and forgery have become important issues in recent years. These have a major impact on our country's economy, impeding economic development. Standard Bank has always been focused in controlling fraud and forgery by establishing and maintaining proper control systems. To prevent fraud and forgery, Standard Bank has formed an Investigation Unit under the Compliance Department of Internal Control & Compliance Division to deal with such kind of incidents. This wing exclusively deals with all kinds of fraud and forgery and acts independently as the first contact point/information unit where internal and external fraud and forgery incidents are escalated, investigated and reviewed. As a remedial course of action, preventive measures are recommended to the business/functional unit to take necessary action relating to process improvements, recovery of misappropriated amount, adjustment of the operational loss and appropriate action initiated against the perpetrator. Investigation reports are also placed to the Board Audit Committee for their direction and guidance.

The Bank has introduced Risk based Internal Audit (RBIA) to assess the business risk as well as the control risk associated with the branches and determine how much care, monitoring & periodicity of comprehensive internal audit would be required to reposition the branches.

Internal Control & Compliance (ICC) Division sets out a Risk based Internal Audit Program each year. The Risk based Internal Audit Program for the year 2020 was chalked by ICC Division which, was duly approved by the Management as well as the Audit Committee of the Board of Directors. The Audit program included the timing and frequency of audit of branches. Accordingly comprehensive audit has been conducted on 134 (One hundred thirty four) branches & 11 (Eleven) Divisions of Head Office, Surprise Inspection has been conducted on 15 (Fifteen) branches and 17 (Seventeen) Special Investigation has been conducted during the year 2020. Moreover, in 2020 we have examined Cash Incentive Payments made by the 10 (Ten) no of AD Branches. ICT Audit has been conducted on 62 (Sixty Two) branches & 03 (Three) Divisions/Departments of Head Office. Major irregularities or lapses of the reports were presented to the Management and the Audit Committee of the Board of Directors. As per directions/suggestions of the Board Audit Committee as well as the higher Management, corrective measures have been taken so as to stop recurrence of such lapses or irregularities in future.

Besides above, Bangladesh Bank Inspection team also conducted 51 (fifty one) different inspections in the year 2020 on various branches and Departments of Head Office. Details are as under:

Nature of Inspection	Head Office/Division	Branches
Special Inspection on Core Risk	5	2
Comprehensive	1	21
Foreign Exchange Transaction	0	0
Special Inspection	0	0
Surprise Inspection	0	2

To comply with the directives of Bangladesh Bank, ICC Division of the bank takes proper initiative to comply the observations/suggestions of Bangladesh Bank and also sent the Compliance Report on time.

The Management Committee (MANCOM) of the Bank monitors the effectiveness of Internal Control System time to time. The MANCOM provides certificate on overall adequacy and effectiveness of Internal Control System based on Bank's policy and procedure to the Board of Directors.



2.17.2 Foreign Exchange Risk

Over the last few decades, the Foreign Exchange terminology & market has emerged as the largest market in the world. The behavior and risk pattern also has come forward tremendously due to its multilateral usance within cross border around the globe. Foreign Exchange risk may be defined as an event of potential financial, physical or reputational loss that can commit the business or environment even uncertain and volatile. Standard Bank Limited has a set of “Foreign Exchange Risk Management Guidelines” in compliance with the Local Regulatory Authorities and Internationally complied authorities which in every aspect mitigate the FX transaction risks covering our Export, Import and Remittance. Our motto is to achieve organizational goal within the harmonized Foreign Exchange risk management frame that comprises the revaluations, reconciliations and other everyday events, activities. Well-built monitoring and recurring follow-up by our management diminishes the risk factors in many cases. Also we have a strong preset ‘Contingency Plan’ to overcome any undue risk situation.

2.17.3 Asset Liability Risk

Asset Liability Management (ALM) is a key financial and risk management discipline. As one of the core risk areas identified by the Bangladesh Bank, ALM requires senior management responsibility in order to control both inherent and acquired risks in the balance sheet and in day-to-day operations.

For better management of asset and liability risk, the Bank has an established Assets Liability Committee (ALCO) which meets at least once a month. The members of ALCO as at 31 December 2020 were as follows:

Mr. Khondoker Rashed Maqsood	MD & CEO		Chairman
Mr. Md. Tohidul Alam Khan	AMD & CRO		Member (Invitee)
Mr. Mohammad Rafiqul Islam	DMD & COO		Member (Invitee)
Ms. Haider Nurun Nahar	SEVP	Head of Credit	Member
Mr. Md. Ali Reza	SVP	CFO	Member
Mr. Md. Forhad Hossain	VP	Head of IBW	Member
Mr. Shah Rahat Uddin Ahmed	VP	Head of Treasury	Member

The ALCO’s primary function is to formulate policies and guidelines for the strategic management of the bank using pertinent information that has been provided through the ALCO process together with knowledge of the individual businesses managed by members of the committee. ALCO regularly reviews the Bank’s overall asset and liability position, forward looking asset and liability pipeline, overall economic position, the Banks’ liquidity position, capital adequacy, balance sheet risk, interest risk and makes necessary changes in its mix as and when required.

The Bank has a specified liquidity and funding ratio to maintain to ensure financial flexibility to cope with unexpected future cash demands. ALCO monitors the liquidity and funding ratio on an ongoing basis and ascertains liquidity requirements under various stress situations. In order to ensure liquidity against all commitments, the Bank reviews the behaviour patterns of liquidity requirements. The Bank has an approved Liquidity Contingency Plan (LCP) which is reviewed and updated on an annual basis by the ALCO. All regulatory requirements including CRR, SLR and RWA are reviewed by ALCO.

2.17.4 Credit Risk

Credit risk is a form of performance risk in a contractual relationship. In any contractual situation, performance risk refers to the possibility that one party in the contract will not honor its obligations to the other. Credit risk is usually defined as the performance risk associated with a financial contract (e.g. a loan, bond, or derivative contract). Hence, the potential failure of a manufacturer to honor a warranty might be called performance risk, whereas the potential failure of a borrower to make good on its payment requirements—which include both the repayment of the amount borrowed, the principal, and the contractual interest payments, would be called credit risk. A borrower or an obligor is defined as any party to a contract that has to perform a financial obligation to the other.

Indeed, the Basic concepts for measuring credit risk—probability of default, recovery rate, exposure at default, expected loss, loss given default, and unexpected loss—are easy enough to understand and explain. However, even for those involved in risk management who agree on the concepts, it is not always easy to practically implement a method that is fully consistent with an original concept.



Therefore, the Bank's credit risk management activities have been designed to address all these issues.

A thorough risk assessment is done before sanction of any credit facility at risk management units. The risk assessment includes borrower risk analysis, financial analysis, industry analysis, historical performance of the customer, security of the credit facility etc. The assessment process starts at the branch level and ends at Credit Risk Management division when it is approved /declined by the competent authority. Credit approval authority has been delegated to the individual executives. Proposal beyond their delegation are approved/declined by the Executive Committee and/or the Board of Directors of the Bank.

In determining Single borrower/Large loan limit, the instructions of Bangladesh Bank BRPD circular no.- 02, dated January 16, 2014 is strictly followed. Internal audit is conducted at yearly intervals to ensure compliance of Banks and Regulatory policies. Loans are classified as per Bangladesh Bank's BRPD circular no. - 14, dated September 23, 2012 & amendment BRPD circular no.- 19 & 05 dated December 27, 2012 & May 29, 2013 respectively.

2.17.5 Information & Communication Technology Risk

The Bank has successfully implemented core banking system (CBS). The Bank's IT has gone through an enormous transformation from where it started. After several years of continuous efforts, standardization of both back-ends as well as front-end operation of bank is completed. Now through wide array of customizable products and services, IT can bring about equivalent contribution to profits.

Relevant hardware, software and networking gears are in place to support operations of online branches, internet banking, SMS service, call center, Tele Banking, POS and ATM network. These devices are providing superior performance resulting in better end-user satisfaction. To ensure uninterrupted and smooth customer service in all branches and SME centers, IT division continuously work on performance tuning for database and application, networking and server hardware on regular basis. Continuous investments are going on to do the necessary up gradation on hardware and software to increase the Bank's centralized online banking and other peripheral service requirements.

ICT Risk Mitigation:

Cyberattacks are a serious threat and concern for financial institutions. Standard Bank is committed to high levels of service quality and banking security. Cyber security is a top priority for the Board and management of The Bank. For cyber security and ICT risk mitigation, the bank has aligned its ICT security policy, in line with the latest Bangladesh Bank ICT guidelines and well-established frameworks and international standards and controls. Through Mirroring Military 'war game' to Ethical Hacking, the bank's information security regularly conducts application/system security assessments and vulnerability assessment and penetration testing on own infrastructure/networks by internally-certified ethical hackers to protect data assets. To protect customer and the bank's data The Bank has implemented a comprehensive data leakage prevention solution. Moreover to ensure ethical use of technology, the bank ensures automated content scanning. The bank has also implemented email security to protect the email system from spam-based attacks. Comprehensive annual maintenance contracts (AMCs), along with service level agreements (SLAs) were signed to ensure 24x7 service for all active equipment of data centre and disaster recovery site.

2.17.6 Money Laundering Risk:

Bank's Anti Money Laundering Division has been functioning to ensure proper compliance of overall Anti Money Laundering activities under the guidance of Bangladesh Financial Intelligence Unit (BFIU). The AML Division is to strongly implement Bank's AML/CFT Policy to cover all latest AML issues for combating money laundering and terrorist financing maintaining international standard. Bank has adopted Money Laundering Prevention Act-2012 (Amendment-2015), Anti Terrorism Act-2009 ((Amendment-2012 & 2013), BFIU Circular No.19 dated 17/09/2017 and circulated it to all of its branches to cope with latest AML strategies of national and global arena. Bank has its own standard Customer Acceptance Policy, Money Laundering & Terrorist Financing Risk Management Guidelines to provide a framework to the branches to combat money laundering & terrorist financing risk. Bank has appointed Chief Anti Money Laundering Compliance officer (CAMLCO) & Deputy CAMLCO to supervise overall anti money laundering activities of the bank. Branch Anti Money Laundering Compliance officer (BAMLCO) to comply with Anti Money Laundering issues at branch level.

In order to maintain national and international standard of AML/CFT functions Bank has policies to comply with all recommendations, accord and sanctions of United Nations (UN), Financial Action Task Force (FATF) and Asia Pacific group (APG). Apart from this, Bank is not to establish any relationship with entity listed by United Nation Security Council (UNSC) resolutions and do not maintain relationship with shell banks.



2.17.7 Environment Risk Management (ERM)

Bangladesh Bank issued Guidelines on Environment Risk Management (ERM) to streamline solutions for managing the environmental risks in the financial sector Ref: BRPD Circular No.01/2011 dated 30.01.2011 and BRPD Circular no.02 dated 27 February, 2011 respectively . Bank accordingly introduced the Guideline on Environment Risk Management which is approved by the Board of Directors in its 198th Board meeting vide memo no.-9955 held on 16.09.2012 and advised the Management to implement the same in our Bank.

As Environmental Risk is related to credit risk hence it has been decided to integrate the same with Credit Risk Management (CRM). As such the concerned Branches are directed to evaluate & assess environmental risks whenever a potential borrower approaches for financing. It is required to calculate the Environmental Risk Rating (EnvRR) correctly while financing to the following sectors:

- 1) Agri-business (Poultry & Dairy), 2) Cement, 3) Chemicals, 4) Engineering & IASic Metal, 5) Housing, 6) Pulp & Paper, 7) Sugar & Distilleries, 8) Tannery, 9) Textile & Apparels, and 10) Ship Breaking.

Environmental Risk Rating (EvnRR) of any Credit proposal combines both the outcomes of the General and Sector specific Environmental Due Diligence (EDD) checklist & should be applied as per the following table:

General EDD	Sector Specific EDD	Overall EnvRR
Low	Low	Low
Moderate & Low	Low & Moderate	Low
If any one or both the General & Sector-Specific EDD checklist is indicated as 'High'		High

All branches are advised to calculate & assess the EvnRR of a credit proposal (if applicable) and go through the Environmental Risk Management

2.17.8 Highlights on Bangladesh Bank’s Inspections of Core Risk Implementation

Bangladesh Bank carried out a comprehensive inspection of SBL Head Office & 50 branches during the year 2020 & special inspection on four core risk (ALM, CRM, ICCD & ICT) based on 30-06-2020 by DBI & two core risk (AML & Foreign Exchange Risk) by BFIU & Foreign Exchange Inspection department during 2020 for assessing the implementation of the guidelines on core risk as well as to evaluate the effectiveness of risk management practices by the Bank. Major findings of the inspection were discussed in a meeting participated by the Board, Bangladesh Bank representatives and related management personnel of the Bank. The Board took the observations with utmost importance and instructed management to comply with BB suggestions for improvement. BB also conducted several other audits on different units/departments of the bank all over the year which include Treasury Division, Credit Division, Credit Administration Division, ICCD and Foreign Exchange etc. Bank already comply all the findings & observations of core risk as per stipulated time set by Bangladesh Bank. The overall core risk implementation status of the Bank is satisfactory.

2.18 Regulatory and legal compliance

The bank complied with the requirements of the following laws & regulation:

- a. The Bank Companies Act 1991 as amended.
- b. The Companies Act 1994
- c. Income Tax Ordinance, 1984 and rules
- d. The Value Added Tax (VAT) Act & Supplementary Duty Act 2012.
- e. Bangladesh Securities and Exchanges Rules 1987, Bangladesh Securities and Exchanges Ordinance 1969, Bangladesh Securities and Exchanges Act 1993.
- f. Rules, Regulations and Circulars issued by the Bangladesh Bank and other regulatory authorities.



2.19 Compliance of International Accounting Standard (IASs) and International Financial Reporting Standard (IFRSs)

The bank has complied the following IASs & IFRSs as adopted by ICAB up to the preparation of financial statements as at and for the year ended 31 December 2020.

Name of IASs /IFRSs	IASs/IFRSs	No.	Status
Presentation of Financial Statements	IAS	1	Complied
Inventories	IAS	2	N/A
Cash Flows Statements	IAS	7	Complied
Accounting Policies, Changes in Accounting Estimates and Errors	IAS	8	Complied
Events after the Reporting Period	IAS	10	Complied
Income Taxes	IAS	12	Complied
Property, Plant and Equipments	IAS	16	Complied
Employee Benefits	IAS	19	Complied
Accounting for Government Grants and Disclosure of Government Assistance	IAS	20	N/A
The Effect of Changes in Foreign Exchange Rates	IAS	21	Complied
Borrowing Costs	IAS	23	Complied
Related Party Disclosures	IAS	24	Complied
Accounting and Reporting by Retirement Benefit Plans	IAS	26	N/A
Separate Financial Statements	IAS	27	Complied
Investments in Associates	IAS	28	N/A
Financial Reporting in Hyperinflationary Economies	IAS	29	N/A
Financial Instruments: Presentation	IAS	32	Complied *
Earning per share	IAS	33	Complied
Interim Financial Reporting	IAS	34	Complied **
Impairment of Assets	IAS	36	Complied
Provisions, Contingent Liabilities and Contingent Assets	IAS	37	Complied
Intangible Assets	IAS	38	Complied
Investment Property	IAS	40	N/A
Agriculture	IAS	41	N/A
First-time Adoption of Bangladesh Financial Reporting Standards	IFRS	1	N/A
Share-based Payment	IFRS	2	N/A
Business Combinations	IFRS	3	Complied
Insurance Contracts	IFRS	4	N/A
Non-current Assets Held for Sale and Discontinued Operations	IFRS	5	N/A
Exploration for and Evaluation of Mineral Resources	IFRS	6	N/A
Financial Instruments: Disclosures	IFRS	7	Complied *
Operating Segments	IFRS	8	Complied
Financial Instruments: Recognition and Measurement	IFRS	9	Complied *
Consolidated Financial Statements	IFRS	10	Complied
Joint Arrangements	IFRS	11	N/A
Disclosure of Interests in Other Entities	IFRS	12	Complied
Fair Value Measurement	IFRS	13	Complied
Regulatory Deferral Accounts	IFRS	14	Complied
Revenue	IFRS	15	Complied
Leases	IFRS	16	Complied

* Complied to the extent possible subject to compliance to Bangladesh Bank guidelines in this respect.

** Complied in the preparation of interim financial reports of the bank.



Reason for departure from IFRS

The Central Bank of Bangladesh ('Bangladesh Bank'), as regulator of the banking industry, has issued a number of circulars/directives which are not consistent with the requirements specified in IAS/IFRS, as referred above. In such cases, the bank has followed regulatory requirements specified by Bangladesh Bank.

Standards issued but not yet effective

A number of new standards and amendments to standards are issued but not yet effective for annual periods beginning after 1 January 2020 and earlier application is permitted. However, the Bank has not adopted early the following new or amended standards in preparing these financial statements. None of these are expected to have a significant effect on the consolidated financial statements of the Group and the separate financial statements of the Bank when they become applicable.

2.20 Operating segments:

Business segments report consists of products and services whose risks and returns are different from those of other business segments. The Bank has ten segments, as described below, which are the Bank's strategic business units. The strategic business units offer different products and services, and are managed separately based on the Bank's management and internal reporting structure. Each of the strategic business units of the Bank are periodically reviewed by the Management Committee. The following summary describes the operations in each of the Bankers reportable segments:

Segment Name	Description
Corporate Banking	This unit Focuses on large corporate groups including structured/syndicated finance with a variety of advances & deposit products and other transactions .
SME Banking	Includes loans, deposits and other transactions and balances with SME customers.
Consumer Banking	Includes loans, deposits and other transactions and balances with retail customers.
Treasury	Treasury unit undertakes the Bank's funding and maintenance of SLR, Asset-liability management through money market operation, Fx. Market dealings, investing in derivatives including forwards, Futures and swaps.
Investment Banking	Includes the Bank's trading, investment in equities and other capital market activities.
Offshore Banking	This unit aims to provide all kinds of commercial banking services to its customers in freely convertible currencies. Presently the Bank has one unit in Dhaka.
Card and Alternate Delivery Channel	This includes offering a variety of debit card and credit card to the customers according to their needs
Mobile Financial Services	Mobile Financial services came up the aim to cover a large number of people under banking channel through mobile network facilitating convenient cash in/out, bill payment. POS purchase etc.
SBL Capital Management Limited	The objective of the company is in underwriting, managing and distributing the issue of shares, bonds and other securities, portfolio management. share transfer agent, fund management etc.
SBL Securities Limited	The principal activity of the Co. is to act as a TREC Holder of DSE & CSE to carry on the business of stock brokers in relation to shares and securities dealings and other services.
Standard Exchange Company (UK) Limited	The main activities of the exchange house are to carry on the remittance business and to undertake and participate in transactions, activities and operation commonly carried on or undertaken by remittance and exchange houses.
Standard Co (USA) Inc.DBA: Standard Express	The main activities of the exchange house are to carry on the remittance business and to undertake and participate in transactions, activities and operation commonly carried on or undertaken by remittance and exchange houses.

2.21 General

- Figures appearing in the financial statements have been rounded off to the nearest Taka
- Figures and account titles of previous year have been rearranged whenever considered necessary including capital to risk weighted adequacy ratio (CRAR) as per Bangladesh Bank Letter No. BRPD (P-1)/661/13/2020-3370 to confirm with current year's presentation.
- Expenses irrespective of capital or revenue nature accrued but not paid have been provided for in the books of account of the Bank.

Comparative information

Comparative information in respect of the previous year has been presented from the financial statements audited by current year auditors for the year ended 31 December 2020. Figures of previous year have been rearranged whenever necessary to confirm the current year/period presentation.

Approval of financial statements

The financial statements have been approved by the Board of Directors of the bank in its 341th meeting held on April 28, 2021.

2.22 Changes in accounting policies

As per IAS 8 "Accounting policies, Changes in Accounting Estimates and Errors" Accounting Policies are applied consistently for comparability between financial statements of different accounting periods. Changes in Accounting Policies are applied retrospectively in the financial statements. Comparative amounts presented in the financial statements affected by changes in accounting policy for each period presented.

2.23 Credit Rating of Bank

As per BRPD circular no. 6 dated 5 July 2006, the Bank has done its credit rating by ARGUS Credit Rating Services Limited based on the audited financial statements as at and for the year ended 31 December 2020. The following ratings have been awarded:

Particulars	Date of Rating	Long term	Short term
Surveillance Rating	30-06-2021	AA+	ST-2
		Double A Plus (High quality and High Safety)	(High Grade)
Outlook		Stable	

		Amount in Taka	
		31.12.2020	31.12.2019
Introduction	3. CASH		
	3.1 Cash in hand		
	In local Currency	1,474,774,347	1,772,693,751
	In Foreign Currency	123,060,630	36,839,348
	Total	1,597,834,977	1,809,533,099
Corporate Governance	3.2 Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)		
	In local Currency	28,493,932,142	10,621,787,279
	In Foreign Currency	410,734,325	76,478,146
	Sonali Bank as agent of Bangladesh Bank	28,904,666,467	10,698,265,425
	Local currency	184,256,455	233,649,954
	Total	29,088,922,922	10,931,915,380
Risk Governance	3.3 Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR)		
Management Retrospection			
Stakeholders' Information			
Sustainability			
Financial Information			

Cash Reserve Ratio and Statutory Liquidity Ratio have been calculated and maintained in accordance with section 33 of Bank Companies Act 1991 (amendment upto 2013), DOS Circular Letter No. 26 dated August 19, 2019 and MPD circular No. 02 dated December 10, 2013 and MPD circular No.03 dated April 09, 2020.

The Cash Reserve Ratio on the Bank's time and demand liabilities at the rate of 4.00% on bi-weekly basis and minimum 3.50% on daily basis has been calculated and maintained with Bangladesh Bank in current account and 13% Statutory Liquidity Ratio, on the same liabilities has also been maintained in the form of Treasury Bills, Treasury Bonds, Bangladesh Bank Bills, Cash in hand, Balance with Sonali Bank as an agent of Bangladesh Bank, Excess reserve of CRR and FC balance with Bangladesh Bank. Both the reverses maintained by the Bank are in excess of the statutory requirements as shown below:

i) Cash Reserve Ratio (CRR) for Conventional Banking (4% of Average Demand and Time Liabilities)		
Required Reserve	6,788,088,000	9,321,795,000
Actual Reserve maintained (Second Bi-weekly of December-2020, as per Bangladesh Bank Statement)	28,775,956,000	9,488,529,000
Surplus/(Deficit)	21,987,868,000	166,734,000
ii) Cash Reserve Ratio (CRR) for Islamic Banking (4% of Average Demand and Time Liabilities)		
Required Reserve	44,044,000	41,424,000
Actual Reserve maintained (as per Bangladesh Bank Statement)	68,464,000	52,753,000
Surplus/(Deficit)	24,420,000	11,329,000
iii) Statutory Liquidity Ratio (SLR) for Conventional Banking : (13% of Average Demand and Time Liabilities)		
Required Reserve	22,075,694,000	22,033,334,000
Actual Reserve maintained	27,095,644,000	28,685,820,336
Surplus/(Deficit)	5,019,950,000	6,652,486,336
iv) Statutory Liquidity Ratio (SLR) for Islamic Banking : (5.5% of Average Demand and Time Liabilities)		
Required Reserve	60,560,000	41,424,000
Actual Reserve maintained	103,689,000	53,849,000
Surplus/(Deficit)	43,129,000	12,425,000

	Amount in Taka	
	31.12.2020	31.12.2019
3.4 Held for Statutory Liquidity Ratio		
Cash in hand	1,586,278,000	1,803,233,000
Balance with Sonali Bank	184,256,000	233,648,000
Excess of CRR	21,827,572,000	-
Government Treasury Bills	1,649,728,000	3,237,389,129
Government Treasury Bonds	1,847,810,000	23,411,550,207
	27,095,644,000	28,685,820,336
3(a) Consolidated cash		
i. Cash in hand		
Standard Bank Limited (note-3.1)	1,597,834,977	1,809,533,099
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	144,301,655	64,591,546
SBL Capital Mgt. Ltd.	-	-
SBL Securities Ltd.	-	-
	1,742,136,632	1,874,124,644
ii. Balance with Bangladesh Bank and its agent bank(s)		
Standard Bank Limited (note-3.2)	29,088,922,922	10,931,915,380
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	-	-
SBL Securities Ltd.	-	-
	29,088,922,922	10,931,915,380
	30,831,059,554	12,806,040,024
4. Balance with other Banks and financial institutions		
In Bangladesh (note 4.1)	196,958,955	1,044,472,813
Outside Bangladesh (note 4.2)	1,732,632,572	747,745,218
	1,929,591,527	1,792,218,031
4.1 In Bangladesh		
Current Deposits	-	-
Short Term Deposit (STD)		
Agrani Bank Limited	101,353	114,064
Basic Bank Limited	1,042	13,170
BRAC Bank Ltd.	341,184	341,184
Dutch Bangla Bank	11,000	11,000
Eastern Bank Limited	1,253	1,253
Islami Bank bd Limited	40,980	4,329,938
Janata Bank Limited	1,037,873	1,303,899
Southeast Bank Ltd.	-	305,870
Sonali Bank Limited	86,136,136	48,071,000
Standard Chartered Bank	11,857,649	(3,206,924)
The City Bank Limited	1,938,187	80,778
Trust Bank Ltd.	5,492,297	5,107,581
	106,958,955	56,472,813

		Amount in Taka	
		31.12.2020	31.12.2019
	Savings Deposit	-	-
	Fixed Deposits		
	Hajj Finance Company Ltd.	90,000,000	163,000,000
	IIDFC (FDR)	-	-
	Islamic Finance & Investment Ltd.	-	25,000,000
	IPDC Finance Ltd.	-	-
	IDLC Finance Ltd	-	-
	Lanka Bangla Finance Ltd.	-	100,000,000
	National Housing Fin. And Invest.	-	400,000,000
	Uttara Finance & Investment Ltd. (FRD)	-	300,000,000
	Jamuna Bank Ltd	-	-
	Islami Banking Window - Topkhana	-	-
	Pubali Bank Limited	-	-
		90,000,000	988,000,000
		196,958,955	1,044,472,813
4.2	Outside Bangladesh		
	In Current account		
	Interest Bearing		
	Standard Chartered Bank, New York	685,014,813	122,476,377
	Mashreq Bank Psc, New York	256,078,556	76,325,044
	AXIS Bank Limited, Mumbai, India	42,461,470	8,034,563
	ICICI Bank Ltd., Mumbai, India	79,395,713	15,444,602
	A.B. Bank LTD. MUMBAI	20,789,718	6,847,596
	Non Interest Bearing	-	-
	Standard Chartered Bank Ltd., Mumbai, India	133,587,264	7,475,037
	Standard Chartered Bank Ltd., Frankfurt	798,147	682,047
	Standard Chartered Bank Ltd., Tokyo	18,131,097	911,595
	ICICI Bank Ltd., Hongkong	13,791,071	8,065,193
	Nepal Bangladesh Bank Ltd, Kathmundu	14,751,997	14,675,992
	Bhutan National Bank, Bhutan	1,610,441	444,778
	Commerz Bank, Frankfurt	14,611,667	448,137
	Habib American Bank Ltd. New York	374,178,569	121,696,036
	Habib Metropolitan Bank Ltd. Karachi, Pakistan	5,635,763	7,628,673
	Mashreq Bank ,London	-	26,275,354
	Bank Aljaria, KSA	21,858,747	7,842,839
	Bank Aljaria, KSA, USD	7,875,863	16,927,330
	Commerzbank, Frankfurt(GBP)	534,236	-
	SCB, LONDON (GBP)	14,448,568	-
	Westpac Banking Corporation ,Sydney, AUD	-	207,153
	Alawwal Bank ,KSA,SAR (Saudi Hollandi Bank KSA)	-	-
	Sonali Bank (UK) Ltd	-	-
	Total Nostro Accounts	1,705,553,700	442,408,347
	FDR		
	Standard Chartered Bank Ltd., Mumbai, India	7,352,100	7,352,100
	Others		
	Habib American Bank Ltd, New York (OBU)	19,726,773	297,984,772
	Total Outside Bangladesh	1,732,632,572	747,745,218
	Total	1,929,591,527	1,792,218,031

(Annexure-A for details)

	Amount in Taka		
	31.12.2020	31.12.2019	
4.3 Maturity grouping of balance with other banks and financial institutions			
Payable on demand	-	-	Introduction
Up to 1 month	1,839,591,527	1,629,218,031	
Over 1 month but not more than 3 months	-	-	
Over 3 months but not more than 1 year	90,000,000	163,000,000	
Over 1 year but not more than 5 years	-	-	
Over 5 years	-	-	
	1,929,591,527	1,792,218,031	Corporate Governance
4.4 Net Balance with other banks and financial institutions			
Balance with other banks and financial institutions (note-4)	1,929,591,527	1,792,218,031	Risk Governance
Add: Lending to other banks and financial institutions (note-05)	5,000,000	117,400,000	
Less: Borrowing from other banks and financial institutions (note-10)	12,006,087,417	12,511,022,969	
	(10,071,495,890)	(10,601,404,938)	
4.5 Consolidated Net Balance with other banks and financial institutions			
Balance with other banks and financial institutions (note-4b)	(10,071,495,890)	(10,601,404,938)	Management Retrospection
Less: Borrowing from other banks and financial institutions	-	-	
	(10,071,495,890)	(10,601,404,938)	Stakeholders' Information
4(a) Consolidated Balance with other banks and financial institutions In Bangladesh			
Standard Bank Limited (note-4.1)	196,958,955	1,044,472,813	Sustainability
Standard Exchange Co.(UK) Ltd.	-	-	
Standard Express(USA) Ltd.	-	-	
SBL Capital Mgt. Ltd.	83,455,629	25,181,989	
SBL Securities Ltd.	34,532,393	18,468,316	
	314,946,977	1,088,123,117	
Outside Bangladesh			
Standard Bank Limited (note-4.2)	1,732,632,572	747,745,218	Financial Information
Standard Exchange Co.(UK) Ltd.	12,836,741	5,074,317	
Standard Express(USA) Ltd.	66,192,392	91,976,896	
SBL Capital Mgt. Ltd.	-	-	
SBL Securities Ltd.	-	-	
	1,811,661,706	844,796,432	
	2,126,608,682	1,932,919,549	
5. Money at Call and Short Notice Banking Company			
Jamuna Bank Limited	-	-	
	-	-	
Non-Banking Financial Institutions			
MIDAS	-	-	
Short Notice Money			
Lanka Bangla	-	100,000,000	
Uttara Finance	-	-	
IPDC	-	-	
IDLC Finance Ltd	-	-	
Gsp Finance	5,000,000	17,400,000	
	5,000,000	117,400,000	
Total	5,000,000	117,400,000	

		Amount in Taka	
		31.12.2020	31.12.2019
Introduction	5.1 Maturity grouping of Money at Call and Placements:		
	Payable on demand	5,000,000	117,400,000
	Up to 1 month	-	-
	Over 1 month but not more than 3 months	-	-
	Over 3 months but not more than 1 year	-	-
	Over 1 year but not more than 5 years	-	-
	Over 5 years	-	-
		5,000,000	117,400,000
Corporate Governance	6. Investments		
	Government securities (note -6.a)	3,559,474,650	26,688,824,637
	Others Investment (note -6.b)	6,050,274,784	5,999,834,379
		9,609,749,434	32,688,659,016
Risk Governance	a) Government securities		
	Treasury Bill		
	14 days Treasury Bills	-	-
	91 days Treasury Bills	-	-
	182 days Treasury Bills	799,800,000	1,677,125,350
	364 days Treasury Bills	849,937,950	1,560,263,779
	Total Treasury Bill	1,649,737,950	3,237,389,129
Management Retrospection	Government Bond		
	1 years Government bonds	-	201,399,164
	2 years Government bonds	-	2,542,505,446
	5 years Government bonds	1,847,810,000	8,853,503,317
	10 years Government bonds	-	3,597,073,820
	15 years Government bonds	-	8,217,068,461
	20 years Government bonds	-	-
	Total Government Bond	1,847,810,000	23,411,550,208
Stakeholders' Information	Prize bonds	3,426,700	4,385,300
	Total Prize bonds	3,426,700	4,385,300
	Government Islamic Bond		
Sustainability	1 years bonds	58,500,000	35,500,000
	2 years bonds	-	-
	Total Government Islamic Bond	58,500,000	35,500,000
	Total Government Securities	3,559,474,650	26,688,824,637
Financial Information	b) Other Investments (note -6.3)		
	Quoted Shares	155,740,426	156,646,170
	Unquoted Shares	5,154,534,945	4,938,188,796
	Preference share	-	35,000,000
	Subordinated Bonds	739,999,412	869,999,412
	Bangladesh Bank Bill	-	-
	Total Others Investment	6,050,274,784	5,999,834,379

		Amount in Taka	
		31.12.2020	31.12.2019
6.1	Government Securities classified as per Bangladesh Bank Circular:		
	Held for trading (HFT)	1,649,737,950	4,906,955,320
	Held to maturity (HTM)	1,906,310,000	21,777,484,017
	Other Securities (Prize Bond)	3,426,700	4,385,300
		3,559,474,650	26,688,824,637
6.2	Maturity grouping of Investments :		
	On demand	3,426,700	4,385,300
	Up to 1 month	-	-
	Over 1 month but not more than 3 months	-	-
	Over 3 months but not more than 1 year	799,800,000	1,677,125,350
	Over 1 year but not more than 5 years	908,437,950	4,138,269,225
	Over 5 years	7,898,084,784	26,868,879,141
		9,609,749,434	32,688,659,016
6.3	Other Investments :		
	a) Quoted Shares		
	First Bangladesh Fixed Income Fund	150,000,000	150,000,000
	Bangladesh Steel Re-Rolling Mills Ltd	3,520,810	4,595,375
	The ACME Laboratories Limited	109,226	109,226
	Runner Automobile Limited	676,745	676,744
	Genex Infosys Limited	-	3,779
	ADN Telecom Limited	-	569,040
	Robi Axiata Limited	1,311,880	-
	Kettali Textiles Ltd	-	151,270
	Silva Pharmaceuticals Limited	-	91,940
	Indo-Bangla Pharmaceuticals Limited	-	29,450
	New Line Clothings Limited	-	150,260
	Silco Pharmaceuticals Limited	-	76,411
	Coppertech Industries Limited	-	48,576
	Sea Pearl Beach Resort & Spa Limited	18,171	40,505
	Ring Shine Textiles Limited	103,594	103,594
	Total Quoted Shares	155,740,426	156,646,170
	b) Unquoted Shares		
	Central Depository Bangladesh Limited (CDBL)	156,548,164	156,548,164
	Central Counterparty Bangladesh Limited (CCBL)	37,500,000	37,500,000
	Market Stabilization Fund	5,000,000	5,000,000
	SWIFT	3,003,185	3,003,185
	Standard Exchange Co.(UK) Ltd.	33,843,240	32,757,960
	Standard Express(USA) Ltd.	130,122,500	130,122,500
	SBL Capital Mgt. Ltd.	1,499,940,000	1,499,940,000
	SBL Securities Ltd.	799,940,000	799,940,000
	SBL Capital Mgt. Ltd.(Investment)	2,488,637,856	2,273,376,987
	Total Unquoted Shares	5,154,534,945	4,938,188,796
	c) Preference share		
	Preference Share Of Star Ceramics Ltd.	-	35,000,000
	Total Preference share	-	35,000,000
	d) Subordinated Bond		
	Zero Coupon Bond	99,999,412	99,999,412
	BSRM Ltd.	-	-
	Jamuna Bank Ltd 2Nd Subordinate Bond	400,000,000	500,000,000
	MTBL 3rd Subordinated Bond	120,000,000	150,000,000
	The City Bank 2nd Subordinated Bond	100,000,000	100,000,000
	Golden Harvest Agro Industries Ltd.	20,000,000	20,000,000
	Total Subordinated Bond	739,999,412	869,999,412
	e) Bangladesh Bank Bill		
	7 days Treasury Bills	-	-
	14 days Treasury Bills	-	-
	30 days Treasury Bills	-	-
	Total Bangladesh Bank Bill	-	-
	Total Other Investments	6,050,274,784	5,999,834,379
	(Annexure-E may kindly be seen for details)		

		Amount in Taka		
		31.12.2020	31.12.2019	
Introduction	6(a) Consolidated Investments			
	Government			
	Standard Bank Limited (note-6)	3,559,474,650	26,688,824,637	
	Standard Exchange Co.(UK) Ltd.	-	-	
	Standard Express(USA) Ltd.	-	-	
	SBL Capital Mgt. Ltd.	-	-	
	SBL Securities Ltd.	-	-	
		3,559,474,650	26,688,824,637	
	Others			
	Standard Bank Limited (note-6)	6,050,274,784	5,999,834,379	
	Standard Capital Mgt. Ltd (Share Capital & Investment to SCML)	(3,988,577,856)	(3,773,316,987)	
	Standard Exchange Co.(UK) Ltd.	(33,843,240)	(32,757,960)	
	Standard Express(USA) Ltd.	(130,122,500)	(130,122,500)	
	SBL Capital Mgt. Ltd.	1,840,646,303	2,144,527,751	
	SBL Securities Ltd.	510,094,818	501,039,750	
	SBL Securities Ltd. (Share Capital to SSL)	(799,940,000)	(799,940,000)	
		3,448,532,309	3,909,264,433	
		7,008,006,959	30,598,089,070	
	Corporate Governance	7. Loan and advances/Investments		
As per classification into the following broad categories:				
i) Loans, cash credits, overdrafts, etc				
Inside Bangladesh				
Secured overdraft/Quard against TDR		18,512,214,330	19,538,859,833	
Term Loan		55,989,949,302	46,516,019,226	
Export Development Fund (EDF)		3,928,778,277	3,526,381,213	
Agriculture Loan		5,705,792,553	5,106,105,752	
Cash credit/ Murabaha		16,572,943,928	16,504,624,235	
House Building loans		3,397,758,643	3,492,875,181	
Transport Loans		1,307,020,916	1,565,231,060	
Loans against trust receipt		4,413,136,639	6,605,132,296	
Payment against document		765,962,886	501,394,017	
Packing credit		441,800,356	508,243,500	
Demand Loan		9,181,497,781	13,221,383,282	
Lease Finance / Izara		1,483,425,511	1,408,464,890	
Syndicate/Club Finance		2,140,729,789	2,550,763,227	
VISA Credit Card		768,637,467	727,635,190	
SME/SE		32,304,395,658	32,118,807,373	
Green Finance	13,765,299	13,966,490		
Consumer Credit Scheme/Hire purchase	493,414,479	300,105,231		
	157,421,223,814	154,205,991,995		
Outside Bangladesh	-	-		
	157,421,223,814	154,205,991,995		
Risk Governance	ii) Bills purchased and discounted			
	Payable inside Bangladesh			
	Inland bills purchased	958,039,423	1,430,296,089	
	Payable outside Bangladesh			
	Foreign bills purchased and discounted	1,070,942,161	2,443,707,143	
		2,028,981,583	3,874,003,231	
	Total	159,450,205,397	158,079,995,226	
	Management Retrospection			

	Amount in Taka	
	31.12.2020	31.12.2019
7.1 Net loans and advances/Investments		
Loans and advances/Investments (note-7)	159,450,205,397	158,079,995,226
Less:		
Non-performing loans and advances/Investments (note-7.9)	7,764,228,563	9,232,447,399
Interest suspense (note-12.4)	1,632,466,069	762,258,699
Provision for loans and advances/Investments (note-12.2)	4,533,023,958	3,852,070,115
	13,929,718,589	13,846,776,212
	145,520,486,808	144,233,219,014
7.2 Residual maturity grouping of loans and advances/Investments including bills purchased and discounted		
Repayable on demand		
Up to 1 month	7,979,594,814	18,299,298,198
Over 1 month but not more than 3 months	21,019,652,733	21,000,750,188
Over 3 months but not more than 1 year	52,999,255,695	52,605,964,835
Over 1 year but not more than 5 years	41,873,738,206	52,475,340,651
Over 5 years	35,577,963,949	13,698,641,355
	159,450,205,397	158,079,995,226
7.3 Loans and advances/Investments under the following broad categories :		
Loans	122,336,065,556	118,162,507,928
Cash Credit	16,572,943,928	16,504,624,235
Overdraft	18,512,214,330	19,538,859,833
	157,421,223,814	154,205,991,995
Bills purchased and discounted	2,028,981,583	3,874,003,231
	159,450,205,397	158,079,995,226
7.4 Loans and advances/Investments on the basis of significant concentration including bills purchased and discounted		
a) Loans and advances/Investments to allied concerns of Directors/Sponsors of the Bank (Annexure-D)	463,698,000	512,359,127
b) Loans and advances/Investments to Chief Executive and other senior executives (including staff)	1,033,343,645	986,514,051
c) Loans and advances/Investments to customers group :		
i) Commercial lending	14,352,100,000	295,760,000
ii) Export financing	3,333,300,000	1,897,000,000
iii) House building loan	2,401,911,213	2,477,700,233
iv) Consumers Credit Scheme	3,297,800,000	625,100,151
v) Small and medium enterprises	32,304,395,658	32,126,300,336
vi) Special program loan	483,790,293	1,519,700,000
vii) Other Loans and advances/Investments	4,581,766,587	6,875,433,321
	60,755,063,751	45,816,994,041
d) Industrial Loans/Investments		
i) Agricultural Industries	2,726,900,000	29,199,989,034
ii) Textile Industries	5,754,800,000	6,444,300,000
iii) Food and allied Industries	10,659,000,000	14,185,600,000
iv) Pharmaceuticals Industries	258,700,000	791,100,000
v) Leather, Chemical and Cosmetics etc	2,212,500,000	443,000,000
vi) Cement and Ceramic Industries	1,398,400,000	1,693,500,000
vii) Service Industries	4,997,800,000	7,870,200,000
viii) Transport and Communication Industries	3,475,900,000	3,300,300,000
ix) Other Industries	65,714,100,001	46,836,138,974
	97,198,100,001	110,764,128,007
Total Loans and advances/Investments	159,450,205,397	158,079,995,226

		Amount in Taka	
		31.12.2020	31.12.2019
Introduction	7.5 Geographical Location-wise Loans and advances/Investments:		
	Urban:		
	Dhaka Division	108,947,122,450	108,081,481,842
	Chittagong Division	26,802,926,394	27,407,844,343
	Khulna Division	7,290,535,555	7,343,011,461
	Barishal Division	417,291,906	419,548,058
	Rajshahi Division	5,725,853,887	5,340,813,704
	Rangpur Division	6,173,224,609	5,478,834,338
	Sylhet Division	644,856,289	595,355,583
	Mymensing Division	210,599,307	209,300,707
	156,212,410,397	154,876,190,035	
Rural :			
Dhaka Division	1,488,556,061	1,464,611,117	
Chittagong Division	701,429,055	683,382,224	
Khulna Division	-	-	
Barishal Division	-	-	
Rajshahi Division	470,872,505	486,524,420	
Rangpur Division	223,773,550	221,079,421	
Sylhet Division	105,923,458	106,977,578	
Mymensing Division	247,240,371	241,230,431	
	3,237,795,000	3,203,805,191	
Outside Bangladesh	-	-	
Total	159,450,205,397	158,079,995,226	
Sustainability	7.6 Details of pledged collaterals		
	Agriculture and SME	23,037,800,000	22,371,991,230
	Manufacturing/Production	40,759,800,000	41,400,699,913
	Real Estate	10,990,000,000	10,189,763,846
	Service Industry	12,467,200,000	17,991,123,067
	Others	2,862,100,000	8,951,238,129
	90,116,900,000	100,904,816,185	

Amount in Taka

31.12.2020

31.12.2019

7.7 DETAIL OF LARGE LOAN

Number of clients with amount of outstanding and classified loans/Investments to whom loans and advances/Investments sanctioned exceeds 10% of total capital of the Bank. Total Capital of the Bank was Taka 2,309.15 crore as at 31 December, 2020 (Taka 1962.14 Crore in 2019)

Number of Clients

Amount of outstanding advances/Investments /Investments

Amount of classified advances/Investments/Investments

Measures taken for recovery

29	24
6,717.50	6,243.20
-	-
Not applicable	Not applicable

Name of Clients	Outstanding as on 31.12.2020		Total Amount (In crore)	
	Funded	Non-Funded	2020	2019
Chaity	377.77	48.13	425.90	553.24
Sinha	275.87	51.37	327.24	272.41
Saad Musa	367.92	-	367.92	343.25
Paradise	387.15	1.03	388.18	360.30
Pran RFL	260.38	92.26	352.64	373.43
Bashundhara	414.99	-	414.99	451.64
Noman	163.70	12.27	175.97	0.00
Rose Group/Pantex	150.76	77.81	228.57	164.57
SQ Group	29.43	262.23	291.66	398.80
Zohura Agriculture & Zohura Trading	188.07	-	188.07	134.51
Rangs	338.86	18.75	357.61	275.46
Modern	278.94	-	278.94	269.62
N.Z. Group	32.36	1.34	33.70	0.00
Nitol-Niloy Group	161.48	25.52	187.00	193.10
Abdul Monem Ltd.	193.65	98.05	291.70	296.34
Mir Akhter Hossain Ltd.	121.57	45.93	167.50	212.17
Navana Group	90.11	32.72	122.83	0.00
Union Group	139.52	24.60	164.12	239.84
Prime Group	318.30	2.33	320.63	367.68
Amber Group	102.66	11.67	114.33	119.37
MSA Textiles Ltd	57.68	85.85	143.53	173.02
Nationtech-KKENT JV	140.09	80.29	220.38	0.00
Karim Group	153.90	56.96	210.86	206.22
Abul Khair Group	4.00	45.98	49.98	0.00
Provita Group	300.99	2.39	303.38	287.59
Anwar Group	143.39	5.74	149.13	190.30
Pretty Sweaters Limited	154.58	0.05	154.63	148.34
Glory Group	128.16	39.64	167.80	212.00
Madina Group	72.65	45.66	118.31	0.00
Total	5,548.93	1,168.57	6,717.50	6,243.20

		Amount in Taka	
		31.12.2020	31.12.2019
Introduction	7.8 Particulars of loans and advances/Investments	Taka	Taka
Corporate Governance	i) Loans/Investments considered good in respect of which the Bank is fully secured	117,920,539,415	118,120,313,496
	ii) Loans/Investments considered good against which the bank holds no security other than the debtors' personal guarantee	32,201,488,085	33,436,668,161
	iii) Loans/Investments considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	7,993,419,534	4,903,949,150
	iv) Loans/Investments adversely classified; provision not maintained there against	1,334,758,362	1,619,064,419
		<u>159,450,205,397</u>	<u>158,079,995,226</u>
Risk Governance	v) Loans/Investments due by directors or officers of the banking company or any of them either separately or jointly with any other persons	1,033,343,645	1,037,868,176
	vi) Loans/Investments due from companies or firms in which the directors of the Bank have interest as directors, partners or managing agents or in case of private companies as members	516,239,757	560,512,818
Management Retrospection	vii) Maximum total amount of advances/Investments, including temporary advances/Investments made at any time during the year to directors or managers or officers of the banking company or any of them either separately or jointly with any other person.	1,053,576,560	1,037,868,176
	viii) Maximum total amount of advances/Investments, including temporary advances/Investments granted during the year to the companies or firms in which the directors of the banking company have interest as directors, partners or managing agents or in the case of private companies, as members	722,746,487	560,512,818
Stakeholders' Information	ix) Due from banking companies	-	-
	x) Total amount of Classified advances/Investments on which interest is not credited to income	7,764,228,563	9,232,447,399
	a) Movement of Classified Loans and advances/Investments		
	Opening Balance	9,232,447,399	11,348,683,203
	Increase/(decrease) during the year	(1,468,218,836)	2,116,235,805
		7,764,228,563	9,232,447,399
Sustainability	b) Provision kept against loan classified as bad debts (note-7.10)	3,251,441,891	2,589,031,297
	c) Interest credited to interest suspense Account (note-12.4)	1,632,466,069	762,258,699
Financial Information	xi) Cumulative amount of written off loans/Investments		
	Opening Balance	4,733,419,819	4,756,099,435
	Amount written off during the year	-	3,027,673
		<u>4,733,419,819</u>	<u>4,759,127,108</u>
	Amount realized against loan/Investments previously written off	29,264,265	25,707,289
	Closing Balance	4,704,155,554	4,733,419,819
	The amount of written off / classified loans/Investments for which law suits have been filed	21,681,685,406	20,773,986,208

				Amount in Taka	
				31.12.2020	31.12.2019
7.09	Classification of loans and advances/Investments				
	Unclassified:			151,685,976,834	148,847,547,828
	Standard including staff loans/Investments			147,397,604,784	144,932,336,141
	Special Mention Account (SMA)			4,288,372,050	3,915,211,687
	Classified:			7,764,228,563	9,232,447,399
	Sub standard			372,969,764	412,982,885
	Doubtful			764,399,096	764,646,218
	Bad/Loss			6,626,859,703	8,054,818,296
				159,450,205,397	158,079,995,226
7.10	Particulars of required provision for loan and advances/Investments				
	Status	Outstanding	Base for provision	%	
	Un-classified -General provision:				
	All Unclassified loans (other than Small and Medium Enterprise financing, Loan to BH/MB/SD agst shares, Consumer Financing, House Finance, Agriculture Finance, Staff loan and Special Mentioned Account)	112,161,305,524	111,149,342,524	1% to 5%	1,121,613,056
	Small and Medium Enterprise financing	29,175,270,871	29,175,270,871	0.25%	72,938,177
	Loan to BH/MB/SD agst shares	582,644,002	582,644,002	2.00%	11,652,880
	Consumer Financing,	119,086,840	119,086,840	2.00%	2,381,737
	Consumer Financing,	247,461,740	247,461,740	2.00%	4,949,235
	House Finance	1,501,261,074	1,501,261,074	1.00%	15,012,611
	Agriculture Finance	2,588,000,968	2,588,000,968	1.00%	25,880,010
	Staff loan	1,022,573,764	1,022,573,764	0.00%	-
	Special Mentioned Account	4,288,372,050	3,898,538,841	.25% to 5%	27,154,361
	Classified-specific provision				
	Sub Standard	372,969,764	228,142,340	5% to 20%	44,215,510
	Doubtful	764,399,096	372,255,198	5% to 50%	184,962,247
	Bad/Loss	6,626,859,703	3,029,048,757	100.00%	3,022,264,134
		159,450,205,396	153,913,626,920		3,251,441,891
	Required provision for loans and advances/Investments				4,533,023,9578
	Total Provision maintained (note-12.2)				4,533,023,958
	Excess/(Short) provision at 31 December				
	*The Bank has maintained total provision of Tk. 453.30 crore against loans & advances/investments for the year 2020. As per Bangladesh Bank letter no. DBI-1(Division-2)/111/2021-962 dated 01.04.2021 & DOS (RMMCMS) 1154/ 161/2021-1829 dated 22.04.2021, the additional provision will be maintained equally within next four years with effect from 2021.				
7.11	Particulars of required provision on Off-Balance Sheet Exposures				
	Base for Provision		Rate %		
	Acceptance and endorsements	10,721,978,308	1%	107,219,783	175,379,162
	Letter of guarantee	12,833,411,761		128,334,118	136,913,255
	Letter of credit	11,066,404,802		110,664,048	113,285,007
	Bills for Collection	-		-	-
	Required provision of Off-Balance Sheet Exposures			346,217,949	425,577,423
	Total provision maintained (note-12.3)			346,217,949	425,577,423
	Excess/(short) provision at			-	-

		Amount in Taka	
		31.12.2020	31.12.2019
7.12	Suits filed by the bank (Branch wise details)		
Introduction	Agrabad Branch	3,120,147,528	3,221,341,474
	Ashkona Branch	-	929,060
Corporate Governance	Ashulia Branch	1,059,430	1,059,430
	Bahaddarhat Branch	69,532,434	101,436,434
	Bakshigonj Branch	7,178,000	9,978,000
	Banani Branch	238,592,518	238,592,518
	Bashurhat Branch	13,161,180	30,476,928
	Beanibazar Branch	11,290,687	14,229,616
	Benapole Branch	138,425,282	126,598,880
	Bhairab SME Branch	3,617,929	5,576,238
	Bhogeshwar Branch	719,587	719,587
	Bishawanath Branch	29,437,834	30,515,142
Risk Governance	Bogra Branch	56,729,956	64,737,143
	Brahmanbaria Branch	-	2,000,000
	CDA Branch	793,841,576	796,609,576
	CEPZ Branch	47,579,097	59,495,376
	Chaktai Branch	-	44,850,000
	Chapainawabgonj Branch	54,331,323	-
	Comilla Branch	7,390,000	-
	Cox's Bazar Branch	6,314,554	14,101,554
	Dakhinkhan Branch	-	5,846,170
	Dhanmondi Branch	149,841,855	379,708,796
Management Retrospection	Dinajpur Branch	254,820,101	227,231,074
	Feni Branch	30,031,653	-
	Faridpur Branch	-	36,050,073
	Foreign Exchange Branch	177,300,568	177,300,567
	Gazipur Branch	1,673,298	1,673,298
	Goalabazar Branch	22,982,575	25,458,881
	Green Road Branch	439,200,000	441,200,000
	Gulshan Branch	1,787,130,575	1,754,562,178
	Gulshan-1 Branch	96,086,139	313,386,138
	Hatikamrul Branch	1,776,365	-
Stakeholders' Information	Imamgonj Branch	1,131,333,748	1,100,923,000
	Jessore Branch	7,514,466	18,564,465
	Jubilee Road Branch	2,928,787,580	1,925,585,634
	Kadamtoli Branch	53,516,436	-
	Kamarpara Branch	4,488,665	4,688,665
	Kanch Pur Branch	15,248,999	-
	Kansat Branch	10,991,261	24,605,000
	Karnapuli Branch	3,358,040	-
	Khatungonj Branch	2,445,849,787	2,007,663,152
	Khulna Branch	750,145,663	699,648,081
Sustainability	Kustia Branch	38,971,500	34,038,286
	Malibag Branch	43,943,438	9,394,998
	Matuail Branch	6,791,222	9,057,180
	Moulvibazar Branch	21,344,834	19,825,403
	Munshikhula Branch	60,683,820	60,683,820
	Mymensingh Branch	32,011,418	8,317,832
	Narayangonj Branch	7,171,000	195,269,000
	Nawabgonj Branch	38,912,586	24,569,586
	Nawabpur Branch	13,278,029	137,268,704
	New Eskaton Branch	7,910,329	13,910,328
Financial Information	Nilphamari Branch	6,701,863	21,502,419
	Pabna Branch	23,142,863	11,312,515
	Pahartali Branch	1,885,208,576	1,885,971,251
	Pirgonj Branch	2,226,837	-
	Panthapath Branch	43,865,000	43,865,000
	Patuakhali Branch	606,511	13,335,363
	Principal Branch	1,844,435,762	1,884,422,997
	Progati Sharani Branch	103,454,201	39,809,076
	Rajshahi Branch	281,238,457	254,028,431
	Ramchandrapur Branch	2,135,433	2,135,433
Rangpur Branch	111,662,537	126,351,641	
Ring Road Branch	14,471,000	14,471,000	
Rohanpur Branch	307,397,508	415,073,148	
Sadarghat Branch	73,711,049	64,906,734	
Safipur Branch	38,295,519	-	
Saidpur SME/Krishi Branch	90,809,854	130,741,938	
Satkhira Branch	-	1,280,000	
Savar SME Branch	10,932,391	11,535,390	
Sibchar Branch	8,594,196	-	
Sunamgonj Branch	493,878	693,878	
Sylhet Branch	259,474,079	263,265,863	
Takerhat Branch	1,562,000	4,317,093	
Tangail Branch	8,082,000	-	
Topkhana Branch	578,644,077	397,679,596	
Uttara Branch	802,094,951	767,610,177	
	21,681,685,406	20,773,986,208	

		Amount in Taka	
		31.12.2020	31.12.2019
7.13	Bills purchased and discounted		
	Payable in Bangladesh	958,039,423	1,430,296,089
	Payable outside Bangladesh	1,070,942,161	2,443,707,143
		2,028,981,583	3,874,003,231
7.14	Maturity grouping of bills purchased and discounted		
	Payable within one month	202,898,158	387,400,323
	Over one month but less than three months	811,592,633	1,549,601,293
	Over three months but less than six months	1,014,490,792	1,937,001,616
	Six months or more	-	-
		2,028,981,583	3,874,003,231
7.15	Sector -wise loans and advances		
	Government & autonomous	-	-
	Co-operative sector	-	-
	Other public sector	-	-
	Private sector	159,450,205,397	158,079,995,226
		159,450,205,397	158,079,995,226
7(a)	Consolidated Loans and advances/Investments		
	Standard Bank Limited (note-7)	157,421,223,814	154,205,991,995
	Standard Bank Limited (Loan to SBSL)	(247,461,740)	(285,971,354)
	Standard Bank Limited (Loan to SCML)	-	-
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	2,845,807,426	2,454,802,237
	SBL Securities Ltd.	348,232,527	376,684,777
		160,367,802,027	156,751,507,655
	Consolidated bills purchased and discounted		
	Standard Bank Limited (note-7)	2,028,981,583	3,874,003,231
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	SBL Securities Ltd.	-	-
		2,028,981,583	3,874,003,231
		162,396,783,610	160,625,510,886
8.	Fixed assets including premises, furniture and fixture		
	Land	2,373,245,825	2,373,245,825
	Land and Building	495,535,566	495,535,566
	Furniture & Fixture	831,667,985	801,259,888
	Office Appliance	760,097,565	738,302,195
	Computer	329,033,957	320,322,998
	Right of Use Assets (ROUA) as per IFRS-16	274,244,824	-
	Bank's Vehicle	133,920,717	125,055,077
	Total cost	5,197,746,439	4,853,721,550
	Intangible Assets		
	Software	140,689,963	140,689,963
	Total cost	5,338,436,402	4,994,411,513
	Less: Accumulated Depreciation	1,493,295,839	1,201,482,878
	Net book value at the end of the year	3,845,140,563	3,792,928,634
	(See Annexure-B for details)		

		Amount in Taka	
		31.12.2020	31.12.2019
Introduction	8(a) Consolidated fixed assets including premises, furniture and fixture		
	Standard Bank Limited (note-8)	3,845,140,563	3,792,928,634
	Standard Exchange Co.(UK) Ltd.	1,581,382	1,930,427
	Standard Express(USA) Ltd.	8,314,576	11,351,925
	SBL Capital Mgt. Ltd.	2,243,823	2,424,570
	SBL Securities Ltd.	2,206,056	3,221,729
		3,859,486,400	3,811,857,285
Corporate Governance	9. Other assets		
	Stock of Stationery	26,403,626	23,260,433
	Stamps in hand	5,501,461	5,426,250
	Suspenses A/c (note-9.1)	289,569,131	400,772,803
	Advance Deposit	2,382,648	2,374,326
	Branch adjustments accounts (note-12.9)	119,224,420	-
Sundry Assets (note-9.2)	11,715,861,216	10,833,935,439	
		12,158,942,503	11,265,769,251
Risk Governance	9.1 Suspense Accounts		
	Sundry Debtors	16,016,939	9,058,063
	Advance Against TA/DA	676,898	1,090,160
	Advance Against Proposed Branch	74,060,000	108,498,472
	Advance Against Legal Expenses	12,031,670	12,003,874
	Encashment-PSP/BSP/WEDB	83,634,554	106,817,507
	Advance on against board meeting	200,000	785,000
	Mobile Banking	28,808	31,508
	Cash Remittance	102,920,261	162,488,219
		289,569,131	400,772,803
	Management Retrospection	9.2 Sundry Assets	
Advance Rent		294,909,532	258,386,035
Interest Receivable (note - 9.4)		23,517,652	454,329,880
Prepaid expenses		-	8,116,542
Advance Tax (note-9.3)		10,813,922,353	9,802,745,663
Deferred Tax (note-12.1(ii))		119,102,340	-
Protested Bill Account		28,737,128	28,737,128
Clearing Adjustment		(1,863,362)	(2,063,552)
BFTN adjustment		(19,458,893)	(6,039,055)
Working Progress, Building		406,826,026	240,170,507
Fx.Deal Receivable		9,105,400	13,658,100
Excise duty adjustment on FDR	41,062,740	35,893,890	
Demand Draft without advice	300	300	
	11,715,861,216	10,833,935,439	
Stakeholders' Information	9.3 Advance Tax		
	Advance Corporate Tax	10,200,950,413	9,261,516,115
	Advance Income tax on L/C Commission	111,788,982	104,092,117
	Advance Income tax on Tr.Bill	182,062,455	131,342,103
	Advance Income tax on Share dividend	203,196,058	200,742,715
	Advance Tax On Vehicle	2,425,000	1,515,000
	Advance Income tax on Interest Balance with other banks	95,519,906	88,922,930
Advance Income tax on Subordinated bond	17,979,539	14,614,683	
	10,813,922,353	9,802,745,663	
Sustainability			
Financial Information			

		Amount in Taka		
		31.12.2020	31.12.2019	
9.4	Interest Receivable			
	Interest Receivable on Staff loan	-	1,620	
	Interest Receivable on Lerm Loan	-	1,505,585	
	Interest Receivable On Ltr	-	2,858,147	
	Interest Receivable on SME	746,947	(33,576)	
	Interest Receivable on Treasury Bond	1,594,405	401,488,094	
	Interest Receivable on SOD	-	122,388	
	Interest Receivable on Agri & Rural Credit	-	2,059	
	Interest Receivable Cash Credit	-	1,110,373	
	Capital Gain Recvble From Sale Of Share	2,187,166.3	-	
	Interest Receivable on FDR & Sub-Bond	18,989,134	47,275,191	
		23,517,652	454,329,880	
9(a)	Consolidated other assets			
	Standard Bank Limited (note-9)	12,158,942,503	11,265,769,250	
	Standard Exchange Co.(UK) Ltd.	20,482,606	19,391,184	
	Standard Express(USA) Ltd.	10,623,285	10,995,628	
	SBL Capital Mgt. Ltd.	489,502,874	373,397,343	
	SBL Securities Ltd.	365,433,210	328,736,420	
		13,044,984,478	11,998,289,826	
10.	Borrowings from other banks, financial institutions and agents			
	In Bangladesh (note-10.1)	11,573,368,657	9,514,328,628	
	Outside Bangladesh	432,718,760	2,996,694,340	
		12,006,087,417	12,511,022,969	
10.1	In Bangladesh			
	Call Borrowings			
	Prime Bank Ltd	-	200,000,000	
	BASIC Bank Limited	-	100,000,000	
	Sonali Bank Limited	-	400,000,000	
	BDBL	-	200,000,000	
	Bank Asia Ltd	-	300,000,000	
	IFIC	-	110,000,000	
	Total	-	1,310,000,000	
	Other Borrowings			
	Re-Finance from B Bank	15,933,667	23,303,352	
	EDF from B Bank	3,883,818,989	3,381,025,277	
	Financial Stimulus Fund From B. Bank	623,616,000	-	
	SBL Subordinated Non-Convertible Bond	7,050,000,000	4,800,000,000	
	Total	11,573,368,657	8,204,328,628	
		11,573,368,657	9,514,328,628	
	Outside Bangladesh			
	FI Banks	432,718,760	2,996,694,340	
		12,006,087,417	12,511,022,969	

		Amount in Taka	
		31.12.2020	31.12.2019
Introduction	10.1(a) SBL 1st Subordinated Non-Convertible Bond		
	Sonali Bank Limited	160,000,000	320,000,000
	Janata Bank Limited	60,000,000	120,000,000
	Agrani Bank Limited	60,000,000	120,000,000
	ICB	20,000,000	40,000,000
Corporate Governance	Rupali Bank	100,000,000	200,000,000
		400,000,000	800,000,000
Risk Governance	SBL 2nd Subordinated Non-Convertible Bond		
	Sonali Bank Limited	800,000,000	1,000,000,000
	Janata Bank Limited	400,000,000	500,000,000
	Pubali Bank Limited	400,000,000	500,000,000
	Eastern Bank Limited	400,000,000	500,000,000
	Agrani Bank Limited	400,000,000	500,000,000
	Mercantile Bank Limited	280,000,000	350,000,000
	Midland Bank Limited	160,000,000	200,000,000
	Uttara Bank Limited	160,000,000	200,000,000
	United Finance Limited	40,000,000	50,000,000
	National Life Insurance Co. Ltd	160,000,000	200,000,000
	3,200,000,000	4,000,000,000	
Management Retrospection	SBL 3rd Subordinated Non-Convertible Bond		
	Agrani Bank Limited	1,000,000,000	-
	National Life Insurance Co. Ltd	150,000,000	-
	Shadharan Bima Corporation	100,000,000	-
	Janata Bank Limited	500,000,000	-
	Uttara Bank Limited	500,000,000	-
	Mercantile Bank Limited	200,000,000	-
	Dutch Bangla Bank Ltd	1,000,000,000	-
	3,450,000,000	-	
Stakeholders' Information	Total SBL Subordinated Non-Convertible Bond	7,050,000,000	4,800,000,000
Sustainability	10.2 Security against borrowing from other banks, financial institutions and agents		
	Secured	-	-
	Unsecured	12,006,087,417	12,511,022,969
	12,006,087,417	12,511,022,969	
Financial Information	10.3 Maturity grouping of borrowing from other banks, financial institutions and agents		
	Repayable on demand	12,006,087,417	12,511,022,969
	Up to 1 month	-	-
	Over 1 month but within 3 months	-	-
	Over 3 months but within 1 year	-	-
	Over 1 year but within 5 years	-	-
	Over 5 years	-	-
	12,006,087,417	12,511,022,969	

		Amount in Taka		
		31.12.2020	31.12.2019	
10(a)	Consolidated Borrowings from other banks, financial institutions and agents			
	Standard Bank Limited (note-10)	12,006,087,417	12,511,022,969	Introduction
	Standard Exchange Co.(UK) Ltd.	-	-	
	Standard Express(USA) Ltd.	-	-	
	SBL Capital Mgt. Ltd.	-	79,911,687	
	SBL Securities Ltd.	-	-	
		12,006,087,417	12,590,934,656	Corporate Governance
11.	Deposits and other deposits			
	Deposits from banks (note-11.1)	5,630,000,000	8,700,000,000	Corporate Governance
	Deposits from customers (note.11.3)	163,973,542,780	166,766,124,086	
		169,603,542,780	175,466,124,086	
11.1	Deposits' from banks			
	Current deposits and other deposits	-	-	Risk Governance
	Bills payable	-	-	
	Savings bank/Mudaraba Savings deposits	-	-	
	Short-term deposits	-	-	
	Fixed deposits/Mudaraba Fixed Deposits (note.11.2)	5,630,000,000	8,700,000,000	
		5,630,000,000	8,700,000,000	
11.2	Deposits' from banks (Fixed Deposits)			
	BRAC Bank Ltd	1,500,000,000	500,000,000	Management Retrospection
	Agrani Bank Limited	-	2,500,000,000	
	Sonali Bank	-	1,000,000,000	
	Pubali Bank Limited	-	-	
	Trust Bank Limited	1,500,000,000	1,000,000,000	
	Com.Bank of ceylon	330,000,000	-	
	Shimanto Bank Ltd	-	300,000,000	
	Uttara Bank Ltd	300,000,000	-	
	Eastern Bank Limited	-	400,000,000	
	Bank Asia Limited	2,000,000,000	3,000,000,000	
		5,630,000,000	8,700,000,000	
11.3	Customer Deposits			
	i)Current deposits and other Deposits			Stakeholders' Information
	Current / Al-wadeeah current deposits	8,658,899,924	8,589,516,184	
	Foreign Currency deposits	4,047,073,034	3,382,587,341	
	Sundry deposits (note - 11.4)	8,326,074,283	9,253,308,497	
		21,032,047,241	21,225,412,023	
	ii)Bills payable			Sustainability
	Pay orders issued	2,626,332,858	3,925,437,334	
	Pay slips issued	600	600	
	Demand draft	22,406,103	22,406,103	
		2,648,739,561	3,947,844,037	
	iii)Savings bank Deposits/Mudaraba savings deposits	16,261,413,034	13,493,759,639	
	iv) Term Deposits/Fixed Deposits			Financial Information
	Fixed deposits/Mudaraba Fixed Deposits (Excluding Bank Deposit)	99,844,904,687	109,128,775,845	
	Short term deposits	10,559,249,429	7,624,557,568	
	Deposits Under Schemes	13,627,188,827	11,345,774,974	
		124,031,342,943	128,099,108,387	
	Total	163,973,542,780	166,766,124,086	

		Amount in Taka	
		31.12.2020	31.12.2019
Introduction	11.4 Sundry deposits		
	Sundry creditors	250,301,566	296,051,395
	Foreign currency held against back to back L/C	1,000	1,000
	Margin on Letter of Guarantee	854,064,122	921,301,879
	Margin on Letter of Credit	1,061,115,174	878,620,516
	Margin on FDBP/IBP/Export bills etc.	141,897,570	414,952,777
	Sales proceeds of PSP/BSP etc.	23,690,000	253,750,000
	Risk Fund	5,065,097	5,169,814
	Service charge	3,182,820	2,860,536
	Security Money	32,302,838	24,069,787
	SBL Employees Provident Fund	7,568	7,568
	SBL Employees W. Fund	1,017,896	1,012,996
	Interest payable on deposits	5,365,036,330	5,886,075,239
	VAT, Excise Duty and Income Tax	554,084,134	549,245,765
	Cash Incentive Payable	50	50
Central Fund (RMG Sector)	442,481	1,089,935	
Others	33,865,636	19,099,241	
	8,326,074,283	9,253,308,497	
Corporate Governance	11.5 Maturity analysis of inter-bank deposits		
	Repayable on demand	-	-
	Up to 1 month	-	-
	Over 1 month but within 3 months	-	-
	Over 3 months but within 1 year	5,630,000,000	8,700,000,000
	Over 1 year but within 5 years	-	-
	Over 5 years but within 10 years	-	-
	Over 10 years	-	-
	5,630,000,000	8,700,000,000	
Risk Governance	11.6 Maturity analysis (Deposits received from other than banks)		
	Repayable on demand	6,061,229,947	6,012,661,329
	Up to 1 month	1,225,638,822	1,248,989,023
	Over 1 month but within 3 months	21,496,937,125	21,203,467,938
	Over 3 months but within 1 year	49,339,835,560	46,804,761,464
	Over 1 year but within 5 years	43,744,488,233	48,336,699,879
	Over 5 years but within 10 years	42,105,413,093	43,159,544,453
	Over 10 years	-	-
	163,973,542,780	166,766,124,086	
Management Retrospection	11.7 Maturity analysis (Bills payable)		
	Repayable on demand	2,648,739,561	3,947,844,037
	Up to 1 month	-	-
	Over 1 month but within 3 months	-	-
	Over 3 months but within 1 year	-	-
	Over 1 year but within 5 years	-	-
	Over 5 years but within 10 years	-	-
	Over 10 years	-	-
	2,648,739,561	3,947,844,037	
Stakeholders' Information			
Sustainability			
Financial Information			

		Amount in Taka	
		31.12.2020	31.12.2019
11.8	Payable on Demand and Time Deposits		
	i. Demand Deposits		
	Current / Al-wadeeah current Deposits	8,658,899,924	8,589,516,184
	Savings Deposits/Mudaraba Savings deposits (10%)	1,626,141,303	1,349,375,964
	Foreign Currency Deposits (non interest/profit bearing)	4,047,073,034	3,382,587,341
	Sundry deposits	8,326,074,283	9,253,308,497
	Bills payable	2,648,739,561	3,947,844,037
		25,306,928,106	26,522,632,024
	ii. Time Deposits		
	Savings deposits/Mudaraba savings deposits (90%)	14,635,271,731	12,144,383,675
	Fixed deposits/Mudaraba Term Deposits	105,474,904,687	117,828,775,845
	Short term deposits/Mudaraba short term deposits	10,559,249,429	7,624,557,568
	Deposits under schemes	13,627,188,827	11,345,774,974
	Foreign currency deposits (interest/profit bearing)	-	-
		144,296,614,674	148,943,492,062
		169,603,542,780	175,466,124,086
		-	-
11.9	Fixed Deposits- Maturity wise Grouping(including Bank Deposit)		
	Repayable within 01 month	2,271,223,576	2,271,223,576
	Repayable over 1 months but within 03months	20,441,012,182	20,441,012,182
	Repayable over 3 months but within 1 year	32,201,354,421	32,201,354,421
	Repayable over 1 year but within 5 years	22,083,090,243	31,101,416,188
	Repayable over 5 years but within 10 years	28,478,224,266	31,813,769,478
	Unclaimed Deposits for 10 years and above	-	-
		105,474,904,687	117,828,775,845
11.10	Deposits Under Schemes		
	Standard Bank Regular Deposit Programme(SRDP)	6,922,409,868	6,143,253,034
	Double Income Plus (DI+)	1,733,988,294	1,872,844,613
	Standard Bank Regular Income Programme(SRIP)	2,715,996,067	1,875,056,730
	Savings scheme for Tk.10.00 lac	246,500,084	230,866,902
	Savings scheme for Tk.5.20 lac	8,083,471	55,119,286
	SBL Lakhopati Plus Programme	140,003,061	92,846,339
	SBL Millionaire Plus Programme	1,051,001,009	531,840,329
	Sbl Kotipoti Plus	441,793,350	234,296,000
	SBL 1.5 Times Income Program	365,821,511	308,761,511
	Hajj Savings Scheme	1,592,112	890,230
		13,627,188,827	11,345,774,974
11.11	Sector -wise deposits		
	Government & autonomous	8,116,107,612	8,015,555,837
	Deposit Money Bank	5,630,000,000	8,700,000,000
	Other public sector	13,492,599,237	13,593,151,012
	Foreign Currency	4,047,073,034	3,382,587,341
	Private	138,317,762,897	141,774,829,895
		169,603,542,780	175,466,124,086

		Amount in Taka	
		31.12.2020	31.12.2019
Introduction	11(a) Consolidated deposits and other deposits		
	Current deposits and other deposits		
	Standard Bank Limited (note-11.3)	21,032,047,241	21,225,412,023
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	35,793,321	1,800,587
	SBL Securities Ltd.	-	-
		21,067,840,562	21,227,212,610
Corporate Governance	Bills payable		
	Standard Bank Limited (note-11.3)	2,648,739,561	3,947,844,037
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	SBL Securities Ltd.	-	-
		2,648,739,561	3,947,844,037
Risk Governance	Savings bank/Mudaraba savings deposits		
	Standard Bank Limited (note-11.3)	16,261,413,034	13,493,759,639
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	SBL Securities Ltd.	-	-
		16,261,413,034	13,493,759,639
Management Retrospection	Short Term Deposits		
	Standard Bank Limited (note-11.3)	10,559,249,429	7,624,557,568
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	SBL Securities Ltd.	-	-
		10,559,249,429	7,624,557,568
Stakeholders' Information	Term/Fixed deposits		
	Standard Bank Limited (note-11.3)	105,474,904,687	117,828,775,845
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	SBL Securities Ltd.	-	-
		105,474,904,687	117,828,775,845
Sustainability	Deposits under schemes		
	Standard Bank Limited (note-11.3)	13,627,188,827	11,345,774,974
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	SBL Securities Ltd.	-	-
		13,627,188,827	11,345,774,974
Financial Information		169,639,336,100	175,467,924,673

	Amount in Taka		
	31.12.2020	31.12.2019	
12. OTHER LIABILITIES			
Provision for Taxation (note-12.1)	11,716,371,440	10,470,778,601	Introduction
Deferred Tax (note-12.1(i))	-	100,186,749	
Accrued Expenses	78,346,558	48,997,484	Corporate Governance
General Provision for Unclassified Loans (note-12.2)	1,254,427,705	1,236,601,154	
General Provision for SMA (note-12.2)	27,154,361	26,437,664	
Specific provision for Classified loans (note-12.2)	3,251,441,891	2,589,031,297	
Provision for classified others Assets (note-12.6)	223,863,313	36,218,603	Risk Governance
Provision for decrease in value of investments (note-12.7)	4,775,231	4,775,231	
Provision for Off-Balance Sheet Items (note-12.3)	346,217,949	425,577,423	Management Retrospection
Interest Suspense Account (note-12.4)	1,632,466,069	762,258,699	
Provision for Nostro A/c	42,575	42,575	Stakeholders' Information
Provision for Bonus (note-12.5)	120,000,000	100,000,000	
Provision for LFC	49,684,530	83,995,938	Sustainability
Provision for Start-up Fund	29,880,782	-	
Special General Provision-COVID-19	100,651,780	-	Financial Information
Unearned Intt. On Tr Bills/Bond	3,500	-	
SBL Foundation	30,000,000	40,000,000	
Provision For Gratuity	-	100,000,000	
Provision for Green Banking	20,500,000	18,000,000	
Dividend Settlement A/C	25,830	25,830	
Provision for Incentive of good borrower	8,738,004	8,738,004	
Commission Payable Account	237,126	344,439	
Payable to OBU	9,171,235	16,373,747	
Provision for unforeseen losses	11,861,284	8,041,284	
Profit receivable on Bai Murabaha/Bai Muajjal	22,774,010	19,576,053	
Exchange House	67,440,558	44,440,498	
MFS Settlement Account	69,261	69,261	
Npsb Settlement A/C	666	-	
Islamic Settlement Account	395,547	1,356,379	
Branch adjustments accounts	-	52,480,913	
Swift Charge Payable A/C	12,401,845	2,540,502	
Leased Liabilities as per IFRS-16	238,037,301	-	
Motivational Allowance Payable For Covid	32,962,738	-	
Foreign Currency translation gains (note-12.10)	14,343,531	13,258,251	
Total	19,304,286,620	16,210,146,577	

		Amount in Taka	
		31.12.2020	31.12.2019
Introduction	12.1 Provision for Taxation		
	Opening Balance	10,470,778,601	9,178,141,487
	Addition during the period	1,245,592,840	1,292,637,114
		11,716,371,440	10,470,778,601
	Adjustment during the period	-	-
	Closing Balance	11,716,371,440	10,470,778,601
Corporate Governance	Provision for taxation has been made on accounting profit considering taxable allowances/disallowances as per Income Tax Ordinance 1984.		
	Provision for current tax made during the year		
	Income tax @ 37.50% on taxable profit (A)	585,526,472	1,176,361,669
	Add: Income tax @ 20% on dividend income	2,453,343	3,596,230
	Capital Gain on Share @ 10%	395,796	198,389
	Capital Gain on sale of Fixed Assets (15%)	24,137	-
	Capital Gain on Govt. securities (0%)	-	-
	Add: Excess profit tax		
	Tax on Salary Perquisite	60,000,000	70,000,000
	Add: Settlement/ Adjustment for the period	597,193,092	43,608,911
	Less: Provision already kept	-	-
	Loan written off Benefits	-	1,128,085
	Estimated provision required as at 31 December, (i)	1,245,592,840	1,292,637,114
	Computation of taxable profit		
	Profit before tax	2,988,078,216	3,226,817,563
	Less: Dividend income	12,266,714	17,981,150
	Less: Capital Gain on share	3,957,961	1,983,890
	Less: Capital Gain on sale of Fixed Assets	160,915	-
	Less: Capital Gain on Govt. securities	2,180,301,045	179,230,313
	Profit before tax (excluding dividend income and capital gain)	791,391,581	3,071,247,329
	Add : Inadmissible expenditure	770,012,343	65,717,122
	Less : Further allowable expenditure	-	-
	Estimated taxable profit for the year (A)	1,561,403,924	3,136,964,451
	12.1(a) Consolidated Provision for Taxation		
	Standard Bank Limited (note-12)	11,716,371,440	10,470,778,601
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	345,183,998	310,444,673
	Opening Balance	310,444,673	-
	Addition during the period	34,739,324	-
	Adjustment during the period	-	-
	Closing Balance	345,183,998	-
	SBL Securities Ltd.	69,150,712	58,033,560
	Opening Balance	58,033,560	-
	Addition during the period	12,544,040	-
	Adjustment during the period	1,426,888	-
	Closing Balance	69,150,712	-
		12,130,706,151	10,839,256,834
Financial Information			

		Amount in Taka	
		31.12.2020	31.12.2019
12.1(i) Deferred Tax :			
	Opening Balance	100,186,749	85,856,347
	Additional provision made during the period	-	14,330,402
		100,186,749	100,186,749
	Adjustment during the period	100,186,749	-
	Closing Balance	-	100,186,749
12.1 (ii) Deferred Tax Assets:			
	Opening Balance	-	-
	Additional provision made during the period	119,102,340	-
	Adjustment during the period	-	-
	Closing Balance	119,102,340	-
	Deferred tax liabilities/(Asset)		
	Fixed Asset		
	Carrying amount	3,610,896,781	3,792,928,634
	Tax base	3,594,438,933	3,807,729,042
	Taxable Temporary Difference	16,457,848	(14,800,407)
	Provision for gratuity		
	Carrying amount	321,532,564	273,200,000
	Tax base	-	-
	Deductible Temporary Difference	(321,532,564)	273,200,000
	Provision for Rebate for good borrowers		
	Carrying amount	8,738,004	8,738,004
	Tax base	-	-
	Deductible Temporary Difference	(8,738,004)	8,738,004
	Lease Assets as per IFRS 16		
	Right of use Assets under lease	234,243,782	-
	Lease Liabilities	238,037,301	-
	Deductible Temporary Difference	(3,793,520)	-
	Total Taxable Temporary difference	(317,606,240)	267,137,597
	Applicable tax rate	37.50%	37.50%
	Deferred Tax Liability	(119,102,340)	100,186,749
	Opening balance	100,186,749	85,856,347
	Deferred tax (income)/expenses	(219,289,089)	14,330,402
12.2 Provision for Loans and advances/Investments			
i) The movement in general provision for unclassified Loans:			
	Provision held at the beginning of the year	1,236,601,154	1,154,156,615
	Additional provision made for the period	17,826,551	82,444,539
	Provision held at the end of the period	1,254,427,705	1,236,601,154
ii) The movement in general provision on Special Mention Account (SMA) loans:			
	Provision held at the beginning of the year	26,437,664	1,731,623
	Amount transferred to provision for bad & doubtful debts	-	-
	Additional provision made for the period	716,698	24,706,040
	Provision held at the end of the period	27,154,361	26,437,664

		Amount in Taka	
		31.12.2020	31.12.2019
Introduction	iii) The movement in specific provision for bad and doubtful debts:		
	Provision held at the beginning of the Period	2,589,031,297	2,271,043,588
	Amount adjusted during the Period	-	-
	Amount written off during the Period	-	(3,008,226)
	Additional amount of provision made for the Period	-	-
	Amount of provision for the Period	662,410,595	320,995,935
	Provision held at the end of the period	3,251,441,891	2,589,031,297
Corporate Governance	Total	4,533,023,958	3,852,070,115
Risk Governance	12.3 The movement in General provision for Off Balance Sheet Items:		
	Provision held at the beginning of the Period	425,577,423	432,951,086
	Additional provision for the period	(79,359,475)	(7,373,663)
	Provision held at the end of the period	346,217,949	425,577,423
Management Retrospection	12.4 Interest Suspense Account		
	Balance at the beginning of the Period	762,258,699	419,819,013
	Amount transferred to " Interest Suspense A/c" during the period +	953,209,637	474,440,594
	Amount recovered in " Interest Suspense A/c" during the period (-)	83,002,267	131,981,461
	Amount written off during the Period (-)	-	19,447
	Balance at the end of the period	1,632,466,069	762,258,699
Stakeholders' Information	12.5 Provision for Bonus		
	Balance at the beginning of the period	100,000,000	108,411,484
	Add: Additional provision for the period	120,000,000	100,000,000
	Less: Disbursement during the period	100,000,000	108,411,484
	120,000,000	100,000,000	
Sustainability	12.6 Provision for other Assets		
	a) Provision against protested bill		
	Balance at the beginning of the period	28,737,128	28,737,128
	Add: Addition during the period	-	-
		28,737,128	28,737,128
	b) Provision against suspense		
	Balance at the beginning of the period	7,481,475	7,481,475
	Less: Amount written off during the Period	-	-
	Add: Addition during the period	-	-
		7,481,475	7,481,475
Financial Information	c) Provision against Interest Waiver		
	Balance at the beginning of the period	-	-
	Less: Amount written off during the Period	-	-
	Add: Addition during the period	187,644,710	-
		187,644,710	-
	Total Provision for other Assets	223,863,313	36,218,603

	Amount in Taka	
	31.12.2020	31.12.2019
12.6(a) Consolidated Provision for Other Assets		
Standard Bank Limited (note-12.7)	223,863,313	36,218,603
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	489,064	489,064
Add: Addition during the period	-	-
	224,352,377	36,707,667
12.7 Provision for decrease in value of Investments		
Balance at the beginning of the Period	4,775,231	4,775,231
Less: adjustment during the period	-	-
Add: Addition during the period	-	-
	4,775,231	4,775,231
12.7(a) Consolidated Provision for decrease in value of Investments		
Standard Bank Limited (note-12.7)	4,775,231	4,775,231
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	448,601,203	446,802,373
Add: Addition during the period	8,537,361	1,798,830
SBL Securities Ltd.	61,007,003	37,380,166
Add: Addition during the period	8,701,616	23,626,837
	531,622,414	514,383,437
12.8 Provision for impairment of client margin loan		
Balance at the beginning of the period	-	-
Less: adjustment during the period	-	-
Add: Addition during the period	-	-
	-	-
12.8(a) Consolidated Provision for impairment of client margin loan		
Standard Bank Limited (note-12.7)	-	-
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	335,097,363	328,742,994
Add: Addition during the period	21,572,240	6,354,368
SBL Securities Ltd.	8,866,461	3,685,513
Add: Addition during the period	852,576	5,180,948
	366,388,639	343,963,823

12.9 Branch Adjustment

Branch adjustments account represents outstanding inter branch and head office transactions originated but yet to be responded at the balance sheet date. The balance of unreconciled items has been adjusted reconciled subsequently .

		Amount in Taka	
		31.12.2020	31.12.2019
Introduction	12.10 Foreign Currency translation gains/loss against investment		
	Standard Exchange Co.(UK) Ltd.	225,431	(859,849)
	Beginning of the Period	(859,849)	(2,418,859)
	Addition during the period	-	-
	Adjustment during the period	(1,085,280)	(1,559,010)
Corporate Governance	Standard Express(USA) Ltd.	14,118,100	14,118,100
	Beginning of the Period	14,118,100	12,755,600
	Addition during the period	-	1,362,500
	Adjustment during the period	-	-
	Total Foreign Currency translation gains	14,343,531	13,258,251
	Less: Foreign Currency translation loss		
	Beginning of the Period	-	-
	Addition during the period	-	-
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
		14,343,531	13,258,251
Risk Governance	12.11 Provision for interest waived		
	Balance at the beginning of the Period	-	-
	Add: Additional provision for the Period	-	-
	Less: Disbursement during the period	-	-
		-	-
Management Retrospection	12.12 Provision for SBL Foundation		
	Balance at the beginning of the Period	30,000,000	30,000,000
	Add: Additional provision for the Period	30,000,000	40,000,000
	Less: Fund transfer to SBL Foundation	30,000,000	30,000,000
		30,000,000	40,000,000
Stakeholders' Information	12.13 Provision for Gratuity		
	Balance at the beginning of the Period	1,172,410,257	863,886,911
	Add: Additional for the Period	450,918,544	324,603,123
	Less: Adjusted / transferred to Fund	43,967,436	16,079,777
		1,579,361,365	1,172,410,257
Sustainability	12.14 Provision for Incentive of good borrower		
	Balance at the beginning of the Period	8,738,004	8,738,004
	Add: Additional provision for the Period	-	-
	Less: Disbursement during the period	-	-
		8,738,004	8,738,004
Financial Information	12.15 Provision for Green Banking		
	Balance at the beginning of the Period	18,000,000	15,500,000
	Add: Additional provision for the Period	2,500,000	2,500,000
	Less: Adjustment during the period	-	-
		20,500,000	18,000,000

		Amount in Taka	
		31.12.2020	31.12.2019
12(a) Consolidated other liabilities			
Standard Bank Limited (note-12)		19,304,286,620	16,210,146,577
Standard Exchange Co.(UK) Ltd.		27,733,294	18,894,355
Standard Express(USA) Ltd.		113,479,503	80,524,547
SBL Capital Mgt. Ltd.		1,227,296,728	1,136,265,571
SBL Securities Ltd.		188,471,991	137,539,908
		20,861,268,137	17,583,370,958
13. Share Capital			
13.1 Authorized Capital			
150,00,00,000 ordinary shares of Tk. 10/- each		15,000,000,000	15,000,000,000

The Bank increased its authorized capital from Taka 880.00 crore to Taka 1500.00 crore by passing a special resolution in the Bank's 27th extra Ordinary General Meeting held on 14th November, 2011 at Institute of Diploma Engineers of Bangladesh, 160/A, Kakrail VIP Road, Dhaka, Bangladesh. All corporate formalities were duly complied by the Bank as required.

13.2 History of Paid-up Capital

Given below the history of raising of share capital:

Accounting Year	Declaration	No of Share	Value in capital	Value in capital
1999	Opening Capital	20,000,000	200,000,000	200,000,000
2002	20% Bonus	4,000,000	40,000,000	240,000,000
2003	Additional Capital	9,000,000	90,000,000	330,000,000
	Initial public offer (IPO)	33,000,000	330,000,000	660,000,000
2003	15% Bonus	9,900,000	99,000,000	759,000,000
2004	20% Bonus	15,180,000	151,800,000	910,800,000
2005	20% Bonus	18,216,000	182,160,000	1,092,960,000
2006	20% Bonus	21,859,200	218,592,000	1,311,552,000
2007	12% Bonus	23,607,936	236,079,360	1,547,631,360
	Right Share (2:1)	65,577,600	655,776,000	2,203,407,360
2008	20% Bonus	44,068,147	440,681,470	2,644,088,830
2009	20% Bonus	52,881,770	528,817,700	3,172,906,530
2010	28% Bonus	88,841,383	888,413,830	4,061,320,360
2011	20% Bonus	81,226,407	812,264,070	4,873,584,430
2012	17% Bonus	82,850,935	828,509,350	5,702,093,780
2014	15% Bonus	85,531,407	855,314,070	6,557,407,850
2015	15% Bonus	98,361,117	983,611,170	7,541,019,020
2016	5% Bonus	37,705,095	377,050,950	7,918,069,970
2017	10% Bonus	79,180,699	791,806,990	8,709,876,960
2018	10% Bonus	87,098,769	870,987,690	9,580,864,650
2019	5% Bonus	47,904,323	479,043,230	10,059,907,880

13.3 Issued, subscribed and fully Paid up Capital :

66,000,000 ordinary shares of Taka 10/- each issued for cash	660,000,000	660,000,000
826,508,865 ordinary shares of Taka 10/- each issued as bonus shares	8,744,131,880	8,265,088,650
65,577,600 ordinary shares of Taka 10/- each issued as Right shares in 2007	655,776,000	655,776,000
	10,059,907,880	9,580,864,650

13.4 Initial Public offer (IPO)
Out of the total issued, subscribed and fully paid up capital of the Bank 3,300,000 ordinary shares of Tk.100.00 each amounting to Taka 3,30,000,000 was raised through public offering of shares in 2003.

13.5 Rights issue
Bank has increased its paid up capital by issuance of 2:1 rights share at par on 8 November 2007.

13.6 Particulars of fully Paid up Share Capital :

Particulars	Number of shares		Number of shares in (%)	
	31.12.2019	31.12.2020	31.12.2019	31.12.2020
Sponsors/Promoters	340,736,319	356,332,156	36%	35%
Investment Corporation of Bangladesh	38,952,961	40,900,609	4%	4%
ICB Unit Fund, ICB Mutual Fund & ICB Investors Account	34,924,062	34,725,348	4%	3%
Financial Institutions	180,805,943	196,615,404	19%	20%
General Public	362,667,180	377,417,271	37%	38%
Total	958,086,465	1,005,990,788	100%	100%

13.7 Classification of Shareholders by holding as on 31 December,2020

Shareholding range	Number of Share holders	No. of shares 31.12.2020	No. of shares 31.12.2019
01-500	4955	2,360,050	1,031,447
501-5000	9599	19,693,797	20,509,550
5001-10000	2304	16,443,897	16,222,042
10001-20000	1441	20,295,879	21,226,645
20001-30000	497	12,163,406	11,718,955
30001-40000	247	8,421,967	8,348,618
40001-50000	128	5,832,138	6,315,754
50001-100000	337	23,271,350	21,442,570
100001-1000000	392	116,510,859	107,239,856
1000001-10000000	96	299,419,504	292,305,143
10000001 and above	21	481,577,941	451,725,885
	20017	1,005,990,788	958,086,465

13.8 Capital to Risk Weighted Assets Ratio (CRAR) under BASEL-III(Solo basis)

The calculation of CRAR under Basel III (Solo basis) has been made as per "Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 dated December 21, 2014. The required capital as well as total maintained regulatory capital of the Bank at the close of business on 31 December 2020 is shown below:

Tier-I Capital (Goning-Concern Capital)

	Taka	Taka
Paid up Capital	10,059,907,880	9,580,864,650
Statutory Reserve (note-14)	6,029,256,984	5,578,066,726
General Reserve	-	-
Surplus Profit & Loss Account/Retained Earnings	680,591,284	1,047,865,181
Sub Total	16,769,756,147	16,206,796,557

Regulatory Adjustments

2,328,910,560 **3,047,527,065**

Total Core Capital (Tier-I)

14,440,845,588 **13,159,269,492**

Tier-II Capital (Gone -Concern Capital)

General Provision maintained against unclassified loan/investment (note-12.2(i+ii))	1,254,427,705	1,236,601,154
Provision for Off-Balance sheet exposure (note-12.3)	346,217,949	425,577,423
SBL Subordinated Non-Convertible Bond	7,050,000,000	4,800,000,000
Revaluation gain/loss on Securities 50% of revaluation reserves as on 31 December 2014 (Tk. 26265418.00)	-	13,100,000

	Amount in Taka	
	31.12.2020	31.12.2019
Sub Total	8,650,645,654	6,475,278,577
Regulatory Adjustments	-	13,100,000
Total Supplementary Capital (Tier-II)	8,650,645,654	6,462,178,577
A. Total Regulatory Capital	23,091,491,241	19,621,448,070
B. Total Risk Weighted Assets	177,607,520,885	171,393,241,177
C. Required Capital based on risk weighted assets (10%)	17,760,752,089	17,139,324,118
D. Surplus/(Deficiency) (A-C)	5,330,739,153	2,482,123,952
Capital to Risk Weighted Ratio ((A/B)*100)	13.00%	11.45%
Percentage of Capital on Risk weighted Assets:		
	31.12.2020	31.12.2019
Capital Requirement	Required	Required
Minimum Common Equity Tier-I	4.50%	4.50%
Minimum Tier-I	5.50%	5.50%
Tier-II	Not specified	Not specified
Total	10.00%	10.00%

*The required regulatory provision adjustments have been made in accordance with DBI Letter No. DBI-1(Division-2)/111/2021-962 dated. 01.04.2021

13.8(a) Capital to Risk Weighted Assets Ratio (CRAR) under BASEL-III (Consolidated basis)

The calculation of CRAR under Basel III (Consolidated basis) has been made as per "Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 dated December 21, 2014. The required capital as well as total maintained regulatory capital of the Bank at the close of business on 31 December 2020 is shown below:

Tier-II Capital (Gone -Concern Capital)

	Taka	Taka
Paid up Capital	10,059,907,880	9,580,864,650
Statutory Reserve (note-14a)	6,029,256,984	5,578,066,726
General Reserve	-	-
Minority interest in subsidiaries	153,790	151,362
Surplus Profit & Loss Account/Retained Earnings	674,205,017	1,004,465,166
Sub Total	16,763,523,670	16,163,547,904
Regulatory Adjustments	2,384,812,950	3,093,176,845
Total Core Capital (Tier-I)	14,378,710,720	13,070,371,059
Supplementary Capital (Tier-II)		
General Provision maintained against unclassified loan/investment (note-12.2)	1,254,427,705	1,236,601,154
Provision for Off-Balance sheet exposure (note-12.3)	346,217,949	425,577,423
SBL Subordinated Non-Convertible Bond	7,050,000,000	4,800,000,000
Revaluation gain/loss on Securities 50% of revaluation reserves as on 31 December 2014 (Tk. 26,265,418.00)	-	13,132,709
Sub Total	8,650,645,654	6,475,278,577

		Amount in Taka	
		31.12.2020	31.12.2019
Introduction	Regulatory Adjustments	-	13,100,000
	Total Supplementary Capital (Tier-II)	8,650,645,654	6,462,178,577
Corporate Governance	A . Total Capital	23,029,356,374	19,532,549,637
	B. Total Risk Weighted Assets	179,112,182,724	172,584,256,397
	C. Required Capital based on risk weighted assets (10%)	17,911,218,272	17,258,425,640
	D. Surplus/(Deficiency) (A-C)	5,118,138,101	2,274,123,997
	Capital to Risk Weighted Ratio ((A/B)*100)	12.86%	11.32%
Risk Governance	Percentage of Capital on Risk weighted Assets:		
		31.12.2020	31.12.2019
Management Retrospection	Capital Requirement	Required	Required
	Minimum Common Equity Tier-I	4.50%	4.50%
	Minimum Tier-I	5.50%	5.50%
	Tier-II	Not specified	Not specified
	Total	10.00%	10.00%
	*The required regulatory provision adjustments have been made in accordance with DBI Letter No. DBI-1(Division-2)/111/2021-962 dated. 01.04.2021		
Stakeholders' Information	14 Statutory Reserve		
	Opening balance at the beginning of the Period	5,578,066,726	5,016,857,784
	Addition during the period	451,190,257	561,208,942
	Closing balance at the end of the Period	6,029,256,984	5,578,066,726
Sustainability	14(a) Consolidated Statutory Reserve		
	Opening balance at the beginning of the Period	5,578,066,726	5,016,857,784
	Addition during the period	451,190,257	561,208,942
	Closing balance at the end of the Period	6,029,256,984	5,578,066,726
Financial Information	15. General Reserve		
	Opening balance at the beginning of the Period	-	-
	Addition during the period	-	-
	Closing balance at the end of the Period	-	-
Financial Information	15.1 Revaluation gain/loss on investments		
	Opening balance at the beginning of the Period	84,328,448	154,885,294
	Adjustment during the Period	82,614,090	70,556,847
	Addition during the period	-	-
	Closing balance at the end of the Period	1,714,358	84,328,448

		Amount in Taka	
		31.12.2020	31.12.2019
15.1(a) Consolidated revaluation gain/loss on investment			
Standard Bank Limited		1,714,358	84,328,448
Standard Exchange Co.(UK) Ltd.		-	-
Standard Express(USA) Ltd.		-	-
SBL Capital Mgt. Ltd.		-	-
SBL Securities Ltd.		-	-
		1,714,358	84,328,448
16. Retained earnings/movement of profit and loss account			
Balance on 1 January		1,047,865,181	948,987,017
Add: Net Profit after tax for the Period		1,042,002,825	1,499,077,196
Add: Transfer from SCML		-	-
Add: Transfer from SBSL		-	31,997,600
Less: Transfer to statutory Reserve		(451,190,257)	(561,208,942)
Less: Cash/Stock dividend		(958,086,465)	(870,987,690)
Balance at		680,591,284	1,047,865,181
16(a) Consolidated retained earnings/movement of profit and loss account			
Balance on 1 January		1,004,465,166	934,630,420
Add: Net Profit after tax for the Period		1,082,055,143	1,504,433,637
Less: Transfer to statutory Reserve		(451,190,257)	(561,208,942)
Add/Less: Foreign Currency translation Gain/ loss		(3,036,141)	(2,401,525)
Less: Non-controlling Interest		(2,428)	(734)
Less: Cash/Stock dividend		(958,086,465)	(870,987,690)
Balance at		674,205,017	1,004,465,166
16.1 Retained Earnings carried forward from previous Period			
Balance on 1 January		109,996,927	116,071,072
Add: Net Profit after tax & statutory reserve for the previous Period		937,868,254	832,915,945
Add: Transfer from SCML		-	-
Add: Transfer from SBSL		-	31,997,600
Less: Cash/Stock dividend		(958,086,465)	(870,987,690)
Balance at		89,778,716	109,996,927
16.1(a) Consolidated Retained Earnings carried forward from previous Period			
Balance on 1 January		61,240,471	100,903,799
Add: Net Profit after tax & statutory reserve for the previous Period		943,224,694	833,726,621
Add/ Less: Foreign Currency translation Gain /(loss)		(3,036,141)	(2,401,525)
Less: Non-controlling Interest		(2,428)	(734)
Less: Cash/Stock dividend		(958,086,465)	(870,987,690)
Balance at		43,340,132	61,240,471
16.1(b) Non-controlling Interest			
SBL Capital Mgt. Ltd.			
Balance on 1 January		69,634	69,305
Add: Addition during the period		364	329
Sub Total		69,998	69,634
SBL Securities Ltd.			
Balance on 1 January		81,728	81,323
Add: Addition during the period		2,064	405
Sub Total		83,792	81,728
Balance at		153,790	151,362

Introduction

Corporate Governance

Risk Governance

Management Retrospection

Stakeholders' Information

Sustainability

Financial Information

		Amount in Taka	
		31.12.2020	31.12.2019
Introduction	17. CONTINGENT LIABILITIES		
	17.1 Acceptances and Endorsements		
	Back to Back L/C (Foreign)	-	-
Corporate Governance	Back to Back L/C (Local)	4,391,230,512	5,654,360,782
	Letter of Credit (Others)	6,330,747,796	11,883,555,391
		10,721,978,308	17,537,916,173
Risk Governance	17.2 Letter of Guarantee		
	Letter of Guarantee(Local)	12,833,411,761	13,677,883,078
	Letter of Guarantee(Foreign)	-	13,442,380
Management Retrospection	Others	-	-
		12,833,411,761	13,691,325,458
	Money for which the Bank is contingently liable in respect of guarantees given favoring:		
Stakeholders' Information	Directors	-	-
	Government	-	-
	Banks and other financial institutions	-	-
Sustainability	Others	12,833,411,761	13,691,325,458
		12,833,411,761	13,691,325,458
	17.3 Irrevocable Letter of Credit		
Financial Information	Letter of Credit (Sight)	7,771,845,286	7,378,475,270
	Letter of Credit (Usance)	3,294,559,516	3,950,025,422
	Letter of Credit (Others)	-	-
	11,066,404,802	11,328,500,692	
Financial Information	17.4 Bill for Collection		
	Inward local bill for collection	-	-
	Inward Foreign bill for collection	-	-
Financial Information	Outward local bill for collection	2,667,869,529	3,417,791,578
	Outward Foreign bill for collection	1,612,279,485	2,771,818,328
		4,280,149,013	6,189,609,905
Financial Information	17.5 Other Contingent Liabilities	-	-
		-	-
		38,901,943,884	48,747,352,228
Financial Information	17(a) Consolidated contingent liabilities		
	Acceptances and endorsements		
	Standard Bank Limited (note-17)	10,721,978,308	17,537,916,173
Financial Information	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
Financial Information	SBL Securities Ltd.	-	-
		10,721,978,308	17,537,916,173

		Amount in Taka		
		31.12.2020	31.12.2019	
Letters of guarantee				
Standard Bank Limited (note-17)		12,833,411,761	13,691,325,458	Introduction
Standard Exchange Co.(UK) Ltd.		-	-	
Standard Express(USA) Ltd.		-	-	
SBL Capital Mgt. Ltd.		-	-	
SBL Securities Ltd.		-	-	
		12,833,411,761	13,691,325,458	
Irrevocable Letters of Credit				
Standard Bank Limited (note-17)		11,066,404,802	11,328,500,692	Corporate Governance
Standard Exchange Co.(UK) Ltd.		-	-	
Standard Express(USA) Ltd.		-	-	
SBL Capital Mgt. Ltd.		-	-	
SBL Securities Ltd.		-	-	
		11,066,404,802	11,328,500,692	
Bills for Collection				
Standard Bank Limited (note-17)		4,280,149,013	6,189,609,905	Risk Governance
Standard Exchange Co.(UK) Ltd.		-	-	
Standard Express(USA) Ltd.		-	-	
SBL Capital Mgt. Ltd.		-	-	
SBL Securities Ltd.		-	-	
		4,280,149,013	6,189,609,905	
Other Contingent liabilities				
Standard Bank Limited (note-17)		-	-	Management Retrospection
Standard Exchange Co.(UK) Ltd.		-	-	
Standard Express(USA) Ltd.		-	-	
SBL Capital Mgt. Ltd.		-	-	
SBL Securities Ltd.		-	-	
		38,901,943,884	48,747,352,228	
18	Income Statement			
	Income:			
Interest/ profit, discount and similar income (note-18.1)		13,746,242,808	17,183,710,895	Stakeholders' Information
Dividend income (note-20)		12,266,714	17,981,150	
Fees, Commission and brokerage (note-21.1)		440,554,267	621,941,029	
Gains Less Losses arising from dealing in securities (note-20)		3,957,961	1,983,890	
Gains Less Losses arising from Investment securities (note-20)		4,074,682,973	1,685,998,493	
Gains Less Losses arising from dealing in Foreign Currencies (Note-21.2)		368,365,859	400,672,934	
Income from non banking assets		-	-	
Other operating income (note-22)		407,404,883	522,397,305	
Profit less losses on interest rate changes		-	-	
Total		19,053,475,465	20,434,685,696	
	Expenses:			
Interest/profit paid on deposit, Borrowings etc.(note-19)		11,558,677,871	12,948,993,307	Sustainability
Losses on loans and advances/Investments		-	-	
Administrative Expenses (note-18.2)		3,612,719,509	3,610,856,400	
Other operating expenses (note-33)		602,186,907	414,872,061	
Depreciation on Banking assets (note-32)		291,812,961	233,146,365	
Total		16,065,397,248	17,207,868,133	
	Operating Profit before Provision	2,988,078,216	3,226,817,563	Financial Information

		Amount in Taka	
		31.12.2020	31.12.2019
Introduction	18(a) Consolidated Income Statement		
	Income:		
	Standard Bank Limited (note-18)	19,053,475,465	20,434,685,696
	Standard Exchange Co.(UK) Ltd.	24,076,871	21,314,622
	Standard Express(USA) Ltd.	132,946,830	115,416,269
	SBL Capital Mgt. Ltd.	87,201,136	62,052,130
	SBL Securities Ltd.	63,228,732	72,853,500
	Total	19,360,929,033	20,706,322,217
	Expenses:		
	Standard Bank Limited (note-18)	16,065,397,248	17,207,868,133
Standard Exchange Co.(UK) Ltd.	24,651,754	20,759,811	
Standard Express(USA) Ltd.	115,385,917	112,800,904	
SBL Capital Mgt. Ltd.	21,403,117	21,493,116	
SBL Securities Ltd.	19,013,306	32,071,663	
Total	16,245,851,343	17,394,993,627	
	Consolidated Operating Profit before Provision	3,115,077,691	3,311,328,590
Risk Governance	18.1 Interest/profit , Discount and similar income		
	Interest/profit received from Loans and advances/Investments (note-18.3)	13,644,520,566	16,828,658,537
	Interest/profit received from FC clearing Account	10,903,870	12,171,364
	Interest/profit received from Bank and other financial institutions	90,818,372	342,880,994
	13,746,242,808	17,183,710,895	
Management Retrospection	18.2 Administrative Expenses		
	Salary and allowances (note-23)	2,867,127,923	2,743,218,639
	Rent, Taxes, Insurance, Electricity etc.(note-24)	564,916,374	631,951,069
	Legal expenses (note-25)	13,050,844	20,548,242
	Postage, stamp, telecommunication etc.(note-26)	19,980,956	23,740,487
	Stationery, Printings, advertisement etc.(note-27)	58,427,033	116,578,379
	Managing Director's salary and fees (note-28)	13,949,194	7,530,000
	Directors' Fees (note-29)	3,264,323	5,983,943
	Auditor's fees (note -30)	805,000	1,774,750
	Repair of Bank's assets (note-32)	71,197,862	59,530,890
	3,612,719,509	3,610,856,400	
	Expenses included VAT on which applicable		
Stakeholders' Information	18.3 Interest/profit received from Loans and advances/Investments		
	Secured overdraft/Quard against TDR	2,068,206,558	2,808,404,581
	Term Loan	3,839,436,025	4,270,967,852
	Export Development Fund (EDF)	10,133,993	34,667,869
	Agriculture Loan	455,906,846	555,673,169
	Cash credit/ Murabaha	1,504,207,957	1,878,240,792
	House Building loans	210,750,411	302,426,231
	Staff Loans	23,796,981	21,099,427
	Transport Loans	132,326,787	163,950,298
	Loans against trust receipt	546,787,150	1,001,537,403
	Payment against document	37,693,444	101,949,059
	Packing credit	43,549,246	50,605,677
	Demand Loan	1,359,646,538	1,366,107,908
	Lease Finance / Izara	152,839,636	168,842,647
	Syndicate/Club Finance	188,927,450	264,218,850
	VISA Credit Card	77,360,957	75,387,404
	SME/SE	2,769,825,140	3,406,543,717
	Green Finance	1,132,405	1,196,210
	Consumer Credit Scheme/Hire purchase	32,736,697	26,570,792
	Inland bills purchased	174,460,274	302,113,636
Foreign bills purchased and discounted	14,796,071	28,155,016	
	13,644,520,566	16,828,658,537	
	Interest / profit received from FC clearing account	10,903,870	12,171,364
	Interest/profit received from Bank and other Financial Institution	90,724,622	329,846,063
	Interest on Call Loans	93,750	13,034,931
	101,722,242	355,052,358	
	Total	13,746,242,808	17,183,710,895

		Amount in Taka	
		31.12.2020	31.12.2019
18.3(a)	Consolidated interest income/profit on investment		
	Standard Bank Limited (note-18.3)	13,746,242,808	17,183,710,895
	Standard Bank Limited (Intt. Received from SCML)	(217,588,343)	(196,133,590)
	Standard Bank Limited (Intt. Received from SBSL)	(21,450,146)	(10,754,960)
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	950,146	552,804
	SBL Capital Mgt. Ltd.	186,868,695	173,878,671
	SBL Securities Ltd.	50,383,230	49,741,091
		13,745,406,390	17,200,994,911
19.	Interest/profit paid on deposits, borrowings, etc.		
	Interest/Profit paid on deposits (note -19.1)	10,853,015,608	12,234,159,457
	Interest paid on borrowings (note -19.1)	705,662,263	714,833,850
		11,558,677,871	12,948,993,307
19.1	Interest / Profit paid on deposits ,borrowing etc of the Bank		
	Interest / Profit paid on deposits		
	Savings Bank / Mudaraba Savings Deposits	334,559,897	265,938,243
	Short Term Deposits / Mudaraba Short Term Deposits	444,967,172	324,940,471
	Fixed Deposits / Mudaraba Term Deposits	8,684,448,820	10,639,702,702
	Deposits Under Schemes / Mudaraba Deposit Schemes	1,380,141,460	1,003,535,122
	Interest on lease liabilities as per IFRS-16	8,891,364	-
	Interest Paid on Foreign Currency	6,895	42,919
		10,853,015,608	12,234,159,457
	Interest / Profit paid on borrowing		
	Interest paid on subordinated Bond	514,860,072	510,555,554
	Interest paid on call deposit	60,521,097	48,837,500
	Interest paid on Bangladesh Bank Refinance	1,018,050	492,846
	Interest paid on foreign Bank	45,420,727	131,634,014
	Intt Paid On Notice Money Borrowing	-	-
	Interest paid on ALS	1,421,528	1,975,000
	Interest paid on repurchase agreement(Repo)	82,420,789	21,338,936
		705,662,263	714,833,850
		11,558,677,871	12,948,993,307
19(a)	Consolidated interest / profit paid on Deposits, borrowings, etc.		
	Standard Bank Limited (note-19)	11,558,677,871	12,948,993,307
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	2,095,503	2,896,501
	SBL Securities Ltd.	-	-
		11,560,773,374	12,951,889,809
20.	Income from Investment		
	Dividend on shares	12,266,714	17,981,150
	Gain on shares	3,957,961	1,983,890
	Interest/profit received from Subordinated Bond	57,012,394	81,003,449
	Interest income from Government Securities	1,837,369,534	1,469,389,850
	Capital Gain on Government Securities	2,180,301,045	135,605,195
		4,090,907,649	1,705,963,533

		Amount in Taka	
		31.12.2020	31.12.2019
Introduction	20(a) Consolidated Income from Investment		
	Standard Bank Limited	4,090,907,649	1,705,963,533
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	96,055,031	68,567,263
Corporate Governance	SBL Securities Ltd.	15,721,660	22,777,331
		4,202,684,339	1,797,308,127
Risk Governance	21. Commission/Fees, Exchange and Brokerage		
	Commission /Fees (note-21.1)	440,554,267	621,941,029
	Exchange earnings (note-21.2)	368,365,859	400,672,934
	Brokerage	-	-
	808,920,126	1,022,613,963	
Management Retrospection	21.1 Commission		
	Commission on Import L/Cs	26,073,062	37,058,575
	Commission on Export L/Cs	119,359,116	175,473,763
	Commission on Back to Back L/Cs	147,660,413	238,246,756
	Commission on Bank Guarantee	122,729,225	139,351,238
	Commission on Sanchyapatra	94	2,965,241
	Commission on Remittance	24,732,357	28,845,457
	Underwriting commission	-	-
		440,554,267	621,941,029
	Brokerage	-	-
	440,554,267	621,941,029	
Stakeholders' Information	21.2 Exchange		
	Gains arising from Dealing Securities	-	-
	Less: Losses	-	-
	Gains arising from Investment Securities	-	-
	Less: Losses	-	-
	Gains arising from Foreign Trade Business	591,896,794	658,771,400
Less: Losses	223,530,936	258,098,466	
	368,365,859	400,672,934	
Sustainability	21(a) Consolidated Commission, Exchange and Brokerage		
	Standard Bank Limited (note-21)	808,920,126	1,022,613,963
	Standard Exchange Co.(UK) Ltd.	22,444,386	19,643,966
	Standard Express(USA) Ltd.	126,062,762	110,709,460
	SBL Capital Mgt. Ltd.	20,161,803	14,493,886
	SBL Securities Ltd.	17,826,005	10,853,589
	995,415,081	1,178,314,864	
Financial Information			

		Amount in Taka	
		31.12.2020	31.12.2019
22.	Other operating income		
	SWIFT & Telex charge recoveries	15,963,399	30,848,721
	Postage charge recoveries	17,589,997	24,568,749
	Service charges	123,668,974	157,869,403
	Rebate on nostro a/c	46,972,170	58,667,018
	Handling charges on EDF	43,889,207	73,280,505
	Locker charges	1,364,767	934,200
	LC advising charges	134,739	168,317
	Loan processing/documentation fees	17,515,878	34,182,394
	Capital Gain on Sale of Assets	160,915	108,342
	Service charges agst CIB/Clearing return	1,439,882	1,448,010
	Debit /VISA Card Fees	69,774,288	68,379,231
	Stationery Charge Recovery	83,138	50,106
	Handling Charge On Import Lc	2,541,814	2,757,881
	Handling Charge On Export Lc	18,710,486	25,344,321
	Handling Commission On Lease Finance	2,073,458	1,793,526
	Handling Charge On Pe-Hsia Booth	216,720	557,120
	Earning on Treasury FEX	2,620,333	1,373,031
	NPSB Settlement Income	5,906,988	5,109,178
	Charges On Rtgs	4,354,696	4,051,866
	Recovery From Written Off Loan A/C	29,264,265	25,707,289
	Miscellaneous earnings	3,158,768	5,198,095
		407,404,883	522,397,305
22(a)	Consolidated other operating income		
	Standard Bank Limited (note-22)	407,404,883	522,397,305
	Standard Exchange Co.(UK) Ltd.	1,632,485	1,670,656
	Standard Express(USA) Ltd.	5,933,922	4,154,005
	SBL Capital Mgt. Ltd.	1,703,950	1,245,900
	SBL Securities Ltd.	747,984	236,450
		417,423,223	529,704,315
23.	Salaries and allowances		
	Basic salary	1,078,105,392	982,984,526
	Allowances (note-23.1)	1,297,254,284	1,240,877,159
	Bonus & ex-gratia	326,642,608	365,305,402
	Bank's contribution to provident fund	107,364,793	98,020,281
	Casual wages	57,760,846	56,031,272
		2,867,127,923	2,743,218,639
23.1	Allowances		
	House rent allowances	538,703,029	492,398,920
	Conveyance allowances	87,447,533	81,279,550
	Entertainment allowances	51,511,619	49,527,853
	House maintenance & utility	39,767,333	39,251,854
	Medical allowances	78,830,432	74,913,290
	Risk allowances	2,822,798	2,528,442
	Washing allowances	1,757,533	1,807,930
	Remuneration for probationaries	60,736,173	117,622,044
	Charge allowances	2,508,063	2,499,583
	Leave Fare Compensation	50,243,259	83,470,974
	Gratuity	365,500,000	273,200,000
	Leave Encashment	14,488,770	21,794,643
	Extra allowances	2,937,742	582,075
		1,297,254,284	1,240,877,159

		Amount in Taka	
		31.12.2020	31.12.2019
Introduction	23(a) Consolidated salaries and allowances		
	Standard Bank Limited (note-23)	2,867,127,923	2,743,218,639
	Standard Exchange Co.(UK) Ltd.	6,206,850	6,154,347
	Standard Express(USA) Ltd.	46,713,138	45,276,292
	SBL Capital Mgt. Ltd.	12,380,170	11,689,622
	SBL Securities Ltd.	11,189,341	1,984,126
		2,943,617,422	2,808,323,026
Corporate Governance	24. Rent, Taxes, Insurance, electricity, etc.		
	Rent- Office	321,266,610	377,683,552
	Rent- Godown	738,675	207,620
	Rates and taxes	61,069,577	72,451,129
	Insurance	117,631,213	103,095,470
	Utilities	64,210,299	78,513,298
		564,916,374	631,951,069
Risk Governance	24(a) Consolidated Rent, Taxes, Insurance, electricity, etc.		
	Standard Bank Limited (note-24)	564,916,374	631,951,069
	Standard Exchange Co.(UK) Ltd.	6,278,259	6,208,944
	Standard Express(USA) Ltd.	39,314,289	35,013,424
	SBL Capital Mgt. Ltd.	1,811,462	1,972,515
	SBL Securities Ltd.	1,809,487	24,609,740
		614,129,872	699,755,691
Management Retrospection	25. Legal expenses		
	Legal Charges	9,007,840	11,018,086
	Fees, Stamp & notary public expenses	4,043,004	9,530,156
		13,050,844	20,548,242
Stakeholders' Information	25(a) Consolidated Legal expenses.		
	Standard Bank Limited (note-25)	13,050,844	20,548,242
	Standard Exchange Co.(UK) Ltd.	400,478	174,709
	Standard Express(USA) Ltd.	4,594,667	4,618,513
	SBL Capital Mgt. Ltd.	-	64,400
	SBL Securities Ltd.	-	201,250
		18,045,990	25,607,114
Sustainability	26. Postage, Stamps, Telecommunication etc.		
	Postage	11,792,974	15,326,685
	Telegram, telex, fax and e-mail	87,436	93,055
	Telephone, Mobile (office & residence)	8,100,546	8,320,747
		19,980,956	23,740,487
Financial Information	26(a) Consolidated Postage, Stamps, Telecommunication etc.		
	Standard Bank Limited (note-26)	19,980,956	23,740,487
	Standard Exchange Co.(UK) Ltd.	69,379	102,969
	Standard Express(USA) Ltd.	2,200,665	2,305,102
	SBL Capital Mgt. Ltd.	35,375	44,156
	SBL Securities Ltd.	203,662	223,146
		22,490,037	26,415,860

		Amount in Taka	
		31.12.2020	31.12.2019
27.	Stationery, Printing, Advertisement etc.		
	Printing stationery	7,734,945	10,339,554
	Security stationery	1,919,777	1,966,627
	Petty stationery	9,406,130	10,726,878
	Computer stationery	11,671,567	18,401,199
	Publicity and advertisement	27,694,615	75,144,121
		58,427,033	116,578,379
27(a)	Consolidated Stationery, Printing, Advertisement etc.		
	Standard Bank Limited (note-27)	58,427,033	116,578,379
	Standard Exchange Co.(UK) Ltd.	445,264	322,011
	Standard Express(USA) Ltd.	2,265,978	2,504,914
	SBL Capital Mgt. Ltd.	131,948	237,262
	SBL Securities Ltd.	118,925	114,707
		61,389,148	119,757,273
28.	Managing Director's salary and fees		
	Basic salary	8,685,484	4,500,000
	House rent allowance	2,316,129	900,000
	Medical Allowances	-	270,000
	House maintenance & utility	579,032	360,000
	Bank's contribution to provident fund	868,548	1,000,000
	Bonus	1,500,000	500,000
	Leave Fare Compensation	-	-
		13,949,194	7,530,000
29.	Directors fees & meeting expenses		
	Directors fees	2,124,000	2,208,000
	Travelling and haltage	524,438	2,176,536
	Refreshment and dinner	615,885	1,599,407
		3,264,323	5,983,943
29(a)	Consolidated Directors fees & meeting expenses		
	Standard Bank Limited (note-29)	3,264,323	5,983,943
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	335,800
	SBL Capital Mgt. Ltd.	560,031	749,042
	SBL Securities Ltd.	583,644	979,943
		4,407,998	8,048,728

		Amount in Taka	
		31.12.2020	31.12.2019
Introduction	30. Audit fees	805,000	1,774,750
		805,000	1,774,750
Corporate Governance	30 (a) Consolidated Auditors fees		
	Standard Bank Limited	805,000	1,774,750
	Standard Exchange Co.(UK) Ltd.	394,838	491,369
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	223,100	23,000
	SBL Securities Ltd.	207,000	-
	1,629,938	2,289,119	
Risk Governance	31. Charges on loan losses		
	Loan-written off	-	-
	Interest waived	-	-
	-	-	
Management Retrospection	31(a). Consolidated charges on loan losses		
	Standard Bank Limited	-	-
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	SBL Securities Ltd.	-	-
	-	-	
Stakeholders' Information	32. Depreciation and repair of Banks assets		
	Depreciation on Fixed Assets		
	Building	11,530,064	11,530,064
	Furniture & fixture	63,941,535	55,839,716
	Office appliance & equipment	103,186,704	94,826,550
	Computer	44,695,925	38,453,325
	Software	14,191,506	16,774,505
	Right of use assets	40,001,043	-
	Motor vehicle	14,266,186	15,722,206
		291,812,961	233,146,365
	Repair, Renovation & Maintenance of Bank's Assets		
	Office furniture	187,818	584,205
Office appliance & equipment	10,607,190	11,810,921	
Computer	1,680,585	1,217,431	
Software	45,758,976	31,384,004	
Motor vehicle	12,963,293	14,534,328	
	71,197,862	59,530,890	
Total	363,010,823	292,677,255	
Financial Information	32(a) Consolidated depreciation and repair of Banks assets		
	Standard Bank Limited (note-32)	363,010,823	292,677,255
	Standard Exchange Co.(UK) Ltd.	841,117	521,834
	Standard Express(USA) Ltd.	4,072,750	4,055,779
	SBL Capital Mgt. Ltd.	600,748	579,748
	SBL Securities Ltd.	1,069,494	1,067,134
	369,594,933	298,901,750	

		Amount in Taka		
		31.12.2020	31.12.2019	
33.	OTHER EXPENSES			
	Entertainment (office)	11,101,851	21,160,995	Introduction
	Donation & subscription	212,386,121	11,313,962	
	Travelling	3,627,656	10,879,835	Corporate Governance
	Anniversary	15,000	3,479,283	
	Branch /Subsidiary company opening expenses	579,326	1,114,733	Risk Governance
	Training and seminar expenses	3,160,556	8,845,709	
	Newspaper and periodicals	805,966	1,348,022	Management Retrospection
	Petrol, oil and lubricants	32,765,110	36,127,318	
	Car expenses	37,151,662	39,292,944	Stakeholders' Information
	Photocopy expenses	2,126,605	3,181,710	
	Staff uniform and liveries	3,733,563	3,349,381	Sustainability
	Cleaning and washing	10,057,345	8,171,514	
	Premises up keeping	3,396,971	3,587,526	
	Local conveyance	6,625,234	8,789,411	
	Business development	2,298,177	11,433,513	
	Freight and cartage	303,598	224,540	
	Cook and servant	8,304,807	8,096,787	
	Annual General Meeting	595,518	7,704,449	
	Bank charges and commission paid	16,907,840	18,314,405	
	Loss on sale of Assets	-	139,602	
	On Line (ABB) expenses	172,304	598,152	
	Managers Conference exp	3,808,908	3,893,025	
	Performance award	50,000	1,644,000	
	SBL welfare fund	14,403,270	14,403,160	
	Generator expenses	7,212,821	9,365,144	
	Connectivity fees	33,132,347	25,708,795	
	CDBL Charges	164,922	235,342	
	Visa Card Process charges	1,470,290	1,366,364	
	Dhaka Stock Exchange	1,440,565	2,021,482	
	Chittagong Stock Exchange	1,418,565	2,006,482	
	Registered Joint Stock Company	-	4,750	
	Membership fee to Central Shariah Board	700,000	500,000	
	Recruitment Expenses	-	-	
	Calender ,dairy & greeting cards etc	24,281,183	37,261,270	
	Green Banking	2,500,000	2,500,000	
	SBL Foundation	30,000,000	40,000,000	
	NPSB settlement expenses	1,309,605	1,216,765	
	Discomfort Allowances	2,968,956	5,448,375	
	Security Service-Out Sourcing	49,009,562	46,213,860	
	Subordinated Bond Issue Expenses	3,567,200	6,456,800	
	Nid Verification Charge	205,212	534,230	
	Hajj Related Expenses	-	4,831,940	
	Motivational Allowance For Covid-19	54,305,997	-	
	Compensation For Covid-19	10,428,322	-	
	Miscellaneous	3,693,970	2,106,486	
		602,186,907	414,872,061	
	Expenses included VAT on which applicable			
33(a)	Consolidated other expenses			
	Standard Bank Limited (note-33)	602,186,907	414,872,061	Financial Information
	Standard Exchange Co.(UK) Ltd.	10,015,568	6,783,628	
	Standard Express(USA) Ltd.	16,224,429	18,691,080	
	SBL Capital Mgt. Ltd.	3,564,780	3,236,869	
	SBL Securities Ltd.	3,831,754	2,891,617	
		635,823,437	446,475,255	

		Amount in Taka	
		31.12.2020	31.12.2019
Introduction	33.1 Nostro account maintenance		
	Nostro account maintenance	-	-
	Bank charge	-	-
		-	-
Corporate Governance	34 Provision for loans/Investments,off balance sheet exposure & other assets		
	Provision for bad and doubtful loans and advances/investments	662,410,595	320,995,935
	Provision for SMA loans and advances/investments	716,698	24,706,040
	Provision for unclassified loans & advances/Investments	17,826,551	82,444,539
	Special General Provision-COVID-19	100,651,780	-
	Provision for Start-up Fund	29,880,782	-
	Provision for off balance sheet exposure	(79,359,475)	(7,373,663)
	Provision for other assets	187,644,710	-
	Provision for diminution in value of investments (note 34.1)	-	-
	919,771,640	420,772,851	
Risk Governance	34.1 Provision for diminution in value of investments		
	Dealing Securities		
	Quoted	-	-
	Unquoted	-	-
	Investment Securities	-	-
	Quoted	-	-
Unquoted	-	-	
	-	-	
Management Retrospection	34.1(a) Consolidated Provision for diminution in value of investments		
	Dealing Securities	-	-
	Standard Bank Limited (note-34.1)	-	-
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	SBL Securities Ltd.	-	-
		-	-
	Investment Securities	17,238,977	25,425,667
	Standard Bank Limited (note-34.1)	-	-
Standard Exchange Co.(UK) Ltd.	-	-	
Standard Express(USA) Ltd.	-	-	
SBL Capital Mgt. Ltd.	8,537,361	1,798,830	
SBL Securities Ltd.	8,701,616	23,626,837	
	17,238,977	25,425,667	
Stakeholders' Information	34(a) Consolidated Provision for loans/Investments,off balance sheet exposure & other assets		
	Provision for bad and doubtful loans and advances/investments-SBL*	662,410,595	320,995,935
	Provision for SMA loans and advances/investments-SBL	716,698	24,706,040
	Provision for unclassified loans & advances/Investments -SBL	17,826,551	82,444,539
	Special General Provision-COVID-19	100,651,780	-
	Provision for Start-up Fund	29,880,782	-
	Provision for off balance sheet exposure-SBL	(79,359,475)	(7,373,663)
	Provision for diminution in value of investments (SCML & SBSL)	17,238,977	25,425,667
	Provision for impairment of client margin loan (SCML & SBSL)	22,424,816	11,535,316
	Provision for others (SBL)	187,644,710	-
		959,435,432	457,733,835
Sustainability			
Financial Information			

		Amount in Taka	
		31.12.2020	31.12.2019
35	Tax expenses		
	Current tax	1,245,592,840	1,292,637,114
	Deferred tax	(219,289,089)	14,330,402
		1,026,303,751	1,306,967,516
35(a)	Consolidated tax expenses		
	Current tax		
	Standard Bank Limited (note-35)	1,245,592,840	1,292,637,114
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	34,739,324	31,950,222
	SBL Securities Ltd.	12,544,040	10,243,380
		1,292,876,205	1,334,830,717
	Deferred tax		
	Standard Bank Limited (note-35)	-	14,330,402
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	SBL Securities Ltd.	-	-
		-	14,330,402
	Total	1,292,876,205	1,349,161,118
36	Earning Per Share (EPS)		
	Net profit after tax	1,042,002,825	1,499,077,196
	Number of Ordinary Share	1,005,990,788	1,005,990,788
	Earning Per Share *	1.04	1.49
	* Earning per share calculated dividing basic earning during the year by number of share outstanding as on reporting date complying with the provision of IAS-33.		
36(a)	Consolidated Earning Per Share (EPS)		
	Net profit after tax	1,082,055,142	1,504,433,637
	Number of Ordinary Share	1,005,990,788	1,005,990,788
	Earning Per Share *	1.08	1.50
	* Earning per share calculated dividing basic earning during the Period by number of share outstanding as on reporting date complying with the provision of IAS-33.		
37	Received from other operating activities		
	SWIFT & Telex charge recoveries	15,963,399	30,848,721
	Postage charge recoveries	17,589,997	24,568,749
	Service charges	123,668,974	157,869,403
	Rebate on nostro a/c	46,972,170	58,667,018
	Handling charges on EDF	43,889,207	73,280,505
	Locker charges	1,364,767	934,200
	LC advising charges	134,739	168,317
	Loan processing/documentation fees	17,515,878	34,182,394
	Service charges agst CIB/Clearing return	1,439,882	1,448,010
	Debit /VISA Card Fees	69,774,288	68,379,231
	Stationery Charge Recovery	83,138	50,106
	Handling Charge On Import Lc	2,541,814	2,757,881
	Handling Charge On Export Lc	18,710,486	25,344,321
	Handling Commission On Lease Finance	2,073,458	1,793,526
	Handling Charge On Pe-Hsia Booth	216,720	557,120
	Earning on Treasury FEX	2,620,333	1,373,031
	NPSB Settlement Income	5,906,988	5,109,178
	Charges On Rtgs	4,354,696	-
	Recovery From Written Off Loan A/C	29,264,265	-
	Miscellaneous earnings	3,158,768	34,957,250
	Capital Gain on Government Securities	2,180,301,045	135,605,195
	Gain on shares	3,957,961	1,983,890
		2,591,502,974	659,878,047

		Amount in Taka	
		31.12.2020	31.12.2019
Introduction	37(a) Consolidated Received from other operating activities		
	Standard Bank Limited (note-35)	2,591,502,974	659,878,047
	Standard Exchange Co.(UK) Ltd.	1,632,485	1,670,656
	Standard Express(USA) Ltd.	5,933,922	4,154,005
	SBL Capital Mgt. Ltd.	1,703,950	1,245,900
	SBL Securities Ltd.	747,984	236,450
		2,601,521,314	667,185,058
		-	-
Corporate Governance	38 Payments for other operating activities		
	Rent, Taxes, Insurance, Electricity etc.	610,015,262	631,951,069
	Legal Expenses	13,050,844	20,548,242
	Postage, Stamp, Telecommunication etc.	19,980,956	23,740,487
	Directors' Fee & Other benefits	3,264,323	5,983,943
	Audit Fees	805,000	1,774,750
	Repair of Bank's assets	71,197,862	59,530,890
	Other Expenses	602,186,907	405,773,782
		1,320,501,153	1,149,303,163
Risk Governance	38(a) Consolidated Payments for other operating activities		
	Standard Bank Limited (note-38)	1,320,501,153	1,149,303,163
	Standard Exchange Co.(UK) Ltd.	18,050,066	14,114,095
	Standard Express(USA) Ltd.	68,672,779	67,188,812
	SBL Capital Mgt. Ltd.	6,144,313	6,134,950
	SBL Securities Ltd.	7,033,321	29,107,594
		1,420,401,632	1,265,848,615
		-	-
Management Retrospection	39 Changes in other assets		
	Stock of stationery	(3,143,194)	(6,870,718)
	Stamps in hand	(75,211)	7,898
	Suspenses A/c	111,203,672	331,221,759
	Advance deposit	(8,322)	(4,800)
	Interest Receivable	-	-
	Branch adjustments accounts	(119,224,420)	113,637,674
	Advance rent	(36,523,497)	41,536,439
	Prepaid expenses	8,116,542	4,507,589
	Excise Duty adjustment on FDR	(5,168,850)	(7,432,900)
	Working Progress, Building	(166,655,519)	(176,911,136)
	Fx.Deal Receivable	4,552,700	(13,658,100)
	Islamic Settlement Account	(82,614,066)	4,374,461
	Interest Waived	-	3,510,869
	Clearing Adjustment	13,219,648	193,734
		(276,320,517)	294,112,769
Stakeholders' Information	39(a) Consolidated Changes in other assets		
	Standard Bank Limited (note37)	(276,320,517)	(294,112,769)
	Standard Exchange Co.(UK) Ltd.	1,091,422	761,043
	Standard Express(USA) Ltd.	(372,343)	(487,358)
	SBL Capital Mgt. Ltd.	562,691,064	49,029,147
	SBL Securities Ltd.	36,696,790	572,250
		323,786,416	(244,237,688)
Sustainability			
Financial Information			

		Amount in Taka	
		31.12.2020	31.12.2019
40	Changes in other liabilities		
	Accrued Expenses	29,349,074	9,098,279
	Standard Exchange UK	23,000,060	30,826,283
	Interest suspenses account	870,207,370	342,439,686
	Provision for bonus	20,000,000	(8,411,484)
	Islamic Settlement Account	(960,832)	1,356,379
	Profit receivable	3,197,957	3,917,622
	Provision for LFC	(34,311,408)	51,784,738
	SBL Foundation	(10,000,000)	10,000,000
	Provision For Gratuity	(100,000,000)	-
	Provision for Green Banking	2,500,000	2,500,000
	Provision for Incentive of good borrower	-	-
	Commission Payable Account	(107,313)	(60,697)
	Payable to OBU	(7,202,512)	7,543,161
	Provision for unforeseen losses	3,824,140	-
	Branch adjustments accounts	(52,480,913)	52,480,913
	Swift Charge Payable A/C	9,861,343	2,435,444
	Written-Off Loan Recovery A/C	-	(4,711,961)
	Motivational Allowance Payable For Covid	32,962,738	-
	Foreign Currency translation gains	1,085,280	2,921,510
	Total	790,924,984	504,119,872
40(a)	Consolidated Changes in other liabilities		
	Standard Bank Limited (note-38)	790,924,984	504,119,872
	Standard Exchange Co.(UK) Ltd.	8,838,940	2,888,877
	Standard Express(USA) Ltd.	38,452,636	(16,402,336)
	SBL Capital Mgt. Ltd.	(430,564)	240,259,327
	SBL Securities Ltd.	32,452,245	(32,122,959)
		870,238,241	698,742,781
40(b)	Reconciliation of Net Profit after Taxation with Cash Flows from Operating Activities before changes In Operating Assets & Liabilities		
	Standard Bank Limited		
	Net profit after taxation	1,042,002,825	1,499,077,196
	Provision for taxation	1,213,948,460	1,306,967,516
	Provision for Loans & Off BS Exposure	732,126,931	420,772,851
	Changes in interest and others receivable	17,025,653	(477,994,603)
	Changes in accrual interest expense	(512,147,544)	685,501,266
	Depreciation & Amortization of Fixed Assets	291,812,961	233,146,365
	Proceeds from sale of fixed assets	160,915	108,342
	Advance Income taxes paid	(1,011,176,690)	(908,858,645)
		1,773,753,511	2,758,720,289
	Consolidated		
	Net profit after taxation	1,082,055,142	1,504,433,637
	Provision for taxation	1,073,587,116	1,349,161,118
	Provision for Loans & Off BS Exposure	959,435,432	457,733,835
	Changes in interest and others receivable	5,524,365	(480,189,763)
	Changes in accrual interest expense	(512,147,544)	685,501,266
	Depreciation & Amortization of Fixed Assets	293,429,382	234,741,786
	Proceeds from sale of fixed assets	160,915	108,342
	Advance Income taxes paid	(1,027,707,986)	(933,053,360)
		1,874,336,822	2,818,436,862

		Amount in Taka	
		31.12.2020	31.12.2019
41	Net Operating Cash Flows per Share (NOCFPS)		
	Net cash flow from operating activities	(7,228,770,547)	9,700,702,231
	Number of Ordinary Share	1,005,990,788	1,005,990,788
	Net Operating Cash Flows per Share (NOCFPS)	(7.19)	9.64
	**NOCFPS Solo has significantly decreased due to decrease deposit & trading liabilities and increase loan & advances.		
41(a)	Consolidated Net Operating Cash Flows per Share (NOCFPS)		
	Net cash flow from operating activities	(7,032,148,855)	9,498,309,003
	Number of Ordinary Share	1,005,990,788	1,005,990,788
	Net Operating Cash Flows per Share (NOCFPS)	(6.99)	9.44

**NOCFPS Consolidated has significantly decreased due to decrease deposit & trading liabilities and increase loan & advances.

42 Expenditure Incurred for employees

Number of employees at 31 December 2020 or that Period which in the aggregate was not less than TK 60,000 and those employed for a part of that Period who were in receipt of remuneration of not less than Tk.8,000.

43 Disclosure on Audit committee

In compliance with Bangladesh Bank's BRPD Circular No.11 dated 27 October 2013 and Bangladesh Securities and Exchange Commission (BSEC) Notification on Corporate Governance dated 03 June 2018, the Audit Committee (AC) of the Board of Directors of Standard Bank Limited (SBL) was formed by the Board to provide independent oversight of the company's financial reporting, non-financial corporate disclosures, internal control systems and compliance to governing rules and laws etc. Following are the major objectives of the Audit Committee:

To review the financial reporting process, the system of internal control and management of financial risks, the audit process, and the bank's process for monitoring compliance with laws and regulations and its own code of business conduct, compliance status of inspection report from Bangladesh Bank.

To assist the Board in fulfilling its oversight responsibilities including implementation of the objectives, strategies and overall business plans set by the Board for effective functioning of the bank.

The Audit Committee was reconstituted by the Board in the 319th meeting of the Board of Directors held on 30.10.2019. Thus the committee stands as follows;

SL. No.	Name	Status with Bank	Status with Committee	Educational Qualification
1	Mr. Md. Nazmus Salehin	Independent Director	Chairman	M.Sc
2	Al-haj Mohammed Shamsul Alam	Director	Member	B.A (Hon's)
3	Mr. Ferdous Ali Khan	Director	Member	M. Com
4	Mr. Kazi Khurram Ahmed	Director	Member	BSc. Egg. (Computer Science)
5	Mr. Najmul Huq Chaudhury	Independent Director	Member	B.Com
6	Md. Ali Reza, FCMA, CIPA	CFO and acting Group Company Secretary	Acting Member Secretary	MBA, FCMA

During 31.12.2020, the Audit Committee discharged the following responsibilities:

- Bangladesh Bank comprehensive inspection report & external audit report of the Bank and the recommendation made thereon.
- The compliance status of the audit objections and the recommendations made by the Bangladesh Bank inspectors, External auditors and the Internal Auditors of the bank in their respective reports.
- Actions and corrective measures taken by the Management in regard to deficiencies in Bangladesh Bank inspection report, internal audit report and the Internal Control and Compliance Division (ICCD) report and by other regulatory authorities report on the Bank.
- Implementation of Core Risk Management Guidelines including Internal Control and Compliance Risk along with compliance thereof
- The review of status of recovery of classified loans and providing with the necessary guidelines, advices and recommendations to the management to reduce the Non-performing Loans (NPLs).
- Audit and Inspection reports of the branches, divisions and departments of the Head Office prepared by the Internal Control and Compliance Division (ICCD) of the Bank.
- Review and approve 'Annual Audit Plan 2020' and 'Risk Based Audit Plan 2020' of bank's audit and inspection divisions of Head office.
- Reviewed annual assessment of the performance of internal audit and inspection activities.
- Review of serious irregularities in the audit report of the branches prepared by Internal Control & Compliance Division (ICCD) for the year 2019 & 2020.
- Review of the audit ratings of all branches and departments for the year 2020.
- Review of Bangladesh Bank, DOS Circular Letter No. 17 dated 7 November 2012 regarding Report of Self-Assessment of Anti-Fraud Internal Controls on Quarterly basis through specific format to be signed by the MD & CEO of the Bank and countersigned by the Chairman of the Audit Committee.
- Review of the process of strengthening Internal Control Systems and Procedures of the Bank.
- Review of the annual financial statements of the bank for the year ended 31 December 2019 as certified by the external auditors, M/S Khan Wahab Shafique Rahman & Co., Chartered Accountants, before submission to the Board of directors for approval.
- Review of Bangladesh Bank's BRPD Circular No. 4 dated 23 February 2015 on the Rules and Regulations in making transactions with people related with Board and Management of the Bank.
- Review of Corporate Governance Compliance Report of SBL for the year ended 31 December 2020 as submitted by Mahfel Haq & Co.
- Review of the process of strengthening Internal Control Systems and Procedures of the Bank.
- Review of the Management Report on the Bank for the year ended 31 December 2019 as submitted by the External Auditors and subsequent compliance by the management thereof.
- Review of the First Quarter (Q1), half-yearly, third Quarter (Q3) & Annual Financial Statements (Un-Audited) of Standard Bank Limited and Its Subsidiaries for the year 2020 before submission to the Board of Directors for approval in compliance with the BSEC's Corporate Governance Guidelines 2018.
- Review of the Bangladesh Bank Comprehensive Inspection Report on SBL Head Office as on 30 June 2020 and subsequent compliance by the management there of.
- Review of AML rating of all Branches for the year 2019 & 2020.
- Review of compliance and related risk level of Branches, various Departments and Subsidiaries.
- Review of Annual Report on the Financial Health of the Bank, 2020.

The committee in the meetings has taken particular notes of lapses detected by the Internal Audit Team in their audit report and the actions taken by the management towards correction, helped improving the recovery of classified loans and initiating measures for lowering the quantum of NPLs. The committee advised and recommended to the management and the board for instituting adequate recovery mechanisms, close and effective monitoring, constituting a robust credit administration and, carefully reviewed the internal control system and procedures specially focusing on IT operation to secure the Bank from foreseeable shocks. The process of continuous monitoring was established for avoidance of errors and omissions and, repetition of lapses as are detected by the internal and external auditors

Related Party Disclosures

i) Particulars of Directors of the Bank as on 31 December 2020

Sl. No.	Name of the Persons	Designation	Present Address	% of shares as on 31.12.2020
1	Mr. Kazi Akram Uddin Ahmed	Chairman	House # 73, Road # 6, O.R. Nizam Road R/A, Chittagong.	2.02%
2	Mr. Md. Zahedul Hoque	Vice Chairman	284/285, Khatungonj, Chittagong.	3.34%
3	Mr. Kamal Mostafa Chowdhury	Director	"Bedura House", 72, Bangshal Road, Firingi Bazar, Kotwali, Chittagong.	2.30%
4	Mr. Ashok Kumar Saha	Director	29/B, Ghatforhadbeg, Chittagong	2.17%
5	Mr. Ferozur Rahman	Director	My Heart', 8/1, Sukrabad, Dhanmondi, Dhaka.	2.07%
6	Mr. Md. Monzurul Alam	Director	218, D.T. Road, Dewanhat, Chittagong.	2.00%
7	Mr. S. A. M. Hossain	Director	Victor Electronics, 400 Bipani Bitan (3rd Floor), Chittagong.	2.72%
8	Mr. Mohammed Abdul Aziz	Director	268, Fakirapool, Motijheel, Dhaka	2.01%
9	Mr. Gulzar Ahmed	Director	Apan Jewellers, 65 Gulshan Avenue, Suvastu Imam Square (Ground Floor), Gulshan-1, Dhaka-1212.	2.00%
10	Al-Haj Mohammed Shamsul Alam	Director	M/s. Radio Vision, 398, Bipani Bitan, Chittagong.	2.54%
11	Al-Haj Mohd. Yousuf Chowdhury	Director	8/B, O. R. Nizam Road, Panchlaish R/A., Chittagong	2.00%
12	Mr. Ferdous Ali Khan	Director	Jahan Mansion (1st Floor), Gha 6, 29, Mirpur Road, Dhaka	2.27%
13	Mr. Kazi Khurram Ahmed	Director	House # 73, Road # 6, O.R. Nizam Road R/A, Chittagong	2.00%
14	ICB, represented by its Managing Director, Mr. Md. Abul Hossain	Managing Director, Investment Corporation of Bangladesh	Head Office 8 Rajuk Avenue, 14th Floor, Dhaka	4.07%
15	Mr. Najmul Huq Chaudhury	Independent Director	House # 232, Road # 9, Block-B, Chandgaon CDA R/A, Chittagong	NIL
16	Mr. Md. Nazmus Salehin	Independent Director	Basati Green Hamlet, Apartment # D-13, 23, Green Road, Dhaka- 1205	NIL
17	Mr. Khondoker Rashed Maqsood	MD & Ex-Officio Director	Head Office, Metropolitan Chamber Building, 122-124, Motijheel C/A, Dhaka	NIL

45 Reconciliation of inter Banks/Books of accounts

Books of Accounts with regard to inter bank (In Bangladesh and outside Bangladesh) are reconciled and there are no material differences, which may affect the financial statements significantly.

46 Auditors work hour

The external auditor has covered 80% of the risk weighted assets and has spent around 3,728 hours to complete the audit as per Bangladesh Auditing Standards.

46 Statement of Liquidity

The liquidity statement has been prepared in accordance with the remaining maturity grouping of the value of the assets and liabilities as on 31 December, 2020 under the guidelines of Bangladesh Bank BRPD circular No.14 dated 25th June, 2003.

47 Workers Participation Fund and Welfare Fund

Consistent with the industry practice and in accordance with The Bank Company Act. 1991, no provision has been made for WPPF.

48 Net Asset Value Per Share

Shareholders' Equity	16,771,470,505	16,291,125,005
Number of Ordinary Share	1,005,990,788	1,005,990,788
Net Asset Value (NAV) Per Share	16.67	16.19

49(a) Consolidated Net Asset Value Per Share

Shareholders' Equity	16,765,238,028	16,247,876,352
Number of Ordinary Share	1,005,990,788	1,005,990,788
Consolidated Net Asset Value (NAV) Per Share	16.67	16.15

50 Events after the Balance Sheet date

The Board of Directors in its 341th meetings decided to recommend payment of 2.5% stock dividend & 2.5% Cash dividend for the year 2020. The total amount of dividend is Taka. 502,995,394.

STANDARD BANK LIMITED
BALANCE WITH OTHER BANK-OUTSIDE BANGLADESH (NOSTRO ACCOUNTS)
AS AT 31 DECEMBER 2020

Annexure -A

Name of the Bank	Currency Name	2020		Amount in BDT	2019		Amount in BDT
		Amount in Foreign Currency	Conversion rate per unit FC.		Amount in Foreign Currency	Conversion rate per unit FC.	
Interest Bearing							
Habib American Bank Ltd., New York	USD	4,430,770.56	84.4500	374,178,573.79	1,441,042.51	84.4500	121,696,039.97
Mashreq Bank Psc, New York	USD	3,032,309.75	84.4500	256,078,558.39	903,789.78	84.4500	76,325,046.92
ICICI Bank Ltd., Mumbai, India	ACU(\$)	940,150.53	84.4500	79,395,712.26	182,884.56	84.4500	15,444,601.09
Non Interest Bearing							
Standard Chartered Bank, New York	USD	8,111,483.84	84.4500	685,014,810.29	1,450,282.63	84.4500	122,476,368.10
ICICI Bank Ltd., Hongkong	USD	163,304.57	84.4500	13,791,070.94	95,502.58	84.4500	8,065,192.88
Bank Al-Jazira, KSA,USD	USD	93,260.66	84.4500	7,875,862.74	200,442.04	84.4500	16,927,330.28
Sonali Bank (UK) LTD,USD	USD						
AXIS Bank Limited, Mumbai, India	ACU(\$)	502,800.14	84.4500	42,461,471.82	95,139.89	84.4500	8,034,563.71
A.B. Bank Ltd. Mumbai	ACU(\$)	246,177.83	84.4500	20,789,717.74	81,084.62	84.4500	6,847,596.16
Standard Chartered Bank Ltd., Mumbai, India	ACU(\$)	1,581,850.38	84.4500	133,587,264.59	88,514.36	84.4500	7,475,037.70
Nepal Bangladesh Bank Ltd., Kathmudu, Nepal	ACU(\$)	174,683.21	84.4500	14,751,997.08	173,783.21	84.4500	14,675,992.08
NIB Bank Ltd., Karachi, Pakistan	ACU(\$)						
Habib Metropolitan Bank, Karachi, Pakistan	ACU(\$)	66,734.91	84.4500	5,635,763.15	90,333.61	84.4500	7,628,673.36
Bhutan National Bank, Bhutan	ACU(\$)	19,069.76	84.4500	1,610,441.23	5,266.76	84.4500	444,777.88
Standard Chartered Bank, Frankfurt, Germany	EURO	7,608.62	104.9006	798,148.42	7,118.92	95.8077	682,047.35
Commerz Bank, Frankfurt, Germany	EURO	139,290.68	104.9006	14,611,668.94	4,677.48	95.8077	448,138.60
Standard Chartered Bank Ltd., Tokyo	JPY	22,078,784.00	0.8212	18,131,097.04	1,171,791.00	0.7780	911,594.81
Mashreq Bank, London, UK	GBP				236,566.25	111.0698	26,275,354.25
Sonali Bank (UK) LTD,GBP	GBP						
Commerz Bank, Frankfurt, Germany	GBP	4,648.19	114.9343	534,236.46			
Standard Chartered Bank, London	GBP	125,711.45	114.9343	14,448,557.51			
Alawwal Bank, KSA, SAR (Saudi Hallandi Bank, KSA)	SAR						
Bank Al-Jazira, KSA	SAR	975,917.53	22.3982	21,858,747.22	350,165.03	22.3976	7,842,838.69
Westpac Banking Corporation Ltd.	AUD				3,452.08	60.0081	207,152.76
Sub Total				1,705,553,699.59			442,408,346.60
Habib American Bank Ltd., New York(OBU)	USD	233,591.15	84.4500	19,726,772.62	3,509,832.41	84.4500	297,984,772.02
Sub Total				1,725,280,472.21			740,393,118.63
FDR-Standard Chartered Bank , Mumbai, India	USD	94,500.00	77.8000	7,352,100.00	94,500.00	77.8000	7,352,100.00
GRAND TOTAL				1,732,632,572.21			747,745,218.63

STANDARD BANK LIMITED
FIXED ASSETS INCLUDING PREMISES, FURNITURE AND FIXTURES
AS AT 31 DECEMBER 2020

Annexure- "B"

Description	Cost			Depreciation			Written down value at 31 December 2020	
	Balance at 1st January 2020	Addition during the year	Adjustment for disposal	Balance at 31 December 2020	Balance at 1st January 2020	Addition during the year		Adjustment for disposal
Land	2,373,245,825	-	-	2,373,245,825	-	-	-	2,373,245,825
Building	495,535,566	0.00	-	495,535,566	74,031,448	11,530,064	-	409,974,055
Furniture & Fixture	801,259,888	30,408,096	-	831,667,985	319,642,934	63,941,535	-	448,083,516
Office Appliances	738,302,195	21,795,370	-	760,097,565	440,309,620	103,186,704	-	216,601,242
Computer	320,322,998	8,710,959	-	329,033,957	183,808,631	44,695,925	-	100,529,401
Right of Use Assets (ROUA) as per IFRS-16	-	274,244,824	-	274,244,824	-	40,001,043	-	234,243,782
Software	140,689,963	-	-	140,689,963	96,487,898	14,191,506	-	30,010,560
Bank Vehicle	125,055,077	8,865,640	-	133,920,717	87,202,348	14,266,186	-	32,452,183
Total 31.12.2020	4,994,411,513	344,024,889	-	5,338,436,402	1,201,482,878	291,812,961	-	3,845,140,563
Total 31.12.2019	4,662,698,818	331,712,694	-	4,994,411,513	968,336,513	233,146,365	-	3,792,928,634

STANDARD BANK LIMITED

NAME OF THE DIRECTORS/SPONSORS AND THE ENTITIES IN WHICH THEY HAVE INTEREST AS AT 31 DECEMBER, 2020

Annexure-“C”

SL.	Name & Address	Designation	Name of Firms/Companies in which interested as proprietor, partner, director, managing agent, guarantor employee, etc.	Nature and value of interest in the firm/companies in which interested		Remarks
1	2	3	4	6	7	8
1	Mr. Kazi Akram Uddin Ahmed House # 73, Road # 6, O.R. Nizam Road R/A, Chittagong.	Chairman	The Eastern Engineering Works Ltd. M/s. Kazi & Co. Standard Rose Villa Housing Ltd.	Managing Director Managing Director Chairman	64% 100% 40%	
2	Mr. Kamal Mostafa Chowdhury “Bedura House,” 72, Bangshal Road, Firingi Bazar, Kotwali, Chittagong.	Director	Raja Corporation Raja Securities Ltd. Holy Crescent Hospital Ltd. K. M. C. International	Proprietor Director Director Proprietor	100% 14% 2% 100%	
3	Mr. Ashok Kumar Saha 29/B, Ghatforhadbeg Chittagong	Director	NGS Steel Industries Ltd, Uttam Oil Mills Ltd, NG Saha Steel Industries (Pvt) Ltd. NGS Cement Industries Ltd. A.K. Saha Steel Industries (Pvt) Ltd.	Managing Director Managing Director Director Director Chairman	33% 33% 33% 33% 33%	
4	Mr. Ferozur Rahman My Heart', 8/1, Sukrabad, Agargaon, Dhaka.	Director	Golden Dragon Ltd. Hotel Eram International Ltd. Hotel Peacock Ltd. M/s. Olio Enterprise Hotel Olio Dream Heaven	Director Director Director Proprietor Proprietor	15% 18% 65% 100% 100%	
5	Mr. Md. Monzurul Alam 218, D.T. Road, Dewanhat, Chittagong.	Director	Taher & Co. Ltd. Golden Brick Works Ltd. Golden Steel Alloy Works Ltd. Al-Haj Mostafa Hakim Housing & Real Estate Ltd. Golden Oxygen Ltd Al-haj Mostafa Hakim Cement Ind. Ltd. Golden Iron Works Ltd. M/s. Monzur Alam Mutual Jute Spinner Ltd. Mostafa Hakim Container Yard. Ltd. Al-Haj Mostafa hakim Bricks. Ltd Eagle Star Textile Mills Limited H.M. Steel & Ind. Ltd.	Managing Director Managing Director Managing Director Managing Director Managing Director Managing Director Managing Director Proprietor Managing Director Managing Director Managing Director Managing Director Chairman	36714 Shares 219725 Shares 124163 Shares 101000 Shares 101000 Shares 9500 Shares 218525 Shares 1 4000 Shares 5000 Shares 5000 Shares 303557 Shares 10000 Shares	
6	Mr. S. A. M. Hossain Victor Electronics 400 Bipani Bitan (3rd Floor), Chittagong.	Director	Victor Electronics Samira Electronics Samira Trade Intl. Eastern Metal Ind. Chittagong Ltd. Hotel Victory Ltd.	Proprietor Proprietor Proprietor Chairman Chairman	100% 100% 100% 13% 40%	
7	Mr. Mohammed Abdul Aziz 268, Fakirapool, Motijheel, Dhaka	Director	New Ruma Products Alim International	Proprietor Proprietor	100% 100%	

SL.	Name & Address	Designation	Name of Firms/Companies in which interested as proprietor, partner, director, managing agent, guarantor employee, etc.	Nature and value of interest in the firm/companies in which interested		Remarks
1	2	3	4	6	7	8
8	Al-Haj Mohammed Shamsul Alam M/s. Radio Vision 398 Bipani Bitan Chittagong	Director	M/S. Radio Vision	Managing Partner	50%	
			M/S. Pam Complex Pvt. Limited	Managing Director	32%	
			M/S. A.B. Electronics	Managing Partner	40%	
			M/S. G. Telecom	Partner	33%	
			M/S. G. Net Digital Communication	Partner	33%	
			R.B. Electronics Industries Ltd.	Managing Director	50%	
9	Mr. Gulzar Ahmed Apan Jewellers, 65 Gulshan Avenue Suvastu Imam Square (Ground Floor) Gulshan-1, Dhaka-1212.	Director	The Apan Jewelers	Proprietor	100%	
10	Mr. Md. Zahedul Hoque 284, Khatungonj, Chittagong,	Vice Chairman	M/S Zahed Brothers	Proprietor	100%	
			M/S NLZ Fashion	Proprietor	100%	
			M/S NLZ Fashion Ltd.	Managing Director	80%	
			M/S. Noor Oil & Food Products Ltd.	Director		
			M/S. Arafat Ltd.	Director		
11	Al-Haj Md. Yousuf Chowdhury 8/B, O. R. Nizam Road, Panchlaish R/A., Chittagong	Director	Hotel Royal Palace Limited	Chairman	60%	
			Royal Tower	Proprietor	100%	
			M/s. Lucky Traders	Proprietor	100%	
			M/s Lucky Trading	Proprietor	100%	
12	Mr. Ferdous Ali Khan House # 27, Lake Drive Road Sector#7, Uttara Model Town Dhaka -1230	Director	Ferdous Tailors Fabrics & Fashion	Proprietor	100%	
13	Mr. Kazi Khurram Ahmed NAM Villa, House # 4-B/5, Road # 06, Gulshan-1, Dhaka	Director	(i) The Eastern Engineering Works Limited	Director		
			(ii) Ahmed & Sons	Proprietor	100%	
			(iii) EMX Limited	Chairman & MD		
14	Investment Corporation of Bangladesh (ICB) representing by Managing Director Investment Corporation of Bangladesh Head Office, 8, Rajuk Avenue(14th Floor), Dhaka	Director	Not Applicable			
15	Mr. Najmul Huq Chaudhury House # 232, Road # 9 Block-B, Chandgaon CDA R/A Chittagong	Independent Director	Not Applicable			
16	Md. Nazmus Salehin Basati Green Hamlet Apartment # D-13, 23 Green Road, Dhaka- 1205	Independent Director	Not Applicable			
17	Mr. Khondoker Rashed Maqsood MD & CEO Standard Bank Ltd. Chamber Building (3rd floor) 122- 124, Motijheel C/A., Dhaka-1000	Ex-Officio Director	Not Applicable			

STANDARD BANK LIMITED
STATEMENT OF LOANS TO OUR BANK DIRECTORS
AS AT 31 DECEMBER 2020

Annexure-"D"

Fig in Lac TK.

SL No.	Name of the Directors	Status with Bank	Name of the Concern	Nature of Loan	Limit	Total Outstanding	Remarks
1	Mr. Kazi Akram Uddin Ahmed	Chairman	M/s. Kazi & Co.	CC(Hypo)	950.00	92.31	Regular
2	Alhaj Md. Yousuf Chowdhury	Director	M/s. Lucky Traders	CC(Hypo)	929.00	1009.86	Regular
3	Alhaj Md. Shamsul Alam	Director	M/s. Radio Vision	CC(Hypo)	625.00	253.75	Regular
4	Mr. Kamal Mostafa Chowdhury	Director	M/s. Raja Corporation	Bank Guarantee	20.00	6.00	Regular
5	Mr. Kamal Mostafa Chowdhury	Director	M/s. K.M.C. International	SOD General	845.00	1.32	Regular
6	Alhaj Md. Monzurul Alam	Director	M/s. Monzurul Alam	CC(Hypo)	945.00	17.46	Regular
7	Mr. S.A.M. Hossain	Director	M/s. Samira Trade International	CC(Hypo)	660.00	12.85	Regular
8	Mr. Md. Abdul Aziz	Director	M/s. Mohammed Abdul Aziz	CC(Hypo)	523.00	1.88	Regular
9	Mr. Md. Abdul Aziz	Director	M/s. New Ruma Products	Letter of Credit	700.00	36.97	Regular
10	Mr. Md. Abdul Aziz	Director	M/s. Alim International	Letter of Credit	0.00	0.00	Regular
11	Mr. Ferozur Rahman	Director	M/s. Olio Enterprise	SOD General	1,000.32	867.46	Regular
12	Mr. Ashok Kumar Saha	Director	Mr. Ashok Kumar Saha	SOD General	700.00	684.81	Regular
13	Mr. Ashok Kumar Saha	Director	NGS Steel Ind.Ltd.	Bank Guarantee	1.07	1.07	Regular
14	Mr. Ashok Kumar Saha	Director	NG Shaha Steel Ind.(Pvt.) Ltd.	Bank Guarantee	1.30	1.31	Regular
15	Mr. Ashok Kumar Saha	Director	NGS Steel Ind.Ltd.	Bank Guarantee	1.83	1.83	Regular
16	Mr. Mohammed Zahedul Hoque	Director	M/S.Zahed Brothers	CC(Hypo)	1,590.00	1,542.49	Regular
17	Mr. Kazi Khurram Ahmed	Director	M/s. EMX Ltd.	CC(Hypo)	70.00	0.00	Regular
18	Mr. Kazi Khurram Ahmed	Director	M/s. EMX Ltd.	Bank Guarantee	3.97	3.97	Regular
19	Mr. Kazi Khurram Ahmed	Director	M/s. EMX Ltd.	Term Loan	100.00	101.65	Regular
Total					9,665.49	4,636.98	

STANDARD BANK LIMITED
INVESTMENT IN SHARES OF THE BANK
AS AT 31 DECEMBER 2020

Annexure-“E”

SL No	Name of the Company	Face Value	No of Shares	Cost/present value of holdings	Average cost	Quoted rate per share as at 31.12.2020	Total market as at 31.12.2020
Quoted:							
1	First Bangladesh Fixed Income Fund	10	23,284,408	150,000,000	6.44	5.40	125,735,803
2	Bangladesh Steel Re-Rolling Mills Ltd	10	123,320	3,520,810	28.55	60.20	7,423,864
3	The ACME Laboratories Limited	10	1,282	109,226	85.20	74.70	95,765
4	Runner Automobile Limited	10	9,301	676,745	72.76	50.90	473,421
5	Robi Axiata Limited	10	131,188	1,311,880	10.00	29.80	3,909,402
6	Sea Pearl Beach Resort & Spa Limited	10	1,865	18,171	9.74	79.10	147,522
7	Ring Shine Textiles Limited	10	11,913	103,594	8.70	6.40	76,243
Sub Total				155,740,426			137,862,021
Unquoted:							
1	Central Depository Bangladesh Limited (CDBL)	10	15,654,816	156,548,164			156,548,164
2	Central Counterparty Bangladesh Limited (CCBL)	10	3,750,000	37,500,000			37,500,000
3	Market Stabilization Fund			5,000,000			5,000,000
4	SWIFT			3,003,185			3,003,185
5	Standard Exchange Co.(UK) Ltd.			33,843,240			33,843,240
6	Standard Express(USA) Ltd.			130,122,500			130,122,500
7	SBL Capital Mgt. Ltd.			1,499,940,000			1,499,940,000
8	SBL Securities Ltd.			799,940,000			799,940,000
9	Preference Share Of Star Ceramics Ltd.			-			-
Sub Total				2,665,897,089			2,665,897,089
Total				2,821,637,516			2,803,759,110

STANDARD BANK LTD.
NAME OF DIRECTORS AND THEIR SHAREHOLDINGS
AS AT 31 DECEMBER 2020

Annexure-“F”

Sl. No.	Name of Directors	Status	Closing Share balance as on 31.12.2020	Closing Share balance as on 31.12.2019
1	Mr. Kazi Akram Uddin Ahmed	Chairman	2,03,07,548 Shares of Tk. 10/ Each Tk.20,30,75,480/-	1,93,40,522 Shares of Tk. 10/ Each Tk.19,34,05,220/-
2	Mr. Md. Zahedul Hoque	Vice Chairman	3,36,19,672 Shares of Tk. 10/ Each Tk 33,61,96,720/-	3,20,18,736 Shares of Tk. 10/ Each Tk 32,01,87,360/-
3	Mr. Kamal Mostafa Chowdhury	Director	2,31,15,081 Shares of Tk. 10/ Each Tk. 23,11,50,810/-	2,20,14,363 Shares of Tk. 10/ Each Tk. 22,01,43,630/-
4	Mr. Ashok Kumar Saha	Director	2,18,06,449 Shares of Tk. 10/ Each Tk. 21,80,64,490/-	2,07,68,047 Shares of Tk. 10/ Each Tk. 20,76,80,470/-
5	Mr. Ferozur Rahman	Director	2,08,44,334 Shares of Tk. 10/ Each Tk. 20,84,43,340/-	1,98,51,747 Shares of Tk. 10/ Each Tk. 19,85,17,470/-
6	Mr. Md. Monzurul Alam	Director	2,01,21,044 Shares of Tk. 10/ Each Tk. 20,12,10,440/-	1,91,62,900 Shares of Tk. 10/ Each Tk. 19,16,29,000/-
7	Mr. S. A. M. Hossain	Director	2,73,93,979 Shares of Tk. 10/ Each Tk. 27,39,39,790/-	2,60,89,504 Shares of Tk. 10/ Each Tk. 26,08,95,040/-
8	Mr. Mohammed Abdul Aziz	Director	2,01,79,695 Shares of Tk. 10/ Each Tk. 20,17,96,950/-	1,92,18,758 Shares of Tk. 10/ Each Tk. 19,21,87,580/-
9	Mr. Gulzar Ahmed	Director	2,01,40,211 Shares of Tk. 10/ Each Tk 20,14,02,110/-	1,91,81,154 Shares of Tk. 10/ Each Tk 19,18,11,540/-
10	Al-Haj Mohammed Shamsul Alam	Director	2,55,66,242 Shares of Tk. 10/ Each Tk. 25,56,62,420/-	2,43,48,802 Shares of Tk. 10/ Each Tk. 24,34,88,020/-
11	Al-Haj Mohd. Yousuf Chowdhury	Director	2,01,20,199 Shares of Tk. 10/ Each Tk. 20,12,01,990/-	1,91,62,096 Shares of Tk. 10/ Each Tk. 19,16,20,960/-
12	Mr. Ferdous Ali Khan	Director	2,27,88,744 Shares of Tk. 10/ Each Tk. 22,78,87,440/-	2,17,03,566 Shares of Tk. 10/ Each Tk. 21,70,35,660/-
13	Mr. Kazi Khurram Ahmed	Director	2,01,68,480 Shares of Tk. 10/ Each Tk.20,16,84,800/-	1,92,08,077 Shares of Tk. 10/ Each Tk.19,20,80,770/-
14	ICB, represented by its Managing Director, Mr. Md. Abul Hossain	Managing Director, Investment Corporation of Bangladesh	4,09,00,609 Shares of Tk. 10/ Each Tk 40,90,06,090/-	3,89,52,961 Shares of Tk. 10/ Each Tk 38,95,29,610/-
15	Mr. Najmul Huq Chaudhury	Independent Director	NIL	NIL
16	Mr. Md. Nazmus Salehin	Independent Director	NIL	NIL
17	Mr. Khondoker Rashed Maqsood	MD & Ex-Officio Director	NIL	NIL

STANDARD BANK LIMITED
HIGHLIGHTS

Sl. No.	Particulars	31.12.2020	31.12.2019
1	Paid Up Capital	10,059,907,880	9,580,864,650
2	Total Capital	23,029,356,374	19,532,549,637
3	Capital Surplus/(deficit)	5,118,138,101	2,274,123,997
4	Total Assets	219,271,929,683	221,890,106,639
5	Total Deposits	169,639,336,100	175,467,924,673
6	Total Loans and Advances	162,396,783,610	160,625,510,886
7	Total contingent liabilities and commitments	38,901,943,884	48,747,352,228
8	Credit Deposit Ratio	84.55%	82.09%
9	Percentage of classified loans against total loans and advances	4.87%	5.29%
10	Profit after tax and provision	1,082,055,142	1,504,433,637
11	Amount of classified loans during the year	7,764,228,563	9,232,447,399
12	Provisions kept against classified loan	3,251,441,891	2,589,031,297
13	Provision surplus/(deficit)	-	-
14	Cost of fund	8.82%	8.52%
15	Interest earning assets	163,371,527,949	183,477,100,013
16	Non-interest earning assets	55,900,401,734	38,413,006,626
17	Return on investment (ROI)	22.35%	7.07%
18	Return on assets (ROA)	0.49%	0.76%
19	Return on Equity (ROE)	6.45%	9.26%
20	Net Interest Margin (NIM)	1.26%	2.81%
21	Incomes from investment	4,202,684,339	1,797,308,127
22	Earning per share (Taka)	1.08	1.57
23	Price earning ratio (times)	7.72	5.95



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ISLAMI BANKING WING

Financial Information



STANDARD BANK LIMITED
ISLAMI BANKING WING
BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER, 2020

Particulars	Notes	Figures in Taka	
		31.12.2020	31.12.2019
PROPERTY AND ASSETS			
Cash	1	89,021,220	59,774,194
Cash In Hand (Including Foreign Currencies)		11,555,559	6,298,349
Balance with Bangladesh Bank and its agent Bank(s) (including foreign currencies)		77,465,661	53,475,845
Balance with other Banks and Financial Institutions	2	122,228,578	188,000,000
In Bangladesh		122,228,578	188,000,000
Outside Bangladesh		-	-
Investments in Shares and Securities	3	58,500,000	35,500,000
Government		58,500,000	35,500,000
Others		-	-
Investments	4	833,824,057	786,275,499
General Investment		833,824,057	786,275,499
Bills Purchased & Discounted		-	-
Fixed Assets Including Premises, Furniture & Fixtures	5	15,623,625	4,767,116
Other Assets	6	10,211,257	8,603,858
Non-Banking Assets		-	-
TOTAL ASSETS		1,129,408,737	1,082,920,667
LIABILITIES AND CAPITAL			
Liabilities			
Borrowing From Banks & Other Financial Institutions			
Deposits and other Accounts:		1,111,912,282	947,333,783
Current/AI-Wadeeah Deposits & Other Deposits	7	68,608,773	52,472,963
Bills Payable		3,125,607	6,915,376
Savings Bank/Mudaraba Savings Deposits		94,274,141	46,603,345
Short Term Deposits/ Mudaraba Short Term Deposits		121,067,140	59,940,823
Fixed Deposits/ Mudaraba Term Deposits	8	775,295,501	756,107,797
Deposits Under Schemes/ Mudaraba Deposit schemes		49,541,119	25,293,479
OTHER LIABILITIES	9	37,318,301	122,723,617
TOTAL LIABILITIES		1,149,230,582	1,070,057,400
Capital / Shareholder's Equity			
Paid Up Capital		-	-
Statutory Reserve		-	-
General Reserve		-	-
Revaluation Reserve on Investment		-	-
Surplus In Profit and Loss Account/Retained Earnings		(19,821,846)	12,863,267
Total Shareholders' Equity			
Total Liabilities and Shareholders' Equity		1,129,408,737	1,082,920,667



STANDARD BANK LIMITED
ISLAMI BANKING WING
BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER, 2020

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Particulars	Notes	Figures in Taka	
		31.12.2020	31.12.2019
OFF-BALANCE SHEET EXPOSURE			
Contingent Liabilities			
Acceptance and Endorsements		-	-
Letters of Guarantee		52,289,250	39,549,305
Irrevocable Letter of Credit		-	-
Bills For Collection		-	-
Other Contingent Liabilities		-	-
TOTAL:		52,289,250	39,549,305
Other Comments			
Documentary Credits And Short Term Trade -Related Transactions		-	-
Forward Assets Purchased And Forward Deposits Placed		-	-
Undrawn Note Issuance And Revolving Underwriting Facilities		-	-
Undrawn Formal Standby Facilities, Credit Lines And Other commitments		-	-
TOTAL OFF-BALANCE SHEET ITEMS		52,289,250	39,549,305

Managing Director

Director

Director

Chairman



STANDARD BANK LIMITED
ISLAMI BANKING WING
PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER, 2020

Particulars	Notes	Figures in Taka	
		31.12.2020	31.12.2019
Profit on General Investment	10	82,698,059	109,675,141
Profit Paid on Deposits & Borrowings etc.	11	54,856,572	63,921,107
Net Profit on Investment		27,841,487	45,754,034
Investment Income	12	568,340	1,512,222
Commission, Exchange Earnings and Brokerage	13	974,366	619,666
Other Operating Income	14	744,850	290,419
Total Operating Profit(A)		30,129,042	48,176,340
Salaries and Allowances	15	37,193,685	19,686,631
Rent, Taxes, Insurance, Electricity etc	16	5,491,912	3,147,939
Legal Expenses		-	0
Postage, Stamp, Telecommunication etc	17	155,778	81,438
Stationary, Printing, Advertisement etc	18	203,884	341,970
Directors' Fee & Other Benefits	19	206,300	127,950
Managing Director's Salary & Allowances		-	0
Audit Fees		-	0
Depreciation And Repair of Bank's Assets	20	2,382,496	330,948
Other Expenses	21	4,189,432	2,912,960
Total Operating Expenses(B)		49,823,488	26,629,837
Profit/(Loss) Before Provision C=(A-B)		(19,694,446)	21,546,504
Specific Provision	22	0	0
General Provision		0	1,041,290
Provision For Diminution In Value of Investments		-	-
Provision For Off-Balance Sheet Items		127,400	129,091
Total Provision(D)		127,400	1,170,381
Total Profit/(Loss) Before Taxes(E)=(C-D)		(19,821,846)	20,376,123
Provision for Tax expenses			
Current Tax	23	0	7,512,856
Deferred Tax		-	-
Net Profit/(Loss) after Taxation		(19,821,846)	12,863,267

Managing Director

Director

Director

Chairman

STANDARD BANK LIMITED
ISLAMI BANKING WING
SELECTED NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER, 2020

		Figures in Taka	
		31.12.2020	31.12.2019
1	Cash		
	Cash In hand		
	In Local Currency	11,555,559	6,298,349
	In Foreign Currency	-	-
	Sub Total	11,555,559	6,298,349
	Balance with Bangladesh Bank (including foreign currency)		
	In local Currency	77,465,661	53,475,845
	In Foreign Currency	-	-
	Sub Total	77,465,661	53,475,845
	Total	89,021,220	59,774,194
1.1	Cash Reserve Ratio(CRR) & Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with section 33 of the Bank Companies ACT 1991, MPD Circular nos. 4 & 5 dated 1 December 2010 and MPD Circular no. 1 & 2 dated 23 June 2014 and 10 December 2013 and DOS Circular No. 1 dated 19 January 2014.		
	The statutory Cash reserve ratio on the Shariah-based Islamic Bank's demand and time liabilities at the rate of minimum 3.50% on daily basis and 4.00% on bi-weekly basis have been calculated and maintained with Bangladesh Bank in current account and 5.50% Statutory Liquidity Ratio on the same liabilities has also been maintained in the form of treasury bills, bonds and debentures including excess cash reserve balance with Bangladesh Bank. Both the reserves maintained by the Bank are in excess of the statutory requirements, as shown below:		
1.1.1	a) Cash reserve ratio(CRR) for Islami Banking		
	4.00% of average Demand and Time Liabilities		
	Required reserve	44,044,000	41,424,000
	Actual reserve held(average daily on bi-weekly basis)	77,465,661	53,475,845
	Surplus	33,421,661	12,051,845
	b) Statutory Liquidity Ratio (SLR) for Islamic Banking		
	5.50% of required average Demand and Time Liabilities		
	Required reserve	60,560,000	41,424,000
	Actual reserve held	103,477,220	53,850,194
	Surplus	42,917,220	12,426,194
	Held for Statutory Liquidity Ratio of islamic Banking		
	Cash in hand	11,555,559	6,298,349
	Excess cash reserve	33,421,661	12,051,845
	Government Securities(HTM)	58,500,000	35,500,000
		103,477,220	53,850,194
2	Balance with Other Banks & Financial Institutes		
	Placement as MTDR(Mudaraba Term Deposit)		
	Hajj Finance Company Ltd	90,000,000	163,000,000
	Sonali Bank (Agent of BB)	216,572	
	Islamic Finance and Investment Ltd	-	25,000,000
	Conventional Settlement A/c	32,012,006	
	Total	122,228,578	188,000,000



		Figures in Taka																	
		31.12.2020	31.12.2019																
3	Investment in Shares & Securities																		
	Bangladesh Govt. Islami Investment Bond																		
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Tenure(Months)</th> <th style="width: 30%;">Maturity Dt.</th> <th style="width: 30%;"></th> <th style="width: 10%;"></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">6</td> <td style="text-align: center;">13.02.2021</td> <td style="text-align: right;">30,000,000</td> <td style="text-align: right;">18,000,000</td> </tr> <tr> <td style="text-align: center;">6</td> <td style="text-align: center;">29.04.2021</td> <td style="text-align: right;">28,500,000</td> <td style="text-align: right;">17,500,000</td> </tr> <tr> <td colspan="2">Total</td> <td style="text-align: right;">58,500,000</td> <td style="text-align: right;">35,500,000</td> </tr> </tbody> </table>	Tenure(Months)	Maturity Dt.			6	13.02.2021	30,000,000	18,000,000	6	29.04.2021	28,500,000	17,500,000	Total		58,500,000	35,500,000		
Tenure(Months)	Maturity Dt.																		
6	13.02.2021	30,000,000	18,000,000																
6	29.04.2021	28,500,000	17,500,000																
Total		58,500,000	35,500,000																
4	General Investment																		
	SME Bai Muajjal	71,939	82,339																
	HPSM Profit Receivable Customers	-	-																
	Bai Muajjal Profit Receivable Customers	-	-																
	Rent Blocked A/C-HPSM	5,062,802	-																
	Profit Blocked A/C- Bai	398,846	-																
	Profit/Rent Waiver Blocked A/c-Consumer	881,163	-																
	Profit Incentive Receivable-BB	51,809	-																
	Bai Muajjal & Bai MuajjalTerm	334,533,554	336,748,120																
	HPSM Consumer	9,624,186	4,244,699																
	HPSM Real Estate/Housing	459,581,142	427,442,705																
	HPSM House Building Investment	-	-																
	HPSM Staff Investment & Staff Car	4,237,582	4,978,570																
	HPSM Transport/Car Investment	4,281,854	3,836,052																
	Quard against MTDR/Schemes	15,099,180	8,943,014																
	Total	833,824,057	786,275,499																
4.1	Classification of Investments																		
	Unclassified:	833,824,057	786,275,499																
	Standard including staff Investments	833,824,057	786,275,499																
	Special Mention Account (SMA)	0	0																
	Classified:	-	0																
	Sub standard	-	-																
	Doubtful	-	-																
	Bad/Loss	0	0																
	Total	833,824,057	786,275,499																
5	Fixed Assets Including Premises, Furniture & Fixtures																		
	Furniture & Fixture	15,623,625	4,767,116																
	Total	15,623,625	4,767,116																
6	Other Assets																		
	Profit Receivable on MTDR With other FI	875,556	2,319,444																
	Profit Receivable on Bond With B.Bank	0	687,361																
	Advance Rent-Office-Branch	4,521,070	2,711,518																
	Advance Income Tax on MTDR/Bond	4,520,402	2,614,884																
	Advance Against TA/DA	-	4,000																
	Advance Bill for Advertisement	83,620	-																
	Sundry Debtors	-	-																
	Desk Stationery	1,050	1,050																
	Stamp in Hand	157,460	132,550																
	Excise Duty Adjustment(MTDR)	52,100	133,050																
	Deffered Expenditure	-	-																
	Cash Incentive-Foreign Remittance W.U	-	-																
	Total	10,211,257	8,603,858																



Figures in Taka

	31.12.2020	31.12.2019
7 Current/Al-Wadeah Deposits & other deposits		
Al-Wadiah Current Deposit	44,146,073	33,843,406
Sundry Deposit(Notes-7.1)	24,462,700	18,629,557
Total	68,608,773	52,472,963
7.1 Sundry deposits		
Sundry Creditors	96,096	-
Sundry Deposit	4,213,872	-
Security Deposit Payable	221,798	146,858
Margin on L/C (Reg/Bdt)	5,005,900	623,000
Margin on L/C (Reg/FC)	595,100	
Margin on letter of Guarantee	3,737,055	3,650,886
Profit payable on Mudaraba Deposits	10,589,138	14,204,129
Charge payable HV Clearing	2,000	2,900
Charge payable RV Clearing	1,740	1,784
VAT, Excise duty & Income Tax	-	-
Total	24,462,700	18,629,557
8 Mudaraba Term Deposits		
Client Deposit	775,295,501	756,107,797
Bank Deposit	-	-
Total	775,295,501	756,107,797
9 Other liabilities		
Conventional Settlement A/C	-	86,421,530
Lfc payable	-	330,000
Utilities Bill payable	61,700	
Profit receivable on SME Bai-Muajjal	-	-
Interbank /Branch a/c unadjusted	1,775,309	94,552
Profit receivable on Bai-Muajjal	5,365,184	19,315,017
Profit receivable on Bai-Muajjal Term	17,408,826	224,840
Profit receivable on Hpsm Car-Staff	-	811
Other Provisions	50,000	75,915
Profit Suspense A/c	26,692	-
Compensation Suspense A/c	12,633	-
Accured Expenses Payable	36,798	74,134
Accured Expenses Payable(Deposit Insurance)	75,182	-
Bai-Murabaha Compensation Realizable A/c	283,554	181,604
Bai-Murabaha Compensation Realized A/c	-	35,386
Provision for Office Rent	-	82,735
Defferd Expenditure	-	-
Provision for Festival Bonuses ,Office Rent & others	-	-
Depreciation : Furniture & Fixtures Res	-	-
Atm Settlement IBW With Conv.	15,521,380	-
POS Settlement IBW With Conv.	124,261	-
Provision for Tax	-	7,512,856
Specific Provision	-	-
General Provision	0	7,978,744
Provision for Off-Balance Sheet Items	127,400	395,493
Total	37,318,300.59	122,723,617



		Figures in Taka	
		31.12.2020	31.12.2019
10	Profit received from Investment		
	Profit on Investment	27,436,155	30,931,687
	Rent on Investment	38,905,660	50,687,537
		66,341,815	81,619,224
	Profit received from Other Banks & FIs		
	Profit on MTDR with other FIs	16,356,244	28,055,918
		16,356,244	28,055,918
	Total	82,698,059	109,675,141
11	Profit paid on Deposits, Borrowing etc		
	Profit paid on Mudaraba Savings A/c.	1,361,703	705,945
	Profit paid on Mudaraba Term Deposits	48,008,201	56,607,582
	Profit paid on Mudaraba (MRIP) Deposits	644,558	408,542
	Profit paid on Mudaraba Special Notice Deposit	2,923,846	1,042,913
	Profit paid on Mudaraba Deposits scheme	893,996	778,008
	Profit paid on Mudaraba Hajj Savings Scheme	76,551	65,954
	Profit paid on MTDF	11,000	4,238,356
	Profit paid on Mmssp	13,263	492.59
	Profit paid on Mmip	523,357	53,207.76
	Profit paid on Mmis	354,187	19,847.27
	Profit paid on Mmssg	45,371	260.03
	Profit paid on Mmssb	538	
	Profit paid on Mudaraba Bond Fund	-	-
	Total	54,856,572	63,921,107
12	Profit on Investment against Islami Bond with other Banks/NBFI		
	Profit on Islami Inv. Bond with B.Bank	568,340	1,512,222
		568,340	1,512,222
13	Commission, Exchange Earnings & Brokerage		
	Commssion Earned- PO & Remittance etc	96,999	84,624
	Exchange Gain	-	3,500
	Handling Commission	-	-
	Missc. Certification	3,000	-
	LC Advising Commission(Local)	24,493	22,796
	LC Amendment Commission	750	
	ATM Card Issuance	50,400	
	Bank Guarantee Commission	798,724	508,746
	Total	974,366	619,666
14	Other Operating Income		
	Account Service Charge	611,135	252,074
	Postage Charges Recoveries	0	0
	Stationary Charges Recoveries	38	17221
	Charges on Clearing	110049.9	21123.76
	15% Charges on RTGS	23626.88	0
	Other Income	-	-
	Total	744,850	290,419



Figures in Taka

	31.12.2020	31.12.2019
15 Salaries & Allowances		
Basic salary	16,083,660	8,892,141
House Rent Allownce	8,044,295	4,287,820
Medical Allownce	1,181,000	678,306
Conveyance Allownce	1,032,800	331,237
House Maintenance & Utility	724,500	-
Leave Fare Compensation	29,410	330,000
Remuneration For Probationers	232,742	592,300
Bonus	3,258,286	1,453,560
Other Allowance	-	700
Provident Fund(Bank Contribution)	1,608,339	856,985
Entertainment Allowance	887,900	644,300
Branch Opening Expenses	879,235	90,000
Charge Allowance	27,713	6,700
Fuel,Car Maintenance & Driver's Salary	120,400	43,000
Risk Allowance	31,200	2,382
Staff House Maintance		519,000
Washing Allowance	9,600	800
Cook & Servant	130,000	99,400
Casual Wages/others	2,912,605	858,000
Total	37,193,685	19,686,631
16 Rent, Taxes, Insurance, Electricity etc		
Insurance(on Deposit)	648,836	543,229
Occupancy & rental Expanses	4,139,040	1,919,916
Lease Rental Payment	2,500	
Electricity & generator etc	381,669	322,011
Insurance(Vehicles)	75,272	88,715
Excise duty on MTDR with other Fin. Inst	160,500	209,000
Insurance Premium Cash	84,095	58,819
Rates & Taxes	-	6,250
Total	5,491,912	3,147,939
17 Postage, Stamp, Telecommunication etc		
Postage	-	-
Stamp	-	-
Telecommunication	155,778	81,438
Total	155,778	81,438
18 Stationary, printing, advertisement etc		
Supplies And Stationeries	169,224	211,468
Publicity & advertisement	34,661	130,502
Computer Stationary	-	-
Total	203,884	341,970

STANDARD BANK LIMITED
ISLAMI BANKING WING
MTDRS WITH OTHER BANKS/NBFIS AS ON 31ST DECEMBER 2020

Sl. No.	Bank/NBFI	MTDR no.	Issuing Date	Renew Date	Amount (Tk.)	Rate (in %)	Expiry Date
1	Hajj Finance Company Limited, Principal Branch, Dhaka	6011	09.09.2020	09.12.2020	45,000,000.00	9.00%	09.03.2021
2	Hajj Finance Company Limited, Principal Branch, Dhaka	5561	17.08.2020	17.11.2020	25,000,000.00	9.50%	17.02.2021
3	Hajj Finance Company Limited, Principal Branch, Dhaka	5540	29.07.2020	29.10.2020	20,000,000.00	9.50%	28.01.2021
Grand Total (03 MTDRs)					90,000,000.00		



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OFF-SHORE BANKING WING

Financial Information

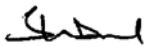
STANDARD BANK LIMITED
OFF-SHORE BANKING UNIT
STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)
AS ON DECEMBER 31, 2020

Particulars	Notes	31.12.2020	
		USD	BDT
PROPERTY AND ASSETS			
Cash		-	-
Cash In Hand (Including Foreign Currencies)		-	-
Balance with Bangladesh Bank and its agent Bank(s) (including foreign currencies)		-	-
Balance with other Banks and Financial Institutions		790,598	66,765,961.41
In Bangladesh	1	-	-
Outside Bangladesh	1.1	790,598	66,765,961
Investments in Shares and Securities		-	-
Government		-	-
Others		-	-
Investments		19,798,425	1,678,906,472.22
General Investment	2	6,289,376	533,339,095
Bills Purchased & Discounted	2.1	13,509,049	1,145,567,377
Fixed Assets Including Premises, Furniture & Fixtures		-	-
Other Assets	3	-	-
Non-Banking Assets		-	-
TOTAL ASSETS		20,589,023	1,745,672,434
LIABILITIES AND CAPITAL			
Liabilities			
Borrowing From Banks & Other Financial Institutions		20,025,016	1,697,972,800.47
Borrowing from SBL	4	14,983,106	1,265,323,335
Borrowing from FI Bank	4.1	5,041,910	432,649,465
Deposits and other Accounts:		7,000	591,150.00
Current Deposits & Other Deposits		-	-
Bills Payable		-	-
Savings Deposits		-	-
Interst on Suspense	5	7,000	591,150
Short Term Deposits		-	-
Fixed Deposits		-	-
Diposits Under Schemes		-	-
OTHER LIABILITIES	6	197,984	16,789,065
TOTAL LIABILITIES		20,230,001	1,715,353,015
Capital / Shareholder's Equity		359,022	30,319,419
Paid Up Capital		-	-
Statutory Reserve		-	-
General Reserve		-	-
Revaluation Reserve on Investment		-	-
Surplus In Profit And Loss Account/Retained Earnings	7	359,022	30,319,419
Total Shareholders' Equity			
Total Liabilities And Shareholders' Equity		20,589,023	1,745,672,434




STANDARD BANK LIMITED
OFF-SHORE BANKING UNIT
STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)
AS ON DECEMBER 31, 2020

Particulars	Notes	31.12.2020	
		USD	BDT
OFF-BALANCE SHEET EXPOSURE			
Contingent Liabilities			
Acceptance And Endorsements		-	-
Letters of Guarantee		-	-
Irrevocable Letter of Credit		-	-
Bills For Collection		-	-
Other Contingent Liabilities		-	-
TOTAL:		-	-
Other Comments			
Documentary Credits And Short Term Trade -Related Transactions		-	-
Forward Assets Purchased And Forward Deposits Placed		-	-
Undrawn Note Issuance And Revolving Underwriting Facilities		-	-
Undrawn Formal Standby Facilities, Credit Lines And Other commitments		-	-
TOTAL OFF-BALANCE SHEET ITEMS		-	-


AVP, OBU


SVP & CFO


SVP, FAD


EVP, ID


Managing Director & CEO





STANDARD BANK LIMITED
OFF-SHORE BANKING UNIT
STATEMENT OF COMPREHENSIVE INCOME(PROFIT & LOSS ACCOUNT)
AS ON DECEMBER 31, 2020

Particulars	Notes	31.12.2020	
		USD	BDT
Profit on Investment	8	1,399,073	118,151,723
Profit Paid on Deposits & Borrowings etc.	9	885,492	74,779,815
Net Profit on Investment		513,581	43,371,909
Investment Income			
Commission, Exchange Earnings And Brokerage	10	51,684	4,364,687
Other Operating Income		-	-
Total Operating Profit(A)		565,265	47,736,595
Salaries and Allowances		-	-
Rent, Taxes, Insurance, Electricity etc		-	-
Legal Expenses		-	-
Postage, Stamp, Telecommunication etc		-	-
Stationary, Printing, Advertisement etc		-	-
Depreciation And Repair of Bank's Assets		-	-
Director Fees & Other Benefits		-	-
Managing Director's Salary & Allowances		-	-
Audit Fees		-	-
Other Expenses	11	8,258	697,407
Total Operating Expenses(B)		8,258	697,407
Profit/(Loss) Before Provision C=(A-B)		557,006	47,039,189
Specific Provision		-	-
General Provision		197,984	16,789,065
Provision For Diminution In Value of Investments		-	-
Provision For Off-Balance Sheet Items		-	-
Total Provision(D)		197,984	16,789,065
Total Profit/(Loss) Before Taxes(E)=(C-D)		359,022	30,319,419
Provision for Tax expenses			
Current Tax		-	-
Deferred Tax		-	-
Net Profit/(Loss) after Taxation		359,022	30,319,419


AVP, OBU


SVP & CFO


SVP, FAD

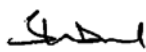

EVP, ID


Managing Director & CEO




STANDARD BANK LIMITED
OFF-SHORE BANKING UNIT
STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)
AS ON DECEMBER 31, 2020

SL.	Note	USD	BDT
1	Balance with other Banks and Financial Institutions	\$790,597.53	BDT 66,765,961.41
1.1	Balance with SBL, HO, ID	\$0.00	BDT 0.00
1.2	Balance with Nostro Account (Habib American NY)	\$790,597.53	BDT 66,765,961.41
2	Loan	\$19,798,425.38	BDT 1,678,906,472.22
2.1	Term Loan	\$6,289,376.12	BDT 533,339,094.98
2.2	Foreign Bills Purchased & Discounted	\$10,934,463.64	BDT 927,242,516.67
2.3	Local Bills Purchased & Discounted	\$2,574,585.62	BDT 218,324,860.58
3	Other Assets	\$0.00	BDT 0.00
4	Borrowing	\$20,025,016.28	BDT 1,697,972,800.47
4.1	Borrowing from SBL	\$14,983,106.40	BDT 1,265,323,335.48
4.2	Borrowing from Bank Muscat, Oman	\$0.00	BDT 0.00
4.3	RAK Bank, UAE	\$3,013,541.47	BDT 258,593,893.14
4.4	Standard Chartered Bank Ltd, Singapore	\$2,028,368.41	BDT 174,055,571.85
4.5	United Bank Ltd, UAE	\$0.00	BDT 0.00
4.6	ICICI, India	\$0.00	BDT 0.00
5	Interest on Suspense	\$7,000.00	BDT 591,150.00
6	Provision on Loan	\$197,984.25	BDT 16,789,065.00
7	Surplus in Profit & Loss Account/Retained Earnings	\$359,022.13	BDT 30,319,419.00
8	Profit on Loan	\$1,399,073.10	BDT 118,151,723.30
8.1	Interest on Term Loan	\$362,476.92	BDT 30,611,175.89
8.2	Interest on Foreign Bills Purchased	\$914,874.57	BDT 77,261,157.44
8.3	Interest on Local Bills Purchased	\$121,721.61	BDT 10,279,389.96
9	Advance Fee & Interest Paid on Deposit & Borrowings etc.	\$885,492.18	BDT 74,779,814.60
9.1	Advance fee paid to ICICI Bank	\$0.00	BDT 0.00
9.2	Advance fee paid to SCB	\$9,955.56	BDT 840,747.04
9.3	Intt. Paid on Borrowing fund from SBL	\$347,650.54	BDT 29,359,088.10
9.4	Intt. Paid on Borrowing fund from other FI Banks	\$527,886.08	BDT 44,579,979.46
10	Commission, Exchange Earnings and Brokerage	\$51,683.68	BDT 4,364,686.78
10.1	Charge Earned by Swift	\$6,305.00	BDT 532,457.25
10.2	Interest on Nostro Balance	\$1,192.48	BDT 100,704.94
10.3	Rebate Received from Nostro	\$38,060.00	BDT 3,214,167.00
10.4	Loan processing fee	\$6,126.20	BDT 517,357.59
11	Other Expenses	\$8,258.22	BDT 697,406.68
11.1	Nostro Account Maintenance Charge Paid to Habib American NY	\$1,597.50	BDT 134,908.88
11.2	Software Maintenance Charge	\$6,660.72	BDT 562,497.80


AVP, OBU


SVP & CFO


SVP, FAD


EVP, ID


Managing Director & CEO



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STANDARD BANK SECURITIES LIMITED

Financial Information



Independent Auditor's Report

TO THE SHAREHOLDERS OF STANDARD BANK SECURITIES LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the financial statements of Standard Bank Securities Limited, which comprise the statement of financial position as at 31 December, 2020 and 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.

In our opinion, the accompanying financial statements present fairly, in all material respects of the statement of financial position of Standard Bank Securities Limited as at 31 December 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), Companies Act 1994, the securities and exchange commission rules 1987 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Standard Bank Securities Limited in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), 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 our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

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.

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.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

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 commission 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 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.
- 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 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 found Standard Bank Securities Ltd. to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Company's financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the Companies Act 1994, we also report the following:

- 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 entity so far as it appeared from our examination of these books;
- c. the statements of financial position and statements profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns.

S M Tanjilur Rahman ACA
Enrolment No.: 1885

Khan Wahab Shafique Rahman & Co.
Chartered Accountants
DVC: 2103021885OS865426

Dated, Dhaka
02 March, 2021



STANDARD BANK SECURITIES LIMITED
(A SUBSIDIARY OF STANDARD BANK LTD.)
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

Particulars	Notes	Amount (In Taka)	
		31.12.2020	31.12.2019
Assets:			
Non-Current Assets:			
Property, plant and equipment	4	2,206,056	3,221,729
Investment in Stock Exchange	5	282,320,683	282,320,683
		284,526,739	285,542,412
Current Assets			
Advances, deposits and prepayments	6	1,035,050	2,826,530
Advance income tax	7	47,051,352	40,835,257
Receivable from DSE	8	34,549,164	3,950
Other receivable	9	476,961	2,750,000
Margin loan to Clients	10	348,232,527	376,684,777
Investment in shares	11	510,094,818	501,039,750
Cash and cash equivalents	12	34,532,393	18,468,316
		975,972,264	942,608,580
Total Assets		1,260,499,003	1,228,150,992
Equity and Liabilities:			
Equity			
Share capital	13	800,000,000	800,000,000
Retained earnings	14	27,518,476	5,401,280
		827,518,476	805,401,280
Current Liabilities			
Payable to clients	15	38,580,845	8,876,430
Payable to DSE	16	64,467	175,519
Short Term Loan	17	247,461,740	285,971,354
Others Payable		829,305	-
Provision for Expenses	18	419,006	580,935
Provision for diminution in value of Investment	19	69,708,619	61,007,004
Provision for Clients' margin loan	20	9,719,036	8,866,461
Provision for income Tax	21	66,197,510	57,272,009
		432,980,527	422,749,712
Total Equity and Liabilities		1,260,499,003	1,228,150,992
Net Asset Value (NAV) Per Share		10.34	10.07

The accompanying notes (1-35) form an integral part of these financial statements.

Chief Executive Officer (Acting)

Director

Chairman

Subject to our separate report of even date.

Khan Wahab Shafique Rahman & Co.
Chartered Accountants

Dated, Dhaka
March 02, 2021

STANDARD BANK SECURITIES LIMITED
(A SUBSIDIARY OF STANDARD BANK LTD.)

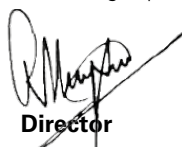
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

Particulars	Notes	Amount (In Taka)	
		2020	2019
A. Income			
Brokerage Commission		17,826,005	10,853,589
Capital Gain on Investment in Securities		3,607,657	9,135,160
Dividend on Investment in Securities		12,114,003	13,642,171
Interest Income	22	50,383,230	49,741,092
Other operating Income	23	747,984	236,450
Total Income		84,678,878	83,608,461
B. Less: Expenses			
Direct Expenses	24	2,447,740	1,508,103
Salary and Allowances	25	11,189,341	10,754,960
Rent, Taxes, Insurance, Electricity etc.	26	1,809,487	1,984,126
Interest expenses on Bank Loan		21,450,146	24,609,740
Board Meeting Expenses	27	583,644	979,943
Stationery, Printing, Advertisements etc.	28	118,925	114,707
Audit & Consultancy Fees	29	207,000	201,250
Postage, Stamp, Telecommunication etc.	30	203,662	223,146
Repair and Maintenance	31	53,821	51,461
Registration & Renewal fees	32	181,370	181,320
Depreciation on Fixed Assets	33	1,015,673	1,015,673
Other Expenses	34	1,202,643	1,202,194
Total Expenses		40,463,452	42,826,623
C. Total Profit before Provision (A-B):		44,215,426	40,781,838
D.			
Provision for diminution in value of Investment	19	8,701,615	23,626,837
Provision for clients margin loan	20	852,575	5,180,948
Total Provision:		9,554,190	28,807,785
E. Total Profit before Taxation (C-D):		34,661,236	11,974,053
Less: Provision for taxation	21	12,544,040	10,243,528
F. Net profit after Taxation (Transferred to retained earning)	14	22,117,196	1,730,525
G. Earning Per Share (EPS):	35	0.28	0.02

The accompanying notes (1-35) form an integral part of these financial statements.



Chief Executive Officer(Acting)



Director



Chairman

Subject to our separate report of even date.



Khan Wahab Shafique Rahman & Co.
Chartered Accountants

Dated, Dhaka
March 02, 2021



STANDARD BANK SECURITIES LIMITED
(A SUBSIDIARY OF STANDARD BANK LTD.)
STATEMENT OF CHANGE IN SHARE HOLDER'S EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

Particulars	Share capital	Retained earnings	Total (Amounts in TK.)
Balance at 01 January 2020	800,000,000	5,401,280	805,401,280
Declaration of Dividend for the year 2019	-	-	-
	800,000,000	5,401,280	805,401,280
Net profit for the Year	-	22,117,196	22,117,196
Balance at 31 December 2020	800,000,000	27,518,476	827,518,476

STANDARD BANK SECURITIES LIMITED
(A SUBSIDIARY OF STANDARD BANK LTD.)
STATEMENT OF CHANGE IN SHARE HOLDER'S EQUITY
FOR THE YEAR ENDED 31 DECEMBER, 2019

Particulars	Share capital	Retained earnings	Total (Amounts in TK.)
Balance at 01 January 2019	800,000,000	35,670,755	835,670,755
Declaration of Dividend for the year 2018	-	(32,000,000)	(32,000,000)
	800,000,000	3,670,755	803,670,755
Net profit for the Year	-	1,730,525	1,730,525
Balance at 31 December 2019	800,000,000	5,401,280	805,401,280

Chief Executive Officer(Acting)

Director

Chairman

Subject to our separate report of even date.

Dated, Dhaka
March 02, 2021

Khan Wahab Shafique Rahman & Co.
Chartered Accountants

STANDARD BANK SECURITIES LIMITED
(A SUBSIDIARY OF STANDARD BANK LTD.)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

Particulars	Amount (In Taka)	
	2020	2019
A. Cash Flow from Operating Activities		
Brokerage commission	17,826,005	10,853,589
Other operating income	747,984	236,450
Operating expenses	(39,447,779)	(41,810,950)
Interest income on bank deposits	2,318,063	3,511,944
Interest income on margin loan	48,065,168	46,229,148
Capital gain on investment in securities	3,607,657	9,135,160
Dividend on investment in securities	12,114,003	13,642,171
Advance income tax	(9,834,634)	(7,587,910)
Advances, deposits and prepayments	1,791,480	(1,441,040)
Other Operating assets	(32,272,175)	6,268,114
Other Operating liabilities	30,260,739	(32,584,657)
Net Cash flow from / (used in) Operating Activities	35,176,510	6,452,018
B. Cash Flow from Investing Activities		
Investment in Securities	(9,055,068)	25,966,503
Investment in Margin Loan	28,452,250	(54,915,016)
Investment in Stock Exchange	-	-
Acquisition of property, plant and equipment	-	(154,400)
Net Cash flow from Investing Activities	19,397,182	(29,102,913)
C. Cash Flow from Financing Activities:		
Share Capital	-	-
Short Term Loan from SBL	(38,509,614)	14,634,800
Dividend Paid	-	(32,000,000)
Net Cash flow from Financing Activities	(38,509,614)	(17,365,200)
D. Net Cash Inflow/(Outflow) in Cash and Cash Equivalents (A+B+C)	16,064,078	(40,016,095)
E. Cash and Cash equivalents at beginning of the year	18,468,316	58,484,411
F. Cash and cash Equivalents at end of the Year (D+E)	34,532,393	18,468,316
G. Closing cash and bank balances	34,532,393	18,468,316
H. Net Operating Cash Flow (NOCF) Per Share	0.44	0.08



Chief Executive Officer(Acting)



Director



Chairman

Subject to our separate report of even date.

Dated, Dhaka
 March 02, 2021

Khan Wahab Shafique Rahman & Co.
Khan Wahab Shafique Rahman & Co.
 Chartered Accountants



STANDARD BANK SECURITIES LIMITED
(A SUBSIDIARY COMPANY OF STANDARD BANK LTD.)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON 31 DECEMBER 2020

1.00 THE COMPANY AND ITS ACTIVITIES:

Standard Bank Securities Limited (DSE TREC NO. 156) a subsidiary company of Standard Bank Limited was incorporated as a public limited company in Bangladesh and registered with the Register of Joint Stock Companies on 22 November 2012 under the Companies Act 1994 bearing certificate of Commence of Business no. C-105752/12 having its Head Office at 2, DIT Avenue, (Ext.), 1st Floor, Motijheel Commercial Area, Dhaka 1000.

2.00 NATURE OF BUSINESS:

The main objectives of the Company is to carry on the business of Stock broker/ stock dealer and other related business in connection with the dealing of listed securities. Other objectives of the company are to buy, sell, hold or otherwise acquire or invest the capital of the company in shares, stocks and fixed income securities, etc. The company are to act as a TREC Holder of Dhaka Stock Exchange Limited.

3.00 SIGNIFICANT ACCOUNTING POLICIES:

3.01 Basis of presentation of financial statements:

The financial statements of the Company are prepared on a going concern basis under historical cost convention in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS), the Companies Act 1994, the Bangladesh Securities and Exchange commission (BSEC) Rules 1987 and other applicable laws and regulations applicable in Bangladesh.

3.02 Components of Financial Statements:

Following are the components of these financial statements:

- (i) Statement of Financial Position
- (ii) Statement of Profit or Loss and Other Comprehensive Income
- (iii) Statement of Changes in Equity
- (IV) Statement of Cash Flows
- (v) Notes to the financial statements

3.03 Fixed Assets and Depreciation:

Recognition and measurement:

Items of fixed assets are measured at cost/revaluation less accumulated depreciation and accumulated impairment losses, if any.

Cost includes expenditure that are directly attributable to the acquisition of asset and bringing to the When parts of an item of fixed asset have different useful lives, they are accounted for as separate items location and condition necessary for it to be capable of operating in the intended manner. The gain or loss on disposal of an item of fixed asset is determined by comparing the proceeds from Property, Plant and Equipment are recognized as assets in accordance with International Accounting Standards (IAS) 16 "Property Plant and Equipment."

Subsequent costs:

The cost of replacing a component of an item of fixed assets is 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 group and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of fixed assets are recognized in profit or loss as incurred.

Changes in Depreciation Method:

Depreciation method has been changed from reducing method to straight line method from year 2017 for accounting policy alignment in accordance with the method followed by parent company (Standard Bank Limited) which is to be treated as "Changes in Accounting Estimates" and prospective accounting has been done for changes in accordance with IAS 8.



Depreciation:

Depreciation is charged at the rates stated below on all fixed assets on the basis of estimated useful lives as determined in the fixed asset policy of the Company. In all cases depreciation is calculated on the straight line method. Charging depreciation commences from the month of acquisition (for full month) and ceases at the month when the assets are disposed. No depreciation has been charged on land. Rate and method of charging depreciation/ amortization of fixed assets are mentioned below:

Category of Assets:	Rate of Depreciation	Method of charging depreciation/ amortization
Office equipment	20%	Straight Line Method
Office renovation & Decoration	10%	Straight Line Method
Furniture & Fixture	10%	Straight Line Method
Computer & Server	20%	Straight Line Method
Software	20%	Straight Line Method

3.04 Reporting Period:

These financial statements covers from 1st January 2020 to 31 December 2020 and followed consistently.

3.05 Cash and Cash Equivalents:

Cash and Cash Equivalents comprise cash in hand and cash at Bank and Investment in FDR which are held and available for use by the company without any restriction and are readily convertible to a known amount of cash and that, are subject to an insignificant risk of change in value.

3.06 Investments:

3.6.1 Investment in DSE Shares:

In accordance with section 8(Gha) of the Exchanges Demutualization Act, 2013, Dhaka Stock exchange membership has been converted into shares through the issuance of "Trading Right Entitlement Certificate (TREC)" by the DSE. Currently fair value of Trading Right Entitlement Certificate is not ascertainable with reasonableness due to the stock exchange not issuing any TREC other than existing members. No transactions of shares as well as "TREC" have been started and hence after adjustment cost price is considered as fair value. In future if the above shares as well as TREC becomes tradeable on capital market, the fair value would be determined that time and necessary adjustments, if any shall be made.

3.6.2 Investment in quoted securities:

Investment in Shares have been recognized at cost valued on aggregate basis and Stock dividend (Bonus Shares) are added with existing shares with at zero cost which results decrease in per unit cost price of the existing shares. Adequate provision has been made as per BSEC guidelines if market value goes down.

3.07 Advance, Deposits and Prepayments:

Advance are initially measured at cost. After initial recognition advance are carried at cost less deduction, adjustments or charges to the account heads. Deposits are measured at payment value. Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to income statement.

3.08 Accounting for provisions:

The company recognizes provisions only when it has a present obligation as a result of a past event and it is probable that an outflow of resources embodying benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

3.09 Provision for Taxation:

Current tax has been made as per the Income Tax Ordinance 1984, latest finance act, relevant SROs etc. Income tax withheld from the transactions of traded securities in accordance with section 53BBB @ 0.05% is the final tax liability of the company under section 82C of Income Tax Ordinance (ITO) 1984.



3.10 Revenue recognition:

Revenue comprises of brokerage commission, Interest on margin loan, Interest on deposit & other income. Details of revenue recognition policy are given below:

- 1) Brokerage commission is recognized as income when selling or buying orders are executed.
- 2) Interest on margin loan recognized on accrual basis. Such income is calculated considering daily margin loan balance of the respectable clients. Income is recognized on monthly and applied to the customers' account on quarterly basis.
- 3) Capital gains/ (loss) are recognized when right to receive 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 is realized or loss is incurred.
- 4) Dividend income is recognized on the declaration of dividend and subsequent receipt of such dividend.
- 5) Other income represents BO Account opening fees & IPO Application fee.

3.11 Margin loan to clients:

Standard Bank Securities Limited extends margin loan to the portfolio investors at an agreed ratio (between investors deposit and loan amount) of purchase securities against the respective investor account. The investors are maintaining the margin as per rules and regulations.

3.12 Cash flow Statement:

Statement of Cash Flows is prepared principally in accordance with IAS-7 "Cash Flow Statement" and the cash flows from operating activities have been presented under direct method as required by the Securities and Exchange Rules 1987.

3.13 Earning per share:

The Company calculates earning per share in accordance with International Accounting Standard (IAS)-33 "Earning per Share" which has been shown in the face of the statement of profit and loss and other comprehensive income.

3.14 General:

- 1) The financial statements are presented in Bangladeshi Taka (BDT) Currency, which is the company's functional currency.
- 2) Figures in these notes and annexed financial statements have been rounded off to the nearest Taka.
- 3) Figures and account titles of previous year have been rearranged whenever considered necessary to conform with current year's presentation.



		Amounts in Taka	
		31.12.2020	31.12.2019
4.00	Property, plant and equipment:		
	Opening balance	9,934,080	9,779,680
	Add : Additions during the year	-	154,400
	Less: Disposals	-	-
	Closing balance (A)	9,934,080	9,934,080
	Depreciation :		
	Opening balance	6,712,351	5,696,678
	Add: Charges during the year	1,015,673	1,015,673
	Less: Adjustment	-	-
	Closing balance (B)	7,728,024	6,712,351
	Written down value (A-B)	2,206,056	3,221,729
	The details of the above balance have been Shown in (Annexure-1) .		
5.00	Investment In Stock Exchange		
	Dhaka Stock Exchange Ltd.* (Note: 5.01)	282,320,683	282,320,683
	Note :		
	*As per Scheme of Demutualization of DSE in accordance with the Exchange Demutualization Act 2013 (the scheme), the Company being the primary shareholders of DSE and received ordinary shares as well as "Trading Right Entitlement Certificate (TREC)". No transactions of shares as well as "TREC" have been started and hence after adjustment of 25% Shares sold, the cost price is considered as fair value. In future if the above shares as well as TREC becomes tradable on capital market, the fair value would be determined that time and necessary adjustments, if any shall be made. Share Status are given below:		
5.01	<u>Dhaka Stock Exchange Ltd.(DSE)</u>	Type of Shares	Number of Shares
			Number of Shares
		Floated (53.33%)	2,886,042
		Blocked (46.67%)	2,525,287
			5,411,329
6.00	Advance, Deposits and Prepayments		
A.	Advance:		
	Office Rent (Head Office)	830,060	1,541,540
	Office Space at DSE Tower, Nikunja	-	1,050,000
		830,060	2,591,540
B.	Deposits:		
	Central Depository Bangladesh Ltd (CDBL)	200,000	200,000
	BTCL	4,990	4,990
		204,990	204,990
C.	Advance against RJSC exp.	-	30,000
	Total (A+B+C) :	1,035,050	2,826,530

		Amounts in Taka	
		31.12.2020	31.12.2019
7.00	Advance income tax		
	Opening balance	40,835,257	35,435,933
	Add: During the year (Note 7.1)	6,216,095	5,399,324
		47,051,352	40,835,257
	Less : Adjustment for Assessment	-	-
	Closing balance	47,051,352	40,835,257
7.1	Advance income tax		
	AIT on Interest income	236,758	356,126
	Advance Corporate Tax	3,109,286	2,042,611
	AIT on dividend	2,870,051	3,000,587
		6,216,095	5,399,324
8.00	Receivable from DSE		
	Stock Broker	34,549,164	3,950
	Stock Dealer	-	-
		34,549,164	3,950
9.00	Other receivable		
	Receivable from Clients	49,961	-
	Dividend on Investment in shares	427,000	2,750,000
		476,961	2,750,000
10.00	Margin loan to clients		
	Portfolio Margin Loan to Clients	348,232,527	376,684,777
		348,232,527	376,684,777
<p>The above amount represents loan entitled to clients for trading of shares on the secondary capital market in Bangladesh. Margin loans extended on ratio based on the equity invested by individual customers.</p>			
11.00	Investment in shares		
	Investment in quoted share *	510,094,818	501,039,750
	Investment in IPO Shares (Note: 11.01)	-	-
		510,094,818	501,039,750
12.00	Cash and cash equivalents		
	Cash in hand	-	-
	Bank balances with		
		A/C No.	
	Standard Bank Ltd.	00236001852 (Company A/C.)	1,102,898
	Standard Bank Ltd.	00236001884 (Customer A/C.)	2,834,151
	Al-Arafah Islami Bank Ltd.	0021220004023 (Consolidated Customer A/C.)	13,947,923
	Al-Arafah Islami Bank Ltd.	0021220004067(Deler A/C.)	239,214
	Al-Arafah Islami Bank Ltd.	0021220004473(IPO Application A/C.)	344,130
			18,468,316
			34,532,393
			18,468,316



		Amounts in Taka		
		31.12.2020	31.12.2019	
13.00	Share capital			
13.01	Authorised			
	200,000,000 ordinary shares of Taka 10 each	2,000,000,000	2,000,000,000	
13.02	Issued, subscribed and paid-up capital	800,000,000	800,000,000	
	80,000,000 ordinary shares of Taka 10 each fully paid-up			
	Shareholding position of the Company are as under:			
Sl. No.	Name of shareholder	No. of Shares	Total Taka	% of Share Holding
1	Standard Bank Limited	79,994,000	799,940,000	99.993
2	Mr. Kazi Akramuddin Ahmed	500	5,000	0.001
3	Al-haj Mohd. Yousuf Chowdhury	500	5,000	0.001
4	Mr. S.A.M Hossain	500	5,000	0.001
5	Mr. Ashok Kumar Saha	500	5,000	0.001
6	Mr. Md. Zahedul Hoque	500	5,000	0.001
7	Ms. Bedowra Ahmed Salam	500	5,000	0.001
8	Mr. Tanveer Mostafa Chowdhury	500	5,000	0.001
9	Mr. A.K.M Abdul Alim	500	5,000	0.001
10	Mr. Azad Ahmed	500	5,000	0.001
11	Mr. Mohammed Arif Chowdhury	500	5,000	0.001
12	Mr. Jhahedul Alam	500	5,000	0.001
13	Investment Corporation of Bangladesh	500	5,000	0.001
Total:		80,000,000	800,000,000	100.000
14.00	Retained earnings			
	Opening balance	5,401,280	35,670,755	
	Less: Dividend	-	32,000,000	
		5,401,280	3,670,755	
	Add: Net profit for the year	22,117,196	1,730,525	
	Closing balance	27,518,476	5,401,280	
15.00	Payable to Clients			
	Other Clients	31,890,245	8,866,430	
	IPO Application Account	6,690,600	10,000	
		38,580,845	8,876,430	
	This represents clients' un-invested amount which is being held for buying marketable securities or refund to the clients as per their instructions. IPO application bank account balance is higher than IPO account because of interest on bank account.			
16.00	Payable to DSE			
	Stock Broker	64,467	175,519	
	Stock Dealer	-	-	
		64,467	175,519	
17.00	Short Term Loan			
	Opening Balance	285,971,354	271,336,554	
	Add: Addition during the year	75,744,020	29,634,800	
		361,715,373	300,971,354	
	Less: Refund/ Repayment during the year	114,253,634	15,000,000	
	Closing Balance	247,461,740	285,971,354	

Note: The above loan was taken from Standard Bank Limited bearing interest @9.00 % per annum on quarterly basis vide reference No. SBL/PB/CR/2020/1819, Dated November 03,2020.

	Amounts in Taka	
	31.12.2020	31.12.2019
18.00 Provision for expenses		
CDBL charges	114,143	20,191
Electricity Bill	-	7,130
WASA Bill	2,024	7,662
Telephone Bill	1,144	1,640
Lift Charge	-	2,500
Audit fee	50,000	50,000
LFC Payable	233,195	434,870
VAT Payable	9,000	10,356
TDS Payable	1,000	38,086
Link3 Technologies Ltd.	2,300	2,300
Metronet BD Ltd.	2,000	2,000
Amber IT Ltd.	4,200	4,200
	419,006	580,935
19.00 Provision for diminution in value of investment:		
Opening balance	61,007,004	37,380,167
Add: Provision made during year	8,701,615	23,626,837
Closing balance	69,708,619	61,007,004
*As per BSEC Circular No. BSEC/Serveilance/Mukhopatro(5th Part)/2019/196 maintaining provision on diminution in value of Investment. However the shortfall on such provision can be deferred up to 31 December 2023.		
20.00 Provision for Clients Margin Loan :		
Opening balance	8,866,461	3,685,513
Add: Provision made during the year	852,575	5,180,948
Closing balance	9,719,036	8,866,461
*As per BSEC Circular No. BSEC/Serveilance/Mukhopatro(5th Part)/2019/196 maintaining provision on Margin Loan. However the shortfall on such provision can be deferred up to 31 December 2023.		
21.00 Provision for income tax:		
Opening balance	57,272,009	49,217,067
Add: Provision made during the year	12,544,040	10,243,528
	69,816,050	59,460,595
Less: Tax Deducted at Source on Turnover U/S 82C	3,618,540	2,188,586
	66,197,510	57,272,009
Less: Adjustment of Assessment	-	-
Closing balance	66,197,510	57,272,009

Provision for corporate income tax was made applicable tax laws. Income tax as withheld from the transactions of traded securities @ 0.05% under section 53BBB is the final tax liability of the Company under section 82C of Income Tax Ordinance 1984.



		Amounts in Taka	
		2020	2019
22.00	Interest income		
	Interest on Bank Deposit (Note-22.01)	2,318,063	3,511,944
	Interest Income on Margin Loan	48,065,168	46,229,148
		50,383,230	49,741,092
22.01	Interest on Bank Deposit		
	SND account on Standard Bank Limited	213,486	210,375
	SND account on Al Arafah Islami Bank Ltd.	2,104,577	3,301,569
		2,318,063	3,511,944
23.00	Other operating income		
	BO account fees	84,820	39,410
	Yearly BO maintenance fee	119,550	155,200
	Others Income	512,744	-
	IPO Application fee	30,870	41,840
		747,984	236,450
24.00	Direct Expenses		
	Laga charges	1,806,589	1,094,290
	Hawla charges	1,900	100
	CDBL Charges	639,252	413,713
		2,447,740	1,508,103
	This represents Hawla and Laga charges paid to DSE for the transaction of traded securities. Hawla is paid based on number of transaction and Laga is paid based on turnover at applicable rate prescribed by DSE. CDBL Charge paid against CDS charge to CDBL.		
25.00	Salaries and allowances		
	Basic salary	5,596,680	5,241,860
	House rent allowance	2,798,340	2,620,930
	Conveyance allowance	316,800	317,300
	Medical allowance	342,000	342,500
	House maintenance	138,000	138,000
	Leave fare compensation (LFC)	233,195	434,870
	Washing allowance	9,600	9,600
	Company's contribution to provident fund	559,668	524,186
	Casual Wages	156,000	156,000
	Boishakhi Bonus	93,278	86,974
	Festival Bonus	945,780	882,740
		11,189,341	10,754,960
26.00	Rent, taxes, insurance, electricity, etc		
	Office Rent	1,465,944	1,611,610
	Sharing of Infrastructure Charge	120,000	120,000
	Insurance Premium of Motor Vehicle	12,031	14,503
	WASA Charge	27,504	43,065
	Lift charge	30,000	30,000
	Electricity Bill	154,008	164,948
		1,809,487	1,984,126



		Amounts in Taka	
		2020	2019
27.00	Board Meeting Expenses		
	Director's Honorarium	431,200	431,200
	Director's Traveling & haltage	68,800	396,300
	Lunch & Refreshment and Misc exp.	83,644	152,443
		583,644	979,943
28.00	Stationery, printing, advertisements, etc		
	Printing and stationery	96,377	74,833
	Cutleries & Cookeries	-	718
	Computer Accessories	11,048	25,356
	Advertisement & Publicity	11,500	13,800
		118,925	114,707
29.00	Audit & Consultancy Fees		
	Audit fees	57,500	57,500
	Legal & Professional fee	149,500	143,750
		207,000	201,250
30.00	Postage, stamps, telecommunication, etc		
	Wan Connectivity Charge	102,000	102,000
	Telephone and fax expenses	83,380	101,846
	Wimax Charge	9,058	12,750
	Postage & Courier	9,224	6,550
		203,662	223,146
31.00	Repair and maintenance		
	Cleaning expenses	27,621	24,700
	Office maintenance	26,200	26,761
		53,821	51,461
32.00	Registration & Renewal fees		
	Stock Broker & Stock Dealer cert. Renewal fee	20,000	20,000
	DP Registration Renewal fee	4,600	4,600
	Authorized Representative fees	2,500	1,500
	TC Certificate Renewal fees to DSE	60,000	60,000
	TREC Renewal fee	50,000	50,000
	DBA Annual Membership fee	12,500	12,500
	Bidding & EII Reg. fees	14,000	15,000
	Trade License Renewal fees	17,770	17,720
		181,370	181,320



Amounts in Taka

	2020	2019
33.00 Depreciation on Fixed Assets		
Furniture & Fixture	59,491	59,491
Office equipment	115,584	115,584
Office renovation & Decoration	164,802	164,802
Computer & Server	505,857	505,857
Software	169,939	169,939
	1,015,673	1,015,673
34.00 Other operating expenses		
Traveling & Conveyance	16,386	17,136
DSE Charges	1,433	16,436
Car Expenses	285,996	285,996
Petrol Oil & Lubricants	180,000	180,000
Newspaper & Periodicals	3,338	5,640
Entertainment	217,793	287,539
Bank Charges & Commission	136,352	104,097
Business Development Expenses	-	1,150
Uniform & leverage	15,820	10,320
Cook & Servent	24,000	24,000
Legal Charges	-	92,805
RJSC expenses	30,000	-
Annual Maintenance fee for Software	118,125	-
Security Guard Bill	173,400	177,075
	1,202,643	1,202,194
35.00 Earning Per Share (EPS):		
Net profit after tax	22,117,196	1,730,525
Number of Ordinary Share	80,000,000	800,000,000
Earnings Per Share	0.28	0.02

STANDARD BANK SECURITIES LTD.
DETAILS OF PROPERTY, PLANT AND EQUIPMENT
AT 31 DECEMBER, 2020

Annexure 1

Particulars	COST				DEPRECIATION			Net book value at 31 Dec 2020		
	Balance at 01 Jan 2020	Additions	Sale/ disposal	Total at 31 Dec 2020	Rate (%)	Balance at 01 Jan 2020	Charge for the Period		Adjustment	Total to 31 Dec 2020
Furniture & Fixture	753,185	-	-	753,185	10	331,495	59,491	-	390,986	362,199
Office equipment	1,099,963	-	-	1,099,963	20	868,796	115,584	-	984,380	115,583
Office renovation & Decoration	2,337,615	-	-	2,337,615	10	1,183,998	164,802	-	1,348,800	988,815
Computer & Server	4,813,267	-	-	4,813,267	20	3,737,892	505,867	-	4,243,749	569,518
Software	930,050	-	-	930,050	20	590,170	169,939	-	760,109	169,941
Total Balance as on 31.12.2020	9,934,080	-	-	9,934,080		6,712,351	1,015,673	-	7,728,024	2,206,056
Total Balance as on 31.12.2019	9,779,680	154,400	-	9,934,080		5,696,678	1,015,673	-	6,712,351	3,221,729



STANDARD BANK SECURITIES LTD.
INVESTMENT IN SHARE AS ON 31 DECEMBER 2020

Annexure-2

Sl. No.	Name of Company	Cost Value	Market Price	Un-realized Gain/(Loss)
1	ABBANK	20,592,249.93	12,705,000.00	-7,887,248.47
2	ACTIVEFINE	12,399,818.83	7,436,000.00	-4,963,818.83
3	APOLOISPAT	7,711,441.77	2,845,375.00	-4,866,066.77
4	BARKAPOWER	1,335,200.61	1,285,000.00	-50,200.61
5	BBS	11,619,126.56	6,431,250.00	-5,187,876.56
6	CENTRALPHL	1,074,144.01	968,000.00	-106,144.01
7	CRYSTALINS	108,790.00	428,632.60	319,842.60
8	DELTALIFE	20,212,551.00	10,230,000.00	-9,982,551.00
9	DESCO	6,674,351.90	5,220,000.00	-1,454,351.90
10	DHAKABANK	23,580,614.78	15,618,750.00	-7,961,864.78
11	EASTLAND	3,819,535.11	3,390,000.00	-429,535.11
12	ESQUIRENIT	3,132,149.12	2,367,000.00	-765,149.12
13	EXIMBANK	10,623,364.04	7,080,000.00	-3,543,364.04
14	FAMILYTEX	2,029,089.09	882,000.00	-1,147,089.09
15	FAREASTFIN	4,560,033.28	1,470,000.00	-3,090,033.28
16	FIRSTSBANK	4,341,833.64	3,600,000.00	-741,833.64
17	GHAIL	1,333,662.00	1,169,000.00	-164,662.00
18	HEIDELBCEM	7,198,732.81	2,244,000.00	-4,954,732.81
19	ICB	7,984,364.29	5,705,700.00	-2,278,664.29
20	ICBIBANK	1,281,180.43	860,000.00	-421,180.43
21	IFADAUTOS	12,123,467.12	6,258,720.00	-5,864,747.12
22	IFIC	7,004,048.53	8,360,000.00	1,355,951.47
23	INTRACO	4,765,663.14	4,417,875.00	-347,788.14
24	JAMUNABANK	14,541,649.49	15,037,556.00	495,906.51
25	JAMUNAOIL	17,495,212.37	14,895,000.00	-2,600,212.37
26	JANATAINS	2,114,225.78	1,985,000.00	-129,225.78
27	LHBL	87,514,661.95	43,020,000.00	-44,494,661.95
28	MJLBD	14,210,892.75	9,997,000.00	-4,213,892.75
29	NAVANACNG	3,963,731.89	2,782,500.00	-1,181,231.89
30	NBL	17,575,139.46	12,127,500.00	-5,447,639.46
31	NCCBANK	15,893,343.20	13,464,000.00	-2,429,343.20
32	ONEBANKLTD	14,208,556.33	9,097,492.40	-5,111,063.93
33	PDL	7,526,517.60	6,072,000.00	-1,454,517.60
34	PRIMEBANK	18,544,286.02	13,680,000.00	-4,864,286.02
35	RINGSHINE	75,759.48	56,313.60	-19,445.88
36	ROBI	1,311,880.00	3,909,402.40	2,597,522.40
37	RSRMSTEEL	11,797,654.68	4,182,000.00	-7,615,654.68
38	RUNNERAUTO	652,179.00	509,000.00	-143,179.00
39	RUPALIBANK	9,911,999.76	6,479,025.00	-3,432,974.76
40	SAIFPOWER	16,513,911.12	11,340,000.00	-5,173,911.12
41	SEAPEARL	17,764.17	147,521.50	129,757.33
42	SIBL	9,131,273.82	6,131,944.00	-2,999,329.82
43	SOUTHEASTB	11,622,772.28	8,456,250.00	-3,166,522.28
44	SUMITPOWER	1,585,665.05	1,556,000.00	-29,665.05
45	TITASGAS	25,624,413.56	15,400,000.00	-10,224,413.56
46	UCB	10,346,071.30	7,402,500.00	-2,943,571.30
47	UTTARABANK	14,685,271.62	11,808,000.00	-2,877,271.62
48	WMSHIPYARD	6,007,050.50	4,797,000.00	-1,210,050.50
49	ZAHEENSPIN	1,717,522.56	661,500.00	-1,056,022.56
Total Taka		510,094,817.74	335,966,807.50	(174,128,008.77)



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SBL CAPITAL MANAGEMENT LIMITED

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Independent Auditor's Report

SBL CAPITAL MANAGEMENT LIMITED

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REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the financial statements of **SBL Capital Management Limited** which comprise the Statement of Financial Position as at 31st December 2020, Statements 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.

In our opinion, the accompanying financial statements present fairly, in all material respects of the statement of financial position of **SBL Capital Management Limited** as at 31st December 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in jurisdictions, and we have fulfilled our other ethical responsibilities in accordance these requirements and with the IESBA Code. 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 our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

While the overall effect on the company's business in the post year relating to the COVID-19 global pandemic still evolving at this point. The company is regularly monitoring the potential future impact on the company's operations.

We have fulfilled the responsibilities described in the Auditors' Responsibilities of 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 risk of material misstatements of the financial statements. The 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.

Other Information

Management is responsible for the other information. The other information comprises all of the information other than 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management but not for the purpose expressing an opinion on the effectiveness of the company's internal control.
- 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 company's financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations, we also report the following:

- 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 company so far as it appeared from our examination of these books;
- c. The statements of financial position and statements of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns.

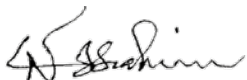
Place: Dhaka
Date: April 15, 2021

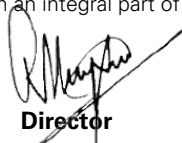

Shafiq Basak & Co.
Chartered Accountants

SBL CAPITAL MANAGEMENT LIMITED
(A SUBSIDIARY OF STANDARD BANK LTD.)
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER, 2020

Particulars	Notes	Amount (In Taka)	
		31.12.2020	31.12.2019
ASSETS:			
Non-Current Assets:			
Property, Plant & Equipment	2.00	2,243,823	2,424,571
		2,243,823	2,424,571
Current Assets:			
Advances, Deposits & Prepayments	3.00	1,035,050	1,746,530
Investment in Shares	4.00	1,840,646,303	2,144,527,751
Margin Loan to Clients	5.00	2,845,807,426	2,454,802,237
Accounts Receivable	6.00	95,309,604	13,805,157
Advance Income Tax	7.00	314,054,517	303,739,315
Stock of Stationery	8.00	69,690	47,390
Other Assets	8.01	79,034,014	54,058,951
Cash & Cash Equivalents	9.00	83,455,629	25,181,989
		5,259,412,233	4,997,909,319
TOTAL ASSETS		5,261,656,056	5,000,333,890
EQUITY AND LIABILITIES:			
Capital and Reserve:			
Share Capital	10.00	1,500,000,000	1,500,000,000
Retained Earnings	11.00	9,928,151	8,979,057
		1,509,928,151	1,508,979,057
Current Liabilities:			
Loan facilities from Standard Bank Limited	12.00	2,488,637,856	2,273,376,987
Loan from ICB	12.01	-	79,911,688
Provision for Expenses	13.00	776,630	657,147
Sundry Deposit	14.00	35,793,321	1,800,587
Liability for withholding Tax, VAT, LFC & others	15.00	210,646	461,630
Accounts Payable	16.00	314,209	613,273
		2,525,732,662	2,356,821,311
Other Liabilities:			
Provision for Taxation	17.00	345,183,998	310,444,673
Provision for diminution in value of investment	18.00	457,138,564	448,601,203
Provision for Margin Loan	19.00	356,669,603	335,097,363
Provision for interest waiver to Affected Small Investors	20.A	489,064	489,064
Interest Suspense Account	20.B	66,514,014	39,901,219
		1,225,995,243	1,134,533,522
TOTAL EQUITY AND LIABILITIES		5,261,656,056	5,000,333,890
NAV per share (Per share value Tk. 100)	32.00	100.66	100.60

The accompanying notes form an integral part of these financial statements.


Chief Executive Officer


Director


Chairman

Subject to our separate report of even date.

Dated, Dhaka
Date: April 15, 2021

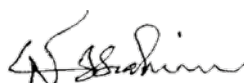

Shafiq Basak & Co.
Chartered Accountants



SBL CAPITAL MANAGEMENT LIMITED
(A SUBSIDIARY OF STANDARD BANK LTD.)
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER, 2020

Particulars	Notes	Amount in Taka	
		2020	2019
INCOME:			
Interest Income	21.A	186,868,695	173,878,671
Transaction /Settlement fees		13,190,197	8,782,121
Management fee		6,971,606	5,711,765
Gain on Sale of Shares		45,341,817	17,632,303
Dividend on Investment in Shares		50,713,214	50,934,960
Other Income	21.B	1,703,950	1,245,900
Total Income (A)		304,789,479	258,185,719
EXPENDITURE:			
Interest Expense	22.00	219,683,845	199,030,091
Salary & Allowances	23.00	12,380,170	11,689,622
Rent, Taxes, Insurance & Electricity	24.00	1,811,462	1,972,515
Postage, Stamp & Telecommunication	25.00	35,375	44,156
Stationery, Printing & Advertisement	26.00	131,948	237,262
Directors' Fee & Other expenses	27.00	560,031	749,042
Audit & Consultancy Fees	28.00	223,100	87,400
Depreciation		600,748	579,748
Other Expenses	29.00	3,564,780	3,236,869
Total Expenditure (B)		238,991,459	217,626,705
Profit before Provision (C=A-B)		65,798,019	40,559,014
Less: Provision for diminution in value of investments	18.00	8,537,361	1,798,830
Less: Provision for margin loan	19.00	21,572,240	6,354,368
Less: Provision for interest waiver to A.S.I.	20.A	-	-
Total Provision (D)		30,109,601	8,153,198
Profit/(Loss) before tax (E=C-D)		35,688,419	32,405,815
Less: Provision for Taxation	17.00	34,739,324	31,950,222
Profit/(Loss) after tax		949,094	455,593
Retained earnings brought forward from previous year		8,979,057	8,523,464
Retained earnings carried forward		9,928,151	8,979,057
Earnings per share	30.00	0.06	0.03

The accompanying notes form an integral part of these financial statements.


Chief Executive Officer


Director


Chairman

Subject to our separate report of even date.

Dated, Dhaka
Date: April 15, 2021


Shafiq Basak & Co.
Chartered Accountants

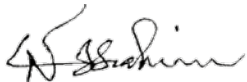


SBL CAPITAL MANAGEMENT LIMITED
(A SUBSIDIARY OF STANDARD BANK LTD.)
STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY
AS AT 31ST DECEMBER, 2020

Particulars	Share Capital	General Reserve	Retained earnings	Total (Taka)
Balance as on 01.01.2020	1,500,000,000	-	8,979,057	1,508,979,057
Dividend for the year 2019	-	-	-	-
Retained earnings during the Period	-	-	949,094	949,094
Balance as on 31.12.2020	1,500,000,000	-	9,928,151	1,509,928,151
Balance as on 31.12.2019	1,500,000,000	-	8,979,057	1,508,979,057

SBL CAPITAL MANAGEMENT LIMITED
(A SUBSIDIARY OF STANDARD BANK LTD.)
STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY
AS AT 31ST DECEMBER, 2019

Particulars	Share Capital	General Reserve	Retained earnings	Total (Taka)
Balance as on 01.01.2019	1,500,000,000	-	8,523,464	1,508,523,464
Dividend for the year 2018	-	-	-	-
Retained earnings during the Period	-	-	455,593	455,593
Balance as on 31.12.2019	1,500,000,000	-	8,979,057	1,508,979,057
Balance as on 31.12.2018	1,500,000,000	-	8,523,465	1,508,523,465


Chief Executive Officer


Director


Chairman

Subject to our separate report of even date.

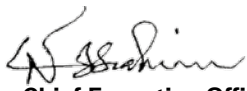
Dated, Dhaka
Date: April 15, 2021


Shafiq Basak & Co.
Chartered Accountants



SBL CAPITAL MANAGEMENT LIMITED
(A SUBSIDIARY OF STANDARD BANK LTD.)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER, 2020

Particulars	Notes	Amount (In Taka)	
		31.12.2020	31.12.2019
A. Cash Flow from Operating Activities:			
Net Profit after tax	11.00	949,094	455,593
Add: Non Cash Transaction		43,745,933	34,998,976
Provision for Expenses	13.00	119,484	218,546
Liability for withholding LFC & Others	15.00	(250,984)	451,630
Provision for investment in securities	18.00	8,537,361	1,798,830
Corporate Income Tax	17.00	34,739,324	31,950,222
Depreciation	2.00	600,748	579,748
		(34,226,827)	(3,075,586)
Sundry Deposit	14.00	33,992,733	346,988
Accounts Receivable	6.00	(81,504,446)	9,094,004
Advance Income Tax	7.00	(10,315,202)	(18,795,391)
Advance deposit	3.00	711,480	(1,443,540)
Account Payable	16.00	(299,063)	(649,015)
Stock of Stationery	8.00	(22,300)	-
Other Assets	8.01	(24,975,064)	(24,706,905)
Provision for Margin Loan	19.00	21,572,240	6,354,368
Interest Suspense Account	20.B	26,612,796	26,723,905
Net Cash flow from Operating Activities		10,468,200	32,378,984
B. Cash flow from Investing Activities :			
Investment in Shares	4.00	303,881,448	(40,587,519)
Purchase of Assets	2.00	(420,000)	-
Loan to Client	5.00	(391,005,190)	(188,094,476)
Net cash flow from Investing Activities		(87,543,742)	(228,681,995)
C. Cash Used by Financing Activities:			
Loan from SBL	12.00	215,260,870	196,133,590
Loan from ICB	12.01	(79,911,688)	10,928,676
Dividend paid		-	-
Net cash flow from financing activities		135,349,182	207,062,266
D. Net Increase in cash and cash equivalents D=(A+B+C)		58,273,640	10,759,254
E. Opening cash and cash equivalents	9.00	25,181,989	14,422,734
Closing cash and cash equivalents (D+E)		83,455,629	25,181,988
Cash & Cash Equivalents:			
Name of the Bank Account:			
SBL Capital Mgt. Ltd Investor's A/c# 1807	9.01	59,854,863	23,441,611
SBL Capital Mgt. Ltd A/c# 1808	9.01	1,200,697	487,217
SBL Capital Mgt. Ltd Own Portfolio A/c# 1810	9.01	19,491,811	101,902
Public Issue Application A/c# 1876	9.01	2,678,673	89,792
SBL Capital Mgt. Ltd.-ICB Fund A/c# 1960	9.01	229,585	1,061,467
		83,455,629	25,181,989
Net Operating Cash Flow per share (Note-31)		0.70	2.16


Chief Executive Officer


Director


Chairman

Subject to our separate report of even date.

Dated, Dhaka
Date: April 15, 2021


Shafiq Basak & Co.
Chartered Accountants



SBL CAPITAL MANAGEMENT LIMITED
(A SUBSIDIARY OF STANDARD BANK LTD.)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2020

1.00 COMPANY AND ITS ACTIVITIES

SBL Capital Management Limited is a subsidiary company of Standard Bank Limited incorporated as a public limited company on 20th October, 2010 with the Registrar of Joint Stock Companies, Dhaka vide certificate of incorporation No. C-87663/10 dated 20 October, 2010 and commenced its business on the same date. The function of its were separated from Standard Bank Limited by forming a subsidiary company in terms of Bangladesh Bank's BRPD circular No. 12 dated: 14 October, 2009. Bangladesh Securities and Exchange Commission (BSEC) thereafter issued a full fledged Merchant Banking License in favour of SBL Capital Management Limited, vide letter No. SEC/Reg/MB/SUB/13/2010/529, dated: January 05, 2011 with effect from January 09, 2011.

1.02 Principal Activities:

The main objectives of the Company is to carry out the business of full fledged merchant banking activities like margin loan provided to clients for the Investment in securities, issue management, portfolio management, underwriting, corporate advisory services etc.

1.03 Significant Accounting policies:

Statement of Compliance:

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS)/ International Accounting Standards (IAS), the Companies Act. 1994, Securities & Exchange Rules, 1987 and other applicable laws in Bangladesh.

Basis of preparation of Financial Statements:

The financial statements are prepared on a going concern basis under historical cost convention in accordance with Generally Accepted Accounting Principles. Wherever appropriate, such principles are explained in succeeding notes. The financial statements includes:

- (i) Statement of Financial Position (Balance Sheet)
- (ii) Statement of Profit or Loss and Other Comprehensive Income
- (iii) Statement of Cash Flows
- (iv) Statement of Changes in Equity
- (v) Notes to the Financial Statements

1.04 Reporting Period:

The Reporting period of the Company from 1st January, 2020 to 31st December, 2020.

1.05 Statement of Cash Flows:

Statement of Cash Flow is prepared in accordance with the International Accounting Standard (IAS)-7: Cash Flow statement has been presented under indirect method.

1.06 Property, Plant and Equipments:

Recognition and Measurement:

Items of Property, Plant & Equipment (PPE) are initially measured at cost. After initial recognition, the item of PPE are carried at cost less accumulated depreciation and Items of fixed assets are measured at cost/revaluation less accumulated depreciation and accumulated impairment losses, if any.



Cost includes expenditure that are directly attributable to the acquisition of asset and bringing to the When parts of an item of fixed asset have different useful lives, they are accounted for as separate items location and condition necessary for it to be capable of operating in the intended manner. The gain or loss on disposal of an item of fixed asset is determined by comparing the proceeds from Property, Plant and Equipment are recognized as assets in accordance with International Accounting Standards (IAS) 16 "Property Plant and Equipment".

Subsequent costs:

The cost of replacing a component of an item of fixed assets is 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 group and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of fixed assets are recognized in profit or loss as incurred.

Changes in Depreciation Method:

Depreciation method has been changed from reducing method to straight line method from year 2017 for accounting policy alignment in accordance with the method followed by parent company (Standard Bank Limited) which is to be treated as "Changes in Accounting Estimates" and prospective accounting has been done for changes in accordance with IAS 8.

Depreciation:

Depreciation is charged at the rates stated below on all fixed assets on the basis of estimated useful lives as determined in the fixed asset policy of the Company. In all cases depreciation is calculated on the straight line method. Charging depreciation commences from the month of acquisition (for full month) and ceases at the month when the assets are disposed. No depreciation has been charged on land. Rate and method of charging depreciation/ amortization of fixed assets are mentioned below:

Category of Assets	Rate of Depreciation
Furniture & Fixture	10%
Office Equipment	20%
Renovation & Decoration	10%
Software	20%

1.07 Cash and Cash Equivalents:

Cash and Cash Equivalents comprise cash in hand and bank balances, which were held and available for use of the Company without any restriction.

1.08 Investments:

All Investment in securities are initially recognised at cost, being fair value of the consideration given, including acquisition charges associated with the investments. The valuation methods used for investments is:

Investment in listed securities are acquired and held primarily as well as secondarily for the purpose of selling them in future or held for dividend income are reported at cost. Unrealised Gain/(Loss) are not recognised in the statement of profit or loss and other comprehensive income.

1.09 Receivables:

Receivables are recognised when there is a contractual right to receive cash of another financial assets from another entity.

1.10 Share Capital

Ordinary shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets.

1.11 Borrowing Funds:

Borrowing funds include borrowings from Standard Bank Limited (SBL) and Investment Corporation of Bangladesh (ICB), which is stated in the Statement of Financial Position (Balance Sheet) as Short Term Loan.

1.12 Provision for Current Taxation:

Provision for current income tax has been made @ 37.50% on total income as prescribed in the Finance Act 2019 on the accounting profit made by the Bank in compliance with IAS-12 "Income Taxes".

1.13 Benefit to the Employees:

The retirement benefits such as Gratuity Fund, Incentive Bonus for the employees of the company as on reporting date have not yet been recognised for in accordance with the provisions of International Accounting Standards-19, "Employers Benefits" as the company is not yet decided for those benefits.

1.14 Provision for Liabilities:

A provision is recognised in the statement of financial position when the company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligations, in accordance with the IAS-37 "Provisions, Contingent Liabilities and Contingent Assets."

1.15 Provision for Margin Loan:

A provision for Equity shortfall of investors in portfolios have been made as per circular of BSEC Directive No. BSEC/CMRRCD/2009-193/203 & Letter No. BSEC/SRI/MB/Policy-5/2020/132 dated January 30, 2020.

1.16 Interest Income:

In terms of the provisions of IFRS-15 "Revenue from Contracts with Customers", interest income is recognised on accrual basis.

1.17 Investment Income:

Investment Income on investment is recognised on accrual basis. Capital Gains are recognised when these are realised.

1.18 Fees and Commission Income:

Fees and Commission income arising on services provided by the Company are recognised on accrual basis.

1.19 Dividend Income on Shares:

Dividend on shares is recognised during the period in which it is declared and ascertained i.e, established as the right of shareholders.

1.20 Events after the reporting period:

Where necessary, all the material events after the reporting date has been considered but no adjustment/disclosures is required to be made in the financial statements.

1.21 Directors responsibility on Financial Statements:

The board of directors of the company is responsible for the preparation and presentation of these financial statements.

1.22 General:

1. The financial statements are presented in Bangladeshi Taka (BDT) Currency, which is the company's functional currency.
2. Figures in these notes and annexed financial statements have been rounded off to the nearest Taka.
3. Figures and account titles of previous year have been rearranged whenever considered necessary to conform with current year's presentation.

		Amount (In Taka)	
		31.12.2020	31.12.2019
2.00	Property, Plant & Equipments:		
	Opening Balance	6,416,544	6,416,544
	Add: Addition during the period	420,000	
	Less: Adjustment	-	-
	Closing Balance (A)	6,836,544	6,416,544
	Depreciation:		
	Opening Balance	3,991,973	3,412,225
	Add: Charge for the period	600,748	579,748
	Less: Adjustment	-	-
	Closing Balance (B)	4,592,721	3,991,973
	Written Down Value (A-B)	2,243,823	2,424,571
	Details are shown in Annexure-1		
3.00	Advance, Deposits & Prepayments:		
	Advance for Office Rent	830,060	1,541,540
	Advance for Custody DP-CDBL	200,000	200,000
	Security deposit	4,990	4,990
	Total	1,035,050	1,746,530
4.00	Investment in Shares:		
	Total Investments (Note-4.01)	1,840,646,303	2,144,527,751
	Total	1,840,646,303	2,144,527,751
4.01			
	Ordinary Shares	No. of Company	Cost value 31.12.2020
			Cost value 31.12.2019
	Investment in Secondary Share Market (Note: 4.01.01)	65	1,840,646,303
	Investment in Primary Share Market	0	-
	Total		1,840,646,303
			2,144,527,751
4.01.01	Investment in Secondary Share Market:		
	Banking Company	539,715,495	636,520,319
	Non Banking Financial Institutions	272,539,658	296,112,977
	Insurance Company	251,818,038	203,655,421
	Investment Company	107,238,308	190,576,091
	Fuel and Power	223,842,210	298,115,377
	Manufacturing Company and Others	445,492,595	518,978,203
	Total	1,840,646,303	2,143,958,389

Investment in shares represents cost price of securities which have been invested by the company in the capital market. The details of the above balance have been shown in Annexure-2.

		Amount (In Taka)	
		31.12.2020	31.12.2019
5.00	Margin Loan to Clients:		
	Portfolio Margin Loan	2,692,698,458	2,301,693,269
	Interest Free Block Loan	153,108,968	153,108,968
	Total	2,845,807,426	2,454,802,237
6.00	Account Receivable:		
	Receivable from Brokers against Investors portfolio	21,669,576	440,062
	Receivable from Brokers against Own Portfolio	61,002,228	757,833
	Sharing Infrastructure Charge Receivable	52,500	-
	Dividend Receivable	10,696,049	10,718,012
	Underwriting Commission Receivable	1,889,250	1,889,250
	Total	95,309,603	13,805,157
7.00	Advance Income Tax		
	Opening Balance	303,739,315	284,943,924
	Add: Tax deducted at source during the period (Note: 7.01)	10,315,202	13,837,235
	Add: Advance Income Tax Paid during the period	-	4,958,156
	Total	314,054,517	303,739,315
	Less: Adjustment of Advance Income Tax for the period	-	-
		314,054,517	303,739,315
	Less: Adjustment of demand Tax for the period	-	-
	Closing Balance	314,054,517	303,739,315
7.01	Tax deducted :		
	Tax deducted on Interest Income	110,059	244,263
	Tax deducted on Dividend Income & Others	10,205,143	13,592,972
	Total	10,315,202	13,837,235
8.00	Stock of Stationery :		
	Opening Balance	47,390	47,390
	Add: Addition during the period	69,690	-
		117,080	47,390
	Less: Stock consumed during the period	47,390	-
	Closing Balance	69,690	47,390
8.01	Other Assets:		
	i) A/c -KBM Moin Uddin Chisty, IDA-1396	9,520,000	11,157,732
	ii) A/c -Sheikh Fazlul Karim Selim, IDA-0087	3,000,000	3,000,000
	iii) Interest Suspense receivable	66,514,014	39,901,219
	Closing balance	79,034,014	54,058,951

		Amount (In Taka)	
		31.12.2020	31.12.2019
9.00	Cash & Cash Equivalent		
	Cash in hand	-	-
	Bank Balances with SBL, Principal Branch (Note-9.01)	83,455,629	25,181,989
	FDR with Banks & NBF	-	-
	Total	83,455,629	25,181,989
9.01	Bank Balance with SBL, Principal Branch:		
	SBL Capital Mgt. Ltd. Investor's (A/C: 00236001807)	59,854,863	23,441,611
	SBL Capital Mgt. Ltd. (A/C: 00236001808)	1,200,697	487,217
	SBL Capital Mgt. Ltd. Own Portfolio (A/C: 00236001810)	19,491,811	101,902
	Public Issue Application (SBL Cap. Mgt.) (A/C:00236001876)	2,678,673	89,792
	SBL Capital Mgt. Ltd.-ICB Fund (A/C: 00236001960)	229,585	1,061,467
	Closing Balance	83,455,629	25,181,989
10.00	Share Capital:		
10.01	Authorized Capital: 5,000,000,000		
	50,000,000 Ordinary Shares of 100/- each	5,000,000,000	5,000,000,000
10.02	Issued, Subscribed and Paid Up Capital: 1,500,000,000		
	15,000,000 Ordinary Shares of 100/- each	1,500,000,000	1,500,000,000
		1,500,000,000	1,500,000,000
10.03	Pattern of Shareholdings:		

	Name	No. of Shares	Amount (TK.)	% of Share
1	Mr. Kazi Akram Uddin Ahmed	50	5,000	0.0003%
2	Mr. Mohammed Zahedul Hoque	50	5,000	0.0003%
3	Mr. S. A. M. Hossain	50	5,000	0.0003%
4	Mr. Mohammed Abdul Aziz	50	5,000	0.0003%
5	ICB, represented by its Managing Director, Mr. Md. Abul Hossain	50	5,000	0.0003%
6	Mr. Nazmus Salehin	-	-	0.0000%
7	Mr. Kazi Khurram Ahmed	50	5,000	0.0003%
8	Mr. Tazmeem Mostafa Chowdhury	50	5,000	0.0003%
9	Mr. Sheikh Omar Faruque	50	5,000	0.0003%
10	Mr. Md. Nizamul Alam	50	5,000	0.0003%
11	Mr. Md. Shahedul Alam	50	5,000	0.0003%
12	Mrs. Humayra Ahmed	50	5,000	0.0003%
13	Miss Sumaiya Hossain	50	5,000	0.0003%
14	Standard Bank Limited, represented by the Managing Director & CEO, Mr. Khondoker Rashed Maqsood	14,999,400	1,499,940,000	99.9960%
	Total	15,000,000	1,500,000,000	100.000%

		Amount (In Taka)	
		31.12.2020	31.12.2019
11.00	Retained Earnings		
	Opening Balance	8,979,057	8,523,464
	Less: Dividend paid	-	-
		8,979,057	8,523,464
	Add: Profit/(Loss) for the period	949,094	455,593
	Total	9,928,151	8,979,057
12.00	Loan facilities from Standard Bank Ltd.:		
	Opening Balance	2,273,376,987	2,077,243,397
	Add: Addition during the period	215,260,870	196,133,590
		2,488,637,856	2,273,376,987
	Less: Refund during the period	-	-
	Closing Balance	2,488,637,856	2,273,376,987
<p>The above loan was taken from Standard Bank Limited bearing interest @ 9.00 % per annum on quarterly basis vide reference No. SCML/HO/SOD Renewal/2020/4174 dated 08.12.2020.</p>			
12.01	Loan from ICB:		
	i) Loan from ICB for ASI-2011 (Note: 12.01.01)	-	14,141,491
	ii) Loan from ICB-2019 (Note: 12.01.02)	-	65,770,196
	Total Loan Balance	-	79,911,688
12.01.01	Loan from ICB for ASI-2011 :		
	Opening Balance	14,141,491	68,983,011
	Add: Addition during the period	-	-
	Total	14,141,491	68,983,011
	Less: Refund during the period	14,141,491	54,841,520
	Closing Balance	-	14,141,491
<p>The above loan was taken as Puji Bazare Khotigroshto Khudro Biniogkarider Shohyaota Tohobil from ICB bearing interest @ 5.00% per annum (simple) on quarterly basis as per ICB letter no. ICB/51/636 Dated April 02, 2018.</p>			
12.01.02	Loan from ICB-2019 :		
	Opening Balance	65,770,196	-
	Add: Addition during the period	-	71,400,000
	Total	65,770,196	71,400,000
	Less: Refund during the period	65,770,196	5,629,804
	Closing Balance	-	65,770,196
<p>The above loan was taken as Puji Bazare Shohyaota Tohobil in secondary market from ICB bearing interest @ 4.00% per annum (simple) on quarterly basis as per ICB letter no. ICB/51/501 Dated July 08, 2019. The loan paid to ICB on 28.12.2020 due to the conversion to Islamic Merchant Banking from conventional Merchant Banking from 01.01.2021.</p>			

		Amount (In Taka)	
		31.12.2020	31.12.2019
13.00	Provision for Expenses:		
	Provision for Depreciation	-	-
	Accrued Expenses (Note: 13.01)	776,630	657,147
	Total	776,630	657,147
13.01	Accrued Expenses:		
	Opening Balance	657,147	438,601
	Add: Accrued Exp. during the period	704,083	451,073
	Total	1,361,230	889,674
	Less: Adjustment during the period	584,599	232,527
	Closing Balance	776,630	657,147
14.00	Sundry Deposit:		
	Portfolio Deposit Account (Investors)	33,213,921	1,800,587
	Affected Small Investor's Deposit Deposit	-	-
	Public Issue Application Deposit	2,579,400	-
	Total	35,793,321	1,800,587
15.00	Liability for withholding Tax, VAT & Others:		
	VAT deducted at source payable	-	-
	Tax deducted at source payable	-	-
	LFC payable (Note-15.01)	210,646	461,630
	Total	210,646	461,630
15.01	LFC:		
	Opening Balance	461,630	10,000
	Add: Addition during the period	200,646	451,630
	Total	662,276	461,630
	Loss: Disbursement during the period	451,630	-
	Closing Balance	210,646	461,630
16.00	Accounts Payable:		
	Payable for Leads Software	-	-
	Legal Fees payable	67,600	-
	Interest payable on ICB Loan (Note-16.01)	246,609	613,273
	Dividend Payable	-	-
	Total	314,209	613,273
16.01	Interest Payable on ICB Loan:		
	Interest payable on ICB Loan-2011	-	174,805
	Interest payable on ICB Loan-2019	246,609	438,468
	Total	246,609	613,273

		Amount (In Taka)	
		31.12.2020	31.12.2019
17.00	Provision for Tax :		
	Opening Balance	310,444,673	278,494,451
	Add: Provision for income tax made during the period (17.01)	34,739,324	31,950,222
		345,183,998	310,444,673
	Less: Over Provision of Tax for the Financial year	-	-
		345,183,998	310,444,673
	Less: Adjustment of Advance Income Tax for the Financial year	-	-
	Closing Balance	345,183,998	310,444,673
17.01	Provision for income tax made during the period		
	The computation of tax provision for the period is as under:		
	Tax on gain on sale of shares	4,534,182	1,763,230
	Tax on dividend from investment in share	10,205,143	10,186,992
	Tax on Business Income	-	-
	Provision of income tax for Financial year 2019	14,739,324	11,950,222
	Add: Provision of income tax for Financial year 2011 & 2012	20,000,000	20,000,000
	Total Tax Provision	34,739,324	31,950,222
18.00	Provision for diminution in value of Investment:		
	Opening Balance	448,601,203	446,802,373
	Add: Provision made during the period	8,537,361	1,798,830
	Closing Balance	457,138,564	448,601,203
	Based on market value prevailing on 31st December of 2020, total value of shares in different companies held by SBL Capital Management Ltd. comes to 1,129,357,038 (cost 1,840,646,303). Details are shown at Annexure-2. Thus difference between market value and cost value of total shares comes to 711,289,227. This represents diminution in investment value. Shortfall in provision are shown below:		
	Total diminution in investment value	711,289,229	954,470,392
	Less: Provision maintained for diminution in investment value	457,138,564	448,601,203
	Total shortfall provision require to maintain within 31-December-2022.	254,150,665	505,869,189
	Against above shortfall, sum of Tk 8,537,361 had been provided in accounts which represents (as per BSEC circular No. BSC/SRI/MB-Policy/5/2019/166 dated, January 22, 2020) total unrealized loss in comprehensive income statement for the year under audit. Remaining loss in investment value amounting to 254,150,665 would be taken into accounts within 2022.		
19.00	Provision for Margin Loan:		
	Opening Balance	335,097,363	328,742,995
	Add: Provision made during the period	21,572,240	6,354,368
	Closing Balance	356,669,603	335,097,363

There arises loss/shortfall in Investors portfolio investment (except rescheduling account shortfall 311,502,173) amounting to Tk 998,858,593 representing difference of loan balance and market value of securities on December 31, 2020 this shortfall/loss should be provided in account. However, BSEC has given a facilities to the Investors by using a circular on BSC/SRI/MB-Policy/5/2019/166 dated, January 22, 2020) that loss/shortfall in provision for investment might be amortized within 31 December, 2022. Provision made for 21,572,240 against net shortfall of portfolio investment of 663,761,230 (except rescheduling account shortfall 311,502,173). As such, shortfall in provision stands at 642,188,990 would be taken into accounts within 2022 as per above BSEC circular which is made up as follows:

		Amount (In Taka)	
		31.12.2020	31.12.2019
	Provision for Margin Loan:		
	Required Provision for Margin Loan	1,310,360,766	1,395,127,870
	Less: Rescheduling amount shortfall	311,502,173	304,799,958
	Less: Provision maintained previous year	335,097,363	328,742,995
	Deficit Provision	663,761,230	761,584,917
	Less: Amortized in Income Statement of current period	21,572,240	6,354,368
	Net provision shortfall	642,188,990	755,230,549
20.A	Provision for Interest Waiver to A.S.I.:		
	Opening Balance	489,064	489,064
	Add: Provision made during the period	-	-
	Closing Balance	489,064	489,064
20.B	Interest Suspense.:		
	Opening Balance	39,901,219	13,177,314
	Add: Maintained during the period	26,612,796	26,723,905
	Closing Balance	66,514,014	39,901,219
	Interest suspense account represents that the total interest receivable from top twenty Margin loan clients which have not been accounted as interest income due to negative equity of those clients.		
21.A	Interest Income:		
	Interest Income from Investors Portfolio Margin Loan	185,800,401	171,564,568
	Interest Income on SND Account	1,068,294	2,314,103
	Interest Income on Term Deposit	-	-
	Total	186,868,695	173,878,671
21.B	Other Income:		
	Issue Management Fees	-	-
	Underwriting commission	825,000	-
	Documentation Charge	29,000	4,500
	Charge for Investment Certificate	2,400	28,400
	Account Closing Charges	28,800	13,000
	Sharing Infrastructure Charge	818,750	1,200,000
	Total	1,703,950	1,245,900
22.00	Interest Expenses:		
	Interest expenses on SBL Loan	215,260,870	196,133,590
	Interest expenses on SBL Time Loan	2,327,473	-
	Interest expenses on ICB Loan (Note: 22.01)	2,095,503	2,896,501
	Total	219,683,845	199,030,091
22.01	Interest expenses on ICB Loan:		
	i) Interest expenses on ICB Loan-2011	-	1,744,033
	ii) Interest expenses on ICB Loan-2019	2,095,503	1,152,468
	Total Interest expenses on ICB Loan	2,095,503	2,896,501

		Amount (In Taka)	
		31.12.2020	31.12.2019
Introduction	23.00 Salary & Allowances:		
	Salaries (Basic)	5,824,560	5,419,560
	Salary for Probationaries	-	243,000
	House Rent Allowance	2,912,280	2,709,780
	House Maintenance & Utility	316,000	300,000
	Medical Allowance	437,600	423,600
	Conveyance Allowance	336,800	304,800
	Provident Fund (Company contribution)	582,456	541,956
	Festival Bonus	1,006,500	992,660
	Boishakhi Allowance	98,050	96,666
	Washing Allowance	9,600	9,600
	Casual Wages & Others	856,324	648,000
	Total	12,380,170	11,689,622
Corporate Governance	24.00 Rent, Taxes, Insurance & Electricity:		
	Rent for Office Premises	1,465,945	1,611,610
	Electricity	215,371	207,150
	Generator Expenses	21,500	27,468
	Lift Expenses	30,000	30,000
	Water & Sewerage	27,046	43,187
	WAN Connectivity Expenses	51,600	53,100
	Total	1,811,462	1,972,515
Risk Governance	25.00 Postage, Stamp & Telecommunication:		
	Postage and Courier	4,775	4,120
	Telephone Expenses	10,600	16,036
	Mobile Expenses	20,000	24,000
	Total	35,375	44,156
Management Retrospection	26.00 Stationery, Printing & Advertisement :		
	Printing & Stationery	80,818	48,840
	Computer, Printer & Networking Accessories	51,130	188,422
	Total	131,948	237,262
Stakeholders' Information	27.00 Director's Fee & Other Expenses:		
	Director's Meeting fees	441,600	385,200
	Director's haltage expenses	-	19,973
	Entertainment for the Board Meeting	67,631	111,819
	Director's Traveling Expenses	50,800	232,050
	Total	560,031	749,042
Sustainability	28.00 Audit & Consultancy:		
	Audit Fees	57,500	74,750
	Legal Fees	165,600	-
	Professional Expenses	-	12,650
	Total	223,100	87,400
Financial Information			

		Amount (In Taka)	
		31.12.2020	31.12.2019
29.00	Other Expenses:		
	Travelling & Conveyance expenses	12,240	11,110
	Entertainment Expenditure (Note-29.01)	430,532	423,641
	Photocopy & Photograph	6,390	14,378
	Training & Internship	-	14,600
	Uniform & Leverage	16,900	25,710
	Cleaning Services from Outsourcing	125,208	125,631
	Rate & Taxes	8,465	12,960
	Bidding Expenses	11,000	-
	Public Issue registration charge	-	15,000
	RJSC Fess & Charges	24,486	123,485
	Leave Fare Compensation	-	451,630
	Drinking Water Expenses	12,000	15,320
	CDBL Charges (Note-29.02)	1,585,126	696,205
	Registration & Renewal fees	150,000	150,000
	BO Account Maintenance Fee	700	350
	Miscellaneous expenses for Board Meeting	38,956	54,310
	Office Maintenance Expenses	70,710	37,184
	Paper & Periodicals	1,890	8,100
	Insurance premium (Motor Vehicle)	-	49,859
	Car Expenses	571,992	571,992
	Petrol, Oil & Lubricants	360,000	360,000
	Bank Charges	138,185	75,404
	Total	3,564,780	3,236,869
29.01	Entertainment Expenditure:		
	Entertainment Allowances	389,600	372,000
	Entertainment Expenses (Office)	40,932	51,641
	Total Entertainment Expenditure	430,532	423,641
29.02	CDBL Charges:		
	CDBL Charges	1,585,126	696,205
	Less: Cash back rebate from CDBL	-	-
	Net charges	1,585,126	696,205
30.00	Earning Per Share (EPS):		
	Net profit after tax	949,094	455,593
	Weighted average outstanding number of shares	15,000,000	15,000,000
	Earning Per Share	0.06	0.03
31.00	Net Operating Cash Flow per share (NOPCFPS):		
	Net cash flow from operating activities	10,468,200	32,378,984
	Number of shares	15,000,000	15,000,000
	Net Operating Cash Flow per share	0.70	2.16
32.00	NAV per share:		
	Shareholders' equity	1,509,928,151	1,508,979,057
	Number of shares	15,000,000	15,000,000
	NAV per share	100.66	100.60

33.00 Attendance Status of Board Meeting of Directors

During the year ended 31st December 2020, there were 04 (Four) Board Meetings were held. The attendance status of all the meetings is as follows:

Name of Directors	Position	Meeting held	Attendance status	Attendance 31 December 2020
Mr. Kazi Akram Uddin Ahmed	Chairman	4	4	4
Mr. Mohammed Zahedul Hoque	Director	4	4	4
Mr. S. A. M. Hossain	Director	4	4	4
Mr. Mohammed Abdul Aziz	Director	4	4	4
ICB, represented by its Managing Director, Mr. Md. Abul Hossain	Director	4	4	4
Mr. Kazi Khurram Ahmed	Director	4	3	3
Mr. Tazmeem Mostafa Chowdhury	Director	4	3	3
Mr. Sheikh Omar Faruque	Director	4	3	3
Mr. Md. Nizamul Alam	Director	4	1	1
Mr. Md. Shahedul Alam	Director	4	4	4
Mrs. Humayra Ahmed	Director	4	4	4
Miss Sumaiya Hossain	Director	4	2	2
Mr. Nazmus Salehin	Independent Director	4	4	4
Mr. Khondoker Rashed Maqsood	Director	4	4	4
Total		56	48	48

33.01 Related party disclosures (IAS-24)

The Company carried out a number of transactions with related parties in the normal course of business on arms length basis.

Name Of Directors	Relation	Name of the Transactions	Transaction During the year
Mr. Kazi Akram Uddin Ahmed	Chairman	Directors Remuneration & Attendance Fees	32,000
Mr. Mohammed Zahedul Hoque	Director		32,000
Mr. S. A. M. Hossain	Director		32,000
Mr. Mohammed Abdul Aziz	Director		32,000
ICB, represented by its Managing Director, Mr. Md. Abul Hossain	Director		32,000
Mr. Kazi Khurram Ahmed	Director		24,000
Mr. Tazmeem Mostafa Chowdhury	Director		24,000
Mr. Sheikh Omar Faruque	Director		24,000
Mr. Md. Nizamul Alam	Director		8,000
Mr. Md. Shahedul Alam	Director		32,000
Mrs. Humayra Ahmed	Director		32,000
Miss Sumaiya Hossain	Director		16,000
Mr. Nazmus Salehin	Independent Director		32,000
Mr. Khondoker Rashed Maqsood	Director		32,000
Total			384,000

33.02 The total amount of remuneration paid in the accounting year is as follows:

Name Of Directors	Relation	Name of the Transactions	Paid During the Year
			31-Dec-20
Mr. Kazi Akram Uddin Ahmed	Chairman	Directors Remuneration	32,000
Mr. Mohammed Zahedul Hoque	Director		32,000
Mr. S. A. M. Hossain	Director		32,000
Mr. Mohammed Abdul Aziz	Director		32,000
ICB, represented by its Managing Director,	Director		32,000
Mr. Md. Abul Hossain			
Mr. Kazi Khurram Ahmed	Director		24,000
Mr. Tazmeem Mostafa Chowdhury	Director		24,000
Mr. Sheikh Omar Faruque	Director		24,000
Mr. Md. Nizamul Alam	Director		8,000
Mr. Md. Shahedul Alam	Director		32,000
Mrs. Humayra Ahmed	Director		32,000
Miss Sumaiya Hossain	Director		16,000
Mr. Nazmus Salehin	Independent Director		32,000
Mr. Khondoker Rashed Maqsood	Director		32,000
Total			384,000

33.03 The profit and loss account will give by way of a note detailed information, showing separately the following payments provided or made during the financial year to the directors, including managing director, the managing agents or manager, if any, by the company, subsidiaries of the company and any other person:-

Particulars	Paid during the Year
	31-Dec-20
Managerial Remuneration paid or payable during the period to the directors, including managing directors, a managing agent or manager	384,000
Expenses reimbursed to Managing Agent	
Commission or Remuneration payable separately to a managing agent or his associate	
Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company	
The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial period.	
Any other perquisite or benefits in cash or in kind stating, approximate money value where applicable.	
Other allowances and commission including guarantee commission Pensions etc.	
(i) Pensions	
(ii) Gratuities	
(iii) Payments from a provident funds, subscription and interest thereon	
iv) Share Based payments	

33.04 Disclosure as per IAS- 24:**As per Para-17, IAS- 24:**

An entity shall disclose key management personnel compensation in total and for each of the following benefits:

- (a) Short-term employee benefits
- (b) Post-employee benefits
- (c) Other long term benefits
- (d) termination benefits and
- (e) share- based payment

-
-
-
-
-

As per Para-18, IAS- 24:

Disclosure requirements of IAS 24, Para 18 minimum disclosure shall include:

- a) The amount of transaction
- b) The amount of outstanding balance, including commitments
 - i) Their terms & condition, including whether they are secured, and the nature of the consideration to be provided in settlement
 - ii) details of any guarantee given or received
- c) Provisions for doubtful debts related to the amount of outstanding balance
- d) The expenses recognized during the period in respect of bad or doubtful debts due from related parties

Remuneration &
Meeting Fee

33.05 Aggregated amount of Remuneration, Fess, Salary & Wages of employees are given below :

Directors Remuneration	-
Board Meeting Attendance Fees	384,000
Wages & Allowance	906,143
Salary & Allowance	11,514,156
	<u>12,804,299</u>

33.06 Disclosures as per requirement of Schedule XI, Part II, Para-III of the Companies Act, 1994**Employee position of the Company as follows:**

Salary Range (monthly)	Number of Employee		
	Staff	Worker	Total-2020
Below 40,000	-	-	-
Above 40,000	6	-	6

SBL CAPITAL MANAGEMENT LIMITED
(A SUBSIDIARY OF STANDARD BANK LTD.)
SCHEDULE OF PROPERTY, PLANT & EQUIPMENTS
AS AT 31ST DECEMBER, 2020

ANNEXURE-1

Particulars	Cost			Dep. Rate	Depreciation			Written Down Value as on 31.12.2020
	Balance as on 01.01.2020	Addition during the year	Adjus- tment		Balance as on 31.12.2020	Charged during the year	Adjus- tment	
Office Equipment	-	-	-	-	-	-	-	-
Computer, Printer, UPS, Server etc.	700,963	-	-	20%	386,243	140,193	-	526,435
Office Renovation	1,984,294	-	-	10%	595,288	198,429	-	793,718
Furniture & Fixture	414,092	-	-	10%	100,014	41,409	-	141,423
Software	998,584	420,000	-	20%	591,817	220,717	-	812,533
Total Balance as on 31.12.2020	4,097,933	420,000	4,517,933		1,673,362	600,748	-	2,274,110
Total Balance as on 31.12.2019	4,097,933	-	4,097,933		1,093,614	579,748	-	1,673,362

SBL CAPITAL MANAGEMENT LIMITED
(A SUBSIDIARY OF STANDARD BANK LTD.)
OWN PORTFOLIO STATEMENT
AS ON 31.12.2020

ANNEXURE-2

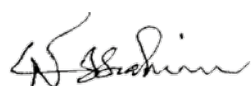
Sl. No.	Company Name	Total Cost	Total Market Value	Unrealised Gain/ (Loss)
A. QUOTED				
1	AB Bank Limited	9,789,620	6,479,550	(3,310,070)
2	ACME Laboratories	10,836,127	7,470,000	(3,366,126)
3	Aman Feed Limited	1,643,610	1,794,000	150,390
4	Argon Denims Limited	2,308,147	2,364,000	55,853
5	Asia Pacific Ins. Co.	1,594,218	1,423,100	(171,118)
6	Associated Oxygen	132,060	773,000	640,940
7	Bangladesh Autocars	8,853,908	8,844,000	(9,907)
8	Bangladesh Shipping	4,574,371	4,722,019	147,648
9	Baraka Power Limited	7,344,329	7,110,548	(233,782)
10	BD Welding Electrode	5,471,994	5,171,200	(300,793)
11	BSRM Steel Limited	111,048,426	46,095,500	(64,952,925)
12	Dhaka Bank Ltd.	72,618,400	46,886,000	(25,732,400)
13	Dominage Steel BSL	248,140	924,566	676,426
14	Eastern Insurance	56,961,153	63,419,112	6,457,960
15	Esquire Knit Cmp Ltd	487,806	289,300	(198,505)
16	EXIM Bank Ltd.	30,958,539	21,240,000	(9,718,538)
17	Familytex (BD) Ltd	6,098,476	2,590,000	(3,508,476)
18	Fareast Finance	208,873	126,000	(82,873)
19	Fareast Islami Life	71,729,834	36,934,400	(34,795,433)
20	Global Insurance Ltd	97,137	186,000	88,863
21	Green Delta Ins. Ltd	3,546,597	3,264,800	(281,796)
22	Heidelberg Cement	52,118,138	15,408,800	(36,709,333)
23	ICB Islamic Bank Ltd	52,772,320	27,950,000	(24,822,320)
24	Int. Leasing And FSL	29,135,711	9,600,000	(19,535,710)
25	Islami Insurance	9,014,980	12,100,052	3,085,072
26	Islamic Finance Inv	42,943,315	34,431,325	(8,511,990)
27	IT Consultants Ltd	4,467,934	4,397,700	(70,234)
28	Jamuna Oil Co. Ltd	41,219,768	33,745,450	(7,474,316)
29	LafargeHolcim Bd Ltd	175,095,116	98,993,800	(76,101,315)
30	LankaBangla Finance	59,262,709	54,895,050	(4,367,659)
31	Meghna Petroleum Ltd	3,754,018	3,960,000	205,984
32	Mercantile Bank Ltd	27,311,704	20,242,530	(7,069,174)
33	MIDAS Financing Ltd.	47,588,518	17,224,350	(30,364,167)
34	National Bank Ltd.	46,509,837	19,921,440	(26,588,397)
35	National Housing	4,139,186	3,899,400	(239,785)
36	ONE Bank Ltd.	38,541,945	20,813,100	(17,728,845)
37	Padma Oil Co. Ltd	39,759,043	32,526,194	(7,232,847)
38	Paramount Textile	817,881	667,800	(150,080)

Sl. No.	Company Name	Total Cost	Total Market Value	Unrealised Gain/ (Loss)
39	Peoples Leasing	44,617,972	7,560,000	(37,057,972)
40	Pragati Insurance Ltd.	57,589,009	44,092,881	(13,496,127)
41	Prime Bank Limited	90,432,171	51,317,100	(39,115,071)
42	Prime Finance & Investment	33,473,182	3,263,400	(30,209,781)
43	Prime Islami Life Ins. Co.	39,944,486	13,078,800	(26,865,684)
44	Quasem Industries Ltd.	11,168,737	9,292,000	(1,876,736)
45	Ring Shine Textiles	81,058	56,326	(24,732)
46	Robi Axiata Limited	1,311,880	3,909,402	2,597,522
47	Runner Automobiles	95,458	80,677	(14,781)
48	Rupali Bank Limited	9,352,461	7,005,957	(2,346,504)
49	Sandhani Life Insurance	11,340,623	9,809,200	(1,531,423)
50	Sea Pearl Beach Reasort	17,762	147,522	129,760
51	Shahjibazar Power Co.	3,820,534	3,065,406	(755,127)
52	Shasha Denims Ltd	14,057,531	7,382,340	(6,675,191)
53	Southeast Bank Ltd	31,476,350	23,922,650	(7,553,700)
54	Square Pharmaceutical	23,578,351	24,803,500	1,225,151
55	Summit Alliance Port Ltd.	3,086,480	3,353,177	266,697
56	Summit Power Ltd.	61,564,069	52,981,800	(8,582,268)
57	Titas Gas T&D Co. Ltd.	70,134,467	34,095,600	(36,038,866)
58	United Commercial Bank Ltd.	107,324,680	67,891,500	(39,433,180)
59	Union Capital Ltd.	15,309,377	5,962,320	(9,347,057)
60	Uttara Bank Limited	22,627,467	19,680,000	(2,947,467)
	Sub Total (A)	1,733,407,996	1,071,635,642	(661,772,315)
B.	MUTUAL FUND			
1	ICB AMCL 2nd MF	11,038,359	6,640,000	(4,398,359)
2	NLI First MF	568,176	508,736	(59,440)
3	Popular Life 1st MF	11,781,046	9,628,799	(2,152,247)
4	Prime Bank 1st ICB MF	4,935,556	3,550,000	(1,385,556)
	Sub Total (B)	28,323,137	20,327,535	(7,995,601)
C.	UNQUOTED			
1	IAMCL Second NRB UF	78,915,170	37,393,860	(41,521,310)
	Sub Total (C)	78,915,170	37,393,860	(41,521,310)
	Total (A+B+C)	1,840,646,303	1,129,357,038	(711,289,227)

SBL CAPITAL MANAGEMENT LIMITED
(A SUBSIDIARY OF STANDARD BANK LTD.)
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER, 2020

Particulars	Notes	Amount in Taka		Growth over 2019	
		2020	2019	Variance	%
		a	b	c = a - b	d=(c / a)*100
INCOME:					
Interest Income	21.A	186,868,695	173,878,671	12,990,024	7.47%
Transaction /Settlement fees		13,190,197	8,782,121	4,408,076	50.19%
Management fee		6,971,606	5,711,765	1,259,841	22.06%
Gain on Sale of Shares		45,341,817	17,632,303	27,709,514	157.15%
Dividend on Investment in Shares		50,713,214	50,934,960	(221,746)	-0.44%
Other Income	21.B	1,703,950	1,245,900	458,050	36.76%
Total Income (A)		304,789,479	258,185,719	46,603,760	18.05%
EXPENDITURE:					
Interest Expense	22.00	219,683,845	199,030,091	20,653,754	10.38%
Salary & Allowances	23.00	12,380,170	11,689,622	690,548	5.91%
Rent, Taxes, Insurance & Electricity	24.00	1,811,462	1,972,515	(161,053)	-8.16%
Postage, Stamp & Telecommunication	25.00	35,375	44,156	(8,781)	-19.89%
Stationery, Printing & Advertisement	26.00	131,948	237,262	(105,314)	-44.39%
Directors' Fee & Other expenses	27.00	560,031	749,042	(189,011)	-25.23%
Audit & Consultancy Fees	28.00	223,100	87,400	135,700	155.26%
Depreciation		600,748	579,748	21,000	3.62%
Other Expenses	29.00	3,564,780	3,236,869	327,911	10.13%
Total Expenditure (B)		238,991,459	217,626,705	21,364,754	9.82%
Profit before Provision (C=A-B)		65,798,019	40,559,014	25,239,006	62.23%
Less: Provision for diminution in value of investments	18.00	8,537,361	1,798,830	6,738,531	374.61%
Less: Provision for margin loan	19.00	21,572,240	6,354,368	15,217,872	239.49%
Less: Provision for interest waiver to A.S.I.	20.A	-	-	-	0.00%
Total Provision (D)		30,109,601	8,153,198	21,956,402	269.30%
Profit/(Loss) before tax (E=C-D)		35,688,419	32,405,815	3,282,603	10.13%
Less: Provision for Taxation	17.00	34,739,324	31,950,222	2,789,102	8.73%
Profit/(Loss) after tax		949,094	455,593	493,501	108.32%
Retained earnings brought forward from previous year		8,979,057	8,523,464	455,593	5.35%
Retained earnings carried forward		9,928,151	8,979,057	949,094	10.57%
Earnings per share	30.00	0.06	0.03	0.03	108.32%

The accompanying notes form an integral part of these financial statements.


Chief Executive Officer


Director


Chairman

Subject to our separate report of even date.


Shafiq Basak & Co.
Chartered Accountants

Dated, Dhaka
Date: April 15, 2021

STANDARD EXCHANGE COMPANY (UK) LIMITED Financial Information

Introduction

Corporate Governance

Risk Governance

Management Retrospection

Stakeholders' Information

Sustainability

Financial Information

STANDARD EXCHANGE COMPANY (UK) LTD

Company Information For the year ended 31 December 2020

DIRECTORS

Kazi Akram Uddin Ahmed
Khondoker Rashed Maqsood
Registered Number
06851946

REGISTERED OFFICE

101
WHITECHAPEL ROAD LONDON
E1 1DT

ACCOUNTANTS

Jahan & Co
Chartered Management Accountants
22 Osborn Street
London
E1 6TD

SECRETARY

Muhammad Abdul Ahad
Bankers
Clear Bank

Directors' Report

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their annual report and the financial statements for the year ended 31 December 2020.

PRINCIPAL ACTIVITIES

Principal activity of the company during the financial year was of financial intermediation.

DIRECTORS

The directors who served the company throughout the year were as follows:

- Kazi Akram Uddin Ahmed
- Mamun Ur Rashid (from 01/11/2016 to 29/01/2020)
- Khondoker Rashed Maqsood (from 29/01/2020)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations and in accordance with United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (Financial Reporting Standard 102). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to :

- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom, governing the preparation and dissemination of financial statements, may differ from legislation in other jurisdictions

This report was approved by the board and signed on its behalf by:



Kazi Akram Uddin Ahmed

Director

Date approved: 19 January 2021

Accountants' Report

FOR THE YEAR ENDED 31 DECEMBER 2020

Introduction

Corporate Governance

Risk Governance

Management Retrospection

Stakeholders' Information

Sustainability

Financial Information

In order to assist you to fulfil your duties under Companies Act 2006, we have prepared (or your approval the accounts of STANDARD EXCHANGE COMPANY (UK) LTD for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position and related notes from the company's accounting records and from information and explanations you have given us.

As a practicing member of the Chartered Institute of Management Accountants, we are subject to its ethical and other professional requirements which are detailed at CIMA's website.

This report is made solely to the member of STANDARD EXCHANGE COMPANY (UK) LTD, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of STANDARD EXCHANGE COMPANY (UK) LTD and state those matters that we have agreed to state to the Board of STANDARD EXCHANGE COMPANY (UK) LTD, as a body, in this report in accordance with the requirements of the Chartered Institute of Management Accountants and as detailed at its website. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than STANDARD EXCHANGE COMPANY (UK) LTD and its members as a body for our work or for this report.

It is your duty to ensure that STANDARD EXCHANGE COMPANY (UK) LTD has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and Loss of STANDARD EXCHANGE COMPANY (UK) LTD. You consider that STANDARD EXCHANGE COMPANY (UK) LTD is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of STANDARD EXCHANGE COMPANY (UK) LTD. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not therefore, express any opinion on the statutory accounts.



Jahan & Co
Chartered Management Accountants
22 Osborn Street
London
E16TD

19 January 2021

STANDARD EXCHANGE COMPANY (UK) LTD
INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
Turnover		213,427	195,200
Gross profit		213,427	195,200
Selling and distribution costs		(3,095)	(3,105)
Administrative expenses		(215,428)	(187,082)
Operating profit/(loss)	2	(5,096)	5,013
Profit/(Loss) on ordinary activities before taxation		(5,096)	5,013
Tax on profit on ordinary activities		-	-
Profit/(Loss) for the financial year		(5,096)	5,013

STANDARD EXCHANGE COMPANY (UK) LTD
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Notes	2020 £	2019 £
Fixed assets			
Tangible fixed assets	6	14,018	17,610
		14,018	17,610
Current assets			
Debtors: amounts falling due within one year	7	54,802	177,586
Debtors: amounts falling due after one year	8	126,764	-
Cash at bank and in hand		113,790	46,471
		295,356	224,057
Creditors: amount falling due within one year	9	(245,839)	(173,036)
Net current assets		49,517	51,021
Total assets less current liabilities		63,535	68,631
Net assets		63,535	68,631
Capital and reserves			
Called up share capital	10	300,000	300,000
Profit and loss account	11	(236,465)	(231,369)
Shareholders' funds		63,535	68,631

For the year ended 31 December 2020 the company was entitled to exemption from audit under section 477 of the companies act 2006 relating to small companies.

DIRECTORS' RESPONSIBILITIES:

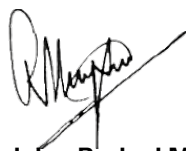
1. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476
2. The directors acknowledge their responsibilities for complying with the requirements of the companies act 2006 with respect to accounting records and the preparation of accounts

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime of Part 15 of the Companies Act 2006.

The financial statements were approved by the board of directors on 19 January 2021 and were signed on its behalf by:



Kazi Akram Uddin Ahmed
Director



Khondoker Rashed Maqsood
Director



Muhammad Abdul Ahad
Secretary

STANDARD EXCHANGE COMPANY (UK) LTD
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Equity share capital	Retained Earnings	Total
	£	£	£
At 01 January 2019	300,000	(236,382)	63,618
Profit for the year		5,013	5,013
Total comprehensive income for the year	-	5,013	5,013
Total investments by and distributions to owners	-	-	-
At 31 December 2019	300,000	(231,369)	68,631
At 01 January 2020	300,000	(231,369)	68,631
Profit for the year		(5,096)	(5,096)
Total comprehensive income for the year	-	(5,096)	(5,096)
Total investments by and distributions to owners	-	-	-
At 31 December 2020	300,000	(236,465)	63,535

STANDARD EXCHANGE COMPANY (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

GENERAL INFORMATION

STANDARD EXCHANGE COMPANY (UK) LTD is a private company, limited by shares, registered in England and Wales, registration number 06851946, registration address 101, WHITECHAPEL ROAD, LONDON, E1 1DT

The presentation currency is £ sterling.

1. ACCOUNTING POLICIES

Significant accounting policies Statement of compliance

These financial statements have been prepared in compliance with FRS 102 - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

Basis of preparation

The financial statements have been prepared on the going concern basis and under the historical cost convention as modified by the revaluation of land and buildings and certain financial instruments measured at fair value in accordance with the accounting policies.

The financial statements are prepared in sterling which is the functional currency of the company.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sale taxes.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the statement of financial position date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All foreign exchange differences are included to the income statement.

Tangible fixed assets

Tangible fixed assets, other than freehold land, are stated at cost or valuation less depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Short Leasehold Properties	15 Years Straight Line
Plant and Machinery	20% Reducing Balance
Fixtures and Fittings	20% Reducing Balance

2. OPERATING PROFIT(LOSS)

	2020	2019
	£	£
The operating profit /(loss) is stated after charging:		
Directors emoluments	-	1,400
Depreciation of tangible fixed assets	3,592	3,977

STANDARD EXCHANGE COMPANY (UK) LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

3. Directors' Emoluments

Administrative Expenses Directors Benefits in Kind

The directors did not withdraw any salary during the period.

	2020	2019
	£	£
	-	1,400
	-	1,400

4. Staff Costs

Wages and salaries

Pension costs, defined contribution plan

Other staff costs

Average number of employees during the year

Administration

Sales

52,270	52,951
2,166	1,760
814	1,400
55,250	56,111
Number	Number
1	1
2	2
3	3

5. Average number of employees

Average number of employees during the year was 3 (2019 : 3)

Cost or valuation	Short Leasehold Properties	Plant and Machinery	Fixtures and Fittings	Total
	£	£	£	£
At 01 January 2020	22,845	24,421	43,796	91,062
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 December 2020	22,845	24,421	43,796	91,062
Depreciation				
At 01 January 2020	16,384	20,075	36,993	73,452
Charge for year	1,523	807	1,262	3,592
On disposals	-	-	-	-
At 31 December 2020	17,907	20,882	38,255	77,044
Net book values				
Closing balance as at 31 December 2020	4,938	3,539	5,541	14,018
Opening balance as at 01 January 2020	6,461	4,346	6,803	17,610

**STANDARD EXCHANGE COMPANY (UK) LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

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7. Debtors: amounts falling due within one year

Trade Debtors
Prepayments & Accrued Income
Other Debtors
Rent Deposit

2020	2019
£	£
37,460	37,060
1,778	106
6,814	131,670
8,750	8,750
54,802	177,586

8. Debtors: amounts falling due after one year

Other Debtors

126,764	-
126,764	-

9. Creditors: amount falling due within one year

Trade Creditors
PAYE & Social Security
Accrued Expenses
Rent Deposit Received
TT Payable
Payable to Brae Saajan

7,896	-
1,115	1,064
3,376	1,137
1,000	3,000
232,452	151,772
-	16,063
245,839	173,036

10. Share Capital

Allotted, called up and fully paid

300,000 Class A shares of £1.00 each

300,000	300,000
300,000	300,000

11. Profit and loss account

Balance at 01 January 2020
Loss for the year

(231,369)
(5,096)

Balance at 31 December 2020

(236,465)

STANDARD EXCHANGE COMPANY (UK) LTD
DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 £	2019 £
Turnover		
Other Trading Income	14,471	15,300
Exchange Rate Gains	72,154	58,125
Remittance Commissions	126,802	121,775
	213,427	195,200
Gross profit	213,427	195,200
Selling and distribution costs		
Advertising	2,600	1,030
Entertainment	-	51
Travel Expenses	495	2,024
	(3,095)	(3,105)
Administrative expenses		
Wages & Salaries	52,270	52,951
Pension Contributions	2,166	1,760
Staff Training	500	400
Staff Welfare	314	1,000
Directors Benefits in Kind	-	1,400
Accountancy Fees	3,500	3,500
Legal and Professional Fees (Allowable)	-	2,600
Consultancy Fees	3,550	-
Light, Heat & Power	2,971	1,795
Cleaning of Premises	1,295	1,542
Rent, Rates & Insurance	50,501	53,710
Bank Charges	75,413	49,668
Depreciation Charge: Leasehold Properties	1,523	1,523
Depreciation Charge: Plant & Machinery	807	937
Depreciation Charge: Fixtures & Fittings	1,262	1,517
Fees & Subscriptions	1,479	380
General Insurance	2,181	1,356
Computer Expenses	630	873
Repairs & Renewals	3,234	-
Stationery & Postage	1,347	1,918
Telephone, Fax & Internet	615	943
Sundry Expenses	-	(1)
Business Development Cost	9,600	7,000
Security Expenses	270	-
Business Meeting Expenses		310
	(215,428)	(187,082)
Operating profit/(loss)	(5,096)	5,013
Profit/(Loss) on ordinary activities before taxation	(5,096)	5,013
Profit/(Loss) for the financial year	(5,096)	5,013

STANDARD CO (USA) INC

Financial Information

United Financial CPA PC

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS AND STOCKHOLDERS OF

STANDARD CO (USA) INC.

We have audited the accompanying financial statements of Standard Co (USA) Inc., a State of NY corporation, which comprise the balance sheet as of December 31, 2020 and 2019, and the related statements of income and cash flows for the years then ended, and the related notes to the financial statements.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

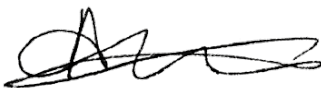
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Standard Co (USA) Inc., as of December 31, 2020 and 2019, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



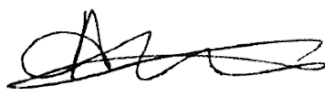
Anowar Hossain
United Financial CPA PC
New York, New York
Date 03/18/2021

STANDARD CO (USA) BALANCE SHEET

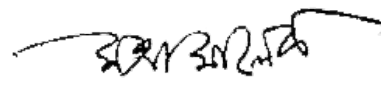
DECEMBER 31, 2020 AND 2019

ASSETS	Year 2020	Year 2019
CURRENT ASSETS		
Cash in Hand and Branch Fund	1,718,900	769,404
Cash at Bank (note b)	697,455	983,437
Cash at Foreign Bank (note b)	91,018	112,177
Total cash and bank	2,507,373	1,865,018
Account Receivable	7,225	4,019
Other Assets (note c)	66,140	66,140
TOTAL CURRENT ASSETS	<u>2,580,738</u>	<u>1,935,177</u>
Leased Hold Improvement	314,623	314,623
Less: Accumulated Depreciation	(215,581)	(179,400)
Office equipment & Sign	63,183	82,847
Less: Accumulated Depreciation	(63,183)	(82,847)
Preliminary Expenses	114,616	114,616
Less: Accumulated Depreciation	(61,438)	(53,797)
Total Net-Preliminary Expenses	53,178	60,819
Total other Non-Current Assets	<u>152,220</u>	<u>196,042</u>
Total Assets	<u>2,732,958</u>	<u>2,131,219</u>
LIABILITIES AND SHAREHOLDER'S EQUITY		
Customer Deposits		
Total Current Liabilities		
Dues to Correspondence (note 3)	1,214,538	756,496
Due to Beneficiary (note 3)	20,330	148,399
SBA PPL Loans	96.190	0
Other current Liabilities Payable	<u>20,692</u>	<u>54,302</u>
Total current Liability current Liabilities	<u>1,351,750</u>	<u>959,197</u>
SHAREHOLDERS' EQUITY		
Paid in capital	1,550,000	1,550,000
Retained Earnings as of December 31, 2020 and 2019	<u>(168,792)</u>	<u>(377,978)</u>
Total Stockholder's Equity	1,381,208	1,172,022
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	<u>2,732,958</u>	<u>2,131,219</u>

See accompanying independent auditor's report.



Anowar Hossain,
CPA



Mohammad Malek,
President & CEO

STANDARD CO (USA) INC.

STATEMENT OF STOCKHOLDER'S EQUITY

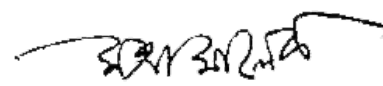
DECEMBER 31, 2020 AND 2019

SHAREHOLDERS' EQUITY	2020	2019
Common stock, 20,000 no par value shares authorize, issued and outstanding	1,550,000	1,550,000
Retained Earnings as of December 31, 2020 and 2019	(168,792)	(377,978)
Total Stockholder's Equity	1,381,208	1,172,022

See accompanying independent auditor's report.



Anowar Hossain,
CPA



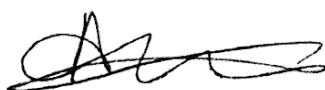
Mohammad Malek,
President & CEO

STANDARD CO (USA) INC.

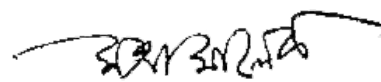
STATEMENT OF INCOME AND RETAINED EARNINGS

DECEMBER 31, 2020 AND 2019

	2020	2019
REVENUES		
Commission and income	378,253	413,124
Foreign Exchange	1,123,389	905,630
Total Revenue after considering foreign exchange Gains	<u>1,501,642</u>	<u>1,318,754</u>
OPERATING EXPENSES		
Salaries and wages	501,130	477,287
Bank charges	163,614	155,958
Bond Premium-CA .Atlanta Branch	4,062	3,750
Rent	340,168	324,037
Depreciation	36,180	36,180
Amortization	7,641	7,641
General & Administrative Expenses	308,573	336,375
	<u>1,361,368</u>	<u>1,341,228</u>
Total Operating Expenses		
Operating Income (Loss)	140,274	(22,474)
Non-Operating Income	82,001	56,067
Income Before interest and Taxes	222,275	(33,593)
State Income Taxes	(13,092)	(2,440)
Net income	209,183	31,153
Retained Earnings at the Beginning of the Year	(377,978)	(409,131)
Adjustments	3	0
Retained Earnings at the End of the Year	(168,792)	(377,978)



Anowar Hossain,
CPA



Mohammad Malek,
President & CEO

STANDARD CO (USA) INC.

STATEMENT OF CASH FLOWS

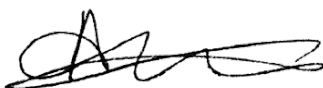
DECEMBER 31, 2020 AND 2019

CASH FLOWS FROM OPERATING ACTIVITIES

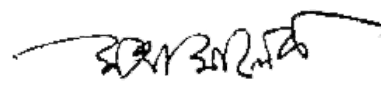
Net Income	
Adjustments to reconcile Changes in net assets to net cash provided by operating activities:	
Depreciation	
Amortization	
Due to Beneficiaries	
Other Asset	
Account Receivable	
Suspense Account	
Due to correspondent	
Other Payable	
Net cash provided from (used) by Operating Activities	
Cash flow from Investing Activities:	
SBA PPL Loans	
Net cash flow from Investing Activities	
Cash flow from Financing Activities: Paid in Capital	
Net cash flow from Financing Activities	
Net increase (decrease) in cash flow	
Cash at the beginning of the year	
Adjustments	
Cash at the end of the year	

2020	2019
209,183	(31,153)
36,180	36,181
7,641	7,641
(128,069)	(159,595)
0	0
(3,206)	(186)
0	0
458,042	(206,857)
(33,610)	6,025
546,161	(285,638)
96,190	0
96,190	0
0	150,000
0	150,000
642,351	135,638
1,865,018	2,000,656
4	0
2,507,373	1,865,018

See accompanying independent auditor's report.



Anowar Hossain,
CPA



Mohammad Malek,
President & CEO

STANDARD CO (USA) NOTES TO

FINANCIAL STATEMENTS

DECEMBER 31, 2020 AND 2019

1. ORGANIZATION

Standard Co (USA) Inc. (the Company) is a for-profit corporation based in Queens, New York. The Company was organized in February 1, 2010 under the laws of the State of New York to operate an international money service business. On November 17, 2014 Company registered with the State of California to conduct money transfer business in California. Company received money transfer license to transact the business of receiving money for transmission within this country and aboard pursuant to the provisions of the XIII-B of the Banking Law in the State of New York on January 31, 2011 and under the provision of the State of California Banking Law a money transmitting license was approved on December 19, 2013.

The Company is registered as a Money Service Business (MSB) with the Internal Revenue Service.

2. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles (GAP)

b. Cash & Cash Equivalents

Cash & cash equivalents include cash in bank accounts and highly liquid debt instruments purchased with an original maturity of three months or less.

	<u>2020</u>	<u>2019</u>
Cash at Bank		
Cash in Hand	\$ 1,718,900	769,404
Cash in Bank	197,455	483,437
HAB BANK CD	<u>500,000</u>	<u>500,000</u>
Total	<u>2,416,355</u>	<u>1,752,841</u>
Cash at Foreign Bank	2020	2019
Agrani Bank	32,856	25,304
Dutch Bangla Bank	8,028	20,410
Pubali Bank	32,315	36,003
Utter a Bank	17,819	30,460
Total	<u>91,018</u>	<u>112,177</u>

c. Deposit, Advance and Prepaid Expenses

Prepaid expenses primarily consist of prepaid bond and insurance expenses. The prepaid amounts are expensed over the respective terms of the policies in accordance with Generally Accepted Accounting Principles (GAAP). The Company had \$66,140 as Deposit, Advance and prepaid expenses at 2020 and \$ 66,140 of at December 31, 2019.

d. Short-term Investments

Short-term investments consist of interest-bearing and non-interest bearing Certificate of Deposits (CDs) held at financial institutions (HAS BANK) in the United States.

e. Property, Plant, & Equipment

The Company follows the practice of capitalizing all expenditures for property, furniture, fixtures, equipment, and leasehold improvements in excess of \$500. In accordance with generally accepted accounting principles (GAAP), land is not depreciated. Depreciation or amortization of all such items is computed on the straight-line basis over the estimated useful lives of the assets which generally are as follows:

Buildings & improvements	39-years
Furniture & fixtures	5-7 years
Equipment and vehicles	5-7 years
Software	3-years
Leasehold improvements life of lease or useful life (whichever is shorter)	

f. Income Taxes

The Company is a C Corp and the Company is required to pay income taxes based on IRC code. During the 2020 company earned profit 209,183. Company paid estimated taxes approximately \$13,092 to IRS and to NYS and California State Income and business franchise taxes.

g. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management's estimates. Actual results could vary from these estimates.

h. Agent Receivable

Company does not have Agents. Company operates suing own branches. The Company has branches in the State of New York and The State of California.

i. Commitments

The Company renewed a non-cancellable lease agreement for office space.

The future minimum annual rental payments are as follows:

Year	Minimum Base
	Annual Rental Payments
2021	\$ 340,168

The future minimum monthly rental payments are subject to escalations due to real estate taxes and common are maintenance charges. For the year ended December 31, 2020, lease expense related to this commitment amounted to \$340,168.

j. Deferred Charges


Deferred charges consist of start-up costs such as legal and organizational expenses that were incurred at the Company inception. The start-up costs are being amortized over twenty years and for the year ended December 31, 2020 and 2019, the Company recognized amortization expense of \$ 0 which resulted in an ending net balance in deferred charges of \$ 0

k. Concentration of Credit Risk

The Company maintains cash with local financial institutions. The Federal Deposit Insurance Corporation (FDIC) insures the total deposits at these institutions up to \$250,000 per depositor.

l. Date of Management's Review

In preparing financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through March 30, 2019, the date that the financial statements were available to be issued.


Anowar Hossain,
 CPA


Mohammad Malek,
 President & CEO

3. WIRE TRANSFERS PAYABLE

Wire transfers payable consists of the funds owed to the Company's customers for unpaid wires at December 31, 2020 and 2019, as well as paid wires owed to the Company's correspondent agent. Wire transfers payable were the following:

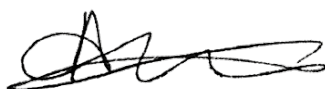
	2020	2019
Due to Correspondents	1,214,538	756,496
Due to Beneficiaries	20,330	148,399
Total	1,234.868	904.895

4. STATEMENT OF CHANGES IN SHAREHOLDERS' CAPITAL

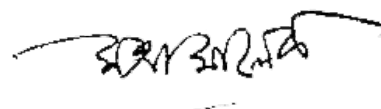
	Year 2020	Year 2019
BALANCE at the Beginning of the Year	1,172,022	990,869
Paid in Capital	0	150,000
NET INCOME (LOSS)	209,183	31,153
SHAREHOLDERS INVESTMENTS		
- DISTRIBUTIONS TO SHAREHOLDERS		
BALANCE, December 31, 2020 and 2019	1,381,208	1,172.022

5. RISKS AND UNCERTAINTIES

The Company depends on having a bank account to operate its business. Beginning in 2001, due to increased anti-money laundering regulations, there has been a trend in the United States of banks choosing not to do business with Money Service Businesses as a whole including those that comply with Federal and State laws and regulations. This trend has adversely affected the Money Service Businesses industry as a whole. As a result of the aforementioned adverse conditions being imposed by US banks, management is looking into ways to mitigate the risk from this trend. Company maintains only Banking relationship with HAB Bank. Management must look into and pursue banking relationship with other USA Banks.



Anowar Hossain,
CPA



Mohammad Malek,
President & CEO



BRANCH NETWORK

**DHAKA ZONE:****Afaznagar Branch**

Rezia Tower (1st Floor)
Afaznagar Residential Area,
Get no. 1, Fatulla, Narayanganj
Cell: 01701221930
Email: afaznagar@standardbankbd.com

Aganagar Branch

Haji Alim Ullah Complex, Zinzira,
East Aganagar, South Keranigonj, Dhaka
Cell: 01701221646
Tel: 02-7762380
Email: aganagar@standardbankbd.com

Ashkona Branch

247 Dana Plaza, Ashkona, Dakkhinkhan, Uttara,
Dhaka 1230.
Cell: 01701221643
Tel: 02-8961823
Email: ashkona@standardbankbd.com

Ashulia Branch

Bhai Bhai Plaza (1st floor), Bogabari, Baipail,
Ashulia, Savar, Dhaka.
Cell: 01701221683
Tel: 02-7790004
Email: ashulia@standardbankbd.com

Bakshigonj Branch

Sawdagor Shopping Complex (1st floor), Old Bus
Stand Road, Bakshigonj, Jamalpur
Cell: 01701221884
Tel: 09822-56136
Email: bakshigonj@standardbankbd.com

Banani Branch

Plot # 98, Road-11, Bloc-C, Banani, Dhaka.
Cell: 01701221540
Tel: 02-9889545
Email: banani@standardbankbd.com

Banti Bazar Branch

Hazi Musa Plaza (1st Floor), Banti Adarsha Bazar,
Araihazar, Narayanganj
Cell: 01701221699
Email: bantibazar@standardbankbd.com

Bhairab SME/Krishi Branch

595/2 Bangobondhu Sharani, Bhairabpur, Bhairab,
Kishorgonj.
Cell: 01701221711
Tel: 02-9471301
Email: bhairab@standardbankbd.com

Bhojeshwar Branch

Shahnour Shopping Complex (1st floor),
Bhojeshwar Bazar, College Road, Naria,
Shariatpur.
Cell: 01701221858
Email: bhojeshwar@standardbankbd.com

Bhulta Branch

Rabet Al- Hasan Shopping Center (2nd Floor)
Bhulta Bus-Stand, Ruppogonj, Narayanganj
Cell: 01701221693
Email: bhulta@standardbankbd.com

Chashara Branch

Sufia Complex (1st Floor)
69 North Chashara, Fatulla, Narayanganj
Cell: 01701221939
Email: chashara@standardbankbd.com

Dakkhin Khan Branch

57 Dakkhin Khan Bazar, Sultan Market , P.O + P.S-
Dakkhin Khan, Dhaka-1230.
Cell: 01701221625
Tel: 02-8956056
Email: dakkhinkhan@standardbankbd.com

Dhaka Udyan Branch (Islamic Banking)

Udyan Dil, 1st Floor, Holding#16
Block#B, Dil Mohammad Avenue
Mohammadpur, Dhaka
Cell: 01701221963
Email: dhakaudyand@standardbankbd.com

Dhanmondi Branch

Sima Blossom,
Sheikh Kamal Sarani
House # 03, Road # 27(Old), 16 (New),
Dhanmondi R/A, Dhaka-1209.
Cell: 01701221525
Tel: 02-8156621
Email: dhanmondi@standardbankbd.com

Ekoría (Keranigonj) Branch

(Near at China BD Friendship Bridge-1),
Hasnabad, Ekoría, South Keranigonj, Dhaka
Cell: 01701221673
Tel: 02-7761100
Email: ekoria@standardbankbd.com

Faridpur Branch

R.K. Plaza (1st floor), 244 Goalchamot, Hazralota,
Faridpur Sadar, Faridpur
Cell: 01701221757
Tel: 0631-61875
Email: faridpur@standardbankbd.com

Foreign Exchange Branch

PFI Tower (2nd Floor), 56-57 Dilkusha C/A.,
Dhaka-1000.
Cell: 01701221520
Tel: 02-9571933
Email: foreignexchange@standardbankbd.com

Gazipur SME/Krishi Branch

Sahabuddin Complex (1st floor), 168, Joydebpur
Bazar, Gazipur 1700.
Cell: 01701221689
Tel: 02-9264263
Email: gazipur@standardbankbd.com

Goalanda Branch

Akbar Plaza (1st Floor),
Ahladipur, Goalanda More,
Rajbari
Cell: 01701221832
Email: goalanda@standardbankbd.com

Gopalgonj Branch

City Square Shopping Mall, College Road,
Gopalgonj
Cell: 01701221784
Tel: 423-6681570
Email: gopalgonj@standardbankbd.com

Green Road Branch

Castle Green (1st floor), 142 Green Road, Dhaka.
Cell: 01701221550
Tel: 02-9102770
Email: greenroad@standardbankbd.com

Gulshan Branch

32 Shezad Palace (1st & 2nd Floor), Gulshan
Avenue, North Commercial Area, Gulshan-2,
Dhaka-1212.
Cell: 01701221510, Tel: 02-9881015
Email: gulshan@standardbankbd.com

Gulshan-1 Branch

Uday Tower, 57 & 57A, Gulshan Avenue (South),
Circle-1, Gulshan, Dhaka
Cell: 01701221505
Tel: 02-9862111
Email: gulshan1@standardbankbd.com

Hemayetpur Branch

Maolana Shopping Complex,
Hemayetpur, Savar,
Dhaka
Cell: 01701221705
Tel: 02-44065025
Email: hemayetpur@standardbankbd.com

Imamgonj Branch

Bellal Market,
79, Moulvibazar, Dhaka-1100.
Cell: 01701221560, Tel: 02-7342525
Email: imamgonj@standardbankbd.com

Islampur Branch

Textile Center, 12 Islampur Road, Kotwali, Dhaka
Cell: 01701221676
Tel: 02-57396940
Email: islampur@standardbankbd.com

Kamarpara Branch

A. R. Complex, 75 Kamarpara, Uttara, Turag,
Dhaka.
Cell: 01701221696
Tel: 02-8981591
Email: kamarpara@standardbankbd.com

Kanchpur Branch, Narayanganj

Jamir Khan Complex (1st Floor), Kanchpur Bus
Stand, Kanchpur, Sonargoan, Narayanganj.
Cell: 01701221670
Email: kanchpur@standardbankbd.com

Kashiani Branch

Abdus Samad Market (1st Floor)
Chowrasta more, Thana Road
P. S. Kashiani, Gopalgonj
Cell: 01701221906
Tel: 0665-256255
Email: kashiani@standardbankbd.com

Kawran Bazar Branch

Hasney Tower (1st Floor)
3/A, Kawran Bazar C/A
Dhaka-1215
Cell: 01701221649
Tel: 02-55013234
Email: kawranbazar@standardbankbd.com

Kholamora Branch

Aziz Super Market (1st Floor), Kholamora Launch
Ghat, Samaruddin Nagor, Ward- 2, Kholamora,
South Keranigonj, Dhaka-1312
Cell: 01701221702
Tel: 02-7766506
Email: kholamora@standardbankbd.com

Kotalipara Branch, Gopalgonj

K.M. Super Market (1st Floor), Ghagor Bazar,
Kotalipara, Gopalgonj.
Cell: 01701221787
Tel: 02-6651277
Email: kotalipara@standardbankbd.com

Madhabdi Branch

MMK Tower (1st Floor),
Madhabdi Bazar, College Road,
Anondimoor, Madhabdi, Narshindi
Cell: 01701221708
Email: madhabdi@standardbankbd.com

**Malibagh Branch**

"Faith Tower" (1st Floor & 2nd Floor),
476/A, DIT Road, Malibagh, Dhaka-1217
Cell: 01701221658
Tel: 02-9331929
Email: malibagh@standardbankbd.com

Matuail Branch

Momenbagh Chowrasta, Paradoair, Konapara,
Matuail, Demra, Dhaka-1362
Cell: 01701221628
Tel: 02-7546147
Email: matuail@standardbankbd.com

Mirpur Branch

Northern Lion's R.P. Tower (1st Floor), Plot-4,
Block-D, Section-2, Chiriakhana Road, Mirpur,
(Near Sony Hall) Dhaka 1216.
Cell: 0 1701221545
Tel: 02-9014059
Email: mirpur@standardbankbd.com

Mohakhali Branch, Dhaka

Green Delta Aims Tower (GF), 51-52,
Mohakhali C/A., Mohakhali, Dhaka
Cell: 0 1701221555
Tel: 02-9855478
Email: mohakhali@standardbankbd.com

Mohammadpur Branch

Manama Turag (1st Floor), 14/23 Shahjahan
Road, Block-A, Mohammadpur, Dhaka-1207.
Cell: 01701221637
Tel: 02-9110630
Email: mohammadpur@standardbankbd.com

Muksudpur Branch

M. Rahman Plaza (1st Floor)
South Chandibordi, Muksudpur, Gopalganj
Cell: 01701221942
Email: muksudpur@standardbankbd.com

Munshikhola Branch

Dhaka-Nararongj Road, Munshikhola, Shampur,
Dhaka 1204.
Cell: 01701221652
Tel: 02-7448979
Email: munshikhola@standardbankbd.com

Mymensingh Branch

27, Rambabu Road, Canada Square Shopping
Complex, Mymensingh.
Cell: 01701221793
Tel: 091-63530
Email: mymensingh@standardbankbd.com

Narayangonj Branch

Nazrul Super Market, 1st & 2nd Floor,
61/2 (New), 28 (Old), BB Road, DIT, Narayangonj
Cell: 01701221535
Tel: 02-7646153
Email: narayangonj@standardbankbd.com

Narsingdi Branch

Jewellery potti, Kalibari Road, Narsingdi Sadar,
Narsingdi
Cell: 01701221664
Tel: 02-9451807
Email: narsingdi@standardbankbd.com

Nawabgonj Branch

Nawabgonj Adhunik Biponi, Zilla Parishad Market,
Nawabgonj, Dhaka.
Cell: 01701221640
Email: nawabgonj@standardbankbd.com

Nawabpur Road Branch

Shahi Bhaban (1st floor), 106, BCC Road, Thatari
Bazar, Dhaka 1203.
Cell: 01701221634
Tel: 02-9512138
Email: nawabpurroad@standardbankbd.com

Nayanpur Branch

Alhaj Nizamuddin Tower (1st Floor)
Nayanpur Bazar, Sreepur, Gazipur
Cell: 01701221933
Email: nayanpur@standardbankbd.com

New Eskaton Branch

129, New Eskaton Road, Eskaton Tower,
Mogbazar, Ramna. Dhaka-1000
Cell: 01701221661
Tel: 02-9341993
Email: neweskaton@standardbankbd.com

North Brook Hall Road Branch

19 North Brook Hall Road
Bangla Bazar, Sutrapur, Dhaka
Cell: 01701221954
Tel: 02-47123306
Email: northbrookhall@standardbankbd.com

North South Road Branch

43/44, Malitola Road, Dhaka
Cell: 01701221667
Tel: 02-9592551
Email: northsouth@standardbankbd.com

Pallabi Branch

Alam Tower, Plot-18, Road-03
Section-07, Pallabi Main Road
1st & 2nd Floor, Mirpur-11, Dhaka
Cell: 01701227357
Email: pallabi@standardbankbd.com

Panthapath Branch

77, Bir Uttam C.R. Dutta Road, Free School
Street, Hatirpool, Dhaka.
Cell: 01701221565
Tel: 02-9667126
Email: panthapath@standardbankbd.com

Pragoti Sharani Branch

KA-70, Hazi Ahmed Plaza (1st Floor), Pragati
Sharani, Kuril, PO-Khilkhet, PS-Vatara, Dhaka
1229.
Cell: 01701221631
Tel: 02-8410225
Email: progotisharani@standardbankbd.com

Principal Branch

Metropolitan Chamber & Commerce Building
(Mezzanine floor), 122-124, Motijheel C/A.,
Dhaka-1000.
Cell: 01701221500
Tel: 02-9558375
Email: principal@standardbankbd.com

Ring Road Branch

Probal Tower, 45-49 Ring Road (1st floor), Adabor-
Shamoly, Dhaka.
Cell: 01701221655
Tel: 02-9103413
Email: ringroad@standardbankbd.com

Savar SME/Krishi Branch

B-66, Bazar Road, Savar-1340, Dhaka
Cell: 01701221682
Tel: 02-7745991
Email: savar@standardbankbd.com

Shafipur Branch

Shapna Joy Tower (1st Floor), Shafipur Bazar,
Kaliakair, Gazipur.
Cell: 01701221679
Tel: 068-2251058
Email: shafipur@standardbankbd.com

Shibchar Branch

286 Iman Gomosta Market (1st Floor), Guatola,
Main Road, Shibchar Bazar, Shibchar, Madaripur.
Cell: 01701221796
Tel: 0662-456500
Email: shibchar@standardbankbd.com

Sonargaon Janapath Branch

Muktijoddha K.S. Tower (1st Floor), Sonargaon
Janapath Avenue, House-01, Road-17/B,
Sector-12, Uttara,
Dhaka-1230
Cell: 01701221690
Tel: 02-8955158
Email: sonargaonjanapath@standardbankbd.com

Tangail Branch

Khan Super Market, Holding -533, Ward-13, Tangail
Pouroshova, Tangail
Cell: 01701221781
Tel: 0921-61774
Email: tangail@standardbankbd.com

Takerhat Bazar Branch

UP Road, Takerhat Bazar, Rajoir, Madaripur
Cell: 01701221808
Email: takerhatbazar@standardbankbd.com

Tongi Branch

Amin Bhaban, 12 Chearg Ali Market Tongi,
Gazipur
Cell: 01701221686
Tel: 02-9810622
Email: tongi@standardbankbd.com

Topkhana Road Branch

36, Crescent Center, 1st Floor, Topkhana Road,
Dhaka-1000.
Cell: 01701221515
Tel: 02-9582060
Email: topkhana@standardbankbd.com

Tungipara Branch (Patgati Br.)

Munshi Super Market (1st Floor), Patgati Bazar,
Tungipara, Gopalgonj
Cell: 01701221763
Tel: 02-6656254
Email: tungipara@standardbankbd.com

Uttara Model Town Branch

Latif Emporium, Plot # 27, Road- 07, Sector- 03,
Uttara Model Town, Uttara, Dhaka 1230.
Cell: 01701221530
Tel: 02-8955171
Email: uttara@standardbankbd.com

**CHITTAGONG ZONE:****Agrabad Branch**

World Trade Center Chittagong (2nd Floor), 102-103, Agrabad C/A, Chittagong
Cell: 01701221585
Tel: 031-2513856
Email: agrabad@standardbankbd.com

Bagichahat Branch

Bilkis Super Market (1st Floor),
8 Hasimpur, Bagichahat, Chandanaish, Chittagong
Cell: 01701221921
Email: bagichahat@standardbankbd.com

Bahaddarhat Branch

Manila Tower (1st Floor), 4544, Bahaddarhat
Moor, Chittagong.
Cell: 01701221742
Tel: 031-2552512
Email: bahadderhat@standardbankbd.com

Bakalia Branch

Hossain Tower (1st Floor), 3615/A, Shah Amanat
Bridge Connecting Road, Kalamia Bazar, Bakalia,
Chittagong
Cell: 01701221820
Tel: 031-2866171
Email: bakalia@standardbankbd.com

Basurhat Branch, Noakhali

Rupali Plaza (1st floor), Rupali Chattar, Bashurhat,
Companigonj, Noakhali.
Cell: 01701221799, Tel: 03223-56093
Email: basurhat@standardbankbd.com

Brahmanbaria Branch

Peara Miah Tower (1st Floor), 1034, Court Road,
Brahmanbaria
Cell: 01701221748
Tel: 0851-61788
Email: brahmanbaria@standardbankbd.com

CDA Avenue Branch

Mariam Bhavon (1st Floor), 1012/A,
CDA Avenue, East Nasirabad, Chattogram 4000
Cell: 01701221778, Tel: 031-2553462
Email: cdaavenue@standardbankbd.com

Chaktai Branch

330, Chaulpotti, Natun Chaktai, Bakalia,
Chittagong
Cell: 01701221733
Tel: 031-626794
Email: chaktai@standardbankbd.com

Chandpur Branch

South Plaza (1st Floor)
235 Shahid Muktijoddah Sarak, Chandpur Sadar,
Chandpur
Cell: 01701221948
Email: chandpur@standardbankbd.com

Chittagong EPZ Branch

Gazi Complex (1st Floor), Airport Road, EPZ Gate,
Bandar, Chittagong
Cell: 01701221718
Tel: 031-740912
Email: cepz@standardbankbd.com

Chittagong University Branch

Abul Hossain Building (1st Floor)
Chittagong University Gate No. 1
Hathazari Road, Chittagong
Cell: 01701221829, Tel: 031-2601716
Email: ctguni@standardbankbd.com

Chowdhuryhat Branch

Fatehabad, Chikondandi, Hathazari,
Chittagong.
Cell: 01701221739
Tel: 031-683225
Email: chowdhuryhat@standardbankbd.com

Comilla Branch

4/4 Kapariapatti (1st floor), Comilla.
Cell: 01701221852, Tel: 081-72489
Email: comilla@standardbankbd.com

Cox's Bazar Branch

Hefazat Market (1st Floor), 103, Main Road, East
Bazar Ghata, Cox's Bazar
Cell: 01701221754, Tel: 0341-51377
Email: coxsbazar@standardbankbd.com

Feni Branch

Sayed Ambia Tower (1st & 2nd floor), 74-75, Trank
Road, Rajbari Gate, Feni 3900
Cell: 01701221896, Tel: 0331-61080
Email: feni@standardbankbd.com

Gunagari Branch

S. M. Chowdhury Super Market, Khasmohol,
Gunagari, Kalipur, Baskhali, Chittagong
Cell: 01701221887, Tel: 03037-56308
Email: gunagari@standardbankbd.com

Jamal Khan Road Branch

370/A-378, Moitree bhaban (1st Floor),
Chittagong
Cell: 01701221736, Tel: 031-2854274
Email: jamalkhanroad@standardbankbd.com

Jubilee Road Branch

Aziz Chamber (1st Floor), 6 Noor Ahmed Road,
Jubilee Road, Chittagong
Cell: 01701221580
Tel: 031-610356
Email: jubilee@standardbankbd.com

Kadamtoli Branch

Rahat Centre, 295 D. T. Road
Kadamtoli, Chittagong
Cell: 01701221730
Email: kadamtoli@standardbankbd.com

Karnaphuli Branch

Haji Jafor Ahmed market (2nd & 3rd floor),
Moizartek, Chorpathorghata, Karnaphuli,
Chittagong
Cell: 01701221775, Tel: 031-2855002
Email: karnaphuli@standardbankbd.com

Khatungonj Branch

Khatungonj Trade Centre (1st Floor), Ramjoy
Mohajan Lane (Post Office Goli), Khatungonj,
Chittagong.
Cell: 01701221590
Tel: 031-639594
Email: khatungonj@standardbankbd.com

Kumira Branch

Ghatghar, Boro Kumira
Sitakunda, Chittagong
Cell: 01701221899
Tel: 030-4251044
Email: kumira@standardbankbd.com

Moheshkhali Branch (Islamic Banking)

Nurul Amin Park Vision, 1st Floor, Holding# 04-145
Dak Bangla Sarak, Gorok Ghata
Moheshkhali, Cox'sbazar
Cell: 01701221966
Email: moheshkhali@standardbankbd.com

Nangalmora SME/Krishi Branch

Nangalmora High School Market (1st floor),
Nangalmora Bazar, Hathazari, Chittagong.
Cell: 01701221876
Email: nangolmora@standardbankbd.com

Nimsar Branch

Insaf Super Market (1st Floor), Nimsar,
Burichong, Comilla
Cell: 01701221826
Email: nimsar@standardbankbd.com

Oxygen More Branch

Ali Noor Complex (1st floor), Oxygen More,
Chittagong.
Cell: 01701221760
Tel: 031-2584461
Email: oxyzenmore@standardbankbd.com

Pahartali Branch, Chittagong

Abul Khair Bhaban, 20/44, D.T. Road,
CDA Market, Pahartali, Chittagong
Cell: 01701221924
Tel: 031-2771931
Email: pahartali@standardbankbd.com

Panchlaish Branch

S.F.A. Tower (Ground Floor), Probortak More, 132
Panchlaish, Chittagong.
Cell: 0170122183, Tel: 031-2558640
Email: panchlaish@standardbankbd.com

Patherhat Branch

School Market (1st Floor), Noapara, Raozan,
Chittagong.
Cell: 01701221817
Tel: 031-2572188
Email: patherhat@standardbankbd.com

Ramchandrapur (Comilla) Branch

NGS Bhaban (1st Floor), Ramchandrapur Bazar,
Muradnagar, Comilla
Cell: 01701221861
Email: ramchandrapur@standardbankbd.com

Sadarghat Branch

291, Hourbourage Dream, Sadarghat Road,
Chittagong
Cell: 01701221927
Tel: 031-619960
Email: sadarghat@standardbankbd.com

Sandwip Branch

Abdul Mannan Complex (1st Floor)
Haramia, Sandwip, Chattogram
Cell: 01701221951
Email: swandip@standardbankbd.com

Shakpura Branch

Noor Plaza (1st Floor) Shakpura,
Chowmohoni Boalkhali, Chittagong
Cell: 01701221918
Email: shakpura@standardbankbd.com

Sheikh Mujib Road

Sekander Bhaban (1st Floor),
545, Sheikh Mujib Road, Dewanhat,
Chittagong 4100
Cell: 01701221769
Tel: 031-711467
Email: skmujibroad@standardbankbd.com

Sultanpur Branch

Hazi Market (1st Floor)
Yakubnagar, Sultanpur, Brahmanbaria
Cell: 01701221936
Email: sultanpur@standardbankbd.com



KHULNA ZONE:

Alamdanga Branch

640/A, London Tower (1st floor), Alif Uddin Road, Alamdanga, Chuadanga
Cell: 01701221864, Tel: 07622-56353
Email: alamdanga@standardbankbd.com

Bagerhat Branch

119/2 K, Ali Road (1st floor), Mithapukurpar, Amlapara, Bagerhat.
Cell: 01701221802
Tel: 0468-64202
Email: bagerhat@standardbankbd.com

Barisal Branch

Mannan Plaza, 84, Sadar Road, Barisal
Cell: 01701221772, Tel: 0431-61273
Email: barisal@standardbankbd.com

Benapole Branch

Nahar Tower, 13 Main Road, Benapole Bazar (Oposit of BDR Camp), Benapole, Jessore
Cell: 01701221805
Tel: 0421-76076
Email: benapole@standardbankbd.com

Chuadanga Branch

Joarder Tower, (1st Floor), 10, Shahid Abul Kashem Sarok, Badurtola, Chuadanga
Cell: 01701221870
Tel: 0761-81150
Email: chuadanga@standardbankbd.com

Jessore Branch

Utshab Bhaban, 6/D, R.N. Road, Katwali, Jessore Sadar, Jessore
Cell: 01701221715
Tel: 0421-68394
Email: jessore@standardbankbd.com

Jhenaidah Branch

Mokbul Hossain Plaza (1st Floor) 250 H.S.S. Road, Jhenaidah Sadar Jhenaidah
Cell: 01701221766
Tel: 0451-63029
Email: jhenaidah@standardbankbd.com

Khan Jahan Ali Branch

Haji Hanif Complex (2nd & 3rd floor) 12-13, Khan Jahan Ali Road, Khulna
Cell: 01701221724
Tel: 041-731312
Email: khanjahan@standardbankbd.com

Khulna Branch

Chamber Building, 5, K.D.A. C/A (Ground Floor), Khulna-9100.
Cell: 01701221570
Tel: 041-732633
Email: khulna@standardbankbd.com

Kumarkhali Branch

Kumarkhali Tower(1st Floor), Holding No-43-10, Shahid Golam Kibria Sarak, Kumarkhali, Kustia.
Cell: 01701221960
Tel: 07025-76221
Email: kumarkhali@standardbankbd.com

Kushtia Branch

43, N.S. Road (1st floor), Amlapara, Kushtia.
Cell: 01701221745, Tel: 071-72458
Email: kushtia@standardbankbd.com

Mathbaria Branch

Haji Adam Ali Khan Supar Market (1st & 2nd Floor), 288 Pharmacy Road, Mathbaria, Pirojpur
Cell: 01701221873
Tel: 0462-575310
Email: mathbaria@standardbankbd.com

Patuakhali Branch

Gazi Plaza (1st floor), Sadar Road, Patuakhali.
Cell: 01701221877
Tel: 0441-62359
Email: patuakhali@standardbankbd.com

Satkhira Branch

Islam Tower (1st Floor), Holding No.-5043, Shahid Kajol Sharani, Ward No.-8, Polashpol, Satkhira Sadar, Satkhira
Cell: 01701221855
Tel: 0471-62405
Email: satkhira@standardbankbd.com

RANGPUR ZONE:

Atrai Branch

Seven stars Mall (1st Floor), Vortetulia Bhoapara Atrai, Noagaon
Cell: 01701221835
Tel: 07422-71022
Email: atrai@standardbankbd.com

Baneswar Branch

Mahi Plaza, Baneswar Bazar, Puthia, Rajshahi
Cell: 01701221902
Email: baneswar@standardbankbd.com

Bogra Branch

Helal Mansion (1st Floor), Sherpur Road, Sutrapur, Bogra Sadar, Bogra
Cell: 01701221751
Tel: 0516-7507
Email: bogra@standardbankbd.com

Chapainawabgonj Branch

Shaleha Sadan, 30 Islampur (Boro Indara More), Chapainawabgonj
Cell: 01701221727
Email: chapainawabgonj@standardbankbd.com
Dinajpur Branch
Northern Plaza, Goneshtala, Dinajpur sadar, Dinajpur.
Cell: 01701221721
Tel: 0531-63979
Email: dinajpur@standardbankbd.com

Fulbari Branch

Mantri Market (1st & 2nd floor) 24/35 Dhaka Dinajpur Highway Road, Dinajpur
Cell: 01701221912
Tel: 05327-56554
Email: fulbari@standardbankbd.com

Gobindagonj Branch

Shila Plaza (1st floor), 211/1, Gobindagonj, Dhaka-Rangpur Highway, Gaibandha
Cell: 01701221881
Tel: 05423-75108
Email: gobindagonj@standardbankbd.com

Hatikumrul Branch

Sabuj Biplob Super Market (1st floor), Hatikumrul Goal Chattar, Ullapara, Sirajgonj
Cell: 01701221814, Tel: 07532-51292
Email: hatikumrul@standardbankbd.com

Hili Branch

Alhaj Shafi Uddin Mondal Tower (1st Floor), Charmatha More, Bus stand Road, Bangla Hili, Hakimpur, Dinajpur
Cell: 01701221909
Tel: 05329-75214
Email: hili@standardbankbd.com

Kansat Branch

Idris Plaza Super Market (2nd floor), Kansatmore, Sona Masjid Road, Shibgonj, Chapainawabgonj
Cell: 01701221823
Email: kansat@standardbankbd.com

Mohadevpur Branch

Shafali Market (1st & 2nd Floor), Mach Chottar, Maid Road, Mohadevpur, Naogaon
Cell: 01701221915
Tel: 07426-75011
Email: mohadevpur@standardbankbd.com

Nilphamari Branch

Nilphamari Chamber of Commerce & Industry Bhaban (1st floor), Hazi Mohsin Sarak, Nilphamari Bazar, Nilphamari.
Cell: 01701221849
Tel: 0551-62590
Email: nilphamari@standardbankbd.com

Pabna Branch

BGC Complex (1st Floor), Opposite to central Girls High School, Thana Road, Pabna Sadar, Pabna-6600
Cell: 01701221893
Tel: 0731-63182
Email: pabna@standardbankbd.com

Pirgonj Branch

Muktijoddha Complex (1st Floor), Projapara, Thana Road, Pirgonj, Rangpur
Cell: 01701221867
Tel: 05227-56047
Email: pirgonj@standardbankbd.com

Rajshahi Branch

M K Tower (1st & 2nd Floor), 28 Gonokpara, Ward No.-12, Ghoramara, Boalia, Rajshahi 6100
Cell: 01701221712
Tel: 0721-811981
Email: rajshahi@standardbankbd.com

Rangpur Branch

Shah Jamal Market (1st Floor), Station Road, Rangpur-5400
Cell: 01701221790
Tel: 0521-52127
Email: rangpur@standardbankbd.com

Rohanpur Branch

Alhaz Abdul Latif Super Market (1st Floor), Rohanpur Boro Bazar, Rohanpur, Gomostapur, Chapai Nawabgonj.
Cell: 01701221811
Tel: 07823-74228
Email: rohanpur@standardbankbd.com

Saidpur SME/Krishi Branch

Khaled Market (1st floor), Shahed Dr. Zhikrul Haque Road, Saidpur, Nilphamari.
Cell: 01701221848
Tel: 0552-671454
Email: saidpur@standardbankbd.com

**SYLHET ZONE:****Beani Bazar Branch**

Holding no 1803, Word no 03,
Zaman Plaza (1st floor), Beanibazar Pourashava,
Sylhet
Cell: 01701221841
Tel: 08223-56097
Email: beanibazar@standardbankbd.com

Biswanath SME/Krishi Branch

Aasmot Ali Complex, College Road, Biswanath,
Sylhet.
Cell: 01701221905
Tel: 08222-456207
Email: biswanath@standardbankbd.com

Goalabazar SME/Krishi Branch

Plaza Market (2nd Floor), Sylhet Road
Goalabazar, Osmani Nagar, Sylhet.
Cell: 01701221847
Tel: 0824-256187
Email: goalabazar@standardbankbd.com

Moulvibazar Branch

Kusumbag Shopping City, Sylhet Road,
Kusumbag, Moulvibazar
Cell: 01701221844
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Sreemangal Branch

Anik Super Market (1st Floor)
182, Station Road, Sreemangal, Moulvibazar
Cell: 01701221945
Email: sreemangal@standardbankbd.com

Sunamgonj Branch

Nasir Plaza, Station Road, Sunamgonj
Cell: 01701221890
Tel: 0871-62720
Email: sunamgonj@standardbankbd.com

Sylhet Branch

Thikana Tower (1st Floor), Nayasarak, Sylhet 3100
Cell: 01701221575
Tel: 0821-710434
Email: sylhet@standardbankbd.com

ISLAMI BANKING WINDOW:**Islami Banking Window, Dhaka**

36 Topkhana Road, (1st floor), Dhaka-1000
Cell: 01730-015106
Tel: 9513515-6

Islami Banking Window, Chittagong

Hossen Chamber (G/F), 105, Agrabad C/A,
Chittagong Cell: 01712914100
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SBL CAPITAL MANAGEMENT

2, DIT Avenue (Extension), 2nd Floor, Motijheel
C/A., Dhaka-1000
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**STANDARD BANK
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