

ANNUAL REPORT 2022

BUILDING A SUSTAINABLE FINANCIAL FUTURE



Standard Bank Limited

Shari'ah Based Islami Bank



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



Message from the HOLY QUR'AN

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

وَمَا آتَيْتُمْ مِنْ رَبِّا لِيَرْبُوْا فِيْ اَمْوَالِ النَّاسِ فَلَا يَرْبُوْا عِنْدَ اللّٰهِ وَمَا آتَيْتُمْ
مِنْ زَكٰوةٍ تُرِيْدُوْنَ وَجْهَ اللّٰهِ فَاُولٰٓئِكَ هُمُ الْمُضْعِفُوْنَ (سورة الرُّوم : ٣٩)

And whatever you give as interest to increase in the wealth of people will not increase with Allah. But what you give as Zakah, desiring the countenance of Allah - those are the multipliers.

(Surah Ar Rum-39)

اِنَّ اللّٰهَ يَأْمُرُكُمْ اَنْ تُؤَدُّوا الْاَمْنٰتِ اِلٰى اَهْلِهَا وَ اِذَا حَكَمْتُمْ بَيْنَ النَّاسِ اَنْ تَحْكُمُوْا بِالْعَدْلِ اِنَّ اللّٰهَ نِعِمَّا
يَعْطُكُمْ بِهِ اِنَّ اللّٰهَ كَانَ سَمِيْعًا بَصِيْرًا (سورة النساء - ٥٨)

Surely, Allah commands you to deliver trusts to those entitled to them, and that, when you judge between people, judge with justice. Surely, excellent is the exhortation Allah gives you. Surely, Allah is All-hearing All-Seeing.

(Surah An Nisa : 58)

كَيْ لَا يَكُوْنَ دُوْلَةً بَيْنَ الْاَغْنِيَاءِ مِنْكُمْ (سورة الحشر-٧)

So that it may not circulate solely between the wealthy among you.

(Al-Hashr-7)



Message from the HOLY HADITH

عَنْ أَبِي هُرَيْرَةَ رَضِيَ اللَّهُ عَنْهُ عَنِ النَّبِيِّ صَلَّى اللَّهُ عَلَيْهِ وَسَلَّمَ قَالَ " مَنْ أَخَذَ أَمْوَالَ النَّاسِ يُرِيدُ
أَدَاءَهَا آدَى اللَّهِ عَنْهُ، وَمَنْ أَخَذَ يُرِيدُ إِتْلَاقَهَا أَتْلَفَهُ اللَّهُ عَلَيْهِ ". (صحيح البخاري)

It was narrated from Abu Huraira (RA) that the Prophet (SAW) said, "Whoever takes the money of the people with the intention of repaying it, Allah will repay it on his behalf, and whoever takes it in order to spoil it, then Allah will spoil him."

(Sahih Bukhari)

عَنْ مَعْمَرِ بْنِ عَبْدِ اللَّهِ رَضِيَ اللَّهُ عَنْهُ عَنِ رَسُولِ اللَّهِ صَلَّى اللَّهُ عَلَيْهِ وَسَلَّمَ قَالَ. لَا يَحْتَكِرُ
إِلَّا خَاطِئٌ (صحيح مسلم)

Narrated Ma'mar bin 'Abdullah (RA): Allah's Messenger (SAW) said: "None withholds goods till the price rises but a sinner."

(Sahih Muslim)

عَنْ أَبِي هُرَيْرَةَ، قَالَ قَالَ رَسُولُ اللَّهِ صَلَّى اللَّهُ عَلَيْهِ وَسَلَّمَ
" نَفْسُ الْمُؤْمِنِ مُعَلَّقَةٌ بِدَيْنِهِ حَتَّى يُقْضَى عَنْهُ " (سنن الترمذي)

Abu Hurairah narrated that: The Messenger of Allah said: "The believer's soul is suspended by his debt until it is settled for him."

(Sunan at-Tirmidhi)



BUILDING A SUSTAINABLE FINANCIAL FUTURE

By integrating sustainability into every aspect of our business, Standard Bank Limited is paving the way for a more responsible and prosperous financial future. Our 2022 annual sustainability report showcases our efforts to build a better world through sustainable finance without compromising on the principles of Islamic Shari'ah.

Building a sustainable financial future presupposes careful planning, responsible decision-making, and a long-term perspective. It is all about considering the social and environmental impacts of financial activities, and working towards solutions that support economic growth without compromising the well-being of future generations. By adopting sustainable practices and investing in sustainable technologies and businesses, we can contribute to building a more equitable and resilient financial system that benefits everyone.



TABLE OF CONTENTS

01

Introduction 08-23

Letter of Transmittal	09
Notice of the 24 th AGM	10
Vision, Mission, Core Values	11
Code of Conduct	12
Strategic Priorities	13
Strategic Management Model	14
Statement Regarding Forward Looking Approach	15
Corporate Profile	16
Group Corporate Structure	17
Corporate Organogram	18
Product Portfolio	19
Our Value Driven Business Model	21
SBL Highlights 2022	22

02

Corporate Governance 24-147

Board of Directors	25
Directors' Profile	27
Sponsors of the Bank	38
Executive Committee	39
Audit Committee	39
Risk Management Committee	40
Shariah Supervisory Committee	40
Senior Management Team	41
Management Team	42
মাননীয় চেয়ারম্যান মহোদয়ের বক্তব্য	44
Managing Director & CEO's Round up	49
Directors' Responsibility Statement	53
Directors' Report	55
Statement of Corporate Governance	96
Board of Directors, Chairman and CEO	100
Report of the Audit Committee	115
Directors' Statement on Internal Control	118
Report of the Board Risk Management Committee	119
Report of the Shari'ah Supervisory Committee	121
BB Guidelines for Corporate Governance	122
BSEC Code for Corporate Governance	129
Certificate on Compliance of Corporate Governance	140
MD & CEO and CFO's Statement of Responsibilities	141
Report of Management Investment Committee	142
Report of Compensation Review Committee	144
Report on Going Concern	145
Statement on Ethics and Compliance	146



03

Risk Governance 147-187

Chief Risk Officer's Report on Risk Management	148
Risk Management Framework	150
Risk Mitigation Strategy	156
Disclosure on Risk Based Capital (Basel-III)	168
Capital Planning & Management	184
Statement of Non-Performing Investment	186

04

Management Retrospection 188-210

Management Discussion & Analysis	189
Report on Human Resource Management	193
Report on Human Capital	194
Report on Management Remuneration Committee	196
Report on HR Accounting	197
SBL Sustainability Report On Human Resources	199
Vertical Analysis (Financial Position)	202
Horizontal Analysis (Financial Position)	203
Vertical Analysis (Comprehensive Income)	204
Horizontal Analysis (Comprehensive Income)	205
How We Create Value	206
Value Added Statement	207
Economic Value Added (EVA) Statement	208
Market Value Added (MVA) Statement	209
Statement on Contribution to Government Exchequer	210

05

Stakeholders' Information 211-236

5 Years Financial Highlights	212
Graphical Presentation	215
Segment Reporting	220
Credit Rating Report	221
Distribution of Shareholding	222
Redressal of Investors' Grievances	223
Communication to Stakeholders	224
Photo Gallery	225
Project Financed By Standard Bank Ltd.	229
Awards	233



06

Sustainability

237-248

Sustainability Report of Standard Bank	239
Integrated Reporting	247

07

Financial Information - Parent Company

249-334

Independent Auditor's report	250
Consolidated Balance Sheet	254
Consolidated Profit and Loss Account	256
Consolidated Cash Flow Statement	257
Consolidated Statement of Changes in Shareholders' Equity	258
Balance Sheet	259
Profit and Loss Account	261
Cash Flow Statement	262
Statement of Changes in Shareholders' Equity	263
Liquidity Statement (Assets and Liability Maturity Analysis)	264
Notes to the Financial Statements	265

08

Financial Information - Subsidiaries & Others

335-400

Off-Shore Banking Unit

Financial Statement	335
---------------------	-----

Standard Bank Securities Ltd.

Financial Statement	341
---------------------	-----

SBL Capital Management Ltd.

Financial Statement	361
---------------------	-----

Standard Exchange Company (UK) Limited

Financial Statement	379
---------------------	-----

Standard CO (USA) INC

Financial Statement	390
---------------------	-----

09

Branch Network

401

Proxy Form

407

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, 2022

Dear Sir(s),

Thank you for being with us in the year 2022.

It is our immense pleasure to present before you a copy of the Bank's Annual Report 2022 along with the audited financial statements including consolidated and separate balance sheet as at 31st December 2022, profit and loss account, cash flow statement, statement of changes in equity, liquidity statement for the year ended on 31st December 2022 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
Executive Vice President &
Acting Company Secretary



Shari'ah Based Islami Bank
Metropolitan Chamber Building (3rd Floor)
122-124 Motijheel CA, Dhaka 1000

NOTICE OF THE 24th ANNUAL GENERAL MEETING

Notice is hereby given to all the respected members that the 24th (Twenty Fourth) Annual General Meeting (AGM) of Standard Bank Limited will be held on Monday, the 26th June, 2023 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:

ORDINARY BUSINESS

AGENDA

- i. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended on 31st December, 2022 along with the Auditors' Report and the Director's Report thereon.
- ii. To declare dividend for the year ended on 31st December, 2022 as recommended by the Board of Directors.
- iii. To retire/elect/re-elect of Directors of the Bank and to confirm the appointment of the Independent Director 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/re-appoint of Corporate Governance Compliance Auditors for the year 2023 and to fix up their remuneration.
- vi. To consider and approve the investment proposals of the Directors as recommended by the Board of Directors.
- vii. To transact any other business with the permission of the chair.

Special Resolution:

The name of the company to be changed as 'Standard Bank PLC' from 'Standard Bank Limited' and amendment of relevant clauses of the Memorandum and Articles of Association of the Bank.

Resolved that,

"The name of the company to be changed as 'Standard Bank PLC' from 'Standard Bank Limited' and amendment of the relevant clauses of the Memorandum and Articles of Association of the Company is hereby approved subject to the approval of regulatory authorities."

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

Dated: June 04, 2023
Dhaka

By order of the Board of Directors

Md. Ali Reza FCMA, CIPA
Executive Vice President &
Acting Company Secretary

NOTES

- i. The Board of Directors has recommended 5.00% Dividend in the form of 2.50% Cash Dividend & 2.50% Stock Dividend for the year ended 31st December, 2022 subject to approval in the upcoming 24th AGM.
- ii. The Record date for the 24th AGM was Monday, June 05, 2023. 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 in the 24th AGM and entitle for dividend as mentioned above.
- iii. 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.
- iv. 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.
- v. 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 2022 along with the Attendance Slip, Proxy Form and the Notice will be forwarded to all the members through their respective email address obtained at their BO Account Number. The soft copy of the Annual Report 2022 will also be available in the website of the Bank: www.standardbankbd.com
- vi. 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 Wednesday, June 21, 2023 for facilitating the payment of cash dividend.
- vii. In compliance with the Bangladesh Securities and Exchange Commission Circular No: SEC/CMRRCID/2009-193/154 dated October 24, 2013, No benefit in cash or kind shall be paid/offered in the 24th AGM of the Bank.

VISION, MISSION, CORE VALUES

VISION

To be a Shari'ah based modern Islami Bank having the object of building a sound national economy and to contribute significantly to the Public Exchequer.

MISSION

To be the best Shari'ah based Islami 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

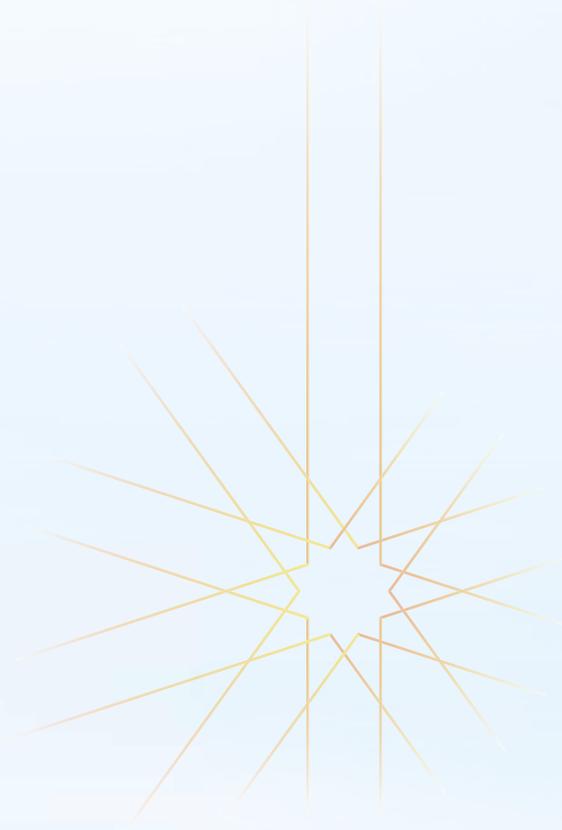
Assuring our socially responsible corporate entity in a tangible manner through close adherence to national policies and objectives.

OUR EMPLOYEE

By promoting the well being of all employees irrespective of strata.

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 in line with Islami Shahri'ah Principle
- Be punctual, well dressed and placid mannered
- Stick to company policies, instructions and guidelines of the bank
- Do not compromise with 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. Drive sustainable business and revenue growth

- i. Sustainable and diversified funded and non-funded business portfolio
- ii. Maximize shareholders' wealth
- iii. Ensure good governance

b. Enhance customer satisfaction

- i. Develop Shari'ah spirit among employees, customers and other stakeholders
- ii. Become a trend-setter in serving the customers
- iii. Reduce turnaround time (TAT) in customer service
- iv. Increase brand visibility by creating positive image of the Bank

c. Reinforce cost and capital efficiency

- i. Effective and efficient risk management system
- ii. Cost optimization through Business Process Reengineering (BPR)

d. Maximize potential use of people, technology and data for societal wellbeing

- i. Train existing and hire skillful people
- ii. Adopt state-of-art and innovative technology
- iii. Providing green services through Internet banking, electronic fund transfer, automated cheque clearing, e-bank statement, SMS alert etc.
- iv. Develop new ideas for more financial inclusion
- v. Serving unprivileged group through Mobile banking and Agent banking.

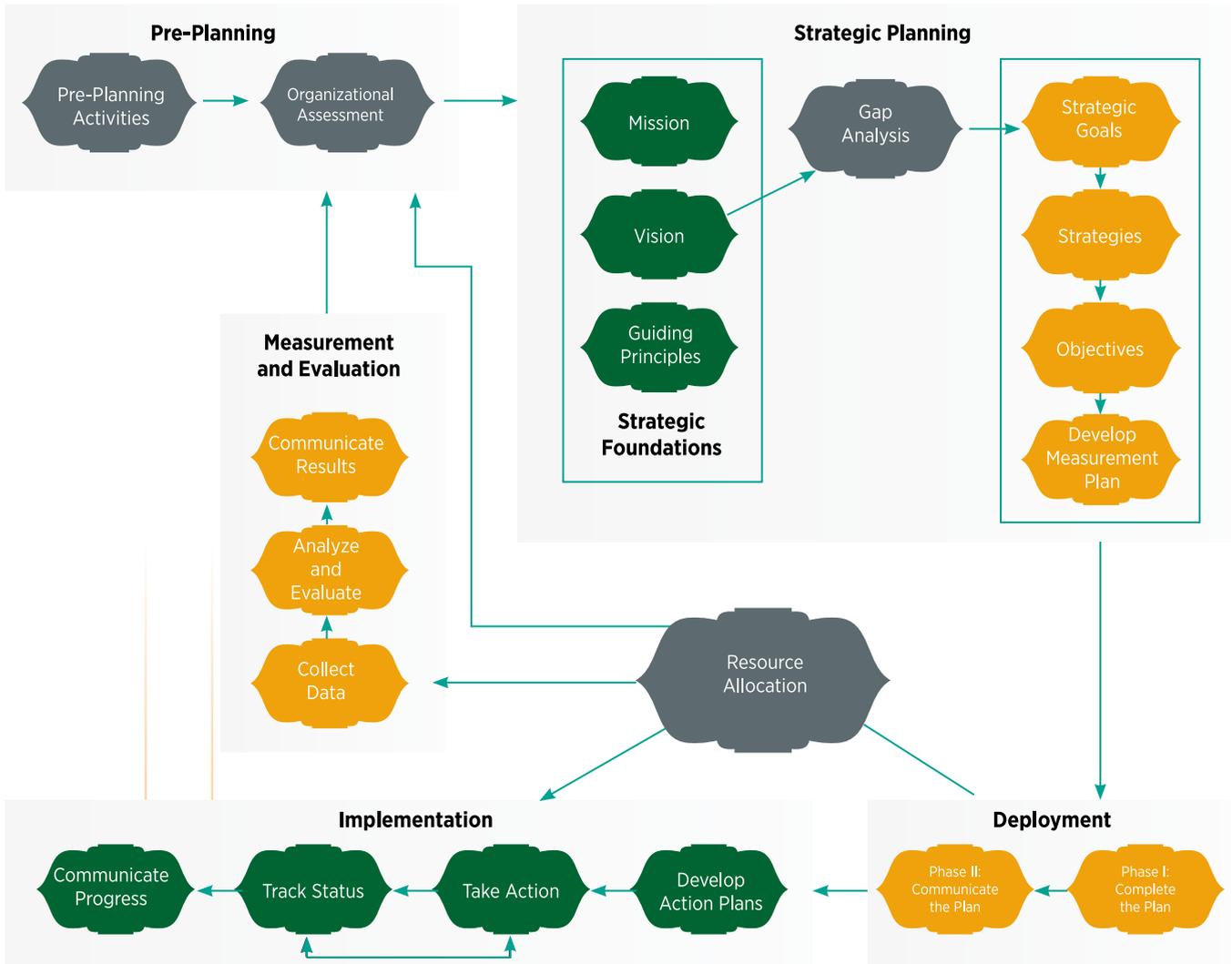
e. Serve the people in need

- i. Help people in need through CSR and other philanthropic programs
- ii. Serve the community through SBL Foundation

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 investment 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

01

Name of the Company

Standard Bank Limited

07

Web Pagewww.standardbankbd.com

02

Chairman of the Bank

Ln. Kazi Akram Uddin Ahmed

08

Barrister-at-Law

Dr. Kamal Hossain & Associates

03

Managing Director & CEO

Md. Habibur Rahman

09

Tax Consultant

Alhaj Md. Serajul Islam

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.

10

AuditorM/s. Shafiq Basak & Co.
(Chartered Accountants)

05

Commencement of Business3rd June, 1999

11

Legal Advisor

Barrister Ashraful Hadi

06

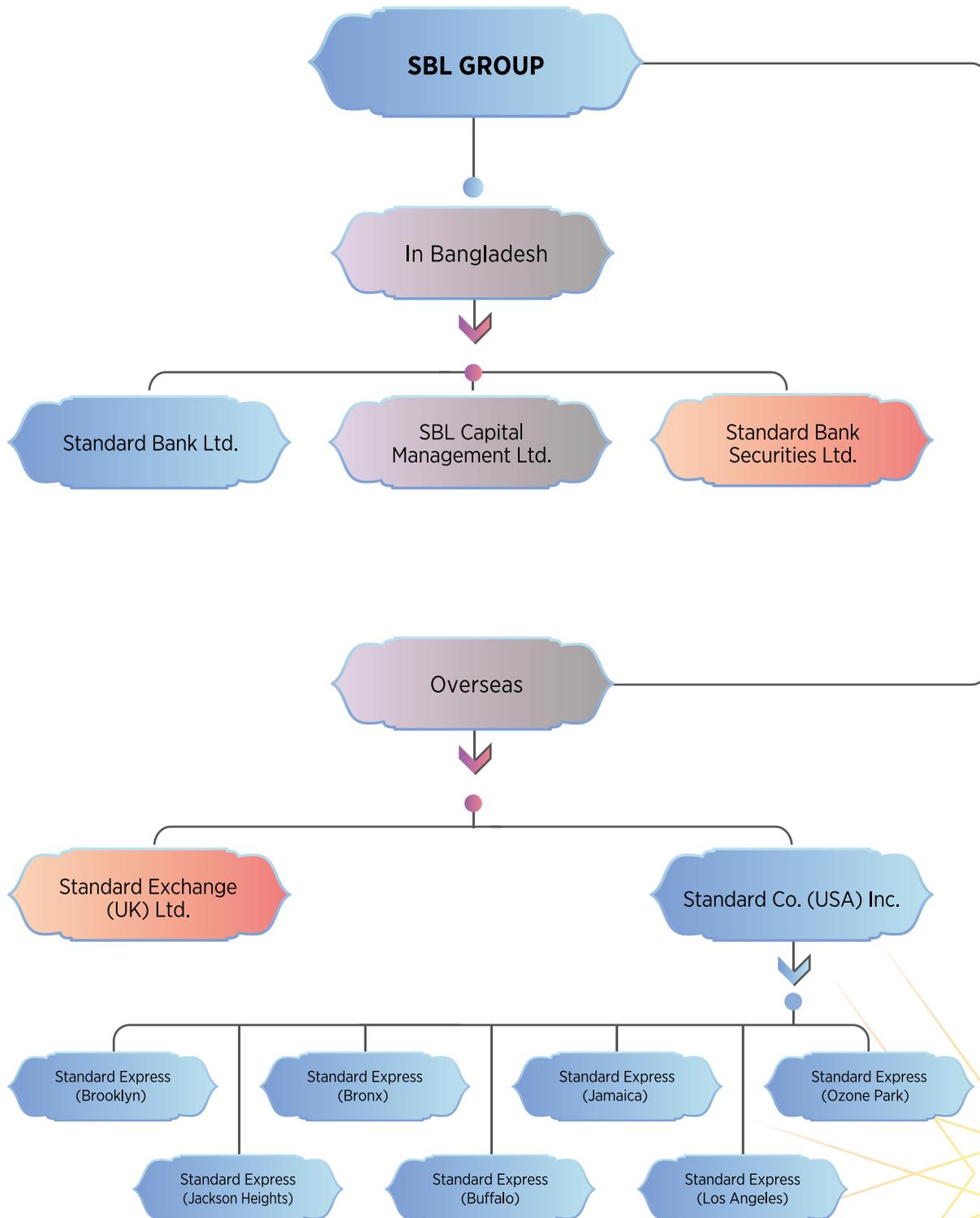
Registered OfficeMetropolitan Chamber Building
(3rd floor)
122-124, Motijheel C/A, Dhaka-1000

12

Rating Agency

ARGUS Credit Rating Services Ltd.

GROUP CORPORATE STRUCTURE



CORPORATE ORGANOGRAM



PRODUCT PORTFOLIO

Investment Products

⇒ BAI MODE

Bai-Murabaha (Corporate, SME, Retail & Agri)

- ⊙ Murabaha TR - General
- ⊙ Murabaha TR - Work Order
- ⊙ MPI TR - Industrial
- ⊙ MPI TR - Others
- ⊙ Murabaha ABP

Murabaha Bill of Exchange (MBE)

- ⊙ MBE - Cash LC
- ⊙ MBE - Cash LC (EDF)
- ⊙ MBE - BTB LC (EDF)

Bai-Muajjal (Corporate, SME, Retail & Agri)

- ⊙ Bai-Muajjal - General
- ⊙ Bai-Muajjal - Work-order
- ⊙ Bai-Muajjal - Export
- ⊙ Bai-Muajjal - SWC (Stimulus Working Capital)

Bai-Muajjal (Term)

(Corporate, SME, Retail & Agri)

- ⊙ Bai-Muajjal Term - General
- ⊙ Bai-Muajjal Term - NGO Linked Agri
- ⊙ Bai-Muajjal Term Agri - Standard Solar Panel
- ⊙ Bai-Muajjal Term Workers salary under FSF
- ⊙ Bai-Muajjal Term Workers salary under IND and SER
- ⊙ Bai-Muajjal - MBE (Cash LC)
- ⊙ Bai-Muajjal - EDF (Cash LC)
- ⊙ Bai-Muajjal - EDF (BTB LC)
- ⊙ Bai-Muajjal - ABP (DP LC)
- ⊙ Bai-Muajjal Bank Guarantee

Bai-as-Sarf

- ⊙ Bai as Sarf (FDBP)

Bai-Salam

- ⊙ Bai-Salam - Pre - shipment

⇒ MUSHARAKA

- ⊙ Musharaka Documentary Bill purchase (MDBP)

⇒ MUDARABA

- ⊙ Mudaraba - EDF (Cash LC)
- ⊙ Mudaraba - EDF (BTB LC)

⇒ HIRE PURCHASE UNDER SHIRKATUL MELK (HPSM)

(Corporate, SME, Retail & Agri)

- ⊙ HPSM Club Fin - Industrial
- ⊙ HPSM Syn - Fin Industrial
- ⊙ HPSM Industrial
- ⊙ HPSM lease finance - industrial
- ⊙ HPSM lease finance - others
- ⊙ HPSM House Building - Industrial
- ⊙ HPSM House Building - Commercial
- ⊙ HPSM House Building - General
- ⊙ HPSM Semi - Pucca Housing
- ⊙ HPSM House Renovation
- ⊙ HPSM Transport - commercial
- ⊙ HPSM Auto
- ⊙ HPSM Consumer Investment Scheme (CIS)
- ⊙ HPSM Staff House Building
- ⊙ HPSM Staff House Renovation
- ⊙ HPSM Staff Consumer Investment Scheme (CIS)
- ⊙ HPSM Staff Transport
- ⊙ HPSM others

⇒ IJARA

⇒ QUARD

- ⊙ Quard against MTDR/Scheme
- ⊙ Quard against Earnest money
- ⊙ Quard against Cash Incentive

⇒ CONTINGENT LIABILITY ISLAMIC BANKING PRODUCTS

- ⊙ Letter of Credit
- ⊙ Letter of Guarantee - Payment Guarantee
- ⊙ Letter of Guarantee - Performance Guarantee, Bid Bond
- ⊙ Inward Bills
- ⊙ Local Document Bill Collection
- ⊙ Foreign Doc. Bill Collection
- ⊙ Letter of Credit (BTB)
- ⊙ Documentary Credit
- ⊙ Master LC

Deposit Products

⇒ AI-Wadeeah mode

Current and Foreign Currency Account

- ⊙ AI-Wadeeah Current Account (AWCA)
- ⊙ AI-Wadeeah Convertible Taka Account
- ⊙ AI-Wadeeah Non-Convertible Taka Account
- ⊙ NFCD Accounts
- ⊙ RFCD Accounts
- ⊙ Private Foreign Currency Account

⇒ Mudaraba Mode

Mudaraba Savings & Term Deposit Products

- ⊙ Mudaraba Savings Account (MSA)
- ⊙ Mudaraba School Banking
- ⊙ Mudaraba SBL-10 Taka Account
- ⊙ Mudaraba Special Notice Deposit (MSND)
- ⊙ Mudaraba Term Deposit
- ⊙ Mudaraba SBL -Garments Workers –SHOFOL
- ⊙ Mudaraba SBL Bondhon Savings
- ⊙ Mudaraba SBL Savings Premium
- ⊙ Mudaraba SBL Savings Premium Plus
- ⊙ Mudaraba SBL Super Savers Savings
- ⊙ Mudaraba SBL Women Savings
- ⊙ Mudaraba SBL Classic Savings
- ⊙ Mudaraba SBL Golden Age Savings
- ⊙ Mudaraba Remittance Savers Savings
- ⊙ Mudaraba MSD-Non Profit
- ⊙ Mudaraba Savings Account-National Service

⇒ Mudaraba Employee Savings Account (Payroll a/c)

- ⊙ Mudaraba Smart Saver-LITE
- ⊙ Mudaraba Smart Saver-PREMIUM

⇒ Mudaraba SBL Scheme Deposit Products

- ⊙ Mudaraba SBL DPS Sarbojonin
- ⊙ Mudaraba SBL DPS Projonmo
- ⊙ Mudaraba SBL DPS Ghoroni
- ⊙ Mudaraba SBL Millionaire Plus
- ⊙ Mudaraba SBL Kotipoti Plus
- ⊙ Mudaraba SBL DPS Bondhon
- ⊙ Mudaraba SBL Monthly Income PROTASHA
- ⊙ Mudaraba SBL Monthly Income SHRODDHA

- ⊙ Mudaraba SBL DIGUN SHOMRIDDHI
- ⊙ Mudaraba Hajj Savings Scheme (MHSS)
- ⊙ Mudaraba Cash Waqf
- ⊙ Mudaraba Mohor

Technology Products

⇒ Internet Banking

⇒ SMS Banking

⇒ DigiBanking

⇒ ATM Banking

⇒ POS Banking

⇒ “SBL Express” Booth

⇒ NPS Connectivity

Card Products

⇒ Visa Tjarah 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

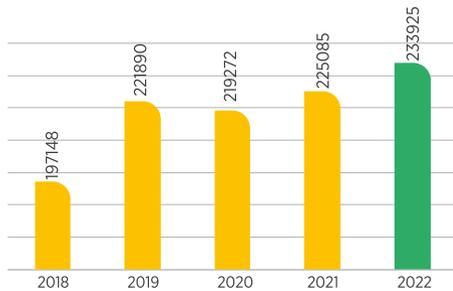
⇒ Agent Banking SBL

OUR VALUE DRIVEN BUSINESS MODEL

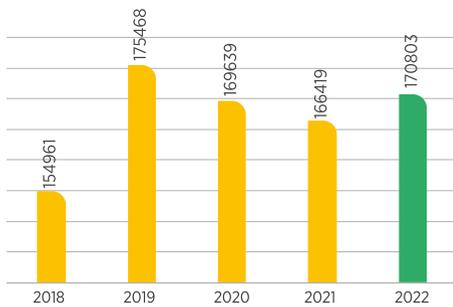


SBL Highlights 2022

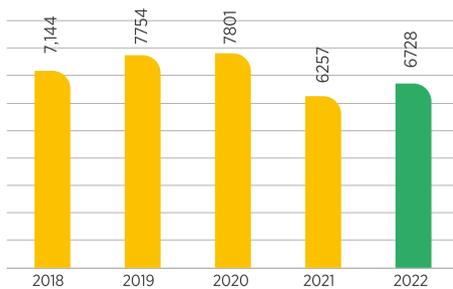
Total Assets (Million Taka)



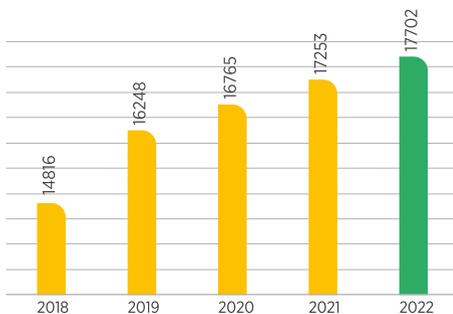
Deposit (Million Taka)



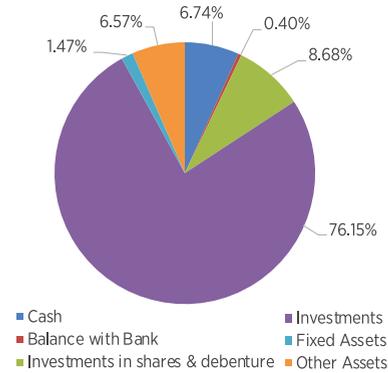
Operating Income (Million Taka)



Shareholders Equity (Million Taka)



Assets Mix - 2022



Profit After Tax

1,122
million taka

Operating Profit

1,738
million taka

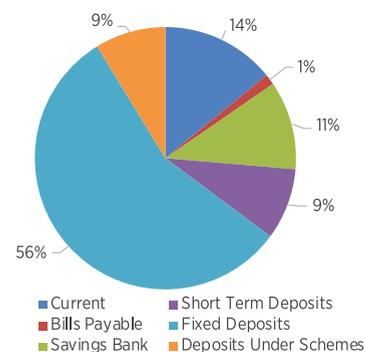
Paid-up capital

10,621
million taka

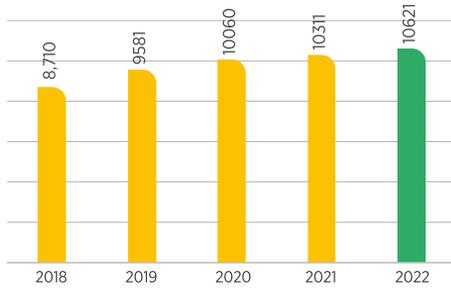
Investment

178,128
million taka

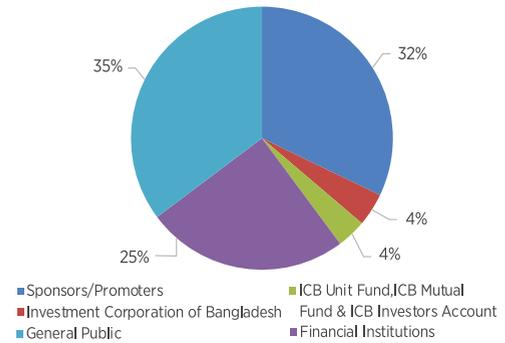
Deposit Portfolio Mix - 2022



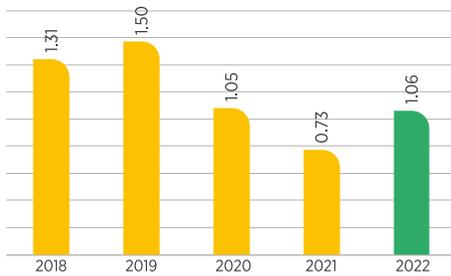
Paid up Capital (Million Taka)



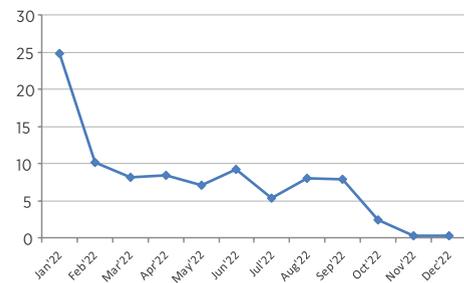
Distribution of Shareholding



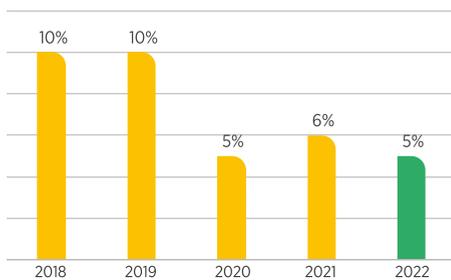
Earnings Per share (Taka)



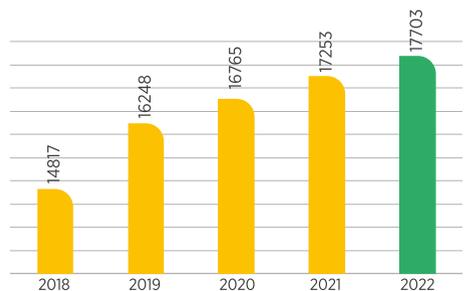
Month Wise DSE Turn Over of SBL (Taka In Crore)



Dividend (Percentage)



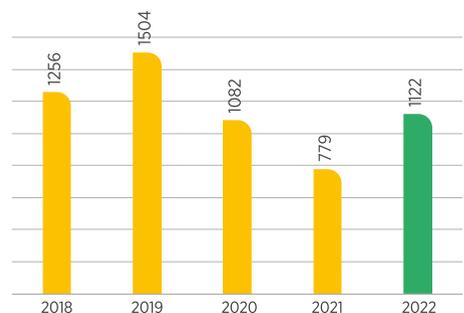
Net Assets Value (Million Taka)



SME Performance (Million Taka)



Net Profit After Tax (Million Taka)



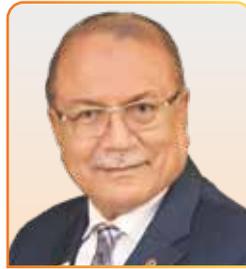
The image features a light blue background with a large globe on the right side, composed of puzzle pieces. In the foreground, several puzzle pieces are scattered on a light-colored surface. A green, rounded rectangular banner with a thin orange border is positioned in the center, containing the text 'CORPORATE GOVERNANCE'. A network of thin orange lines radiates from the bottom right corner towards the center of the page.

CORPORATE GOVERNANCE

BOARD OF DIRECTORS

SL	Name	Designation
1	Mr. Kazi Akram Uddin Ahmed	Chairman
2	Mr. Ferdous Ali Khan	Vice-Chairman
3	Mr. Kamal Mostafa Chowdhury	Director
4	Mr. Ashok Kumar Saha	Director
5	Mr. Ferozur Rahman	Director
6	Mr. Md. Monzurul Alam	Director
7	Mr. S.A.M. Hossain	Director
8	Mr. Mohammed Abdul Aziz	Director
9	Al-haj Mohammed Shamsul Alam	Director
10	Mr. Gulzar Ahmed	Director
11	Mr. Md. Zahedul Hoque	Director
12	Mr. Kazi Khurram Ahmed	Director
13	Mr. A K M Abdul Alim	Director
14	Mr. Md. Abul Hossain, Managing Director, ICB	Director
15	Mr. Najmul Huq Chaudhury	Independent Director
16	Mr. Golam Hafiz Ahmed	Independent Director
17	Mr. Md. Habibur Rahman, Managing Director & CEO	Ex-Officio Director

BOARD OF DIRECTORS



Mr. Kazi Akram Uddin Ahmed
Chairman



Mr. Ferdous Ali Khan
Vice Chairman



Mr. Kamal Mostafa Chowdhury
Director



Mr. Ashok Kumar Saha
Director



Mr. Ferozur Rahman
Director



Mr. Md. Monzurul Alam
Director



Mr. S.A.M. Hossain
Director



Mr. Mohammed Abdul Aziz
Director



Al-Haj Mohammed Shamsul Alam
Director



Mr. Gulzar Ahmed
Director



Mr. Md. Zahedul Hoque
Director



Mr. Kazi Khurram Ahmed
Director



A K M Abdul Alim
Director



Mr. Md. Abul Hossain
Director



Mr. Najmul Huq Chaudhury
Independent Director

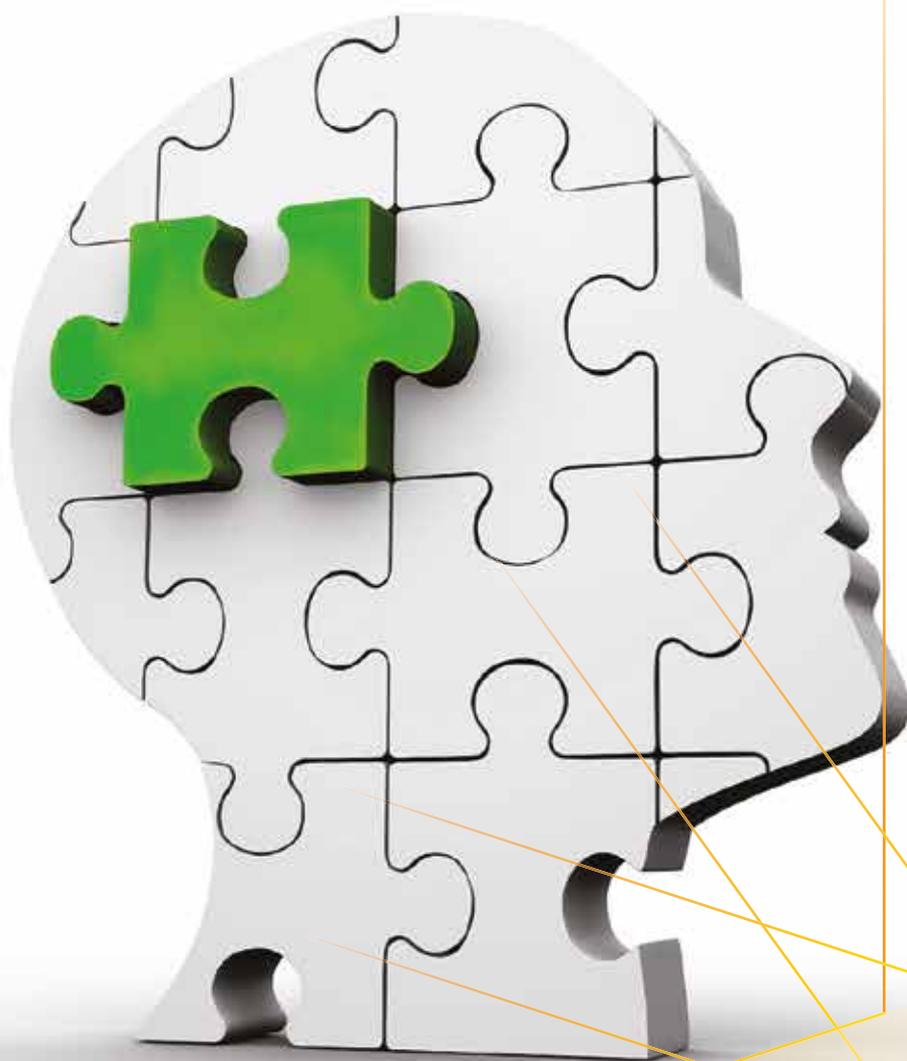


Mr. Golam Hafiz Ahmed
Independent Director



Mr. Md. Habibur Rahman
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. Kazi 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 Mohammudi 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 to 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, he was 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 acknowledged. He was also the Chairman of Technology Committee of LCI and was the Chairman of Planning Committee of the 47th ISAME (India, South Asia and Middle East) Forum at Chennai, India. He is also the Chairman of 51st ISAME Forum 2023 to be held in Dhaka, Bangladesh. Moreover, he is the Area Leader of Campaign 100 of Constitutional Area 6A of Lions Clubs International Foundation (LCIF), Ambassador of Goodwill 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 Chairman, founder, donor, patron & trustee of so many educational institutions, Woman 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 Regent Board Member of the Gopalganj University of Science & Technology. Presently, he is one of the members of a public university namely Bangabandhu Sheikh Mujibur Rahman Digital University, Bangladesh. He is also one of the trustee board members of Dhaka Shishu Hospital since long.

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 and received "The Global Economics Awards 2021" from the United Kingdom based organization "The Global Economics" as the Best Entrepreneur in Banking Sector-Bangladesh, 2021.

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. He attended 65th, 67th and 68th UN General Assembly at New York, USA as Head of Business Delegation as an entourage of the Honorable Prime Minister of Bangladesh.



FERDOUS ALI KHAN

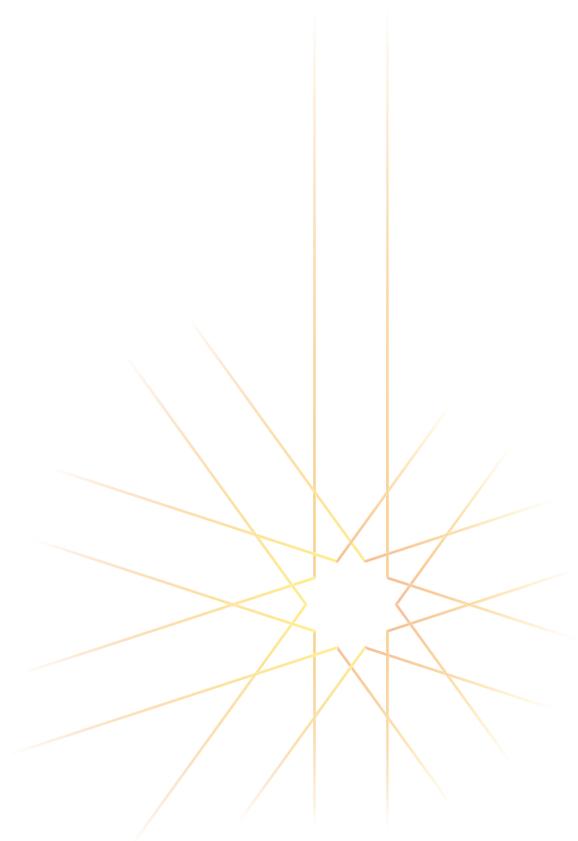
Vice Chairman

Mr. Ferdous Ali Khan is a reputed businessman hails from a very respectable and educated Muslim family of Dinajpur. His father late Siddique Ali Khan was a 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. His relentless perseverance and love for the art of tailoring has allowed him to hone his skill as a cutting master.

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 gain far and wide reputation as an Iconic Tailoring House in the city. In September 1986, he opened his second shop at the diplomatic area of Gulshan. Since then, he has fearlessly expanded Ferdous Tailors to serve customers in major locations of Bangladesh. He has created a world-class central factory on Kuril Bishwa Road to cater to exceptional quality custom-made tailoring and also to teach the next generation about the craft of tailoring.

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.





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 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 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.Barua. 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.Barua
- Vice-Chairman and Chairman of New Model Bohumukhi High School, Dhanmondi, Dhaka for 38 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'barua



MD. MONZURUL ALAM

Director

Mr. Md. Manzurul Alam is a renowned Industrialist having over 38 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. Manzur 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 42 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 and Managing Director of Victor Group and 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 Bashara Boyoshka Punarbasha 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



GULZAR AHMED

Director

A renowned businessman of the country Mr. Gulzar was born in a noble Muslim family in Golapganj, Sylhet. After completing his studies, he joined his family business Apon Jewellers. A distinguished business personality, Mr. Gulzar Ahmed has climbed to the top of success through integrity, devotion and professionalism in his illustrious business career of 37 years. He is the Chairman of Unique Gold Private Limited, Senior Vice-President & Chairman of the Bank & Financial Standing Committee of Bangladesh Jewellers Association (BAJUS). He is the First Vice President of Bangladesh Jewellery Manufacturers and Exporters Association (BJMEA), General Member of FBCCI, Vice-President of Baitul Mokarram National Mosque Musalli Committee, Member of Baitul Mokarram Market Babosaye Group and Chief Advisor of Gulshan DNCC Market Committee. Previously Mr. Gulzar Ahmed has served as President of Baitul Mokarram Babosaye Group and Bangladesh Jewellery Manufacturers & Exporter Association with a very good reputation. He is actively associated with many socio-cultural organizations.



MD. ZAHEDUL HOQUE

Director

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). He is also the 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
- Former Director of The Chittagong Chamber of Commerce and Industries (CCI).
- Founding Member of Governing Body of Boalkhali Haji Mohammad Nurul Haque Degree College, Shakpura, Boalkhali, Chittagong.
- Life Member of Army Golf Club, Dhaka.
- Permanent member of Chittagong Boat Club.
- Permanent Member of Chittagong Club Limited.
- Founder member of Chittagong Seniors Club Limited.
- Permanent member of Chittagong Collegiate School '85.
- Life Member of Mother and Child Hospital, Agrabad, Chittagong.
- Member of Bangladesh Garments Manufacturing and Export Association (BGMEA).
- Vice Chairman of Khatunganj Trade and Industries Association.
- Former Councilor of Chittagong District Sports Association.
- Chairman, Executive Committee of Chittagong Rising Star Club Executive Committee.
- Founder of Amenia Forkaniya Nuria Madrasah and Orphanage.
- Adviser to social organization Purbasar Alo.



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 joining the board of Standard Bank Ltd., Mr. Ahmed served as a Director of SBL Capital Management Ltd. and left his mark on various policy aspects. He is now the Member of the Audit Committee, Risk Management Committee and observer of Shariah Supervisory Committee of Standard Bank Limited. As the only son of Mr. Kazi Akram Uddin Ahmed, honorable Chairman of the Bank & former 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 18 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 happily married with a son.



A K M ABDUL ALIM

Director

Mr. A K M Abdul Alim is a young & eminent entrepreneur who belongs to a well-respected business family. He is the only son of Mr. Mohammed Abdul Aziz, Founder Sponsor Director of Standard Bank and Member, Board of Trustees of Fareast International University.

After passing O & A Levels from Scholastica. Mr. Alim obtained his BBA from North South University, Dhaka. Then he completed his MBA from University of Bedfordshire, UK. Mr. Alim possesses expertise in international business & supply chain management with in-depth knowledge and enthusiasm for the global financial market.

He has been involved in multifarious business activities for over a decade. Presently, he is the Director of SBL Securities Ltd., proprietor of MAAS Corporation. Director of Midland Credit Co-operative Society Limited and Managing Director & CEO of Global Leather Industry limited.

A social activist Mr. Alim is the Life Member of Gulshan Society, Member of Lions Clubs International, Founder Donor member of Gulshan North Club Ltd. and Member of Dhaka Chamber of Commerce & Industry.

He has travelled multiple times to India, Thailand, Malaysia, Indonesia, Nepal, Hongkong, China, Australia, USA and many more countries.



MD. ABUL HOSSAIN

Director

Mr. 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 31 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), 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 (Founder Managing Director of a first Indian Shipping Company, "Indo-Burma Navigation Company" and Founder Director of "Pioneer Bank" in the British days) comes of a very respectable Muslim Zaminder family of Chattogram, Nazir's Family in North-Kattali. His eldest uncle late Md. Nurul Huq Chaudhury was the former Central Minister of the then Pakistan for Minister of Works, Labour, Minority Affairs, Education & Home Ministries under United Front Government (যুক্তফ্রন্ট সরকার) in 1955-57 and his grandfather was a renowned business magnet & one of the richest men of Myanmar in Mandalaya & Rangoon, who was used to call the "Tiger of Mandalaya". He obtained his graduation in Commerce (B.com) from St. Xaviers College of Calcutta and continued his further studies of M. Com. & LL.B under in Calcutta University. 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

- 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

He also served in the following Industrial/Business, Social-Welfare Organizations: -

- Imm. Past Chairman, The Chittagong Lions Foundation & Lions Charitable Eye Hospital since (2009-2021).
- Ex-Vice Chairman, Past Lions District Governors Forum (PDG Forum) from 2010-12 & 2014-15.
- Former Vice Chairman, Bangladesh Vegetable Oil Refiners' Association, Dhaka, (1984 to 2000)
- Founder EC Member, American Chamber of Commerce in Bangladesh, Dhaka, (1986-1990), Dutch-Bangla Chamber of Commerce & Industry, Dhaka, (1990-1994).
- Ex-EC Member, Foreign Investors Chamber of Commerce & Industry, Dhaka, (1978-2000), Chittagong Chamber of Commerce & Industries, Chittagong, (1975-1980), Bangladesh Chamber of Industries, Dhaka, (1980-1986), Bangladesh Employers' Federation, Dhaka, (1976-1980), Chattagram Maa-Shishu-O-General Hospital, Chittagong, (1989), Chittagong Diabetic Association, Chittagong, (1986-1990), Bangladesh Lions Foundation, Dhaka, (1990-2000), Muslim Education Society, Chittagong, (1985-2008), International Chamber of Commerce-Bangladesh, Dhaka, (1998)
- Imm. Past President, Governing Body, Kattali Nurul Huq Chy High School, Chattogram and Ex-Donor Member of Kattali Nurul Huq Chy High School Chattogram, since 1985.
- Ex-Administrator, Bangladesh Tank Terminal Limited, Patenga, Chattogram, (1975&1976).
- Ex-General Member, FBCCI, Dhaka (1984-2000).



GOLAM HAFIZ AHMED

Independent Director

Mr. Golam Hafiz Ahmed has been appointed as Independent Director as well as Chairman of the Audit Committee of Standard Bank Limited. Mr. Hafiz started his banking career with Chartered Bank in 1982. Throughout his 34 years illustrious banking career he held different senior management positions in Standard Chartered, Pubali Bank, Bank Indosuez, Dhaka Bank and NCC Bank Limited. After retirement as Managing Director & CEO of NCC Bank, Mr. Hafiz joined Islami Bank Foundation in 2018 as Executive Director and served until January 2020.

In his long banking career, he demonstrated remarkable leadership ability in institutional transformations & development at various levels of management. In addition to attending many training courses, seminars, and workshops at home and abroad, he has completed a leadership course on Value creation in Banking from famous French business school 'INSEAD'. Mr. Hafiz obtained his Masters and Honours degrees in Economics from Dhaka University

Prior to joining SBL, he was a Director in Bangladesh Finance Board.



MD. HABIBUR RAHMAN

Ex-Officio Director, Managing Director & CEO

Mr. Md. Habibur Rahman, a prominent banking personality having 33 years of proven track record in banking, joined Standard Bank Limited as the Managing Director & CEO on 01 February 2023. Prior to this new assignment, he served Union Bank Limited and Southeast Bank Limited as Additional Managing Director as well as NCC Bank Limited and Jamuna Bank Ltd as Deputy Managing Director. Upon completion of his post-graduation in Economics from the University of Chittagong, Mr. Rahman embarked on his illustrious banking career on May 09, 1989 with Islami Bank Bangladesh Limited as a Probationary Officer. In his long career of 33 years, he also served some other leading commercial banks of the country namely Prime Bank Limited, Mercantile Bank Limited and Shahjalal Islami Bank Limited in different capacities.

During his banking career spanning over 3 decades, he worked at different branches as well as different vital divisions of Head Office and thereby shouldered diverse responsibilities particularly in the areas of Credit Risk Management and Trade Finance cultivating ties with the Board, Customers & Regulators with the focus of maximizing revenue and enhancing reputation for each Bank he worked for. Besides, he participated in numerous trainings, seminars and workshops at home and abroad and also travelled many countries for personal and professional purposes.

Mr. Rahman is actively associated with many socio-cultural activities. He is an active Rotarian and a member of Rotary Club of Dhaka Fort.

SPONSORS OF THE BANK



Ln. Kazi Akram Uddin Ahmed
Sponsor & founder Chairman



Kamal Mostafa Chowdhury
Sponsor & Founder Vice Chairman



Mohammad Nurul Islam
Sponsor



Late Nani Gopal Saha
Sponsor



Late Al-haj Mohammad Ayub
Sponsor



Ferozur Rahman
Sponsor



Harun Rashid Chowdhury
Sponsor



Md. Monzurul Alam
Sponsor



S.A.M. Hossain
Sponsor



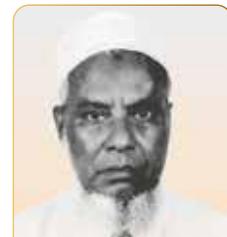
Mohammed Abdul Aziz
Sponsor



Al-haj Mohammed Shamsul Alam
Sponsor



Late Abdul Ahad
Sponsor



Late Al-haj Md. Nurul Haque Sowdagar
Sponsor



Ferdous Ali Khan
Sponsor



Harun-Or- Rashid
Sponsor



Late Mahabub Uddin Molla
Sponsor



Farzana Yousuf
Sponsor

COMMITTEES OF THE BOARD OF DIRECTORS

EXECUTIVE COMMITTEE



Mr. Ashok Kumar Saha
Chairman



Mr. Kamal Mostafa Chowdhury
Member



Mr. Ferozur Rahman
Member



Mr. S.A.M. Hossain
Member



Mr. Mohammed Abdul Aziz
Member



Mr. Gulzar Ahmed
Member



Mr. Md. Zahedul Hoque
Member Secretary



Mr. Md. Ali Reza FCMA, CIPA
Member Secretary

AUDIT COMMITTEE



Mr. Golam Hafiz Ahmed
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 FCMA, CIPA
Member Secretary

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. Kazi Khurram Ahmed
Member



Mr. Md. Ali Reza FCMA, CIPA
Member Secretary

SHARI'AH SUPERVISORY COMMITTEE



Janab Dr. Muhammed Saifullah
Chairman



Janab Kazi Akram Uddin Ahmed
Observer, Hon'ble Chairman of SBL



Janab Kazi Khurram Ahmed
Observer, Hon'ble Director of SBL



Janab Md. Fariduddin Ahmed
Member



Janab Dr. Mohammad Monzur-E-Elahi
Member



Janab Muhammad Mansur Al-Haq
Member



Janab Md. Habibur Rahman
Ex-Officio Member



Janab Md. Ali Reza FCMA, CIPA
Member Secretary

SENIOR MANAGEMENT TEAM



Mr. Md. Habibur Rahman
Managing Director & CEO



Mr. Md. Touhidul Alam Khan, FCMA
AMD, CRO & CAMLCO



Mr. Mohammad Rafiqul Islam
Deputy Managing Director & COO



Mr. Mohd. Muin Uddin Latif Hasan
Deputy Managing Director & CBO



Mr. Md. Mohon Miah
Head of BD & ISS and IBPC



Ms. Haider Nurun Naher
SEVP & Coordinator of IRM



Mr. Md. Ali Reza, FCMA, CIPA
EVP & Chief Financial Officer



Mr. Mansoor Ahmed
SVP & Head of HRD (Acting)

MANAGEMENT TEAM

Managing Director & CEO

Mr. Md. Habibur Rahman

Additional Managing Director

Mr. Md. Touhidul Alam Khan, FCMA, CSRA

Deputy Managing Director

Mr. Mohammad Rafiqul Islam

Mr. Mohd. Muin Uddin Latif Hasan

Sr. Executive Vice President

Ms. Haider Nurun Naher

Head of Business Development & ISS and IBPC

Mr. Md. Mohon Miah

Executive Vice President

Mr. Md. Ali Reza, FCMA, CIPA

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. Ibrahim Khalil

Mr. Mohammad Mahmud Alam

Mr. Md. Iqbal

Mr. Ali Mohammad Nurul Huda

Mr. Mohammad Iklas Uddin

Mr. Mansoor Ahmed

Vice President

Mr. Md. Rafiqul Islam

Mr. Munshi Golam Rahman

Mr. Md. Shafiqul Hassan

Mr. Tapas Kumar Mandal

Mr. Md. Moyeedul Islam

Mr. M. S. Shahriar

Mr. Shah Rahat Uddin Ahmed

Mr. Syed Mosnoon Ali

Mr. Md. Zahidul Hassan

Mr. Munir Hossain

Ms. Rubina Khan

Ms. Rebeka Sultana

Mr. Md. Abu Hena Nazim Uddin

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. 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

Mr. Sk. Tareq Nawaz

Ms. Afroza Khatoon

Major Md. Saiful Islam (retd.)

Mr. Mohammad Abdullah Al Mamun

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. Md. Saiduzzaman Chowdhury
Mr. Abu Nayem Md. Ibrahim
Mr. Mohammad Shafiqul Islam
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. Nur Mohammad Rahat Hossain
Mr. Mohammad Zakir Hossain
Mr. Khandaker Amir Entezam
Mr. Md. Habibullah Sayed
Mr. Mir Md. Abbas Ali
Mr. Shakh Anwar Hossain
Mr. Kawsar Ahamad
Mr. Pijush Kanti Dey
Mr. Md. Munir Hassan
Mr. Imam Hossan
Mr. Md. Nurul Alam
Major Ahmed Mustafa Syrus (retd.)
Mr. Debabrata Mohan Paul
Mr. Md. Kazi Shahed Ali

Assistant Vice President

Mr. Joarder Elias Rahman
Mr. Yakub Md. Shahjahan
Mr. Md. Touhid Hossain
Ms. Aliya Sultana
Mr. Augustin Sardar
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
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
Mr. Md. Masum Billah
Mr. Md. Mostafa Kamal
Mr. Md. Saiful Hasan
Mr. Md Emdadul Haque
Ms. Sania Noor Suchi
Mr. Hasan Mahmud
Mr. Molla Mahbub Al Hossain
Mr. Mohammad Ataur Rahman
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. Nurul Murshid Rajee
Mr. Mohammed Anisur Rahman
Mrs. Mahmuda Begum
Mr. Khandoker Didarul Islam
Mr. Md. Shahadat Hossain
Mr. Md. Shafiqul Islam
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. Abul Bashar Md. Atikul Islam
Mr. Mohammed Showkat Osman Haidor
Mr. Md. Ramzan Ali
Mr. Md. Mafidul Islam
Mr. A T 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 FCA
Mr. K. M. Rahmatullah
Mr. Sohel Ahmed Rahmani
Mr. Md. Elias Uddin
Mr. Md. Mahmudun Nobi
Mr. Md. Zakaria Mahamud



কাজী আকরাম উদ্দিন আহমদ
চেয়ারম্যান, পরিচালনা পর্ষদ

মাননীয় চেয়ারম্যান মহোদয়ের বক্তব্য



বিস্মিল্লাহির রাহমানির রাহিম,

সম্মানিত শেয়ারহোল্ডারবৃন্দ, পরিচালনা পর্ষদের সম্মানিত সদস্যবৃন্দ, ব্যবস্থাপনা কর্তৃপক্ষ ও শ্রদ্ধেয় অতিথিবৃন্দ;

আস-সালামু আলাইকুম।

আষাঢ়ের এই স্নিগ্ধ শুভ সকালে স্ট্যান্ডার্ড ব্যাংক লিমিটেডের ২৪তম 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। 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 জানুয়ারি ২০২১ ইং হতে স্ট্যান্ডার্ড ব্যাংক লিমিটেড একটি পরিপূর্ণ শরিয়া'হ ভিত্তিক ইসলামি ব্যাংক হিসেবে আত্মপ্রকাশ করেছে। কল্যাণধর্মী ইসলামি শরিয়া'হ ভিত্তিক বাণিজ্যিক ব্যাংক হিসেবে দেশের আর্থসামাজিক উন্নয়নে অবদান রাখার পাশাপাশি স্ট্যান্ডার্ড ব্যাংককে একটি শীর্ষস্থানীয় ও বিশ্বমানের শরিয়া'হ 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 স্ট্যান্ডার্ড ব্যাংক লিমিটেড -এর ২০২২ইং 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 সুশাসন প্রতিষ্ঠার লক্ষ্য নিয়ে ১৯৯৯ ইং 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।

করোনা ভাইরাস মহামারির প্রকোপ কাটিয়ে বাংলাদেশ যখন অর্থনীতিকে চাঙ্গা করার চেষ্টা করছিল, ঠিক তখনই শুরু হয় রাশিয়া ইউক্রেন যুদ্ধ। যার বিরূপ প্রভাব পড়ে বাংলাদেশসহ সারাবিশ্বের অর্থনীতির উপর। বিগত ২৪শে ফেব্রুয়ারি ২০২১ ইং সালে ইউক্রেন এর উপর রাশিয়ার আক্রমণের ফলে শুরু হওয়া যুদ্ধের ফলে অস্থির হয়ে উঠে জ্বালানি তেলের বাজার। খাদ্য-পণ্য ও রাসায়নিক সারের মতো গুরুত্বপূর্ণ পণ্যের

বৈশ্বিক বাণিজ্য মারাত্মকভাবে ব্যাহত হয়। বাংলাদেশের বৈদেশিক বাণিজ্য ঘাটতি বেড়ে যাওয়ায় উল্লানের বিপরীতে টাকার দরপতন হতে থাকে। মূল্যস্ফীতির কারণে নিত্য প্রয়োজনীয় জিনিসপত্রের দাম লাগামহীন গতিতে বাড়তে থাকে। সব মিলিয়ে বাংলাদেশের সামষ্টিক অর্থনীতি নানা মুখি চ্যালেঞ্জের মধ্যে পড়ে। ইউক্রেনে রুশ সামরিক অভিযানের পর থেকে বিশ্বজুড়ে চলমান বাণিজ্য সংকোচনের কারণে বাংলাদেশের খাদ্য নিরাপত্তা হুমকির মুখে পড়েছে, কারণ বাংলাদেশ খাদ্যপণ্যের ক্ষেত্রে গম, ভোজ্য তেল ইত্যাদির বার্ষিক চাহিদার বেশিরভাগ অংশই এই দুই দেশ থেকে আমদানি করে থাকে। ফলে এসব পণ্যের সরবরাহের ঘাটতি দেখা দেয় এবং দাম অনেক বৃদ্ধি পায়। এছাড়া কৃষিকাজে ব্যবহৃত রাসায়নিক সারের যোগানের বেশির ভাগ অংশই আসতো এই দুই দেশ থেকে। এই সরবরাহ ব্যবস্থায় বিঘ্ন ঘটায় খাদ্য পণ্যের উৎপাদন ব্যয় বেড়ে গেছে। তবে দেশে খাদ্য পণ্যের জোগান নিশ্চিতকল্পে সরকার বিকল্প উৎস হতে খাদ্যপণ্য আমদানির জন্য বিভিন্ন পদক্ষেপ গ্রহণ করেছে। ফলশ্রুতিতে দেশে খাদ্য পণ্যের কোন প্রকার ঘাটতি এখনও পরিলক্ষিত হয়নি।

অন্যদিকে জ্বালানি তেলের দাম বৃদ্ধির কারণে পরিবহণ খরচ বেড়ে যাওয়ায় একই পণ্য আমদানিতে বাংলাদেশের ব্যবসায়ীদের বাড়তি উল্লার ব্যয় করতে হচ্ছে অর্থাৎ আমদানি ব্যয় বেড়ে গেছে। যা দেশের বৈদেশিক মুদ্রার মজুদের উপর চাপ সৃষ্টি করেছে। আবার দেশের রপ্তানি বাণিজ্যের ক্ষেত্রে আশানুরূপ প্রবৃদ্ধি ঘটেনি। যুদ্ধের বহুমাত্রিক প্রভাব সহসাই কাটিবে না। তাই দেশের সরকার প্রধান সংশ্লিষ্ট মন্ত্রণালয়গুলোকে দীর্ঘ মেয়াদি কৌশল হাতে নেয়ার পরামর্শ দিয়েছেন। আবার একান্ত প্রয়োজনীয় না হলে নতুন প্রকল্প হাতে না নেয়ার নির্দেশনা দিয়েছেন। সরকার গৃহীত এ সকল পদক্ষেপের সুফল খুব শীঘ্রই পরিলক্ষিত হবে বলে আশা করা যায়।

স্বল্পায়ত দেশের তালিকা (এলডিসি) থেকে বাংলাদেশসহ আরও যে-সব 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। শিল্পখাত বিশেষত তৈরি পোশাক, রিয়েল এস্টেট, পর্যটন, স্বাস্থ্য, শিক্ষা, বিমান পরিবহণ এবং ক্ষুদ্র ও মাঝারি শিল্প (এসএমই) খাত ক্ষতিগ্রস্ত হয়েছে। এছাড়া উৎপাদন, ব্যবসা-বাণিজ্য, শ্রমবাজারসহ সব খাতই প্রায় স্থবির হয়ে পড়েছিল, যা বর্তমানে ঘুড়ে দাঁড়িয়েছে।

বৈদেশিক মুদ্রা আয়ের প্রধান দুই খাত, রপ্তানি আয় ও রেমিটেন্স প্রবাহ। রপ্তানি আয়ে প্রবৃদ্ধি থাকলেও রেমিটেন্স প্রবাহ ছিল নেতিবাচক। গত অর্থবছরে রেমিটেন্স-এ ১৩.৫২ শতাংশ ঋণাত্মক প্রবৃদ্ধি হয়েছে। রপ্তানিতে প্রবৃদ্ধি হয়েছে ৩৯ শতাংশের বেশি। রাশিয়া ইউক্রেন যুদ্ধের প্রভাবে দেশের বৈদেশিক মুদ্রার রিজার্ভ এর উপরে চাপ সৃষ্টি হয়েছে। তবে সরকার গৃহীত বিভিন্ন পদক্ষেপ যেমন, নিত্য প্রয়োজনীয় পণ্য ব্যতীত বিলাসবহুল পণ্যের আমদানি নিরুৎসাহিত করা হয়েছে। এছাড়া আইএমএফ এর সহিত সম্পাদিত ৪.৭ বিলিয়ন বা ৪৭০ কোটি ডলারের ঋণ চুক্তি দেশের বৈদেশিক মুদ্রার রিজার্ভ এর ক্ষেত্রে কিছুটা স্বস্তি দিয়েছে। যদিও আমদানিতে লাগাম টানার কারণে ব্যাংকগুলোর মুনাফার ক্ষেত্রে বিরূপ প্রভাব পড়েছে।

২০২২ সালে চালু হওয়া পদ্মা সেতু দেশের অর্থনৈতিক উন্নয়ন ও অগ্রগতির এক মাইলফলক হিসেবে ভূমিকা পালন করছে। দেশি-বৈদেশি বিভিন্ন গবেষণা পত্র ও অর্থনৈতিক বিশ্লেষকদের মতে রেল সংযোগসহ পদ্মা সেতু পুরোপুরি চালু হলে দেশের জিডিপি প্রবৃদ্ধি

আরো ২ শতাংশ বৃদ্ধি পাবে। এছাড়াও আরো কিছু মেগা প্রকল্প তথা রূপপুর পারমাণবিক বিদ্যুৎ কেন্দ্র, মাতারবাড়ি কয়লা বিদ্যুৎ প্রকল্প, রামপাল তাপ বিদ্যুৎ কেন্দ্র, মেট্রোরেল, কর্ণফুলি টানেল এবং এলএনজি টার্মিনাল 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 ক্ষেত্রে প্রসারিত করেছে। তবে মুদ্রাস্ফীতি কিছুটা বেড়ে ৭.৭০% পৌঁছে যাওয়ায় সঞ্চয়ের উপর কিছুটা নেতিবাচক প্রভাব পড়েছে। সদ্য বিদায়ী বছর শেষে ব্যাংকিং খাতে আমানতের পরিমাণ দাঁড়িয়েছে ১৪ লক্ষ ৮৯ হাজার কোটি টাকা এবং বিনিয়োগপ্রবাহ ১৪ লক্ষ ৪৯ হাজার কোটি টাকায় উন্নীত হয়েছে। আমদানি বাণিজ্যের পরিমাণ ছিল প্রায় ৬ লক্ষ ৮২ হাজার কোটি টাকা এবং রপ্তানি বাণিজ্য প্রায় ৩ লক্ষ ৭৬ হাজার কোটি টাকা। বিগত বছরে দেশের ব্যাংকিং খাতের খেলাপি বিনিয়োগ কিছুটা বৃদ্ধি পেয়ে দাঁড়িয়েছে ১ লক্ষ ২০ হাজার কোটি টাকা যা মোট ঋণের ৮.১৬%।

২০২২ সালে ব্যাংক খাতের আর্থিক সংখ্যাও বেড়েছে এবং বছর শেষে মোট ১৯,১৩৯ 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, ২০২০ ইং তারিখ হতে মুনাফার 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 বিনিয়োগ প্রবাহ ১৩.৫০% বৃদ্ধির কথা বলা হয়েছে। সে হিসাবে ব্যাংকের বিনিয়োগ প্রবৃদ্ধির লক্ষ্যমাত্রা অর্জনে কিছুটা স্থবিরতা দেখা দিয়েছে। ব্যাংকিং খাতের সার্বিক চিত্র আপাতত আশাব্যঞ্জক। তবে, ভবিষ্যতে খেলাপি বিনিয়োগের সম্ভাব্য উর্ধ্বমুখী প্রবণতা কিছুটা ক্ষত সৃষ্টি করবে।

বর্তমানে ব্যাসেল-৩ চালু হওয়ায় প্রয়োজনীয় মূলধনের পর্যাপ্ততা নিরূপণ পূর্বক পর্যাপ্ত মূলধন ভিত্তি সংরক্ষণের লক্ষ্যে সর্বমোট ১৯০০ কোটি টাকার সাব-অর্ডিনেটেড বন্ড ইস্যু করা হয়েছে, যার বর্তমান স্থিতি ৬৫৫ কোটি টাকা। এছাড়াও অনুমোদিত ৫০০ কোটি টাকার মুদারাবা পার্চেচুয়াল বন্ডের মধ্যে ৪৫০ কোটি ইতিমধ্যে উত্তোলিত হয়েছে। ফলে ব্যাংকটির শক্তিশালী মূলধন ভিত্তির নির্ণায়ক সি.আর.এ.আর (CRAR) রেটিং ১৪.৩৯-এ উন্নীত হয়েছে। অনাবাসী বাংলাদেশিদের কণ্টার্জিত বৈদেশিক মুদ্রা দ্রুত দেশে আনয়নের লক্ষ্যে আন্তর্জাতিক খ্যাতি সম্পন্ন ১০টি এক্সচেঞ্জ হাউজের সাথে চুক্তি সম্পাদন করা হয়েছে। যুক্তরাজ্যের লন্ডনে স্ট্যান্ডার্ড এক্সচেঞ্জ (ইউকে) লিমিটেড এর পাশাপাশি বিদেশে অবস্থানরত বাংলাদেশি ভাইবোনদের দেশের প্রতি যে মমত্ববোধ ও দেশপ্রেম লক্ষ্য করেছি, তাতে আমরা অনুপ্রাণিত হয়ে ২০১৯ সনে আমরা ব্যাংকের শতভাগ মালিকানাযুক্ত যুক্তরাজ্যের নিউইয়র্কের জ্যাকসন হাইটস-এ স্ট্যান্ডার্ড কোম্পানি ইউএসএ ইনকর্পোরেশন “স্ট্যান্ডার্ড এক্সপ্রেস” খোলার পর নিউইয়র্কের জ্যামাইকা, ওজোনপার্ক, ব্রুকলিন, ব্রোনক্স, লস-এঞ্জেলস ও বাফেলো-এ মোট ৭ টি শাখা খোলা হয়েছে। পর্যায়ক্রমে বাঙালি অধ্যুষিত বিশ্বের অন্যান্য স্থানে আরো এক্সচেঞ্জ হাউজ খোলা হবে। বিদেশগামী ও প্রত্যগতদের সেবা সম্প্রসারণের লক্ষ্যে হজরত শাহজালাল (রঃ) আন্তর্জাতিক বিমানবন্দর, ঢাকাতে দুইটি ‘ফরেন কারেন্সি এক্সচেঞ্জ’ বুক খোলা হয়েছে। বিগত বছরে দেশের রেমিটেন্স খাতে আমরা উল্লেখযোগ্য পরিমাণে ব্যবসা আহরণে সমর্থ হয়েছি।

জনসেবার বিষয়ে অগ্রাধিকার দিয়ে বিভিন্ন সংস্থার আবাসিক/ বাণিজ্যিক/ শিল্প খাতের বিভিন্ন ইউটিলিটি বিলসমূহ সংগ্রহ করে আসছি। ধর্মীয় মূল্যবোধের প্রতি শ্রদ্ধা প্রদর্শন করে সরকারি ও বেসরকারি সম্মানিত হস্ত্র গমনেচ্ছদের হস্ত্র ফি সমূহ জমাগ্রহণ করে আসছি। বাংলাদেশ রোড ট্রান্সপোর্ট অথরিটি (বিআরটিএ) যানবাহন নবায়ন, রেজিস্ট্রেশন ইত্যাদি ফি সমূহ ও আমরা জমা নিয়ে আসছি। 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 বিনিয়োগের পরিমাণ দাঁড়িয়েছে ৫১৪.৯২ কোটি টাকা। বিগত ২০২২ সনে এসএমই খাতে বিনিয়োগের পরিমাণ ছিল ৩,৫১০.৮২ কোটি টাকা যা ২০২১ সালে ছিল ৩,৩২০.৩৪ কোটি টাকা। 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।

জাতীয় অর্থনীতিতে অগ্রণী ভূমিকা পালনের পাশাপাশি সরকারি 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 স্ট্যান্ডার্ড ব্যাংক লিমিটেডকে ট্যাক্স কার্ড সম্মাননা দিয়েছে। অনলাইন ব্যাংকিং সার্ভিস প্রবর্তনের পর পরই ব্যাংক-এর ডেবিট ও তিজারা কার্ড (ক্রেডিট কার্ড)-এর মাধ্যমে সেবার মানকে আধুনিকায়ন করা হয়েছে। ইতোমধ্যে ত্রু ব্যাংকের তিজারা কার্ড দেশবিদেশের বিভিন্ন স্থানে ব্যবহার করা হচ্ছে। সারাদেশে আমাদের ১২২ টি এটিএম বুথ খোলা হয়েছে। আপনারা জেনে খুশি হবেন গত ২০১৫ সালে স্ট্যান্ডার্ড ব্যাংক ন্যাশনাল পেমেন্ট সুইচ সিস্টেমের সাথে যুক্ত হয়েছে, যার ফলে বিভিন্ন ব্যাংকের ক্যাশ নেটওয়ার্কের আওতায় আমাদের সম্মানিত গ্রাহকরা প্রায় ১৩,৪৩৪ টির বেশি এটিএম বুথ ব্যবহারের সুযোগ পাচ্ছেন। ন্যাশনাল পেমেন্ট সুইচ সিস্টেমের আওতায় গ্রাহকগণ ডেবিট কার্ডের মাধ্যমে ১,০৩,০৫৫ টি মার্চেন্ট আউটলেট-এ কেনাকাটা করছে। এছাড়া আমরা গ্রাহকদের সুবিধার্থে ই-কমার্স চালু করার উদ্যোগ নিয়েছি। বৈদেশিক ব্যবসা বাণিজ্য পরিচালনার লক্ষ্যে বর্তমানে ১৯টি অথরাইজড ডিলার (এডি) শাখার কার্যক্রম অব্যাহত আছে এবং দেশের অভ্যন্তর থেকে বিদেশি মুদ্রার গ্রাহকদের দোর গোড়ায় ব্যাংকিং সুবিধা পৌঁছে দিতে অফ-শোর ব্যাংকিং ইউনিট চালু করা হয়েছে।

রাশিয়া ইউক্রেন যুদ্ধ, বিশ্বব্যাপী উচ্চ মুদ্রাস্ফীতি, আর্থিক মন্দা এবং প্রতিযোগিতামূলক ব্যাংকিং পরিবেশের প্রেক্ষাপটে ২০২২ সালে আমাদের ব্যাংকের আমানত, বিনিয়োগ প্রদান এবং বৈদেশিক বাণিজ্যের প্রবৃদ্ধির ক্ষেত্রে কিছুটা স্থবিরতা লক্ষ্য করা গেছে। ২০২১ ও ২০২২ সালে অর্জিত ব্যবসার তুলনামূলক পরিসংখ্যান নিম্নরূপ:

	২০২২	২০২১
ব্যাংকের আমানত	১৭,০৮০ কোটি টাকা	১৬,৬৪২ কোটি টাকা
বিনিয়োগ	১৭,৮১৩ কোটি টাকা	১৬,৭৫৪ কোটি টাকা
ব্যাংকের পরিচালন মুনাফা	১৭৩.৭৮ কোটি টাকা	১৮০.৩১ কোটি টাকা
শেয়ার প্রতি আয়	১.০৬ টাকা	০.৭৩ টাকা
পরিশোধিত মূলধন	১০৬২.০৭ কোটি টাকা	১,০৩১.৯৪ 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 জায়গার উপর ২৫তলা বিশিষ্ট আধুনিক স্থাপনার নান্দনিক নির্মাণশৈলীর কর্পোরেট অফিস-এর নির্মাণ কাজ প্রায় শেষ পর্যায়ে। ২০২২ সালে প্রতিকূল অর্থনৈতিক পরিস্থিতির কারণে নতুন কোনো শাখা খোলা সম্ভব হয়নি। তবে ভবিষ্যতে নতুন শাখা খোলার প্রক্রিয়া অব্যাহত থাকবে। চলতি বছর ব্যাংকের এই সম্প্রসারণ কার্যক্রম বহাল রাখার লক্ষ্যে আমরা অভিজ্ঞ কর্মকর্তা-কর্মচারী নিয়োগ দিয়ে মোট লোকবল ২,২৩৯ 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 শরিয়া’হ ভিত্তিক ব্যাংক হিসেবে গড়ে তোলা। দেশের স্বনামধন্য ও আন্তর্জাতিক খ্যাতি সম্পন্ন “হিকমা সফটওয়্যার” এর আওতায় আমরা রিয়েল টাইম অনলাইন এর মাধ্যমে ব্যাংকিং সুবিধা দিচ্ছি। 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 আডিট কমিটির তত্ত্বাবধানে পরিকল্পনা মাসিক উক্ত বিভাগের কার্যক্রম পরিচালিত হচ্ছে যাতে ভুলত্রুটি, ত্রুটি বিচ্যুতি, জাল-জালিয়াতি পরিহার করা যায়। এছাড়া দৈনন্দিন ব্যাংকিং কার্যক্রমে শরিয়া’হ অনুশাসনের ব্যত্যয় নিরূপণের লক্ষ্যে একটি শক্তিশালী শারিয়া’হ অডিট টিম সর্বদা নিরলসভাবে কাজ করে যাচ্ছে। দক্ষ মানবসম্পদ টেকসই প্রবৃদ্ধির জন্য অপরিহার্য। এ জন্য প্রয়োজন কর্মকর্তা ও কর্মচারীদের উন্নত দক্ষতা, জ্ঞান ও উৎপাদনশীলতা এ কথা মনে রেখে নতুন নতুন প্রশিক্ষণ পরিকল্পনা গ্রহণ করা হয়েছে এবং সময়ের চাহিদার সাথে সংগতি রেখে আধুনিক ইসলামি ব্যাংকিং এর বিষয়ে বিভিন্ন ধরনের প্রশিক্ষণ কর্মসূচি গ্রহণ করা হয়েছে। এ কর্মসূচির মাধ্যমে ব্যাংক কর্মকর্তাদেরকে উন্নত ও দক্ষ গ্রাহক-সেবা প্রদানের সক্ষমতা তৈরি করছে। ২০০৫ সালে প্রতিষ্ঠিত স্ট্যান্ডার্ড ব্যাংক ট্রেনিং ইনস্টিটিউট ধীরে ধীরে সক্ষমতা অর্জন করে বর্তমানে এসবিএল লার্নিং সেন্টার নামের কার্যক্রম পরিচালনা করছে। ব্যাংকিং জ্ঞান, গুণাবলি ও দক্ষতার উৎকর্ষ সাধনে এই লার্নিং সেন্টার সময়ের চাহিদার সাথে সাথে প্রয়োজন সাপেক্ষে কর্মকর্তাদের জন্য যুগোপযোগী আধুনিক ও ইসলামিক শরিয়া’হ ব্যাংকিং সংক্রান্ত বিভিন্ন ধরনের কোর্স/কর্মশালা পরিচালনা করছে। ২০২২ সালে এই রূপ ১০৮টি ফিজিক্যাল ও ভার্সুয়াল কোর্স/ কর্মশালা পরিচালনা করা হয়েছে, এতে ৩,৩০৯ জন প্রশিক্ষণার্থী অংশ নিয়েছেন।

সম্মানিত শেয়ারহোল্ডারগণ,

আপনারা নিশ্চয় অবগত আছেন যে, যদিও ২০২২ এর পুরোটা জুড়ে রাশিয়া ও ইউক্রেন যুদ্ধের প্রভাবে সামগ্রিক অর্থনীতি ছিল অস্থিতিশীল। সরকার কর্তৃক মুনাফা ও আমানতের হার ৯% ও ৬% নির্ধারণ করে দেয়ায়, বিনিয়োগ আমানত এর মুনাফার স্প্রেড কমে যায়, অন্য দিকে ব্যাংক শরিয়া’হ ভিত্তিক ইসলামিক ব্যাংকে রূপান্তরিত হওয়ার কারণে ট্রেজারি আয়ে বিরূপ প্রভাব পড়ে এবং যার

ফলশ্রুতিতে ব্যাংকের 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 ২০২২ সালের নিট মুনাফার পরিমাণ দাড়িয়েছে ১১২.১৮ কোটি টাকা। ব্যাংকের পরিচালনা পর্ষদ বাস্তব অবস্থা পর্যালোচনা পূর্বক ২০২২ সালের জন্য ২.৫% হারে স্টক এবং ২.৫% হারে নগদ লভ্যাংশ প্রদানের সুপারিশ করেছে, যা আপনাদের চূড়ান্ত অনুমোদনের জন্য বার্ষিক সাধারণ সভায় আলোচ্যসূচিতে অন্তর্ভুক্ত করা হয়েছে।

সম্মানিত শেয়ারহোল্ডারগণ,

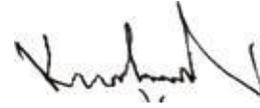
কর্পোরেট হাউজ হিসেবে সকল কর্মকাণ্ডে আমরা প্রাতিষ্ঠানিক সামাজিক দায়বদ্ধতার প্রতি প্রতিশ্রুতিবদ্ধ। ব্যাংক কেবলমাত্র মুনাফামুখী না থেকে আর্থিক-খাতের ব্যবস্থাপনায় মানবিকতা বোধের একটি নতুন মাত্রা এনেছে কর্পোরেট সামাজিক দায়বদ্ধতা (সিএসআর), গণমানুষ ও সমাজের উন্নতিতে অবদান রাখার মাধ্যমে অর্থনৈতিক ও সামাজিক সূচক সমূহের উন্নতিতে আমাদের ব্যাংক অগ্রণী ভূমিকা পালন করে আসছে। প্রত্যন্ত অঞ্চলের বন্যা দুর্গতের মাঝে ত্রাণ, শীতাত্তরদের মাঝে শীতবস্ত্র বিতরণ, অবহেলিত ও সুবিধা বঞ্চিত মানুষদের নিরবচ্ছিন্ন চিকিৎসা ও স্বাস্থ্য সেবা প্রদানের লক্ষ্যে চিকিৎসা সামগ্রী বিতরণ, করোনা মহামারিতে ক্ষতিগ্রস্ত দরিদ্র ও দুস্থ মানুষের মাঝে খাদ্য, জরুরি স্বাস্থ্য ও সুরক্ষা সামগ্রী ও ত্রাণ সহায়তা প্রদান, দরিদ্র ও মেধাবী ছাত্র/ছাত্রীদের মাঝে বৃত্তি প্রদান সহ সার্বিক সামাজিক কল্যাণমূলক কাজে আমরা প্রতিনিয়ত অংশগ্রহণ করছি। ব্যাংক মুনাফা অর্জনের পাশাপাশি যাতে দেশের আর্থ সামাজিক উন্নয়ন ও জনকল্যাণমূলক কাজে সরাসরি সম্পৃক্ত হতে পারে তার জন্য কল্যাণমূলক কাজ সিএসআর কার্যক্রমের আওতায় ২০২২ সালে মাননীয় প্রধানমন্ত্রীর ত্রাণ ও অন্যান্য তহবিলে সর্বমোট ১৪.০৪ কোটি টাকা প্রদান করা হয়েছে।

কৃতজ্ঞতা জ্ঞাপন,

স্ট্যান্ডার্ড 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 সমন্বিত নীতি, দূরদর্শী দিক নির্দেশনা, বিচক্ষণ নেতৃত্ব এবং অক্লান্ত পরিশ্রমের মাধ্যমে প্রশংসনীয় অবদান রাখার জন্য এবং পর্ষদ চেয়ারম্যান হিসেবে দায়িত্ব পালনে আমাকে সহযোগিতা, পরামর্শ ও সর্বাত্মক সমর্থন প্রদানের জন্য পরিচালনা পর্ষদের সহকর্মীবৃন্দকে কৃতজ্ঞতা ও ধন্যবাদ জানাই। ব্যাংকের সার্বিক অগ্রগতি, উন্নয়ন ও সফলতা অর্জনে স্ট্যান্ডার্ড 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 সার্বিক 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



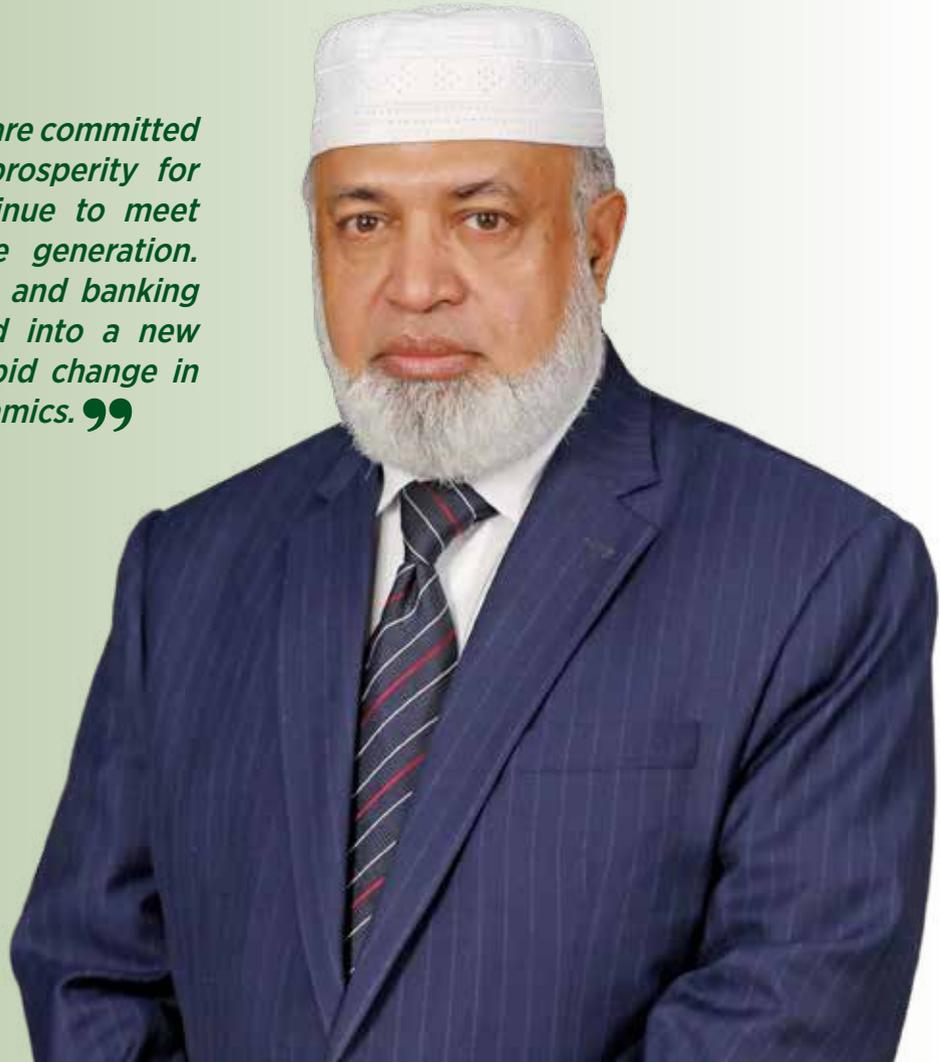
কাজী আকরাম উদ্দিন আহমদ
চেয়ারম্যান, পরিচালনা পর্ষদ

MANAGING DIRECTOR & CEO'S ROUND UP

“ 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. ”



Md. Habibur Rahman
Managing Director & CEO



We look forward and 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 us immense pleasure and privilege to welcome our Honorable Chairman, Directors, Respected Shareholders, Distinguished Guests from the media and invited Participants on this auspicious occasion of the 24th 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 first time as the Managing Director. You are all fully aware that the outgoing year 2022 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 2022 as yet another year of prosperity and progress. Thus, at this fair 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, BSEC and other regulatory bodies for their continuous support, co-operation and advice in our progress.

You are all aware that the outgoing year 2022 happens to be a watershed for Standard Bank Limited (SBL) as we redefined our business to fully Islami Shari'ah-based Islami Banking model on January 01, 2021 from an Interest-based Conventional Banking model upon obtaining of final approval of Bangladesh Bank after 22 years of its vibrant operation in Bangladesh as one of the renowned private commercial banks. From a humble beginning in 1999, Standard Bank Limited has risen from strength to strength over the years driven by the spirit of ambition, entrepreneurship and innovation that our

founders believed in and the said guiding principles do still remain the same at the core of our business philosophy. On top of our original guiding principles, our Bank has adopted the Islami Shari'ah principles for refinement and purification of its business practices.

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. Now, in every aspect of its businesses and activities, we are trying our level best to embed and inculcate the Islami Shari'ah principles in order to ensure better social justice, equity and empathy. While our Bank is always trying its best to provide and innovate the widest array of financial services and products possible in order to cater to the emerging needs of the market, we are not ready even to budge an inch when it comes to compromising with Shari'ah, social justice and equity.

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 2022. 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 towards the highest level of gratification in terms 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 investment flow to low-risk corporate sectors. On the other hand, deposit collection under profit-free Al-Wadeeah mode and low-profit payable under Mudaraba mode has been prioritized aiming to rationale 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 cleaners, street children, social safety beneficiaries, businessman, service holders and students have opened 91,887 deposit accounts with SBL in 2022 amid the on-going pandemic scenario against 1,07,218 nos. of deposit accounts opened in 2021. 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 was far worse than the 2008-09 global financial meltdowns. Over the past two years COVID-19 pandemic continued to wreak havoc on lives and livelihood and disrupted the global financial stability. The year 2022 started with new uncertainties as pandemic resurged in some parts of the world with outbreak of the

Delta variant which eventually impeded the pace of global economic recovery. However, global economy has gained momentum at a moderate pace, partly attributable to incremental coverage of vaccination and better management of the pandemic. Rising energy prices and supply chain disruptions have resulted in higher and more broad-based inflation than anticipated, notably in the United States and many emerging market and developing economies. All these have put pressure on quicker revival of economic activities to the full scale. IMF projected global economy to grow 6.2% in 2022 and expects to moderate to 5.9% in 2023.

This prolonged pandemic affected the economic and social well-being of Bangladesh in many ways. These include a slowdown in economic activities, significant loss of jobs, sharp decline in exports, and increase in the incidence of poverty. With prudent policy measures and pragmatic intervention, it is now quite heartening to observe that Bangladesh has just started showing signs of a strong economic recovery from the standstill situation triggered by the prevailing pandemic scenario. With pandemic situation under control, our economy is now faced with new headwinds as global commodity prices increase amid the uncertainty created by the war in Ukraine. Amid the challenges of inflationary pressures, a rebound of manufacturing and service sector activities led to strong growth in FY22 and in the first half of FY23. In the medium term, GDP growth is expected to remain strong. With timely implementation of stimulus packages, continued fiscal and monetary policy supports, hefty remittance inflows, declining COVID-19 infection rate, and increasing coverage of vaccination helped country's economy to walk in the path of recovery from the COVID-19 fallout. As a result, country's economic growth recovered faster attaining 5.90% nominal GDP growth in FY 2022 from 5.02% in FY 2021 largely driven by activities in the agriculture and industry sectors. To support investment and employment generating activities in the recovery process, Bangladesh Bank continued its efforts in line with expansionary monetary policy stance for FY 2023.

Following FY 2021, agriculture sector remained resilient and showed solid performance in FY 2022 growing by 4.21%. Industry sector strongly rebounded and grew in FY 2022 after a slower growth in previous fiscal year. To boost the production and generate employment, the Government and Bangladesh Bank continued to provide policy support, including sector specific stimulus packages and various refinance schemes, which resulted in higher growth performance. Service sector activities started rebounding in FY 2022 and continued gaining momentum in FY 2023.

COVID-19 had pushed down the credit growth in the FY 2022. However, private sector credit started to grow as the external trade started picking up since early FY 2023. Even though the import and export grew substantially, the import growth was higher compared to export earnings which resulted in higher trade deficit of the country. Meanwhile, country's current account deficit deteriorated further in the first half of FY 2023 due to higher import payment obligations along with lower inflow of remittances.

Favored by the expansionary monetary policy and capital market policy supports from regulators, the capital market remained noticeably vibrant in 2022 as was 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 and financial soundness indicators (governance, asset quality, capital adequacy, liquidity, etc.). Since the inception of COVID-19 pandemic, the banking sector has been playing a crucial role in

channelizing stimulus packages to priority sectors for maintaining the vibrancy of the economic activities.

Against the afore-said background, the overall banking sector showed mixed performances in September-December 2022 as reflected by a fall in the ratio of non-performing investments (NPIs) to total investments, a moderation in capital to risk-weighted asset ratio (CRAR), a growth in banks advances, widening in provision shortfall, a rise in profitability, and maintenance of adequate liquidity in the banking industry. The burden of default investments of the banks became even heavier in 2022 despite certain forbearance measures allowed by the central bank to help businesses withstand the shock of the pandemic. The huge pileup of bad investments choked the credit supply channel of the economy with due repercussions on the resilience of the private sector. Private sector credit growth which faced sluggishness started to pick momentum in the last quarter of 2022.

To prevent the asset-liability mismatch due to the recent increasing trend in banks' deposit rate, Bangladesh Bank issued a circular regarding rationalization of deposit rate of scheduled banks where banks were instructed to determine deposit rate (with period of three months and above) not below the average inflation rate of previous three months. Given rising increase trend in the deposit rate in the banking system following the easy monetary regime in the pandemic period, Bangladesh Bank mopped up some excess liquidity from the banking system in H1, FY 2023 to rationalize the liquidity condition. Growing trend of private sector credit growth also contributed to reduce excess liquidity. Advance-Deposit Ratio (ADR) of the banking industry stood at 92.25% in December 2022 which was 82.08% as at the end-September 2021, reflecting rising demand for investments as the economy returns to normalcy.

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. Our main focus was to ensure seamless transition of our business from conventional banking model to Islami Banking model. In view of the post-pandemic challenges that we are exposed to in on-going 2023 as a private commercial bank, we focused mainly on consolidating our capital adequacy in 2022 through raising of capital under Additional Tier-1 whereby the resilience of the Bank against unexpected losses went up at a respectable level. I am happy to inform you that we have been able to maintain a CRAR of 14.31% (solo basis) as on December 31, 2022 against industry average of 11.08%. At Standard Bank Limited, we believe in sustainable growth instead of rapid progression, which gets reflected in our steady growth.

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 Islami Shari'ah and 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.14.04 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 2022 was undoubtedly a challenging year for Bangladesh economy due to the onslaught of the on-going pandemic and 2023 will, no doubt offer its share of new challenges even with our excellent track record of over twenty three years of ethical and prudent banking and more as so as we embarked 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 turning 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 2023

The government has targeted to implement more infrastructure projects. Bangladesh is one of the few countries expected to witness positive GDP growth in FY 2022 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, 2022 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. Ensuring that the principles and ethos of Islami Shari'ah gets the highest priority in every dealings and activities undertaken by the Bank.

2. As banking industry is predicted to remain highly competitive with low profit margins, fee-based income and non-funded incomes shall be a strategic priority in 2023.
3. Increasing of deposit focusing on financial inclusion in the unbanked areas.
4. 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.
5. Prudent Asset Liability Management by maintaining good credit portfolio through diversification of business with focus on SME, Retail investment and Import-Export business.
6. Maintaining asset quality by restricting increase of non-performing assets through early detection, monitoring and corrective actions.
7. Strengthening the recovery against rescheduled, classified and written-off investments for reducing NPLs to a large extent through intensive recovery drive and early settlement of court cases.
8. Effective Risk Management Practices through appropriately blending the risk reward parameters and targeting a growth driven investment portfolio expediting credit 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. Opening of number of sub-branches and strengthening banking booth operation to provide financial service for unbanked people.

13. Strengthening operational efficiency of subsidiaries and foreign business windows.

SHARI'AH COMPLIANCE

Standard Bank Limited is committed to Shari'ah compliance in its all banking activities. Our intrinsic culture of Shari'ah compliance is embedded in the value system of the bank. In 2022, Shari'ah audit and inspection was completed in various branches of the bank. Standard Bank Limited significantly improved its Shari'ah Compliance.

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 Limited 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 three, May the Almighty ALLAH bestow His blessing on all of us.



Md. Habibur Rahman
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 276 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 531 million for the completed year 2022.

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

The Board of Directors of the Bank in its 376th Board meeting held on 30.05.2023 has recommended 5% dividend (2.5% cash and 2.5% stock) for the year 2022 on Tk. 266 million which will increase the paid-up capital of the bank to Tk. 10,886 million.

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

No major change in strategy and actions in the Bank and Subsidiaries experienced in 2022.

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 2022.

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 2022.

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 2022.

No. of Board meetings and directors' attendance in 2022:

Presented in the Directors' Report.

The pattern of shareholdings:

Presented in the Directors' Report and the Notes to the Financial Statements 2022.

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 2022 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

Respected Shareholders

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 December 31, 2022, 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/2006-158/134/Admin/44 dated August 7, 2012, the Listing Regulations of Dhaka and Chittagong Stock Exchanges, the 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 Directors believe that the report will give valuable insights into the bank's performance and continuous growth in amid stiff competition.

GLOBAL ECONOMY

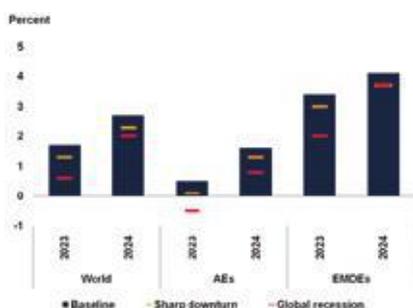
While the global economy was recovering strongly from the COVID-19 pandemic, the war in Ukraine posed a setback to the ongoing recovery. A rise in global commodity prices and sluggish economic activity due to war-induced supply chain disruption are being observed. International organizations revised their forecasts for economic growth prospects and inflation. As per the United Nations (UN) publication 'World Economic Situation and Prospect 2022', the global economy grew by 5.5 percent in 2021, the highest growth rate since 1976, after contracting by 3.4 percent in 2020. The global economy is expected to grow by 4.0 percent in 2022 and 3.5 percent in 2023.

Global Growth



In the World Bank's Global Economic Prospect, January 2022, global economic growth is projected at 4.1 and 3.2 percent in 2022 and 2023, respectively, while growth was estimated at 5.5 percent in 2021. Sluggish growth rates between advanced economies and emerging and developing economies will be divergent.

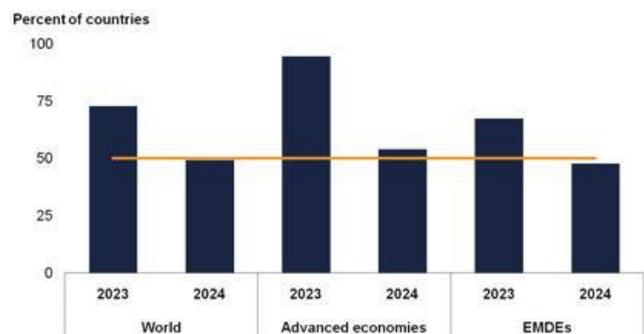
Global Growth under Different Scenarios



SHARE OF COUNTRIES WITH DOWNGRADES IN GROWTH FORECASTS

Growth in advanced economies is expected to decline from 5 percent in 2021 to 3.8 percent in 2022 and 2.3 percent in 2023. This growth rate will be sufficient to restore output and investment to their pre-pandemic trend in these economies. In emerging and developing economies, however, growth is expected to drop from 6.3 percent in 2021 to 4.6 percent in 2022 and 4.4 percent in 2023. The report stressed that by 2023, all advanced economies will have achieved a full output recovery, yet output in emerging and developing economies will remain 4 percent below its pre-pandemic trend. For many vulnerable economies, the setback is even larger: the output of fragile and conflict-affected economies will be 7.5 percent below its pre-pandemic trend, and the output of small island states will be 8.5 percent below. However, as the January forecast war in Ukraine did not take place, the upcoming forecast will substantially differ from the above analysis.

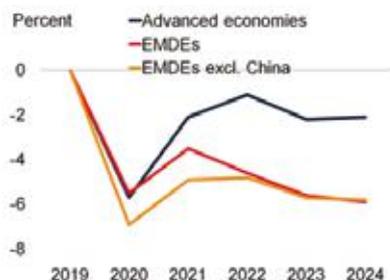
Share of Countries with Downgrades in Growth Forecasts



In the World Economic Outlook (WEO) April, 2022, the International Monetary Fund (IMF) projected that the global economy would grow by 3.6 percent both in 2022 and 2023. The projections for 2022 and 2023 are 0.8 and 0.2 percentage points lower than in the January 2022 WEO update, respectively. Global growth is forecast to decline to about 3.3 percent over the medium term beyond 2023.

DEVIATION OF OUTPUT FROM PRE-PANDEMIC TRENDS

Deviation of Output from Pre-Pandemic Trends



Advanced economies are expected to grow by 3.3 percent in 2022. Due to successful COVID-19 management, the global economy rebounds to a positive growth trajectory; however, the war in Ukraine is slowing down the growth, coupled with high price levels. The IMF lowered the growth projection for almost all the countries compared to the WEO January Update. The United States is expected to grow by 3.7 percent, the United Kingdom by 3.7 percent, Germany by 2.1 percent, France by 2.9 percent, Japan by 2.4 percent, and Canada by 3.9 percent in 2022. These projections vary from negative 0.2 percent to negative 1.7 percent. The emerging market and developing economies are forecast to

grow by 3.8 percent in 2022, 1.0 percentage points lower than the forecast made in the WEO January 2022 update. India is expected to grow by 8.2 percent, the highest in the group, which is 0.8 percent lower than the January 2022 update. The growth forecast for China is also reduced from 4.8 percent to 4.4 percent. The slowing down of the growing prospects for China and India will have a strong negative impact on the rest of the members of the group. Emerging and developing Europe is expected to shrink by 2.9 percent in 2022, 6.4 percent lower than the January update, largely impacted by the war in Ukraine. The Russian economy is forecast to shrink by 8.5 percent in 2022, 11.3 percent lower than the January update, due to the Russian invasion of Ukraine and associated consequences, including sanctions. It can be noted from the outlook that Russia has the lowest growth prospects in the world. Owing to high oil prices, growth prospects for the Middle East and Central Asian Economies are revised upward. Saudi Arabia has the highest growth prospect of 7.6 percent in 2022 in the group.

The global macroeconomic prospect remains uncertain due to the war-induced crisis and the fallout of the COVID-19 pandemic. Future developments will depend on the path of the pandemic, the war situation, policy actions, the evolution of financial conditions and commodity prices, and the capacity of the economy to adjust to health-related impediments to activity. The ebb and flow of these drivers and their interaction with country-specific characteristics will determine the pace of the recovery and the extent of scarring. Table 1.1 depicts the global growth scenario at a glance:

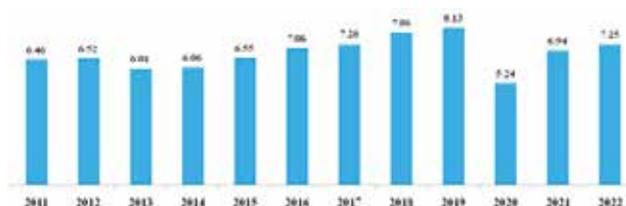
Economic Area	Actual	Projection Outlook, April, 2021		Difference from Outlook, January, 2022	
	2021	2022	2023	2022	2023
World Output	6.1	3.6	3.6	-0.8	-0.2
Advanced Economies	5.2	3.3	2.4	-0.6	-0.2
USA	5.7	3.7	2.3	-0.3	-0.3
Euro Area	5.3	2.8	2.3	-1.1	-0.2
UK	7.4	3.7	1.2	-1	-1.1
Germany	2.8	2.1	2.7	-1.7	0.2
France	7	2.9	1.4	-0.6	-0.4
Japan	1.6	2.4	2.3	-0.9	0.5
Canada	4.6	3.9	2.8	-0.2	0
Emerging Market and Developing Economics	6.8	3.8	4.4	-1	-0.3
Emerging and Developing Asia	7.3	5.4	5.6	-0.5	-0.2
China	8.1	4.4	5.1	-0.4	-0.1
India	8.9	8.2	6.9	-0.8	-0.2
ASEAN-5	3.4	5.3	5.9	-0.3	-0.1

ECONOMIC GROWTH OF BANGLADESH

Bangladesh's economy was growing consistently high over a decade, crossing the 7.0 percent milestone in FY 2015-16 and the 8.0 percent milestone in FY 2018-19; however, the COVID-19 pandemic reduced the growth rate to 3.45 percent in FY 2019-20. Under the prudent leadership of the Honorable Prime Minister Sheikh Hasina, Bangladesh successfully managed the COVID-19 pandemic and returned to a high growth trajectory. The economy grew by 6.94 percent in FY 2020-21. According to the provisional estimates of the BBS, GDP growth stood at 7.25 percent in FY 2021-22, 0.05 percent higher than the target rate and 0.31 percent higher than the previous fiscal year. Medium-term forecasts for GDP growth rates

are 7.5 percent in FY 2022-23, 7.8 percent in FY 2023-24, and 8.0 percent in FY 2024-25.

GDP Growth Rate (in Percentage)

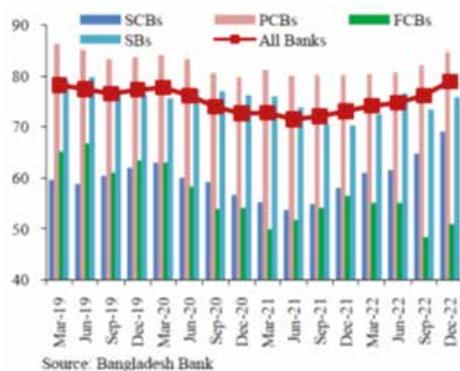


According to the final estimate, the volume of GDP at current market prices reached Tk. 35,30,184.8 crore in FY 2020–21, compared to Tk. 31,70,469.4 crore in FY 2019–20. In nominal terms, GDP growth was 11.35 percent. GDP is provisionally estimated at Tk. 39,76,462 crore in FY 2021–22, Tk. 4,46,278 crore higher than the previous fiscal year. Per capita GDP is estimated to be US\$2,723 in FY 2021–22. Medium-term GDP forecasts are Tk. 44,12,849 crore in FY 2022–23, Tk. 49,49,712 crore in FY 2023–24, and Tk. 55,59,517 crore in FY 2024–25. As per the final estimate, per capita GDP in FY 2020–21 was US\$ 2,462, US\$ 228 up from the previous fiscal year. Per capita gross national income increased to US\$ 2,591 in FY 2020–21, up US\$ 265 from FY 2019–20. The per capita gross national income is provisionally estimated at US\$ 2,824 in FY 2021–22, US\$ 233 higher than the previous fiscal year.

SAVINGS AND INVESTMENT

During FY 2020–21, domestic savings decreased to 25.34 percent of GDP, 1.74 percentage points lower than the previous year. Likewise, national savings as a percent of GDP decreased to 30.79 percent in FY 2020–21, 0.63 percentage point lower than FY 2019–20. Gross domestic savings are provisionally estimated to be 21.56 percent of GDP in FY 2021–22, 3.78 percentage points lower than the previous fiscal year. Gross national savings are estimated to be 25.45 percent of GDP, 5.34 percentage points lower than in the previous fiscal year.

Advance Deposit ratio (in Percentage)

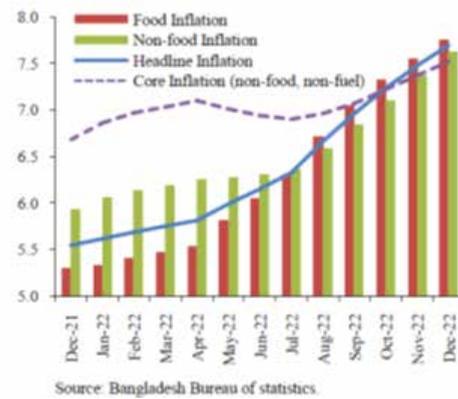


The contribution of investment to GDP decreased to 31.02 percent in FY 2020–21, 0.29 percentage points lower than the previous fiscal year. Of the 31.02 percent contribution to GDP, private investment is 23.70 percent, while public investment is 7.32 percent. Public investment as a percentage of GDP has slightly increased, and private investment as a percentage of GDP has slightly decreased compared to the previous fiscal year. Investment is estimated to be 31.68 percent of GDP, of which private investment is 24.06 percent and public investment is 7.62 percent in FY 2021–22. Overall investment is 0.66 percentage points higher than last fiscal year.

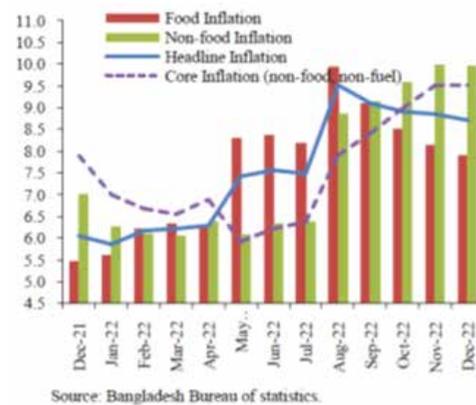
INFLATION

Inflation in FY 2020–21 stood at 5.56 percent, 0.09 percentage point lower than FY 2019–20, which is slightly higher than the target rate of inflation.

12-Month Average CPI Inflation (in Percentage)



Point-to-Point CPI Inflation (in Percentage)

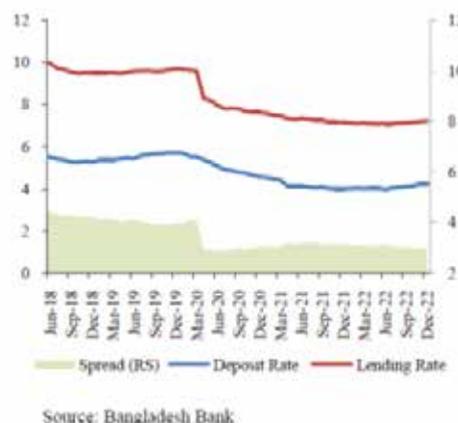


As the economic damages created by the COVID-19 pandemic are triggered by the war in Ukraine, like all other countries of the world, an upward trend in price levels is being observed in Bangladesh. The inflation rate is targeted to be 5.8 percent for FY 2021–22.

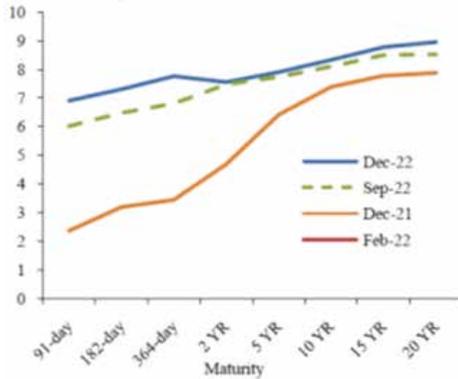
PROFIT (INTEREST) RATE

In order to enhance international competitiveness, flourish the productive sector, and reduce classified loans, the rate of interest has been rationalized, limiting it to single digits except for credit cards.

Interest Rate Spread (in Percentage)



Interest Rate of Government Securities (in Percentage)



Source: Bangladesh Bank

As a result, during the COVID-19 pandemic, productive sectors did not face much trouble, and the weighted average lending and deposit rates showed downward movement. The weighted average lending rate of commercial banks decreased continuously and stood at 7 percent. The interest rate spread was reduced to 3 percent from 5 percent.

CAPITAL MARKET

In DSE, the total number of listed securities has increased from 609 in June 2021 to 656 on November 30, 2022. The total market capitalization of all listed securities increased from Tk. 5,14,282.1 crore in June 2021 to Tk. 7,64,241 crore on November 30, 2022. The DSE Broad Index has increased from 6,150.48 points in June 2021 to 6,235.95 points in November 2022, 1.38 percent higher.

Trends in DSEX Index and Turnover



Source: DSE Monthly Review, Various Issues

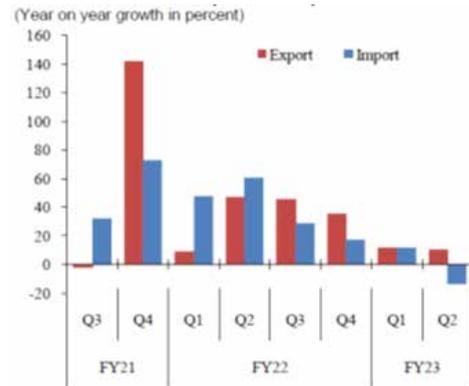
In the CSE, the total number of listed securities increased from 349 in June 2021 to 323 on November 30, 2022. The total market capitalization of all listed securities increased from Tk. 4,38,425.7 crore in June 2021 to Tk. 4,26,595 crore on November 30, 2022. The CSE Broad Index has increased from 17,439.76 points in June 2021 to 18,408 points in November 2022, 5.5 percent higher.

EXTERNAL SECTOR

Export

In FY 2020-21, total export earnings increased by 12.77 percent to US\$ 40.11 billion over the previous fiscal year. During July to March of FY 2021-22, export earnings stood at \$43.7 billion, which is 32.43 percent higher than the export earnings of the same period in the previous fiscal year. Export receipts are estimated to cross US\$50 billion in fiscal year 2021-22. During this period, commodity-wise growth of export earnings shows that export earnings from almost all the products have increased compared to the last fiscal year except jute and building materials. The government's initiatives to facilitate exports are enhanced during COVID-19. Export incentives are extended to new products.

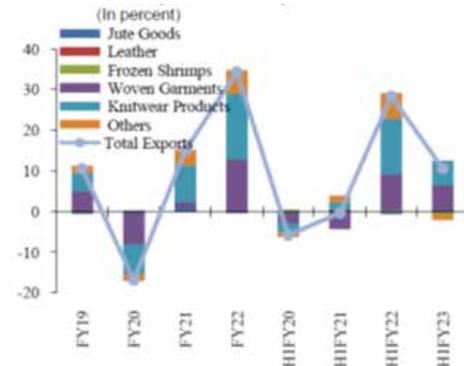
Trends in Export and Import Growth



Source: Statistics Department, Bangladesh Bank

During this period, the commodity-wise growth of export earnings shows that export earnings from almost all the products have increased compared to the last fiscal year. The government has taken several steps as an incentive for the export sector.

Decomposition of Export Growth (in Percentage)



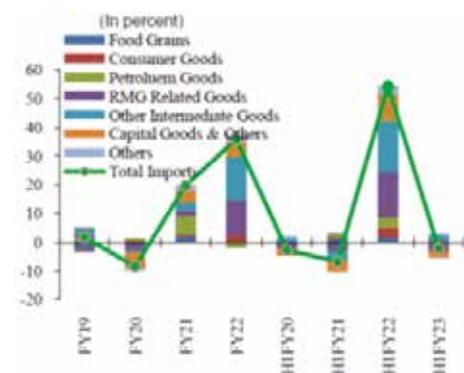
Source: BB staff's calculation based on EPB data

In order to encourage exports and the export of commodities, cash incentives are being provided to the exporters. This facility is being extended to new products as well.

Import

The total import payments in FY 2020-21 stood at US\$61.7 billion, 10.74 percent higher than the previous fiscal year. Up to March of FY 2021-22, total import payments stood at US\$ 71.41 billion, 42.24 percent higher than the same period of the previous fiscal year. Import payments are estimated to be around US\$80 billion in fiscal year 2021-22.

Decomposition of Import Growth (in Percentage)

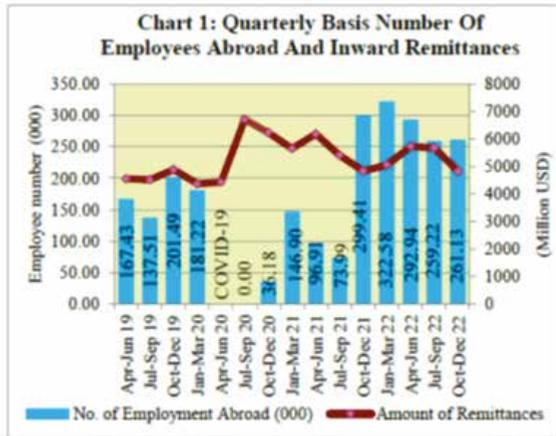


Source: BB staff's calculation based on EPB data

Overseas Employment and Remittance

The COVID-19 pandemic hit the overseas job market hard, and thus overseas employment decreased to 2.18 lakh in 2020 from 7.0 lakh in 2019. However, as the travel restrictions gradually eased, overseas employment rebounded after 2020. Overseas employment significantly increased to 6.17 lakh in 2021 and reached 3.23 lakh by March 2022. Considering worldwide mass vaccination programs and the improvement of the COVID-19 situation, it is expected that overseas employment will cross the pre-pandemic trend in 2022.

Quarterly Basis Number of Employees Abroad and Inward Remittances (in Percentage)



Source: Bureau of Manpower, Employment and Training, Bangladesh & Statistics Department, Bangladesh Bank.

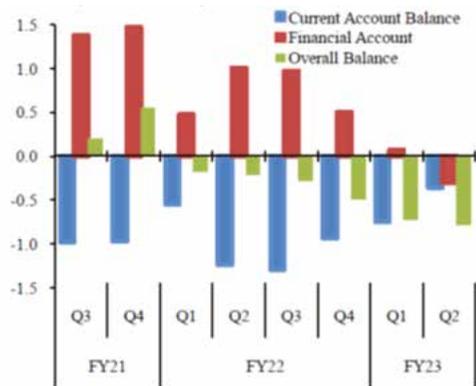
In FY 2019–20, remittance inflows increased by 10.87 percent over the previous fiscal year to US\$ 18.21 billion. In FY 2020–21, Bangladeshi expatriates’ remittances stood at US\$ 24.78 billion, which was significantly higher (36.10%) than the previous fiscal year. During July–April of FY 2021–22, remittance earnings recorded were US\$ 17.31 billion.

The majority of remittances have been received from Middle Eastern countries. During July to March 2022, the highest amount of remittances were earned from the Kingdom of Saudi Arabia (21%), followed by the USA (16%), the UK (11%), the UAE (9%), Kuwait (8%), Qatar (6%), Malaysia (5%), Italy (5%) and so on.

Balance of Payments (BoP)

The trade deficit of Bangladesh stood at US\$ 22.8 billion in FY 2020–21, compared to US\$ 17.9 billion in FY 2019–20. Trade deficit rose by 27.67 percent in FY 2020–21, largely due to the higher import payments that resulted from high commodity prices worldwide.

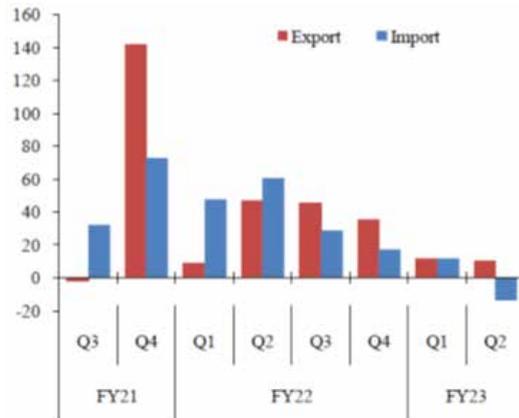
Trends in Current Account and Overall Balance (Percentage of GDP)



Source: Statistics Department, Bangladesh Bank.

During that time, the current account deficit stood at US\$ 3.8 billion on the back of robust remittance inflows, compared to a US\$ 4.7 billion deficit in the previous fiscal year. The trade deficit during July–February of FY 2021–22 has reached US\$ 22.3 billion, compared to US\$ 12.4 billion during the same period of the last fiscal year.

Trends in Export and Import Growth (Year on year growth in Percentage of GDP)

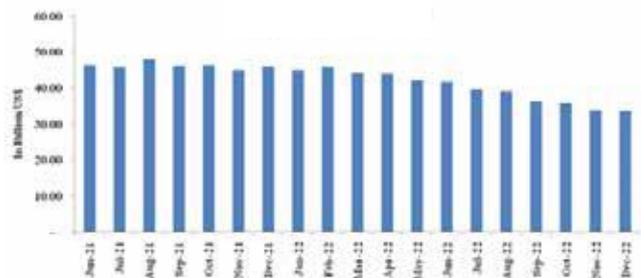


Source: Statistics Department, Bangladesh Bank.

FOREIGN EXCHANGE RESERVE

The foreign exchange reserve of Bangladesh reached a record high of US\$48 billion on August 24, 2021, largely due to huge inward remittances and export earnings. However, as the imports keep increasing, the volume of foreign exchange reserves has decreased by about US\$4 billion since August 24, 2021. At the end of April of FY 2021–22, the foreign exchange reserve stood at \$44.1 billion.

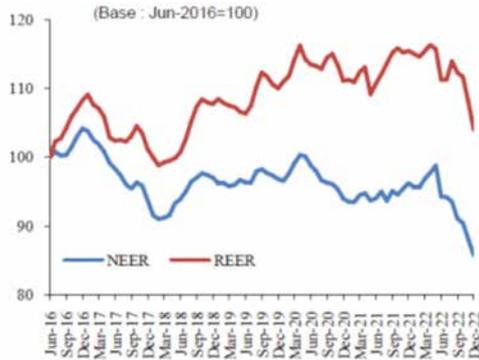
International Reserve (in billion USD)



EXCHANGE RATE

Increasing deficits in the balance of payments, monetary tightening by the US Fed, and geopolitical tensions together led to depreciating pressure on the BDT against the USD. Moreover, allowing more flexibility in exchange rates culminated in a sharp depreciation of BDT’s exchange rates. The exchange rate of BDT/USD depreciated to 99 at the end of December 2022, amounting to a 13.13 percent depreciation since January 2022. Bangladesh Bank sold USD 4.2 billion in Q2 FY23 to mitigate the demand-supply gap in the foreign exchange market. Consequently, the gross official reserve declined to USD 33.8 billion at the end of December 2022. The nominal effective exchange rate (NEER) and the real effective exchange rate (REER) also recorded high depreciations of 10.97 percent and 9.97 percent, respectively, at the end of December 2022.

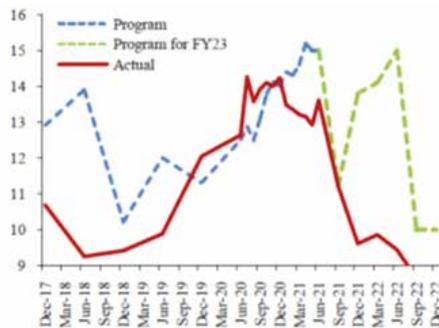
Effective Exchange Rate Indices



MONEY AND CREDIT

At the end of February of FY 2021–22, year-on-year, broad money (M2) increased by 9.4 percent and reserve money decreased by 7.41 percent. During the time period, 30.36 percent growth in net foreign assets contributed to the year-on-year growth of M2.

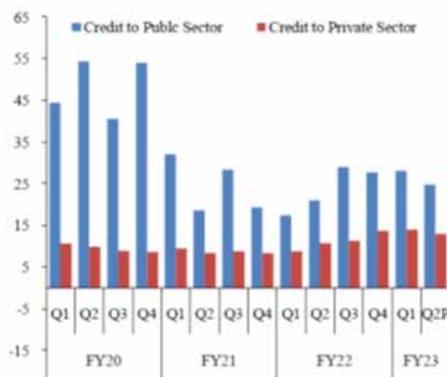
Broad Money (M2) Growth (in Percentage): Program vs. Actual



Source: Bangladesh Bank.

Domestic credit increased (year-on-year) by 13.3 percent in February 2022 of FY 2021–22, which is higher than the 9.06 percent growth in the same period of the previous fiscal year. Of which private sector credit growth stood at 10.87 percent at the end of February 2022 against 8.93 percent in the same period of the previous fiscal year. The net credit to the government increased by 28.94 percent at the end of February 2022, which was an increase of 10.64 percent in the same period of the previous year. At the end of February 2022, credit to the other public sector increased by 10.09 percent compared to 4.82 percent during the same period last year.

Growth of Credit to Public and Private Sector (in Percentage)



P = provisional
Source: Bangladesh Bank

MONETARY POLICY AND MONETARY MANAGEMENT

The monetary policy stance and the monetary and credit programs have been announced for FY 2021–22, with the key objective of continuing the on-going recovery process disrupted by the COVID-19 pandemic through expansionary tools while maintaining stability in the general price level. The FY 2021–22 monetary program is primarily set to support 7.2 percent real GDP growth and contain average inflation at 5.3 percent. To ensure the availability of less costly funds for banks and rationalize the policy rates' corridor (the gap between the repo and reverse repo rates), the repo and reverse repo interest rates have been slashed by 50 basis points and 75 basis points to 4.75 percent and 4.00 percent, respectively, with effect from July 30, 2020. However, a 360-day repo facility with effect from May 13, 2020, is also introduced. The Bank Rate, which has remained unchanged for the last 17 years (since 2003), has also been slashed down by 100 basis points to 4.00 percent to rationalize it with the current interest rate regime. The CRR has been reduced from 5.5 percent to 4.0 percent for domestic banking operations, from 5.5 percent to 2.0 percent for offshore banking operations, and from 2.5 percent to 1.5 percent for financial institutions (FIs).

STIMULUS PACKAGES

The Medium-Term Macroeconomic Framework (MTMF) for 2021–22 to 2023–24 has been formulated by the government, taking into account the recent dynamics of the global economy and the impacts on the domestic sector. The global economy was faced with great risk due to COVID-19, the impact of which was expected to be even greater than the 2008–09 recession. Countries are implementing incentive packages to address the unintended effects of the coronavirus on global growth and commodity markets. The Government of Bangladesh also announced various policy assistance programs, including incentives to combat the impact of the COVID-19 pandemic and its long term impacts. Keeping in mind that the poorer section of the population is the worst victim of the COVID-19 pandemic, the government, under the directives and guidelines of the Honorable Prime Minister, declared 21 stimulus packages in FY 2019–20 to facilitate economic recovery from COVID-19 fallout, bolstered social safety net programs, and enhanced relief activities throughout the country to protect the vulnerable people from crises. The number of stimulus packages has been further increased to 23 in FY2020–21, considering the prolonged suffering of the poor. In the medium term, the government will put emphasis on economic recovery from the fallout of COVID-19 and on implementing the 8th Five Year Plan, SDGs, Second Perspective Plan, 'Delta Plan 2100', and 'Blue Economy' strategies.

Before the COVID-19 pandemic, Bangladesh exhibited steady and high GDP growth, averaging 7.4 percent per year during FY2015–16 to FY2018–19, and reaching a record 8.15 percent growth rate in FY2018–19. However, the provisional estimate shows that GDP growth decelerated significantly in FY 2019–20, down to 5.2 percent, as a result of the outbreak of the pandemic. The GDP growth target for FY 2020–21 was set at 8.2 percent, which was revised to 6.1 percent in the MTMF due to the prolonged COVID-19 pandemic. GDP growth has been projected to gradually rise to 7.2, 7.6, and 8.0 percent, respectively, in FY 2021–22, FY 2022–23, and FY 2023–24. Inflation is projected at 5.4 percent in FY 2020–21, which is expected to gradually decrease in the next three fiscal years and stand at 5.1 percent in FY 2023–24.

Investment is expected to be between 33 and 36 percent of GDP in the next three fiscal years. Of this, investment in the public sector will be between 8 and 9 percent of GDP, and investment in the private sector will be between 25 and 27 percent. In the MTMF, the projected

revenue mobilization for FY 2021–22 could reach 11.3 percent of GDP to 11.5 percent of GDP in FY 2023–24. Public expenditure was only 14.9 percent of GDP in FY 2021–22, while it stands at 15.3 percent in the revised budget for FY 2021–22, which is targeted to be around 15.0 percent of GDP over the medium term. In FY 2021–22, the revised budget deficit stood at 6.1 percent of GDP. The budget deficit could reach 5.1 percent of GDP in FY 2022–23 considering the best practice, which could eventually increase in the following years. The target is to keep the private sector credit flow at 15.0 percent in FY 2022–23, which is expected to increase to 16.0 percent in the next three fiscal years.

Growth in remittances is projected at 10.0 percent in FY 2022–23, which is projected to be 13 percent on average in the next three fiscal years. The possibility of a return to a strong position in the export sector has been considered in the medium-term macroeconomic framework. Besides, there is domestic demand in the economy of Bangladesh. So, it is expected that the development pace of the economy will continue.

OVERVIEW OF ISLAMIC BANKING SECTOR IN BANGLADESH

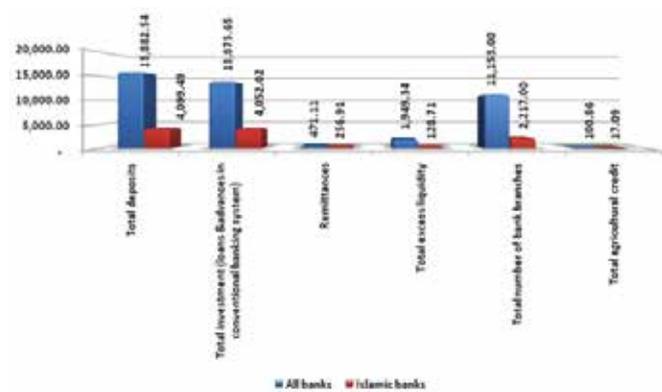
The Islamic financial sector is now considered a global financial industry in terms of its assets like Islamic banks, Islamic bonds, Islamic mutual funds, Islamic insurance, etc. The sector is growing globally based on its risk-sharing optimism, inclusiveness, and real asset backed transaction features. In line with global trends, Islamic banking in Bangladesh has also been witnessing robust growth due to strong public demand and policy support from the Bangladesh Bank.

At the end of December 2022, there were 10 full-fledged Islamic banks in Bangladesh operating with 1,659 branches, compared to a total of 11,153 branches in the whole banking system. In addition, 23 Islamic banking branches of 11 conventional commercial banks and 535 Islamic banking windows of 13 conventional commercial banks were also providing Islamic financial services in Bangladesh.

Islamic banking has made significant contributions to the growth and economic development of Bangladesh. The system seems progressively attractive and profitable to conventional banks because of its lower statutory liquidity ratio (SLR) and higher investment-deposit ratio (IDR). It is evident that the system has experienced phenomenal growth and expansion in the country as deposits and investments have increased significantly over time. Total deposits in Islamic banking stood at BDT 4,099.49 billion at the end of December 2022, which was BDT 114.26 billion, or 2.71 percent, higher than that of September 2022 but BDT 168.38 billion, or 4.28 percent, higher than that of the same quarter of the last year. Total investment (loans and advances in conventional banking) in Islamic banking stood at BDT 4052.02 billion at the end of December 2022, which went up by BDT 189.81 billion, or 4.91 percent, and BDT 517.54 billion, or 14.64 percent, as compared to the end of September 2022 and the end of the same quarter of the last year, respectively.

Investment-Deposit ratio (IDR) (Advance-Deposit ratio in conventional sense) stood at 0.92, which was the same at the end of September 2022 but higher than 0.90 at the end of December 2021. Excess liquidity in Islamic banking stood at BDT 128.71 billion at the end of December 2022, which was lower by BDT 46.54 billion (26.55%) and by BDT 207.54 billion (61.72%) than that of the end of September 2022 and the same period of the last year, respectively.

Conventional Banking vis Islami Banking (In Billion BD)



Total exports earned by the Islamic banks stood at BDT 340.98 billion during October–December 2022, which was lower by BDT 108.72 billion, or 24.18 percent, and BDT 157.59 billion, or 31.61 percent, than that of the previous quarter and the same quarter of 2021, respectively. Total import payments by Islamic banking stood at BDT 378.25 billion during October–December 2022, which was lower by BDT 280.38 billion, or 42.57 percent, and BDT 484.80 billion, or 56.17 percent, than that of the previous quarter and the same quarter of 2021, respectively. Total remittances mobilized by Islamic banking stood at BDT 256.91 billion during October–December 2022, which was higher by BDT 54.68 billion, or 27.04 percent, and BDT 53.23 billion, or 26.13 percent, than that of the previous quarter and the same quarter of 2021, respectively.

The number of branches of Islamic banking, including Islamic branches and windows of conventional commercial banks, extended to 2,217 at the end of December 2022, compared to 2,139 at the end of September 2022 and 2080 at the end of December of last year. Total employment in Islamic banking stood at 49,851 at the end of December 2022, compared to 49,433 at the end of September 2022 and 44,223 at the end of December 2021.

BANKING SECTOR OUTLOOK 2022

A broad-based growth momentum across the economy continued during the first two quarters of the current fiscal year, hampered by the performance of the agriculture and service-related sectors and aided by supportive monetary and government policy measures. According to the latest available data, the industry sector also observed promising performance in September 2022. The real GDP growth of FY22 exhibited a marginal downward revision to 7.10 percent from the 7.25 percent estimate in the midst of the combined risks posed by challenges to the post-pandemic recovery and the Russia-Ukraine war-induced global uncertainties. Consequently, per capita GNI moderated and grew by 7.80 percent in FY22, compared to a growth rate of 11.39 percent in FY21. Considering the recent macroeconomic developments, the government has revised the GDP growth target to 6.50 percent, previously set at 7.50 percent for the current fiscal year.

The headline CPI inflation started to soften from the recent highs mainly because of the global impact of falling commodity and fuel prices. However, inflation remained above the revised target level of 7.50 percent in Q2 FY23. In the last month of the current fiscal year, point-to-point headline inflation came down to 8.71 percent on the back of declining food prices as the local market started to transmit the impact of global food and fuel price declines. However, non-food inflation kept mounting gradually, reflecting rising import costs impacted partly by the significant depreciation of BDT against USD amid already high global commodity prices. Core inflation, which calculates non-food and non-fuel inflation, continued to rise this quarter to 9.52 percent from 8.41 percent in the previous quarter.

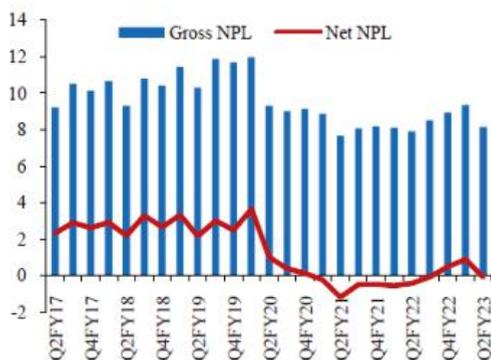
The 12-month average CPI inflation also increased gradually to 7.70 percent on December 31, 2022, from 6.96 percent on September 30, 2022.

The current account deficit (CAD) continued to narrow down since June 2022 and stood at USD 1.71 billion (0.36 percent of GDP) in December 2022, reflecting a reduced trade gap on the back of increasing export earnings and decreasing import growth to negative territory. The financial account faced a shortfall on December 20, driven mainly by trade credit and other short-term loan repayments. The shortfall in the financial account resulted in a moderate widening of the overall balance of payments (BoP) deficit to USD 3.72 billion in December 2022, which created some depreciation pressure on the BDT. To reduce exchange rate volatility, Bangladesh Bank injected USD 4.24 billion (net) into the foreign exchange market during the last quarter of 2022. Consequently, the gross official reserve declined to USD 33.75 billion at the end of December 2022.

The slowdown in broad money (M2) growth continued this quarter due to a considerable decline in the net foreign asset (NFA) due to forex market interventions by BB. In contrast, net domestic assets (NDA) increased marginally. A rise in money demand resulted in liquidity mismatches in the banking system, prompting BB to raise its reserve money. Simultaneously, the repo rate increased by another 25 basis points to 5.75 percent at the end of December 2022. Nonetheless, weighted-average interest rates on both lending and deposits increased slightly in December 2022, while rates in the call money and inter-bank repo markets continued to rise sharply.

Non-performing loans (NPL) in the banking sector decreased in December 2022, reflecting BB's relaxed policy initiatives for the loan repayment process to combat the ongoing macroeconomic challenges. On the other hand, both banks' advances and deposit growth decreased, resulting in a rise in the overall advance-deposit (ADR) ratio in December 2022.

Ratio of Gross NPLs and Net NPL to Total Loans (in Percentage)

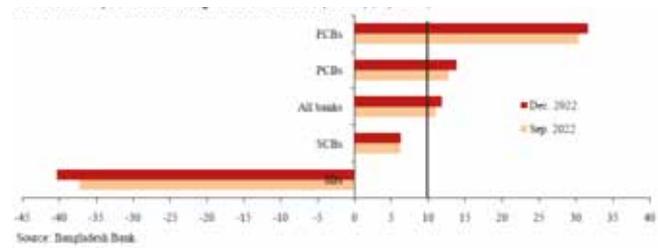


Source: Bangladesh Bank

The overall capitalization in the banking sector has maintained above the regulatory requirement of 10 percent of risk-weighted assets during December 2022, reflecting adequate capital buffers to absorb uncertainties and risks. The PCBs' capital-to-risk-weighted assets ratio (CRAR) rose to 13.80 percent at the end of December 2022 from 12.72 percent at the end of September 2022, indicating adequate capitalization. Although the CRAR of SCBs inched up to 6.26 percent at the end of December 2022 from 6.18 percent at the end of September 2022, it remained below the minimum capital requirement. However, the overall CRAR modestly increased to 11.83 percent at the end of December 2022 from 11.01 percent at the end of September 2022.

Capital to Risk Weighted Assets Ratio (CRAR) (in Percentage)

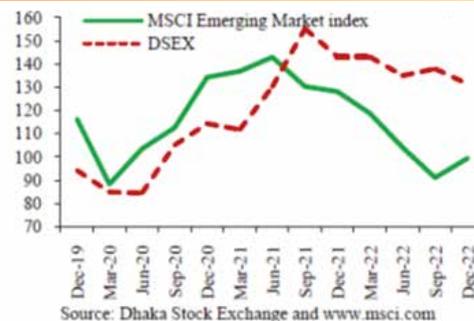
www.standardbankbd.com



The overall growth momentum of Bangladesh's economy is expected to continue in the face of prompt policy initiatives by BB and the government. The inflationary situation in Bangladesh is anticipated to soften again on the back of improved inflation scenarios in the major trading partner economies. However, the outlook is subject to considerable uncertainties that could emerge from the continuous unfavorable global developments, including the Russia-Ukraine war and the tight global financial conditions, among others. Nevertheless, BB will continue carefully monitoring such developments that affect growth prospects while maintaining inflation and exchange rate stability.

The capital market exhibited a weaker performance during the quarter under review than the previous quarter, as reflected in price indices, market capitalization, price-earnings ratio, and turnover, reflecting the recent adverse macroeconomic situation in the domestic and global economies. Only issued capital increased during the quarter under review. The overall fiscal stance exhibited stable momentum in December 2022, reflected in higher revenue mobilization and lower government expenditure than December 2021.

Synchronization of DSEX with Global Markets (Base: January 2015=100)



Source: Dhaka Stock Exchange and www.msci.com

BANKING SECTOR PROSPECTS IN 2023

The world economy has been facing a complex situation owing to the war in Ukraine, the zero-Covid policy in China, energy shortages in Europe, protectionism in the United States, and a skyrocketing debt burden in developing countries. The new wave of COVID-19 in North-East Asia, particularly in China, Japan, South Korea, Taiwan, and Russia, is also a great concern for the world economy. Bangladesh is no exception, facing inflationary, liquidity, and exchange rate pressures during the last few months, mainly due to external shocks. The high NPL ratio and the issue of good governance in banks and NBFIs are also matters of concern for the financial stability of the economy. To overcome these challenges, BB has already taken a series of policy initiatives, which include raising the policy interest rate amid quantitative tightening through the sale of a huge amount of dollars in the market; continuing the repo and liquidity support facilities for banks and NBFIs; extending the refinance facilities to neutralize the tight liquidity condition; discouraging imports of luxury and non-essential commodities; enhancing the facilities to improve export receipts and inward remittances; and engaging with concerned commercial banks and NBFIs to deal with NPLs and good governance issues.

The domestic price level is likely to ease in the near future due to the recent declining global price level trend in almost all commodities, weathered by better yields in Aman and Boro paddies in the next two seasons. The exchange rate pressure is expected to normalize within the next few months, supported by the necessary policy measures taken by the government and BB to curb excessive import demand while enhancing export receipts and inward remittances.

Raising policy rates is one of the options for policymakers to combat inflation while signaling to the market about BB's intention and, thereby, anchoring inflationary expectations. Because of the vast liquidity withdrawal from the system, the liquidity condition in the money market is already very tight, as reflected by sharply rising call money rates. Therefore, various alternative options for curbing inflationary pressure may be explored by the regulators. The regulators may emphasize raising production and employment opportunities by providing necessary funds to various productive sectors of the economy. The upcoming policies may also seek to promote import-substituting economic activities and dissuade imports of non-essential commodities to reduce exchange rate pressure, protect foreign exchange reserves, and control imported inflation.

Considering the current market conditions, the lending rate cap for consumers' credit has been relaxed to vary up to 3.00 percentage points, along with the complete removal of the deposit floor rate. There is no cap on credit card loans. In the presence of a suitable economic condition, the removal of the remaining lending rate cap will be considered. These relaxations on the lending rate cap and the complete removal of the deposit floor rate may help grow the overall deposit rate.

It is expected that Bangladesh Bank will be taking the necessary measures to gradually move towards a market-based, flexible, and unified exchange rate regime (within a 2.00 percent variation) by the end of this fiscal year. The near-term economic outlook seems quite stable, critically depending on three external issues: (i) the length and intensity of the Russia-Ukraine war; (ii) the spree of interest hikes by the Fed; and (iii) the re-emergence of the COVID-19 situation and its severity in China. Improvements in these challenges will expedite Bangladesh's future economic gains. However, in the event of any adverse consequences from the above external issues, the Bangladesh economy has enough resilience to remain insulated in its current condition.

Against the aforesaid background, the Islamic banking system has been playing a significant role in mobilizing deposits and financing various economic activities in Bangladesh since its inception. At present, the Islamic banking system represents more than 25 percent of deposits and over 29 percent of investments in the total banking sector. The other systems of the Islamic financial sector, such as the Islamic capital market, Islamic insurance (Takaful), and microfinance sector, may also flourish systematically if supportive policies are adopted and implemented. Although Islamic banking activities are growing in Bangladesh, the number of rural branches of full-fledged Islamic banks has not kept pace with demand. They should also focus more on expanding their outreach into rural areas.

Islamic banks should invest more in socially beneficial industries, particularly agriculture and small businesses. The investments made by Islamic banks in ideal Islamic modes like Mudaraba and Musharaka are still at a minimal level. Given this, Islamic banks should pay more attention to developing proper guidelines and policies to promote investments under Mudaraba and Musharaka modes. Islamic banks may also explore new sectors of customers in microfinance projects, supporting women entrepreneurs, and meeting the financial needs of government agencies, which are not currently served by conventional banks. This will give Islamic banks a great advantage as they flourish.

To make use of Islamic banks' excess liquidity, more money market and

capital market products must be introduced. As Islam prohibits Riba (interest), Islamic banks cannot invest in interest-bearing government treasury bills and bonds currently existing in the market. So, the recent introduction of sukuk and its huge responses from investors indicate that it will facilitate smooth liquidity management of Islamic banks, which may also help with deficit financing of the government budget and promote the Islamic capital market in the long run.

To address Shariah compliance issues in the Islamic financial industry properly, adoption of Shariah standards at par with international accounting and auditing organizations will be useful. In this regard, Islamic banks and conventional banks having Islamic banking branches and windows may undertake the necessary action to become members of the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI).

The performance of the Islamic banks could be further improved by upgrading the quality of human resources through enhanced spending on research and training and preparing the manpower of this sector as Islamic bank professionals to capture Shariah compliance issues in the Islamic financial industry properly. The needs for creating new Islamic financial instruments and modes, and developing the current ones can only be met by ameliorating employees' skills and knowledge through scientific research and training. So, Islamic banks should strongly focus on these issues. Efforts also need to be intensified professionally to further enhance its competitiveness and occupy a larger share of the local as well as global financial markets.

In line with BB's efforts, Islamic banks, branches, and windows should adopt all kinds of technological innovations and digital banking for deeper financial inclusion and to move toward a cashless society in Bangladesh.

INDUSTRY OUTLOOK 2022

Retrospective

Banking sector of Bangladesh is always in public discussion due to the sector's instability and irregularities. No doubt, the industry will carry forward the burden of 2022 to 2023 and the situation will be more challenging. At the moment, liquidity stress is one of the major problems of the sector. The central bank has supplied more than \$7.5 billion into the market in the first half of this fiscal year, while the import bill averages \$6 billion a month. Again, credit growth has been high due to low interest rates. The result is the pressure on market liquidity.

According to industry experts, the interest margin in the sector is gradually falling due to the interest rate cap. However, in August 2021, there was a circular to fix interest rates on fixed deposits at the rate of inflation. As the September inflation rate is over 9%, the industry is supposed to collect deposits at that rate, but again the lending rate is capped at 9%. There is no margin.

In money market, financial institutions will have to bear high cost of borrowing. The central bank hiked the repo rate to 5.75%. As a result, corporate clients, who provide a large portion of deposits other than fixed deposits, are also demanding higher interest rates for deposits. Some banks are borrowing at short notice at above 8% now. As a result, the cost of borrowing is significantly increasing.

It is assumed that non-earning assets, NPLs, will keep increasing, which ultimately reduces the effective lending rate. Banks' main income comes from profit on investment or interest, which is called core banking profit. However, the banks are increasing the balance sheet amount, but interest income, which is the bank's main revenue stream, is declining.

Upcoming election may play a vital role in policy making which might not upset the willful defaulters. The budget to be made in 2023 will also be the current administration's last chance before election, so the government will try its best to finish its development commitments and offer more benefits under social safety-net programmes. Increasing revenue by raising taxes, particularly on the rich, will remain undesirable in an election year. Rather, businessmen will try to take advantage by not paying default loans and not honoring their tax liabilities wilfully.

Mobilizing deposits in 2023 would be another challenge for the banking industry, the scenario, which have already been witnessed in the latter part of 2022. When credit growth is high and deposit growth falls far behind it, banks may suffer from a terrible shortage of loanable funds and seek government support. Such a liquidity crisis in the banking sector will tighten their profit opportunities, discouraging them to expand the workforce, resulting in an increase of rising unemployment.

End of Quarter	Deposit (Cr)	Deposit Growth Rate	Advance (Cr)	Advance Growth Rate
Jul-Sep 2021	1,462,888	1.61%	1,157,966	1.68%
Oct-Dec 2021	1,512,473	3.39%	1,210,589	4.54%
Jan-Mar 2022	1,514,895	0.16%	1,236,648	2.15%
Apr-Jun 2022	1,573,823	3.89%	1,298,659	5.01%
Jul-Sep 2022	1,576,371	0.16%	1,332,906	2.64%

Source: Scheduled Banks Statistics, July-September 2022

Import growth will be restricted by austerity measures, which will impact GDP growth partially. There is also a crisis of foreign currency liquidity. Banks are already very cautious in opening LC due to foreign currency crisis. This is also a matter of concern. Because of this, companies will not be able to collect raw material, resulting in further increase in non-performing loans (NPLs). With the global recession, the crisis may be exacerbated. Add to all these, there is the prevailing energy crisis. Factories are not getting gas properly. Despite the demand in the market, their production is falling. There is local demand for products, but if no one produces anything, how can that be met?

Experts also opine that export growth may remain buoyant given stable demand in the west, but remittances are unlikely to grow satisfactorily given the non-market exchange rate and the lethargic formalities of remittance through formal channels. Hundi will still hijack a big segment of remittance, no matter what punishing measures are in place. The current account deficit will, as a result, remain high in 2023, if not higher than what the country had in 2022, and continue to exert pressure on foreign currency reserves.

Many banks have made profit through increasing in foreign exchange and trade. But this avenue may not be there in the future. Banks are now concerned about this. Even if income increases from other avenues, it will not be sustainable. To increase the sustainability of the bank, the core banking profit has to be increased. Otherwise, the sector will not be able to endure any kind of storm.

Industry experts also think that lack of skilled manpower is another crisis for the banking sector. Many banks have been established but there is scarcity of effective human resource to manage those. It is becoming difficult to find skilled people, especially for bank's risk management. Bad loans are increasing due to lack of skilled personnel in the credit risk sector. There is also a lack of operational risk management skills. At the same time, even those who are skilled cannot work properly due to lack of good governance in organization as seen in many cases.

How will the banking sector of Bangladesh fight the existing situation remains a big question for the sector in 2023. If there is gas shortage and liquidity crisis, especially in foreign currency, that will force the banks into a situation of increasing distressed assets.

The Banks should be aggressively going forward in this situation by closely monitoring customers, regularly reviewing their portfolios and consolidating balance sheets. Existing customers need to be nursed as well. The taka has devalued by almost 20%, while the banks had to increase the loans against LC to customers. As a result, credit growth is also increasing.

Unfortunately, the New Year is likely to see more defaulters come out of the woodwork and damage depositors' confidence even more. There does not seem to be any silver lining on the horizon for the banking landscape. Demands for changes will emerge from economists and professionals, but the government may not go for massive reforms in the election year. However, they will be more proactive in making progress with its megaprojects because of their positive impact on public sentiment.

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 investments. As a result the bank has been able to earn a steady after tax profit growth.

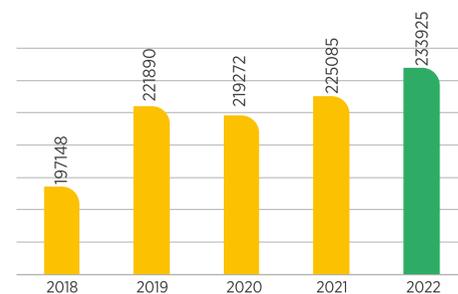
FINANCIAL RESULT OF THE BANK

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.

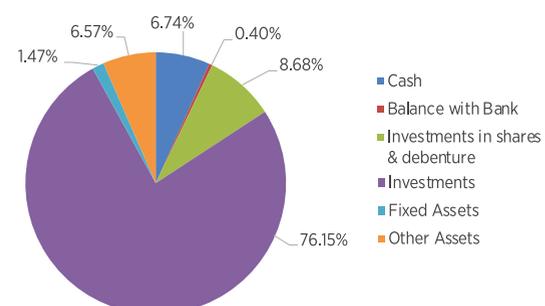
PROPERTY AND ASSETS

As on 31st December 2022 total asset of the Bank stood at Tk.233,925 million with a growth of 4% (Four percent) in comparison with corresponding previous year of 2021. The increase in Asset was mainly driven by significant growth of customers' deposits which were used for funding in investments and holding of securities. The increase in asset is determined by investments.

Total Assets (Million Taka)



Assets Mix - 2022 (Million Taka)

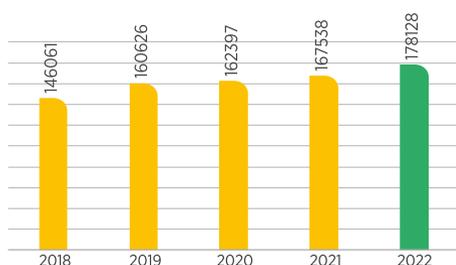


INVESTMENTS

Total Investments of the Bank has increased to BDT 178,128 million as on December 31,2022 in comparison to BDT 167,538 million as on December 31,2021, which indicates an increase of 6% 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 investments portfolio of the Bank ensuring sustainable profitability to meet accountability towards the customers as well as the stakeholders.

Investment is the single largest component of the total assets of the Bank. Furthermore, during the year the Bank has put enormous emphasis to Investment Risk management since it is the main tool to ensure proper Investment Management. Quality of Investment can only be retained if prudent Investment Risk Management procedure is effective and efficiently followed. That's why, the Bank has established IRM to analyze Investment 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 investment facilities in those sectors. Compliant as per the guidelines of Bangladesh Bank in Investment Management System and to retain its continuance; the initiative has been taken to revise the existing Investment Policy. Investment Monitoring and Recovery Department has been strengthening to ensure regular monitoring of the existing credit facilities. Concentration of investment 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.

Investment (Million Taka)



CASH IN HAND

Cash in hand stood at Tk. 2,310 million in 2022 as against Tk. 2,050 million of the previous year i.e. 13% increase 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 2022, Balances with Bangladesh Bank and its agents increased by 4% (four percent).

BALANCE WITH OTHER BANKS/FINANCIAL INSTITUTIONS

During the year 2022 balances maintained with other banks and financial institutions stood at Tk. 943 million as against Tk. 816 million of the previous year which is increased by 16% from previous year.

INVESTMENTS IN SHARES AND SECURITIES

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 BGIB and SUKUK of different tenure. Prize Bonds, Government approved Debenture. The Bank invested total

Tk. 20,302 million in 2022 as compared to Tk. 24,236 million of the previous year's Government Treasury Bill and Treasury bond.

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, Cement manufacturing industries, Health, Food sector etc. The total participation in Syndicated Financing at the end of the year 2022 stood at Tk. 1,956.10 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 investment within 7.77% i.e. Tk.13,840 Million against the total investments of BDT178,128 million at the end of the year 2022.

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

CORPORATE FINANCE

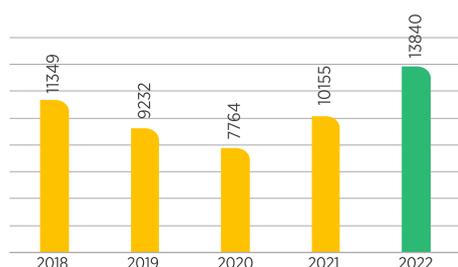
Standard Bank Limited always adopts strategy for widespread service for the large and medium sized corporate customers and Bank's business is focused to a considerable extent on the corporate clients by maintaining a relationship and extending financial assistance based on a deep understanding of the 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 investments 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 investment under Syndicated Finance stands at Tk. 1,956.10 million as on 31.12.2022. The projects in which the Bank participated in syndication financing in different prospective Green field & BMRE projects in the sectors like Power Generation, Telecommunication, Cement, Textiles, Health sector, Food and Manufacturing industries etc.

NON-PERFORMING INVESTMENT MANAGEMENT

Investment 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 investment monitoring and follows up systems through Monitoring Department to check the investments from becoming non-performing. The non-performing investments of the Bank stood at Tk. 13,840 million at the end of 2022 compared to Tk. 10,115 million in 2021 i.e. 36% increase from previous year.

Non performing Assets (Million Taka)**LIABILITIES AND SHAREHOLDERS' EQUITY**

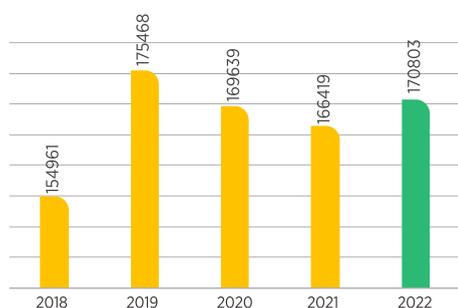
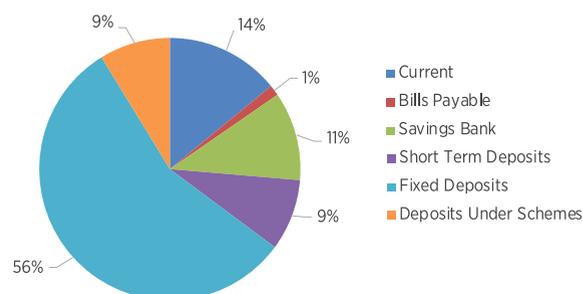
Total liabilities of the Bank stood at Tk. 216,222 million as of 31 December 2022 registering growth of approximately 4% (Four percent) over the last year. This was mainly due to increase in customers' deposits.

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 stood at Tk. 20,466 million at the end of 2022 compared to Tk. 19,075 million of 2021. 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. 170,803 million as on 31 December, 2022 compared to Tk. 166,419 million in 2021, thus recording 3% percent negative growth. Competitive profit 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 grow the of deposit.

Deposit (Million Taka)**Deposit Portfolio Mix - 2022****SHARE CAPITAL**

The Authorized Capital of the Bank was Tk. 15,000 million as on 31.12.2022. The paid up capital of the Bank has been increased to Tk. 10,621 million from Tk. 10,311 million due to declaration of 3% stock dividend for the year 2021. The total equity of shareholders of the Bank at the end of the year 2022 stood at Tk. 17,702 million and in 2021 was at Tk. 17,253 million.

STATUTORY AND OTHER RESERVE

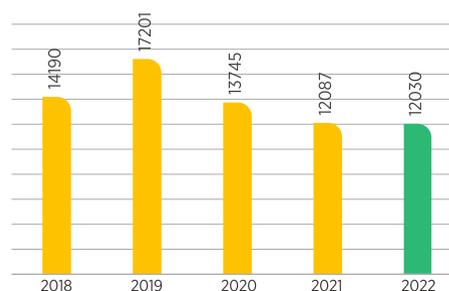
The Statutory and Other Reserve increased to Tk. 6,549 million during the year by registering 4% increase over Tk. 6,272 million of the last year.

OTHER LIABILITIES

During the year 2022, other liabilities of the Bank increased to Tk. 24,954 million from Tk. 22,337 million of 2021.

INCOME**Investment Income**

During the year 2022 interest income of the Bank was Tk. 12,030 million as against Tk. 12,087 million of the previous year thus Negative growth of 0.47% percent due to lower profit spread. The income generated mainly from investments, which remained the principal contributor.

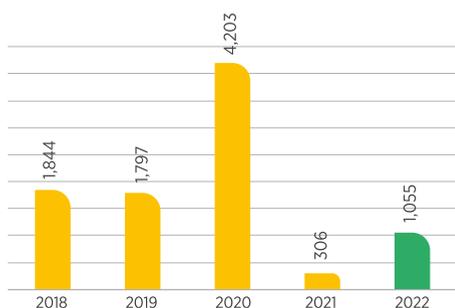
Investment Income (Million Taka)**Net Investment Income**

The net profit income of the Bank for the year under review stood at Tk. 3,769 million as against Tk. 4,463 million for the previous year.

Investment Income from Share and Securities

The Bank's investment income during the year 2022 was mostly in long term Govt. Securities which stood at Tk. 1,055 million as against Tk. 306 million in 2021. The Government Treasury Bonds have been purchased to cover the increased SLR arising from the growing of deposit liabilities.

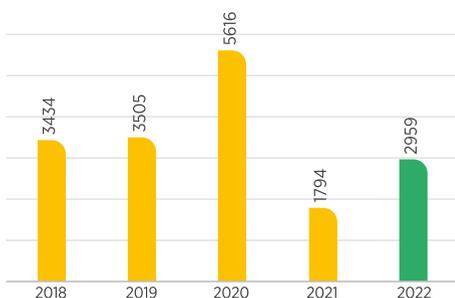
Investment Income Share and Securities (Million Taka)



Commission, Exchange & Brokerage Income

In the year under review, commission, exchange and Brokerage earnings were Tk. 1,581 million which was Tk. 1,113 million in 2021.

Non Profit Income (Million Taka)



EXPENSES

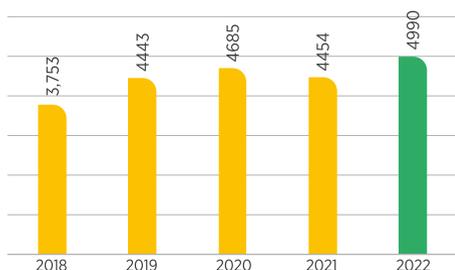
Profit Paid to Depositors

Profit Paid to Depositors Tk. 8,261 million in 2022 to Tk. 7,624 million in 2021 posting an increase of 8%. The investment expenses of the Bank were increased due to increasing trend of deposit rates in the market.

Operating Expense

In the year 2022, total operating expenses stood at Tk. 4,990 million as against Tk. 4,454 million of the previous year.

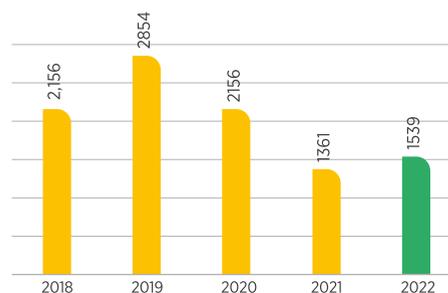
Operating Expense (Million Taka)



PROFIT BEFORE TAX

Net profit of the Bank before tax stood at Tk. 1,539 million as against Tk. 1,361 million of the previous year.

Profit Before Tax (Million Taka)



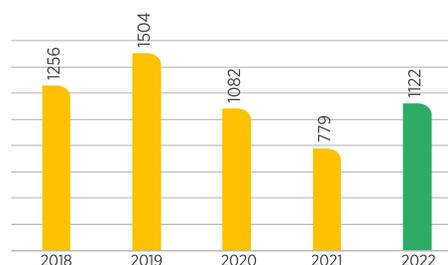
NET PROFIT AFTER TAX

Net profit of the Bank after tax stood at Tk. 1,122 million in 2022.

OPERATIONAL SUCCESS AND APPROPRIATION OF PROFIT

The operating profit of the Bank during the year 2022 was Tk. 1,738 million as against Tk. 1,803 million in 2021. The Bank was able to earn gross income of Tk. 14,989 million during the year 2022 whereas the gross expenses were Tk. 13,881 million of the previous year.

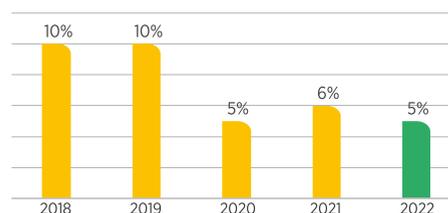
Profit After Tax (Million Taka)



DIVIDEND

The Board of Directors of the Bank in its 376th Board meeting held on 30.04.2023 has recommended 2.50% Stock dividend & 2.50% Cash dividend for the year 2022 of Tk. 531,037,387 after keeping Tk. 1,686,515.61 and Tk. 276,437,502 as retained earnings /surplus profit and Statutory Reserve respectively subject to approval from shareholders at 24th AGM of the Bank in order to maintain satisfactory capital base of the Bank.

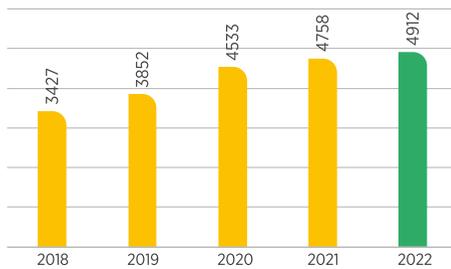
Dividend (Percentage)



PROVISION FOR INVESTMENTS

For maintaining provision against classified and unclassified investments, the Bank made a provision for Tk. 199 million during the year under report.

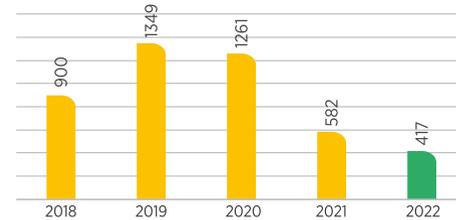
Provision for Investments (Million Taka)



PROVISION FOR TAX

Provision for tax for the year 2022 is Tk. 417 million compared to Tk.582 million of previous year. According to International Accounting Standards (IAS) 12, Current Tax of the Bank has been calculated.

Provision for Tax (Million Taka)



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 Investment Income	3,723,495,283	1,229,083	57,674,332	-	213,009	3,782,611,707
Total Operating Income	5,920,758,136	168,298,936	117,946,639	34,197,191	177,094,612	6,418,295,514
Total Non Operating Income	314,668,829	1,197,850	216,458	916,473	6,443,295	323,442,906
Total Operating Expenses	4,707,677,607	25,748,830	35,269,733	28,297,569	193,239,866	4,990,233,604
Profit before Provision	1,527,749,359	143,747,956	82,893,364	6,816,095	(9,701,959)	1,751,504,815
Total Provision against assets	145,561,851	39,762,607	13,539,097	-	-	198,863,555
Profit before Tax (PBT)	1,382,187,508	103,985,349	69,354,267	6,816,095	(9,701,959)	1,552,641,261
Provision for Taxation	377,439,929	24,215,639	15,517,276	-	-	417,172,844
Profit After Tax (PAT)	1,004,747,579	79,769,710	53,836,991	6,816,095	(9,701,959)	1,135,468,416
Segment Assets	231,744,159,332	2,182,008,332	598,501,863	17,232,733	108,811,643	234,650,713,902
Segment Liabilities	231,744,159,332	2,182,008,332	598,501,863	17,232,733	108,811,643	234,650,713,902

CREDIT RATING OF THE BANK

Surveillance rating of Standard Bank Limited was rated as AA+ for the year 2022-2023 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 O6 (six) core risks Management of Banks and has provided necessary guidelines for prevention there from.

The six core risks are:

- Investment 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.

Investment Risk Management

Investment 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 investment risk both through direct exposures and through contingent exposures. Our endeavor in identifying, measuring, monitoring and controlling investment risk for each borrower and also at the portfolio level are working as the guiding principles of investment 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 Banking line with the directives received from the Bangladesh Bank and the Government. The Branches are the business unit of the banking system. The investment application assessment process starts at branch level by the Manager Operation (MO) and ends at Investment Risk Management approval Unit. The IRM Unit analyses the proposal from different perspectives in line with lending policy of the Bank. If the proposal is found business worthy the IRM Unit places it to the Investment Committee with its recommendations. Mentionable that Investment 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 & CRO
- Deputy Managing Directors
- Head of Branch Management and Operation.
- Head of Investment
- Head of Treasury
- Head of IT
- Head of ID
- Chief Financial Officer
- Head of SME
- Head of AGRI
- Head of RMD
- Head of ALM Desk

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 investments 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 AND COMBATING FINANCING ON TERRORISM GRI 103-1; GRI 103-2; GRI 103-3

Money Laundering and Terrorist Financing have been considered as the very important issues since more than 2 (two) decades. Money laundering risk comprises of money laundering and terrorist financing. It leads to both reputational loss as well as financial loss. Under the recommendations of Financial Action Task Force (FATF), fund lying with foreign correspondence banks might be frozen, if any link is found with terrorist activities. For mitigating the risks, the Anti-Money Laundering (AML) & Combating Financing on Terrorism (CFT) and Proliferation Financing (CPF) program of the Bank is controlled under the guidance of Chief-Anti Money Laundering Compliance Officer (CAMLCO) with specific Responsibility and Authority and SBL has formed AML & CFT Division. The Bank has nominated Deputy CAMLCO for performing the secretarial tasks of CAMLCO as per regulatory directives. The Bank also nominated Branch Anti Money Laundering Compliance Officers (BAMLCO) & Deputy BAMLCO at Branches and Divisional/ Departmental AML Compliance Officer (DAMLCO) at Head Office level who independently would make the bank compliant on AML matters.

The following activities have been performed by the bank in the year 2022.

- In 2022 AML & CFT Division has submitted total 53 Suspicious Transaction Report (STR)/Suspicious Activity Report (SAR) to Bangladesh Financial Intelligence Unit (BFIU) which were reported by our different Branches to AML & CFT Division.
- To create awareness among the branch officials and for the improvement of AML, CFT & CPF activities, AML & CFT Division including Deputy CAMLCO has conducted onsite visit on total 4 Branches in 2022.
- Periodical Statement including Cash Transaction Report (CTR) & Self-Assessment Report have been submitted to BFIU on regular basis within the stipulated time.
- For ensuring and strengthening the AML & CFT Compliance in the Bank, the Managing Director & CEO issued a Yearly Message on 01.01.2022 addressing to all employees of the Bank.
- To comply the instructions of BFIU and Bank Management AML & CFT Divisions have circulated 8 circulars for all the employees of Bank throughout the year.
- Submit Activity Reports regarding AML & CFT issues to the Managing Director & CEO on half-yearly basis. After obtaining opinion/comments from Managing Director & CEO the report has submitted before the honorable members of Board for approval.
- Reply 828 Information requests of BFIU within stipulated time and ensure utmost confidentiality to comply the section 6 of Money Laundering Prevention Act.
- Follow up and monitor Audit reports (related to anti-money laundering) as and when received from the Bank's Audit & Inspection Division and external auditors of the Bank.

Risk Assessment GRI 205-1

AML & CFT Division has assessed money laundering (ML), terrorist financing (TF) & proliferation financing (PF) risks that has to be mitigated properly. Some vital areas of risks involved are identified as follows:

- Identify the customer's actual source of fund and verify from independent & reliable sources.
- Identify the ultimate beneficial owner (UBO) of the account opened.
- Any new customer who was involved in ML or TF or PF previously before being our customer through screening on boarding in the Automated/Manual Sanction Screening procedure.
- Whether any person/entity maintaining any type of account or making any transaction who is involved in any incident related with ML or TF or PF or any fraudulent activity which has been published in the daily newspaper through periodical automated screening and manually.
- Verification of price of the underlying commodities in foreign trade specially capital machinery & luxury goods.
- Information and identification of the exporters/importers/UBO in foreign trade related transactions.
- Counter party (customer) risk assessment by the bank in international trade.
- Tracking the transport/vessels to comply the regulatory directives.
- Phantom shipment i.e. the shipments, which exists only on paper in international trade.

For mitigating the risk associated with corruption related with ML or TF or PF, bank has taken some precautionary measures which are as follows:

- AML & CFT Division is following daily newspaper and search any incident happened regarding ML or TF or PF and the person/entity involved in the incident maintain any account with the Bank.
- Collect the latest credit report of both supplier and buyer.
- Verify the price of the goods from different local and international sources by trade officers before processing any foreign trade related transaction.
- Verify the previous trade behaviour of the importer and exporter and justify the current approach for getting foreign trade facility.
- Ensure the proper payment system and identify the actual end user/beneficiary of the foreign payment or cross border transaction either trade or remittance through sanction screening.

Training GRI 205-2

- To comply the section 11.2 of BFIU circular 26 dated 16.06.2020, AML & CFT Division arranged training program totaling for 186 Executives/Officers on AML & CFT related issues in 2022 jointly with the help of Human Resource Division (HRD) & Training Institute.
- Special training program has been arranged to prevent Trade Based Money Laundering (TBML) and 71 participants attended the program.

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

There are 66 (Sixty Six) complaints have been received by the CCS & CMC during the period of 01.01.2022 to 31.12.2022 details of which are as under:

SL No.	Complainant	No. of Complaints Received	No. of Complaints Settled	No. of Complaints Unsettled
01	Bangladesh Bank	40	40	0
02	General Customer/ Other Institutions	26	26	0
Total		66	66	0

- 40 Complaints out of the above 66 complaints received from FICSD, Bangladesh Bank are already settled.
- 26 Complaints out of the above 66 complaints received from general customer/other institutions are already settled.

TRAINING, RESEARCH AND DEVELOPMENT

Learning & Development Initiatives 2022 at a Glance

Since the conversion of Standard Bank Training Institute (SBTI) into Standard Bank Learning Center is responsible for enhancing professional efficiency of all employees. Learning Center along with

its valued client, Standard Bank family is working with utmost dedication and commitment. With a nationwide network of 138 branches, 24 Agent Banking Outlets & 119 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 029515628, PABX: +8822 3357913, +88 223358385, Ext: 117.

HRD has been playing the vital role arranging diversified training, workshop, seminar, conference etc to meet the business goals as well as to cope up with the changes and new ideas, tools, techniques and technologies in banking operations by developing a skilled, committed, ethical and well-motivated human resource through in house & external training. Standard Bank Learning Center emphasis on actual need-based training on core skills and soft skills of human capital in line with bank's vision-mission on the way of capacity building as well as adequate skilled, committed, ethical and well motivated human resources through in house & external training. The Standard Bank Learning Center Organized training using online platform & classroom based training in accordance with the guidance of the management.

Sl. No.	Training / Workshop 2022	No. of participants
1	Self-Assessment Report and Independent Testing Procedure	210
2	Advance Islamic Finance	709
3	Collection of Customs Duties, Fees & Charges through E-payment of RTGS	280
4	Prevention of Money Laundering & Combating Financing on Terrorism	71
5	Foreign Exchange – Account Services	35

6	Foundation Training Program on “Islamic Banking Operations”	60
7	Fundamentals on Efficiency for Support Service	138
8	ICT Security Awareness & New features of CBS	96
9	Gender Equality Awareness and Ethics in Banking	50
10	General Banking Operation	146
11	Money Market & Capital Market in Islamic Financial System & Compliance of Securities Law	24
12	Automated FC Clearing Through RTGS System	301
13	Evaluation of Foundation Training Program on “Islamic Banking Operations” & Feed Back	53
14	Guidelines for Trust Fund Management in payment & settlement services	35
15	Investment Operations & Management	74
16	10th Batch MTO Foundation Training Program-2022	106
17	“Automated Challan System (A-Challan)-2022”	40
18	eKYC and Customer on boarding solution to AC opening effectively	20
19	Awareness on Remittance Products & Operations Procedures	138
20	IT & Cyber Security Awareness	40
21	Investment Operations & Misconception about Islamic Banking System	101
22	Annual Risk Conference-2022	428
	Total	3155

Number of diversified Subject Matters Covered through Different Training & Workshops with Respective Numbers of attendees (External)

Sl. No.	Training / Workshop 2022	No. of participants
1	Certified Islamic Banking & Finance Professional (CIBFP)	14
2	Prevention of Money Laundering & CFT	20
3	Issuance and Operations of Sukuk, Monetary Policy	8
4	Sustainable Financing (Policies, Products ,Impact) in BD	25
5	Financing RMG Sector, CMSME Business	8
6	Islamic Banking & Finance	9
7	A-Challan of iBAS++	5
8	Greening Data Center of Banking System	5
9	Financial Inclusion	5
10	FDI Promotion Project, Investment Monitoring & Supervision	3
11	IT Security in the Banking Sector	4
12	Human Resource Development in Islamic Banking	4
13	Mergers & Acquisitions & Syndication Financing	2
14	Dissecting and Correcting Misconceptions in Islamic Banking & Finance	2
15	SWIFT Community Update in Bangladesh	2
16	Submission of Tax & Return & Deduction of Source Tax	2
17	Treasury Management System	8
18	Environmental & Social Risk Management -Green Climate Fund	3
19	Management of Non-Performing Loans(Preparation & Recovery Strategies	15
20	Executive Development	9
21	Audit Management & Monitoring System-2.0	1
	Total	154

Total Training Programs				
	Programs	Total Participants Attended	Male %	Female %
In-house	50	3155	2812	496
External	58	154		
Total	108	3309	85%	15%

Total number of training days: 119 days

Training Platform		
	Virtual	Physical
In-house Training Platform	23	27
External Training Platform	32	26
Total	55	53

Number of training Received (Job Grade Wise)	
Designation	No. of Participants
Upto Officer	1144
SO	211
EO	406
SEO	664
FAVP	279
AVP	129
SAVP	68
VP	57
SVP	30
EVP	29
Support Assistant	138
Total	3155

Training Plan- 2023

With a vision to convert human resources into human capital, the bank has chalked out the comprehensive Annual Training plan for the year 2023 comprising in-house and external (home & overseas) training programs.

Types of Training	Probable Participants Coverage
In-House Training Programs	5800
External Training Programs (Homes & Overseas)	300
Total	6100

INFORMATION AND COMMUNICATION TECHNOLOGY

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 channels. Banks are targeting different channels like internet banking, anytime-anywhere banking, credit and debit cards, payment gateway for ecommerce, etc. which increased customer base using technology as an enabler, everywhere banking and a renewed and invigorated emphasis on customers' convenience. 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. It has also created an intense demand for processing large amount of information within banks to assist faster information availability and better decision making in response to the changing business environment. The ability of technology to meet these needs has transformed information technology from a support function to an integral part of core processes spanning across all business functions and processes.

These forces have driven banks to constantly improve ICT infrastructure. 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

Bank's IT Infrastructure has been implemented to ensure data security, network security, best use of hardware and software, and other key aspects of IT security. ICT infrastructure has not only being strengthened by procurement of new devices and solution but also enriched with execution & extension of service support agreement (with replacement of faulty parts) performed for all active devices (like-servers and storage solution) at optimal cost without compromising quality and security. The key focus of ICT infrastructure are as follows:

- Setting up a secure and stable ICT platform
- Protecting risks related to information security
- Minimizing risks for electronic Banking infrastructure including ATM, POS machine, apps banking, etc.

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 ensueing 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. Computer Incident Response Team and Cyber Security Incident Investigation Team has been formulated to minimize technological, operational and hacking related risks.

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.

Core Banking Solution

Bank has always been moving with the latest technology in software

selection which has mitigated 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) "Hikmah" to support its customers' for regular Islamic 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

Disaster Recovery Site

Maintaining concurrent Backup and re-storing at proper place is the best practice for the disaster recovery. "Disaster Recovery" is the process of restoring an integrated system to full operation after an interruption in service, including equipment repair/replacement, file recovery/restoration, and resumption of service to users. Success of business continuity depends on how quickly disaster is recovered.

Bank has relocated all DR equipments (server, Storage, Routers, Firewall and other IT items) from previous DR site (bd peer ltd, Uttara) to Board approved new DR site (Square Informatix Ltd, Kashimpur, Gazipur) which is more than 35 km from primary datacenter of Islam Chamber, Motijheel. This DRS is equipped with more advance facility to safeguard Bank's information and transactions, in case of failure of primary Data Centre (DC) due to any disaster.

Bill Payment System

Bank has introduced solution to collect various types of utility bills like BRTA, WASA, TITAS, DPDC, NESCO 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.

Biometric Attendance System

Employee attendance system has been automated and centralized for transparency, accountability and performance evaluation. Attendance management software helps Bank quick retrieval of attendance status from central location. After installation of centralized attendance management software with integration of finger attendance devices, we are availing following facility-

- Centralized staff attendance & leave monitoring and reporting
- Easy to get information of all branch offices from a central server
- Customized reporting- daily and periodical
- Efficient track of all employees' movements
- Control of access to secured, highly restricted areas and checkpoints

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.

SBL Tjjarah Card

Bank is issuing Dual Currency VISA Gold, Platinum Tjjarah Cards - maintaining all features and facilities of international standards to compete with other peer banks. As nos of Tjjarah 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 Tjjarah card information and transactions as per Bangladesh Bank guideline is also made available from the same module

TREASURY MANAGEMENT

Treasury management of banks includes the mobilization of funds and investing those funds in a way to maximize 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

Future Outlook and 6%vs 9%Interest/Profit 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/profit ceiling on all loans/investment (except credit cards), liquidity pressures and persistently deteriorating non-performing loan/Investment (NPL) situation. However, owing to the COVID-19 pandemic the banking sector facing an acute crisis on multiple fronts, as banks' asset quality is likely to deteriorate while their interest/profit and fee-based income affected at the same time.

Lending rate cap takes a heavy toll on SME and retail businesses: The implementation of lending/Investment rate cap policy is a challenge in the sector. Not being able to price loans/investment 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.

The onset of the Russia-Ukraine war, the clock of inflation is ticking up, the forex market got volatile, commodity price was soaring at a bull and overall supply-demand hampered the world order. Almost every country was feeling the heat and Bangladesh was no different. The rate of inflation raised to a decade high in many countries which in real terms would be double-digit. the price of many commodities skyrocketed with multiple times price hikes, this situation made all economic indicators look gloomy such as the balance of payments, remittance, national reserve etc. the policy response was obvious but for an import-dependent country like Bangladesh, it was hard to

choose. People got nervous with the unprecedented level of inflation since it created a hue and cry in the market felt from macro to micro level. Banks in Bangladesh have reined in opening L/C including daily necessities due to the ongoing crisis of foreign currency in the country.

Remedy of 6% vs 9% Interest/profit 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 investment.
- Reduce risk factors related to market, investment and IT related risks.
- Establish good governance to reduce financial scams and financial malpractices
- Ensure a healthy liquidity condition maintaining required flow of investable funds.
- Lend more to the productive sectors to contribution to the economy's income generating activities and to reduce default risks.

Interest/Profit Rate Risk Mitigation: Banks encounter interest/profit rate risk in several ways. The primary source of interest/profit 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/profit 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/profit 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.

No. of Dual Tjarah Card Issued up to December 2022	Outstanding/Advance in Crore_ TK.	Profit in Crore_ TK.	Classification in %
8,353	75.21	3.14	25.51%

What will intended to do in the Year-2023

Contactless Card Issuance: Contactless cards are faster ways to pay with the SBL cards for purchases at participating stores and Card Division will offer contactless card for its cardholders. Instead of inserting card into the merchant terminal, only through a simply tap of card on the contactless terminal payment will be done without entering a PIN.

Boost up Visa Prepaid Card Facility: SBL Prepaid Card is a dual-currency Prepaid Card that can be used both locally and globally. The card is specially designed to ease payment experience and redefine cardholder's lifestyle. Cardholder(s) can get SBL Prepaid Card from any branches of the SBL, load the desired amount that require and be ready to explore a new world of privileges. The card can be used at ATMs, POS machines as well as e-commerce sites locally.

Introduction of Reward/Loyalty Program: Customer loyalty is a customer's willingness to interact with a brand or purchase a specific product on an ongoing basis due to the favorable experiences they associate with Bank. Card Division has started Loyalty Program on test basis and Loyalty point is counting on

It is essential that banks accept some degree of interest/profit rate risk. However, for a bank to earn profit consistently from changes in interest/profit rates, the ability to forecast interest/profit rates better than the rest of the market is required. The challenge for banks is not only to forecast interest/profit 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/profit rate risks by gap management. A traditional measure of interest/profit 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

Bangladesh sees unprecedented level of credit card transactions in the year 2022 as economy reopens. Card dependency is rising especially on credit cards because of the change in customers' purchasing patterns. Credit cards are one of the most commonly-held and widely used financial products in Bangladesh—over 1.62 million Bangladeshis' hold at least one credit card. During the COVID-19 pandemic, credit cards played a vital role as both a source of credit in emergencies and a payment method as more transactions occurred online.

An increased use of both Local and International Credit Card is taking place side by side with the expansion of personal banking services. Cross-border business and travels are also helping this expansion. Nevertheless, this is a good sign for the card business, as people are consuming more, which would play a role to grow the Card's revenue.

Highlights of Card Division: 2022

cardholder purchases. Once the test successful, Card Division will Go-Live the Loyalty Points for our valuable cardholders.

More Card issuance & Meet Profit Target: Increase market share and meeting profit target is possible when it is backed by sufficient skilled/experienced manpower, favorable business environment and management support.

Fetch down NPL Level: This is a quite inevitable situation; our plan is to ensure fetch down our NPL level to the 'single digit' subject to be backed by sufficient manpower and management support. We intend to hire contractual collection executives accompanied by a recovery team leader in this regard.

Seamless Investment, Operations & Reporting: To attain desired smooth card operations; our plan is to hire specialized/experienced manpower in different sections of Card Division like: VISA communication, Dispute-chargeback, Various central bank reporting, Waiver related cases, Recovery related third party agency morning, 24*7 call center support & Card proposal investment wing.

Tjarah Card Campaigns: To increase number of cards, enhance

card business Card Division will engage Cardholders through different campaigns- Usage-Utilization based limit enhancement campaign, 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/ card limit enhancement etc. campaign for the limited time period throughout year.

On board EMI & Discount Merchants: A good number of zero percent EMI and discount merchants to be on boarded in the year 2023.

ADC DEPARTMENT

Alternate Delivery Channels are channels and methods for providing banking services directly to the customers where

ATM Transaction

The below statistics provide the no. of transactions occurred in our ATM during the year 2021 and 2022

Particulars	2021	2022
Total No. of Transactions at SBL ATMs	7,47,126	8,91,307
Total Cash Withdrawal Amount at SBL ATMs	Tk. 697,87,36,332.00	Tk. 826,32,73,578.00
Total No. of Transactions (SBL Card at SBL ATMs)	4,37,458	5,13,642
Total Cash Withdrawal Amount (SBL Card at SBL ATMs)	Tk. 400,29,53,000.00	Tk. 473,85,77,500.00
Total No. of Transactions (NPSB Cards at SBL ATMs)	3,09,668	3,77,665
Total Cash Withdrawal Amount (NPSB Cards at SBL ATMs)	Tk. 297,57,83,332.00	Tk. 352,46,96,078.00

(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 2021	As on 31st December 2022
Total No. of Debit Card	1,21,970	1,46,329

Income from Debit Card

Year	2021	2022	Growth
Income from Debit Card (excluding VAT)	Tk. 2,22,65,895.00	Tk. 2,44,12,290.00	10%

(iii) National Payment Switch Bangladesh (NPSB)

Standard Bank Limited is successfully connected with National payment System Bangladesh (NPSB). Now customers of SBL have access over 10000+ ATM networks as well as 30000+ POS networks allowing ATM transactions (Cash Withdrawal, Mini Statement and Balance Inquiry) and POS retail purchase service.

NPSB Transaction Report (ATM & Retail Purchase)			
	Particulars	2021	2022
SBL Card at NPSB ATMs	No. of Transactions	3,85,410	5,03,413
	Amount of Transactions	Tk. 300,50,36,400.00	Tk. 387,85,76,000.00
NPSB Retail Purchase	No. of Transaction	41,074	62,582
	Amount of Transaction	Tk. 14,25,75,090.30	Tk. 20,82,31,626.70

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 122 ATMs at different locations of Bangladesh. SBL ATMs feature the latest in security technology and anti-fraud mechanisms for client's complete peace of mind and provides a quick and convenient way to withdrawal funds from any owned and shared ATMs at 24/7.

Below is the revenue growth rate of NPS transaction between 2021 & 2022:

Revenue from NPSB Network (ATM & Retail Purchase)		
Particulars	2021	2022
Total Income from SBL ATM using NPSB Card	Tk. 60,82,805.00	Tk. 77,53,975.00
NPSB Retail Purchase Income	Tk. 11,31,689.53	Tk. 19,40,138.19

(iv) Branch POS

SBL already deployed 129 units of Branch POS in different branch. POS terminals help customers carry out chequeless transactions at 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 2021 and 2022:

Branch POS Transaction Report		
Particulars	2021	2022
No. of Transactions	1,33,460	1,37,220
Amount of Transactions	Tk. 409,18,71,139.89	Tk. 466,29,09,342.94

(v) SMS Banking

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. Below is the statistics of No of SMS transaction and earned revenue of 2022:

Year	Total No. of Customer	Income from Service Charge (excluding VAT)
2022	7,94,180	Tk. 5,29,37,400.00

(vi) 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 Internet.

Particulars	2022	Income from Service Charge (excluding VAT)
Total No. of Accounts	11,807	Tk. 3,59,700.00
No. of Transactions	355	
Amount of Transactions	Tk. 88,93,454.00	

(vii) SBL DigiBanking

SBL DigiBanking is latest product of ADC Department. With this SBL DigiBanking App, 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, 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	2021	2022
Total No. of Customers in Mobile Apps in DigiBanking	8,430	12,761
No. of Transactions	1,30,099	2,32,665
Amount of Transactions	Tk. 146,86,86,648.00	Tk. 280,80,33,829.00
Income from Service Charge (excluding VAT)	Tk. 7,83,600.00	Tk. 12,26,200.00

GENERAL SERVICES DIVISION (GSD)

Introduction

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 required supports to all the branches and divisions of Head Office 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.

Role of GSD

1. Introduce and practice procurement policy effectively.
2. Purchase of equipment, supplies and materials for the bank.
3. Interior renovation and decoration works complying the process of procurement policy.
4. Space rationalization plan.
5. Provide security through security management department.
6. Regular stationary support.
7. AMC planning with different service providers.
8. Carry out proper maintenance of all equipment and materials of the bank.
9. Maintain and provide transportation service.

Organogram of GSD

GSD is comprised of five departments/Section as follows:

1. Procurement Department.
2. Property Management/Estate Department.
3. General Services and Maintenance Department.
4. Security Management Department.
5. Transport Management Section.

Activities of GSD in 2022

In the year 2022, 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 challenges ensuring overall growth of the bank.

In brief, few mentionable achievements accomplished by GSD in the year 2022 are appended below:

1. **Cost Reduction Initiatives.** GSD had taken an all-out efforts to reduce the overhead cost of the bank through different measures. Some of those are as under:
 - a. **Space Rationalization Method:** SBL is operating business in different locations through branches and booths. Management took initiative to leave the unutilized spaces gradually in a view to assist cost control objectives. This reduces the utility cost also. In 2022, GSD took initiative to rationalize the space in North Brook Hall branch, Mohakhali branch, Mathbaria branch, IBW Topkhana branch and 10th, 11th,12th floors of Islam Chamber of Head office resulting a cost reduction of 4,67,32,905 taka in total. A sustainable space management will help to boost bank's profit.
 - b. **Rent Saving by Shifting of Branch and ATM:** A well thoughtful plan has been applied to reduce the cost by shifting branches and ATMs. In 2022, Foreign Exchange branch, Narayanganj branch, Ashkona ATM, Dinajpur ATM and Mohammadpur ATM are shifted resulting a cost reduction of 67,03,460 taka in total.
 - c. **Rent Reduction During Renewal/Agreement:** We have communicated with the landlord of the Branches all over the country, negotiated with them and finally succeed to reduce

the rent amounting 41,71,684 taka from Dhanmondi branch, Shafipur branch, Kushtia branch, Mymensingh branch, Ashkona branch, Chaktai branch, Chuadanga branch, Chasara branch, 8th floor of Islam Chamber and Shibchar branch ATM.

- d. **Construction of Corporate Head Office Building (Gulshan):** By 2022, main structure up to level-25 of the building has been completed. Presently works for HVAC system, fire protection and detection work (MS pipe), fixing of tiles, installation of aluminum pipes for curtain glazing wall (Façade system) are in progress. The tender process for Lift and Generator & Substation have already been completed. Besides, tender is also called for Interior Fit Out works and Integrated Building Management System (IBMS).

2. **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 equipment of HO and Branches by working in groups and team work.
3. **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 2022. Besides, 482 pieces of blankets are handed over to different organizations complying the instruction of Bangladesh Bank.

Conclusion

GSD believe only in excellence in 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.

AGENT BANKING OPERATIONS

Agent banking is an alternative delivery channel that can provide affordable technology based real-time online banking services for the underserved & unbanked population-mostly in rural & remote areas, in a cost-efficient manner without establishing any branch network.

With the Bangladesh Bank permission, our bank has started operation of Agent Banking in the year 2016. As of 31st December 2022, we have been providing agent banking services through 24(Twenty Four) Agent Outlets throughout the country.

SBL Agent Banking Model

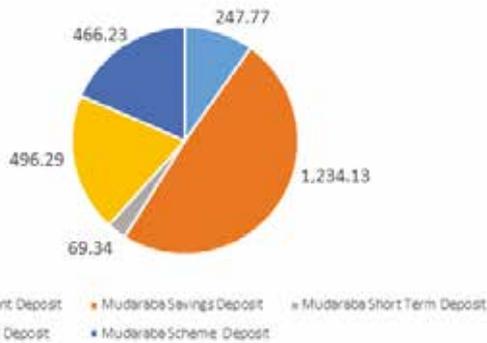
Standard Bank Limited made a unique Shariah compliant Agent Banking model with technology based banking concept ensuring appropriate security with real-time banking for its customers. Agent outlets are distinctly branded with Standard Bank Agent Banking logo to provide products and Services of Standard Bank Limited. All Agent outlets are equipped with modern technology based devices for its customer services. 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 10 Taka Account, Disbursement of salary & allowances of Govt. social safety net program.

Standard Bank Agent Banking business analysis in 2022

DEPOSIT MIX IN AGENT BANKING (FIGURES IS LAC TAKA)



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 2022	Plan 2023	Growth
No. of Agent Outlet in operation	24	36	50%
Total No of A/C	16103	20000	24%
Total Deposit	2513.79 Lac	3600.00 Lac	43%
Operating profit	50.61 Lac	80.00 Lac	58%
F. Remittance Disburse	1445.20 Lac	2000 Lac	38%
Collection of Utility Bill	726.73 Lac	1000 Lac	38%

In 2023 we are planning to open around 12 new outlets and enhance the business of existing outlets. We are also planning to provide Debit card, RTGS outgoing and some new products (those exists in our branch banking) & services to our agent banking customers.

Conclusion

SBL 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 modern banking network.

INVESTMENT ADMINISTRATION

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

Being segregated from Relationship Management, IAD plays an important role to avoid the possibility of controls being compromised or issues not being highlighted at the appropriate level. IAD 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'.

IAD is responsible for the accuracy of documents provided/ executed

by the investment customers received through/from the Relationship Manager/branch and ensuring the satisfaction of conditions precedent and conditions attached to approved facility.

In the year 2022, IAD has performed the following jobs in a nutshell:

- To scrutinize/analyze/examine of security documents whether the documents are in order in line with the sanctioned terms and conditions against different investment facilities of different customers of the different branch(-es) for setting up limit(s)/ assigning Sanction ID in the Core Banking System (CBS) 'Hikmah-20'; Being satisfied with the documentation status, IAD 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 input and authorize the required information in the Core Banking System (CBS) 'Hikmah-20' according to the approved Office Note for assigning Sanction ID /Limit Creation towards disbursement;
- To communicate with the concerned officials of IT Division on technical problem, if any, arises while assigning Sanction ID/ Modification;
- To modify data in CBS relating to Investment Increase, Investment Decrease, Profit Rate change, Time extension, Rescheduling, Repayment Schedule Modification, etc. upon receipt request from the branches according to approved terms & conditions;
- 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.
- To enlist surveyors, third party service provider, under the guidance of the existing Surveyors' Enlistment policy in order to conduct survey jobs on collateral security offered against different investment facilities of different customers of the bank.

Further, Investment Administration Division of Standard Bank Limited has taken initiatives to adapt a software based Documentation Management System named 'DigiDoc' which will help to generate a dynamic documentation check list, ensure smooth management and tracking of security documents, archive documents and increase visibility and transparency.

INVESTMENT RISK MANAGEMENT

Investment Risk

Among different risks of banking operations, Investment risk is probably the most crucial type of challenge that a bank might face. 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 Measurement

Risk measurement plays a central role in managing portfolio effectively and minimizing investment risks that comes with judgment, experience and using different risk measuring tools. In SBL, Bangladesh Bank's prescribed Internal Credit Risk Rating System (ICRRS) is used in both Corporate and SME sector financing for risk grading. The grading is used for assessing the client with a range of quantitative and qualitative factors. The grades (derived from ICRRS) against Corporate & eligible SME customers are also supported 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 clearly defines 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 updated 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 the GDP of the country. SBL has a well-equipped Investment Division to serve its 138 no of Branches for approving investment facilities to the customers complying Bank's internal as well as external policies including Bangladesh Bank's policy guidelines and directives in force.

RMG Financing Cell

Bangladesh is the home of one of the largest RMG industries in the world. Around 5 million people are directly or indirectly working with the industry. Since a long time, the ever-growing RMG industry has been playing a big role in the development of the economy where around 85% export earnings come from the sector. SBL Investment Division has put a special emphasis on this dominating export oriented industry with RMG-specialized investment officials to its RMG based business and contribute more to the economy. SBL always brings innovation in the table in terms of portfolio diversification and tailor made investment products that meet customers' need comprehensively.

Policy Guidelines & Process Development Department

Under Investment Division, the bank has developed a Policy Guidelines & Process Development Department, which is equipped with expert resources and providing relentless support on preparing and updating new or existing business-operation policies to strengthen and build robust Investment processes.

Research and Strategy Department

To make informed business-decisions, SBL has formed Research and Development (R&D) department under Investment Division to help the management with market intelligence. Doing economy and market research, the competent R&D department works on industry analysis, SBL's portfolio analysis and develop industry specific investment strategies with futuristic objectives. In addition, product and service innovation also remain under the purview of the department.

Management Investment Committee (MIC)

As per regulatory requirement, SBL has formed Management Investment Committee (MIC) with officials working in different top-

management level in order to support quality investment decisions and ensure superior asset quality. The committee is responsible for decisions on investment proposals that go beyond the authority of the investment officers or otherwise require special attention. Mainly, the commercial and large SME proposals are discussed in MIC. The number of MIC meeting that took place in 2022 was 72, where overall 1,360 investment proposal was discussed.

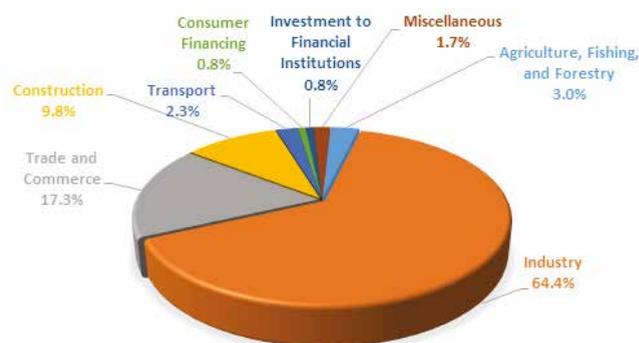
Investment Division

Investment Division of SBL is responsible for assessment of investment applications and subsequent approvals. In 2022, the following investments have been made by SBL in different sectors and regions.

Sector Wise Portfolio Concentration in 2022:

Sector	Investment (BDT Crore)	Percentage
Agriculture, Fishing, and Forestry	514.92	3.0%
Industry	11,219.62	64.4%
Trade and Commerce	3,013.29	17.3%
Construction	1,714.52	9.8%
Transport	392.31	2.3%
Consumer Financing	138.1	0.8%
Investment to Financial Institutions	144.76	0.8%
Miscellaneous	296.64	1.7%
Total	17,434.16	100%

INVESTMENT IN 2022 (BDT CRORE)



Around 13% Investment Growth in Industry

SBL enhanced industrial financing from BDT 9,936 crore in 2021 to BDT 11,219.62 crore in 2022.

Breakdown of Industry Concentration:

Sector	Investment	Percentage
Textile	3,933.51	35.1%
Food and Allied	691.75	6.2%
Pharmaceutical	13.16	0.1%
Chemical, Fertilizer, etc.	24.01	0.2%
Cement and Ceramic	105.08	0.9%
Ship Building	3.63	0.0%

Ship Breaking	439.54	3.9%
Power and Gas	145.07	1.3%
Other Manufacturing	3,660.23	32.6%
Service Industries	735.48	6.6%
Others	1,468.16	13.1%
Total	11,219.62	100.0%

Geographical Distribution of Investment Portfolio in 2022:

Division	Percentage
Dhaka	69.8%
Chattogram	16.3%
Rajshahi	6.7%
Sylhet	4.2%
Khulna	2.2%
Rangpur	0.4%
Barisal	0.2%
Mymensingh	0.2%
Total	100.00%

DIVISION-WISE INVESTMENT (BDT CRORE)



Export and Import performance in the year 2022

EXPORT IMPORT PERFORMANCE 2022 (BDT CRORE)



Export Growth 10.2%

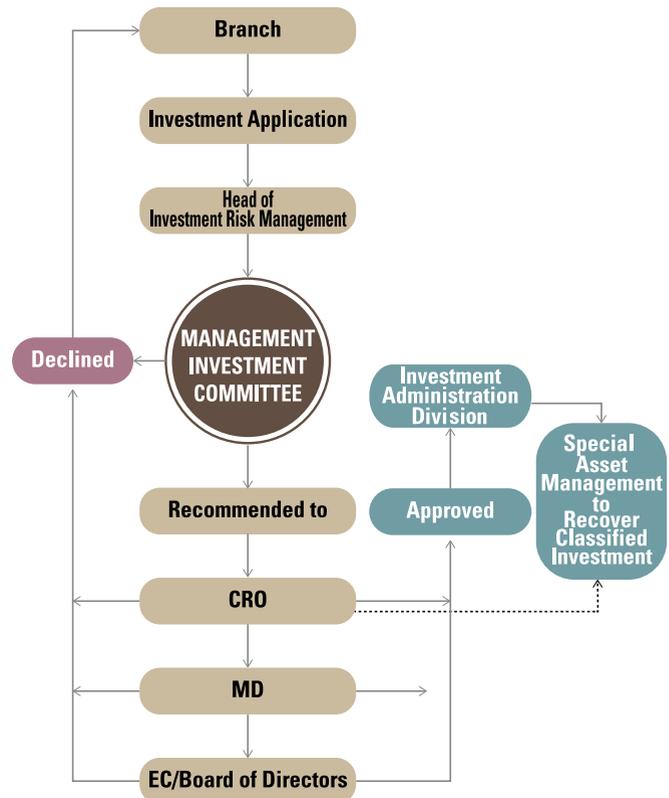
Import Growth 5.8%

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 investing, 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 for smooth business operation.

Investment Management Process



Investment Risk Mitigation:

As investment risk is one of the most significant challenging areas of banking business, Standard Bank is stretching a vigilant concentration on mitigation of investment risks. The Investment Division is playing the following major activities to ensure risk mitigation:

- Establishing risk management environment. Through proper and effective functioning of Management Investment Committee (MIC), SBL has established a sound risk management environment. All entitled investment proposal channel through the committee. The Investment Division actively works in identification of investment risk based on its expertise and experiences under the purview of Board's approved policies, guidelines and risk appetite statement.
- Operating under a sound investment granting process. The investment division assess the investment requirement and evaluate the customers 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 are taken to control or mitigate

the risks of related investment.

- 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 2022 which will have direct impact on CAMELS rating as expected.

With strict determination of the SBL management, it is believed that there would be no exception of complying with the norms, rules and regulation of internal and external authorities in coming years. Furthermore, Investment Division will pro-actively act to uphold the position of the Bank to better serve the interest of its clientele base and ensure greater return to SBL's shareholders.

AGRICULTURE & RURAL INVESTMENT

Agriculture sector plays a vital role in accelerating the economic growth. Among the economic sectors in Bangladesh agriculture is the most important economic sector. So agriculture sector influences the development of national economy. Majority percent of 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.

Importance of agriculture in Bangladesh

- Food and Agriculture are involved inextricably to each other.
- Bangladesh has made effective and sustainable gains in agriculture mainly through Government policy & support.
- Government of Bangladesh has taken various programs for the improvement of agriculture.
- The Government of Bangladesh is committed to the continued development of agriculture in order to maintain food supplies for the growing population, provide income and employment for rural people and protect the environment.
- 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.
- To overcome from the present global crisis of food, there is no alternative way without increasing production of food.

Agriculture and Standard Bank Ltd.

- Agriculture is the backbone of our national economy, top-priority should be given for the development of this sector and considering the fact Honorable Board of Directors and the Management of Standard Bank Limited has been showing notable eagerness in any issue related to Agriculture and Rural Investment Division to ensure agricultural productivity.
- Standard Bank Limited is doing it's best for the progress of Bangladesh by investing agriculture sector.
- Standard Bank Limited has started a separate division by the name of Agriculture & Rural Investment Division in Head Office level & fixed up a target in every fiscal year to all it's Branches

for financing, to provide best service & an easy access of the poor farmers.

- Honorable Chairman of Standard Bank Limited has emphasized to disburse Agriculture & Rural Investment through own network instead of MFI/NGOs Linkage.
- 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.
- Almost every fiscal year Standard Bank Limited has been achieving the target fixed by BB.
- Standard Bank Limited has been providing direct investment to the farmers for sustainable growth of the country.

Name of sector for financing in agriculture from SBL

- Crops or grain cultivation.
- Fish Farming.
- Poultry Farming.
- Dairy Farming.
- Vegetable & Fruit cultivation.
- Beef Fattening farming.
- Tools of Irrigation & Agriculture Equipment.
- Special Priority Sector: Oil seeds, pulse, spices & maize.
- Production of seed.
- Crops storage & Marketing.
- Poverty Alleviation & Income generating activities.
- Other sectors mentioned in the Agriculture & Rural Credit Policy & Program published by Bangladesh Bank.

Important 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 is 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 8%; 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, fishery & livestock) get priority in Agricultural investment.
- Providing large investment in Dairy farm, Beef fattening, Poultry & Fishery etc.

Performance against different target under agriculture investment is set by Bangladesh Bank:

Name of Sector	Fiscal Year	Target	Achievement (%)	Growth
Agriculture	2021-2022	Tk.316.00 cr.	Tk.569.70 cr.	180%
Tk.3000. cr. stimulus package(2nd phase) under Agriculture Financing through own source	2021-2022	Tk.10.00 cr.	Tk.10.00 cr.	100%
Tk.3000. cr. stimulus package under Financial Inclusion Financing through MFIs/NGOs	2021-2022	Tk.40.00 cr.	Tk.40.00 cr.	100%

The initiatives have already been taken by SBL to achieve the target set by BB

- Branch wise target is allocated based on capacity and location of the Branch and follow-up & monitoring is continuing.
- Banner has already been hanged in Branch's vicinity in easily visible site for financing under agriculture sector.
- A data base has already been prepared for nationwide Govt. Agriculture Offices with mobile number of respective Officers to identify real farmers from their record.
- Branches are advised to ensure for establishment of dedicated help desk and assigning the focal person.
- Higher Management is giving priority to disburse the agriculture investment by own network.
- Branches are advised to conduct special campaign on the eve of session of cultivation of relevant crops to encourage the farmers to take investment under agriculture sector.



Mr. Mohammad Idrich, In-charge of ARID & Ms. Khandakar Mowsumi Aktar, SEO of ARID, Head Office along with Ms. Sultana Jahan, SAVP & Branch Manager and Mr. Md. Arshad, Officer of Sonargaon Janapath Branch, Dhaka have visited the business premises of Jamco Agro Ltd., at Jamalpur District, a dairy farm project under Agricultural financing of Standard Bank Limited.

MFIs/NGOs Linkage

Micro Finance Institutions (MFIs)/Non-Government Organization (NGO) plays a significant role in association with Banks for the alleviation of 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 clients in remote territory. Standard Bank Limited has financed a substantial amount under NGO linkage investment program to some renowned Microfinance Institutions (MFIs).

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 has been rendering banking services 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 Investment out of its total investment portfolio. Considering the importance of SMEs in the economy of our country, Standard Bank Limited

has formed a separate SMEs Division for maintaining fullscale operation of SME activities. All of our branches are serving SME customers through dedicated and well trained SME officers.

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 investment to the SME sector with priority to women entrepreneurs. A yearly target outstanding of Tk 3400.00 Crore has been set up for the year 2022. We have been disbursed Tk 2034.37 Crore under SME sector during 2022.

Comparative Business Performance on SME financing up to 31.12.2022 are appended below:

Enterprise	Disbursement during the year			Yearly Target			Outstanding as on 31.12.2021	Outstanding as on 31.12.2022
	2022	2021	2020	2022	2021	2020		
Small	1144.37	740.59	740.80	1870.00	1815.00	1802.43	1826.49	1932.60
Medium	890.00	523.43	432.84	1530.00	1485.00	472.58	1493.85	1578.22
Total	2034.37	1264.01	1173.64	3400.00	3300.00	3275.00	3320.34	3510.82

** Yearly target- 2022 determined on 23% total outstanding of investments. ** Yearly target- 2021 determined on 22% total outstanding of investments.

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 @5% rate against refinance facility from Bangladesh Bank as per policy guideline of Bangladesh Bank.

Refinance Agreement with Bangladesh Bank:

To provide investment facilities to CMSME (s) at reduced rate, Bangladesh Bank allows different refinance facility to the Bank/FIs. For this reason, we have made following participation Agreement with Bangladesh Bank on different dates:

- Financing to Startup Campaigns @4% simple rate P.A.
- Tk. 25,000.00 Crore refinance scheme for meeting Term & working capital requirement of CMSME (s)
- Allowing "Credit Guarantee Facility to client who have no collateral to offer
- Participating Agreement for allowing IsDB (Islamic Development Bank) fund to CMSME (s)

Covid Stimulus Fund and Standard Bank

To tackle devastating effect of Covid during 2020 to till date, Bangladesh Bank provided different stimulus facilities to badly effected business entities.

For CMSME sectors, a revolving Tk. 20,000.00 crore stimulus package was approved in 2020. We, Standard Bank Ltd has actively participated in the program and disbursed following amount to the effected organization @4%.

Particulars	Disbursement Amount in Crore
Covid Stimulus 1st Phase (July-2020 to Jun-2021)	101.32
Covid Stimulus 2nd Phase (July-2021 to Jun-2022)	144.17
Covid Stimulus 3rd Phase (July-2022 to December-2022)	18.94

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:

SME Events and Fairs Participated by Standard Bank Limited:

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.

SAM DIVISION

The investments after beginning of default, the respective Branch initiates close monitoring to recover the overdue amount to keep the a/c regular. Efforts of Branch become void in some cases and the account turns into classified as per regulatory norms. Then the account is referred to Special Asset Management (SAM) Division to follow-up and to give proper treatment for realization/rescheduling/regularization. SAM Division takes various measures, policies, processes to manage the classified/stressed portfolio. SAM Team is monitoring the A/c very closely unless until full settled/regularized. In this regard, a special Task Force unit has been formed to vigorous follow-up of critical accounts through physical visit.

Non-performing Investment is presently managing by following structures:

- In House Monitoring Team at SAM Division
- Task Force Team formed by SAM Division
- Regional Offices and Branches
- Legal Team at Law Division

Challenge in 2022

2022 was very challenging year both in globally and locally and Banking Sector was most affected one. Recovery from defaulted client was more challenging because of followings:

- Aftermath of Covid-19 in total business industry and financial sector;
- Central Bank issued several circulars giving relaxation in repayment of dues time to time;
- Central Bank also issued several circulars giving relaxation in classification and other facilities to clients time to time;
- Global & local economy are going through unstable position due to Russ-Ukrainian War;
- Limitations of logistic support (i.e. manpower, system support etc.);
- Inadequate recovery tools, such as- Profit Suspense, Provision, keeping accounts UC long time without marking classified, etc.

Overcome of the Challenge in 2022

Despite the above challenges SAM Team provided their highest effort throughout the year. They have monitored and supervised each and every client maintaining liaison with Branch and other stakeholders. SAM Team also has taken different prudent strategies to recover the Bank dues as follows:

- Formation of Task Force Team
- Preparation of strong data base
- Maintenance of shadow file of each client
- Arranging portfolio and performance review with Branches and respective RM
- Arranging meeting with critical defaulter and DMD, AMD and MD & CEO
- Maintaining of call report for each visit and meeting
- Preparing of monthly MIS
- Visiting collateral securities as and when necessary
- Hanging signboard on collateral securities where necessary
- Timely process and end to end execution of all sort of memos
- Build up strong communication & maintain good relation with all stake holders for smooth functioning

Performance in 2022

Fig. in Crore Tk.

Year	2022		2021		2020
	Cash Recovery	%	Cash Recovery	%	Cash Recovery
Stressed	204.94	64%	322.09	930%	34.65
Classified	75.21	245%	30.73	106%	29.01
Written-off	33.20	1096%	3.03	106%	2.87
Total	313.35		355.85		66.53

In 2022 BDT 313.35 Crore was recovered from outstanding BDT 3722.76 Crore that means BDT 3722.76 Crore in touch and expecting to settle the accounts gradually. Significant recovery has been made in all segments compared to previous year.

Settlement Approval in 2022 including Written-off

Fig. in Crore Tk.

Settlement Type	No. of A/c	Cash/Down Payment	Outstanding
Full & Final Settlement	156	50.69	265.09
Rescheduling	83	10.21	186.10
Total	239	60.90	451.19

In 2022 there were 236 Memos approved with Cash Recovery of BDT 60.90 Crore involving with outstanding amount of BDT 451.19 Crore where 156 were under full & final settlement which is 65% and rest 83 were under rescheduling which is 35%, executed with 100% compliance.

Newly Formed Task Force Team and Achievement

- SAM Division formed a Task Force Team consisting of 03 Members headed by an SAVP in 2021.
- Function of work of Task Force is to recover through physical visiting i.e. Office, Residence, Native Village etc. of most delinquent clients all over Bangladesh and ensure call report after each and every visit.
- In 2022 they visited 147 Clients of 28 Branches, where Top Management was also involved with. Out of these, there were 123 visits inside Dhaka and 73 outside of Dhaka. As a result, a significant response is getting from very old and most problematic clients.
- For their continuous hammering, customers are also coming forward to Head Office and meeting with Head of the Division, AMD and MD & CEO of the Bank.
- We are confident in 2023 for much better result.

SAM Team performed following key activities in addition to regular recovery activities

- All sort of regulatory report and requirements have been submitted very timely and accurately which were accepted by them with satisfaction
- Continuous communication maintaining and responding with regulator for solving various issues
- Faced Bangladesh Bank Inspection Team by providing their requirement on demand where they expressed ultimate satisfaction and no adverse comments in their findings
- We have resolved number of long pending dispute issues with Regulator and clients
- All sort of data and other support provided as and when required by Legal Division, FAD, CL Unit, IRMD, IAD, BMOD, AMLD, RMD and ID.

Special thanks to our Top Management for their continuous support and proper guideline. Thanks to all colleagues and stake holders, especially Branches, IRMD, FAD & Board Division for their support. Heartiest Thanks to our honorable Chairman Sir and all Members of Board of the Directors of the Bank for their kind cooperation and support. We believe we shall be able to keep the NPI at minimum level in coming days by Joint Effort & Team Work.

IT BUSINESS TEAM

From 1st January, 2021 our Bank has converted its functioning as Shari'ah based Islami Banking operations by the new CBS (Core Banking Software) named Hikmah-20 from Conventional CBS

(i-Stelar). Core Banking Software (CBS) is the part and parcel of all our online banking transactions and it needs to be customized time to time to adopt with the changes of banking laws and practice to ensure effective and fruitful transactions for our day to day business operations. During the whole Banking process in both Head Office and Branches, a number of new requirements are creating day by day to meet up the operational and regulatory requirements/compliance.

Hikmah-20 CBS is adopting and evolving technological changes to ensure successful operation of an islami Banking platform. In order to mitigate the operational shortfalls and weakness of our CBS Hikmah-20 arising in day to day business operations by our Branches and Divisions/Departments of Head Office Business Team prepares Gap Analysis Report. Business Team is also working round the clock to stop unauthorized and fraudulent transactions and 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.

The Team is also working within the following major areas of operation in consultation with the 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) new development and modification of Core Banking Software.
- Requirement Analysis Documents (BRD) for New Product
- Any other requirements dim into fit with the demand of the situation.

Business Team has also completed some assignments like e-GP Software and Automated Challan System besides above. We are also working to implement several IT projects; hopefully the modules of which will come up in live within the short period.

INTERNATIONAL TRADE OPERATIONS

International Trade

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, CTSD and OBU (Off-shore Banking Unit). Standard Bank limited contributed 1.02% of National Export, 0.58% of National Inward Remittance & .88% of National Import in 2022.

Import

Import business during the year 2022 was USD 809.50 Million equivalent to BDT 74,580.94 Million which was USD 826.88 Million equivalent to BDT 70,521.64 Million during the Year 2021. The import business is shrinking about 2.10% over the past year.

Export

During the year 2022, total export volume stood at USD 536.26 million equivalent to BDT 49,159.67 million which is increased by 1.35% with compare to the export of USD 529.13 million equivalent to BDT 44,593.16 million for the year 2021.

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, escalation 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 328 Relationship Management Applications (RMA) with 180 renowned banks in 54 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 56 local banks also.

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

- Standard Chartered Bank
- Mashreq Bank Psc
- Habib American Bank
- Habib Bank AG Zurich
- Commerzbank AG
- ICICI Bank Limited
- The National Bank of Ras Al-Khaimah
- UBI Banca Spa
- Albaraka Turk Participation Bank
- Danske Bank AS
- Banca UBAE Spa
- BPER Banca
- State Bank of India
- EBL Finance (HK) Limited
- Habib Bank Limited
- Bank of Huzhou Co. Ltd

- United Bank Limited
- Aktif Bank
- Prime Bank Ltd HK
- AB bank Ltd
- Sonali Bank UK

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:

- Wall Street Exchange Centre L.L.C. U.A.E.
- MoneyGram Payment System Inc.
- Western Union Money Transfer
- ZENJ Exchange Co. W.L.L. Bahrain
- Al Ghurair Exchange L.L.P. U.A.E.
- Universal Exchange Center, U.A.E.
- Merchantrade Asia Sdn Bhd
- Instant Cash FZE
- Al Ghurair Int'l Exchange U.A.E.
- Ria Money Transfer
- Placid NK Corporation
- KMB Money Transfer

New Exchange Company drawing arrangement in 2022

- Merchantrade Asia Sdn Bhd
- Placid NK Corporation
- KMB Money Transfer UK

Remittance received through different Exchange Houses as per arrangement

Foreign Remittance Business of the bank stood at USD 130.71 million equivalent to BDT 12808.30 million for the Year 2022 which is less by 11.70% with compare to previous year-2021 of remittance USD 148.45 million equivalent to BDT 12,726.127 million.

Bank's Own Exchange Company

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

Standard Exchange Co (UK) Ltd.: The Company started its operation at 101 Whitechapel Road, London E1 1DT, UK. in the month of August 2009. Standard Exchange Co. (UK) Ltd. has opened an MSB account with Clear Bank Ltd. and Choice International in UK through which we will be able to receive remittance from UK.

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 106.284 Million equivalent to BDT 10,395.392 Million from USA through Standard Express in the year 2022 which is 15.78% less than the previous year. In 2021 the remittance received through Standard Express was USD 126.202 million equivalent to BDT 10860.426 Million.

Also, we have received remittance for USD 10.133 Million equivalent to BDT 1035.195 Million from UK through Standard Exchange Co (UK) Ltd. in the year 2022 which is 63.11% higher with compare to previous year-2021 of remittance USD 6.212 Million equivalent to BDT 538.333 Million for the year-2021.

Off-Shore Banking Unit (OBU)

We have started operation of our Off-Shore Banking Unit from 2015 which has widened the wings of our Trade business services. SBL Off-shore Banking Unit generally purchases foreign bills under Mudarabah UPAS principle; purchase local bills under Musharaka UPAS principle and provides term financing facilities under HPSM principle. In the year 2022, USD 72.56 Million have been purchased against 536 bills & created HPSM for USD 0.79 Million against 6 HPSM through OBU. Whereas total 481 bills amounting to USD 78.49 Million were purchased through OBU in 2021. 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, and Bank Muscat Oman etc. OBU Investment portfolio increased by 11.43% in terms of number of bills purchased and decreased by 7.55% in terms of bill amount purchased in 2022 from 2021 because of global economic recession. Total operating profit of Off-shore Banking is USD 1.22 Million equivalent to BDT 11.27 crore for the year-2022.

BRANCH MANAGEMENT & OPERATIONS DIVISION (BMOD)

“Significance of operation in Banking Sector depend upon the product quality as well as the service quality”

General Banking is the gateway of a customer to enter into the banking sector. The major functions of General Banking include but not limited to Account opening, Transactions, Clearing and Remittance etc. Branch Management & Operations Division (BMOD) has been formed on 3rd March 2015 to render finest possible services to the branches for smooth functioning of General Banking operations and gradually integrating more functionality to its scope for better operation of the branches.

This Division plays a vital role in managing Branches and its operational control. Its scope of the Division work includes developing Policy and Guidelines, Standard Operating Procedures, developing new Products & Services, obtaining permission from Bangladesh Bank on different issues, 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. A well-planned business network helps banks to gain a large market share. The bank started its operations through our Principal branch on 3rd June 1999. And now, we are operating our business all over the country with our 138 branches, out of which, 97 Nos. are Urban Branches

and 41 Nos. are Rural including 07 Nos. SME/Krishi Branches (as on 31st December, 2022).

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

To ensure flawless and smooth Banking services of the Bank, the Terms of Reference (ToR) of our division are as follows:

Branch Operations relating to General Banking

- Settlement of the Deceased Account,
- Bank's Lockers Management,
- Approval for issuance of Duplicate of all type of lost Instruments – FDR, PO, DD etc,
- Monitoring operations relating to Automated Challan System (ACS),
- Reduction or Waive of Fees & Charges,
- Unclaimed Deposit Accounts Reporting,
- Post facto approval for Profit of Deposit Products (MRDP, MTDR and others),
- Pre-maturity Encashment,
- Correction of the Account Name requested by the Branch with justification,
- Approval of Excess and Shortfall amount of Mudaraba Deposit Scheme,
- Dealing with Fake bank notes awareness as per BB Guideline,
- LIEN of our Deposit Instruments i.e. FDR & Other Deposit and Savings instruments to other Banks and FI's as per instruction of Bangladesh Bank.

Service Quality Management & Policy Guidance

- FATCA (Foreign A/c transaction Compliance Act.) Account Information from Branches collaboration with International Division,
- Circulate General/emergency Circulars regarding branch operation since received from BB and other regulatory authorities to our branches and feed-back the same.

Business Development

- Feasibility study of premises selection for new Branch, Sub-Branch, collection booth,
- Shifting of existing branch and closing of Branch,
- Permission for Opening Bank Accounts with Other Banks/ Bangladesh Bank,
- Fixation of Bank's Schedule of Charges,
- Introduction of New Products are performed.

Cash Management & Other activities

- Vault Key and Branch Key Maintenance,
- Fixation of Vault Limit of all Branches & Entities,
- Maintenance of Insurance Coverage,
- Dealing of Sanchayapatra/Prize Bond,
- Lottery Ticket and Third-Party Selling & related Bangladesh Bank's Issues,

- Weekly Cash Position (VSS) reporting to BB,
- Mutilated and Dirty Notes Statement duly collecting from Branches,
- Metal Coins Statement duly collecting from Branches and Reporting to Bangladesh Bank.

SBL CAPITAL MANAGEMENT LIMITED

SBL Capital Management Limited is a subsidiary company (owned 99.99%), of Standard Bank Limited with authorized and paid up capital of Tk. 500.00 crore and Tk. 150.00 crore respectively incorporated as a public limited company. Before obtaining a full-fledged Merchant Banker license from the Bangladesh Securities and Exchange Commission (BSEC), merchant Banking operations of the Bank was initially launched through the Merchant Banking Wing (MBW) in the year 2009. 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. The Standard Bank Limited has been converted into a fully Islami Shari'ah Compliant bank from the 1st January 2021, as a subsidiary of the bank SBL Capital Management Limited was automatically converted into Islami Shari'ah compliant merchant bank. SCML's Business Office is at Miah Amanullah Bhaban, 63, Dilkusha C.A., 3rd Floor, Dhaka-1000.



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

Product & Services

The main objectives of the company for which it has been established are to carry out Merchant Banking activities including:

- Portfolio Management Services
- Issue Management and
- Underwriting Public Issue of Companies
- Corporate Advisory Services
- Investment Banking Services

Business position of SCML

Figure in crore where applicable

Sl.	Particulars	As on 31 December 2019	As on 31 December 2020	As on 31 December 2021	As on 31 December 2022
1	No. of Portfolio Accounts	2110	2169	2261	2288
3	Total Clients Portfolio value at cost price	Tk. 187.51 crore	Tk. 259.56 crore	Tk. 470.29 crore	Tk. 417.17 crore
4	Total Clients Portfolio value at Market price	Tk. 92.16 crore	Tk. 192.20 crore	Tk. 421.14 crore	Tk. 323.05 crore
5	Total Own Portfolio value at cost price	Tk. 214.45 crore	Tk. 184.06 crore	Tk. 174.33 crore	Tk. 178.19 crore
6	Total Own Portfolio value at Market price	Tk. 119.01 crore	Tk. 112.94 crore	Tk. 132.84 crore	Tk. 131.68 crore

Financial Results of Previous years

Figure in crore where applicable

Sl.	Particulars	31-Dec-19	31-Dec-20	31-Dec-21	31-Dec-22
1	Total Income	25.82	30.48	35.73	45.08
2	Total Expenditure	21.76	23.90	26.70	30.71
3	Profit before Provision	4.06	6.58	9.03	14.37

4	Profit before tax	3.24	3.57	7.15	10.39
5	Profit after tax	0.05	0.10	3.54	7.97
6	Total Assets	500.03	526.17	590.39	642.79
7	Shareholders' Equity	150.90	150.99	154.54	150.13
8	Total Liabilities	349.14	375.17	435.85	492.66
9	Retained Earnings	0.90	0.99	4.53	0.13
10	Earnings per share (Tk.)	0.03	0.06	2.36	5.31
11	NAV per share (Per share value Tk. 100) (TK.)	100.60	100.66	103.03	100.09

Financial results of SBL Capital Management Limited:

Figure in crore where applicable

Sl.	Particulars	2022	2021	Increase/ (Decrease)	%
1	Income	45.08	35.73	9.35	26.17%
2	Expense	30.71	26.70	4.01	15.02%
3	Operating Profit	14.37	9.03	5.34	59.14%
4	Net profit before tax	10.39	7.15	3.24	45.31%
5	Net profit after tax	7.97	3.54	4.43	125.14%
6	Retained earnings	0.13	4.53	-4.40	-97.13%
7	EPS (Tk.)	5.31	2.36	2.95	125.00%
8	NAV (Tk.)	100.09	103.03	-2.94	-2.85%

REVENUE COMPOSITION 2022



STANDARD BANK SECURITIES LIMITED (SBSL)

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 newly located at 63 Dilkusha C/A, 3rd Floor, 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.

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 three thousand (approx.) and it comprises of local individual & institutional investors. SBSL also acts as Panel Broker of SBL Capital Management Limited. During the year 2022 the company earned operating profit of taka 6.93 Crore as against taka 6.32 Crore in 2021.



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

SBSL Products:

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

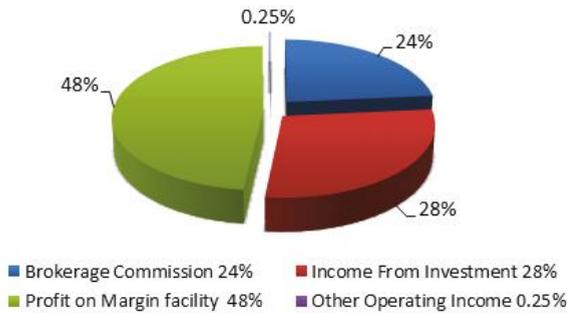
SBSL Services:

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

Key Financials 2022

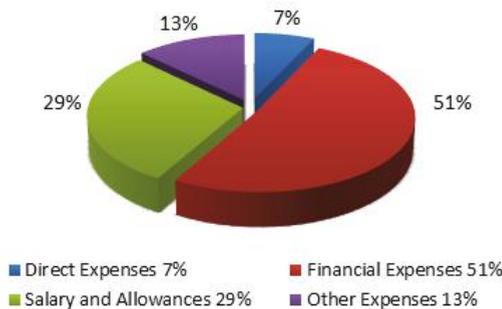
Total Operating Income: SBSL shows its operating income among four basic segments. For the year 2022 the company generates 2.74 Crore Taka from Brokerage Commission. After that the Income from Investment in Shares was 3.29 Crore Taka and Profit on Margin Facility Tk. 5.60 Crore Taka, and finally there was some amount of 0.17 Crore Taka heading Other Operating Income and profit earned on Bank Deposit for the year of 2022.

TOTAL INCOME (2022)



Total Operating Expenses: In the year 2022 SBSL's Direct Expenses was 0.34 Crore Taka and Financial Expenses was also 2.49 Crore Taka. After these the expense for Salary & Allowance was 1.41 Crore Taka and Other Administrative Expenses was an amount of Tk. 0.62 Crore.

TOTAL EXPENSES (2022)



Monthwise Turnover: In the year 2022 faced a mixed trend

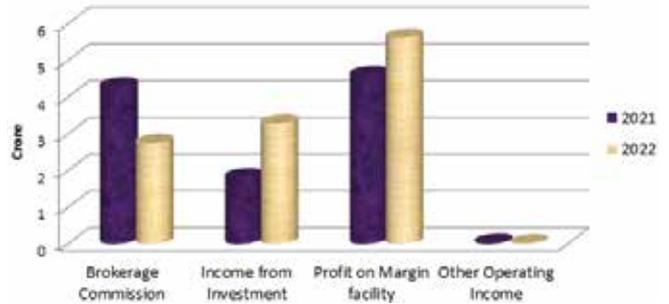
traded value throughout the year. During the year 2022 the total trade value of DSE stood at Tk. 2,34,299 crore which marking a decrease 33.50% than that of the previous year 2021. The monthwise trade volume of Dhaka Stock Exchange Limited for 2021 & 2022 is shown by drawing a graph. The Highest level of average daily traded value was BDT 3548 Cr in September 2022 and the lowest level was BDT 723 Cr in December 2022.

MONTH WISE TURN OVER (DSE)



Financial Growth: The year 2022 was a very challenging year for SBSL Due to unstability of national economy and poor trade volume of DSE. But SBSL handle every situation over the year 2022 and generate an operating profit before tax and provisions of **6.93 Crore Taka, that was 6.32 Crore Taka for 2021**, which marking an increase 10% than that of the previous year. Some Comparison Graph is given below for better understanding.

TOTAL INCOME COMPARISON (2021 & 2022) (IN CRORE)



Here, in this graph of Operating Income Comparison (2021 & 2022), we can see that, the Brokerage Commission income for the year 2022 was 2.74 Crore Taka where as the income from same entity was 4.28 Crore Taka in 2021. Income from Investment also increased by 82%, in 2022 the amount was Tk. 1.49 Crore than that of the previous year. Profit on Margin facility increased by 26% in 2022.

TOTAL EXPENSES COMPARISON (2021 & 2022) (IN CRORE)



By the graph Heading Operating Expenses Comparison (2021 & 2022).

In the year 2022 the total operating expenses Tk. 4.86 crore where as the same entity was 4.40 Crore Taka in 2021 and highest expenses was Financial expenses for Bai Muajjal General facility as financial expenses.

Performance of SBSL last Six years:

Particulars/Year	2022	2021	2020	2019	2018	2017
No. of new Clients	160	343	296	160	308	429
Margin Loan to Clients (crore)	44.63	46.37	34.82	37.67	32.18	27.36
Operating Profit (crore)	6.93	6.32	4.42	4.08	5.65	9.85
Total Turnover–Trade (crore)	967.86	1615.59	723.77	437.72	707.30	1634.26

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 14.31% (solo) as on 31 December 2022. 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 raised an amount of Tk.450.00 Crore through issuance of 1st SBL Mudaraba Perpetual Bond for Tk.500.00 Crore as per additional Tier-I Capital. Remaining Tk.50 Crore will be raised as soon as possible.

BRANCH EXPANSION AND BUSINESS DIVERSIFICATION

The year 2022 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, 2022). Therefore we have 97 numbers of urban branches and 41 numbers of rural branches including 07 nos. of SME/Krishi branches.

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. Now we have total 08 branches at Jamaica, Ozon Park, Brooklyn, Bronx, Jackson Heights, Buffalo and Los Angeles. We have also planned for opening of more Exchange Companies in Italy, Spain, Singapore and other potential areas of the world in near future. As such, Bangladeshi expatriates will be able to remit money with ease, comfort and full confidence.

CORPORATE SOCIAL RESPONSIBILITY

This year Corporate Social Responsibility (CSR) activities of the Bank expenses to Taka 140.40 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 2022 to reaffirm the commitments of the Bank towards society.

APPOINTMENT OF AUDITOR

M/s Shafiq Basak & Co. was appointed as statutory auditor for Standard Bank Limited for the 1st term in the year 2020 in its 21st AGM. They were re-appointed for the 3rd term as a statutory auditor for the year 2022 by the Honorable Board of Directors in its 357th Board Meeting held on April 28, 2022 and subsequently by the general shareholders of our Bank in the 23rd Annual General Meeting (AGM) held on July 29, 2022. This was also approved by Bangladesh Bank vide letter no: BRPD(Taskforce)748/3/2022-8098 dated 11 August 2022. As they have completed 03 (three) years term consecutively as statutory auditors for Standard Bank Ltd., they are not eligible for another term. Therefore, our bank is now in process of selecting a new statutory auditor for the year 2023 following the due process and to be finalized for recommendation by the general shareholders in the upcoming AGM.

BOARD OF DIRECTORS

The Board of the Bank consists of 17 Directors as on December 31, 2022 of high academic caliber and excellent professional knowledge, experience and skills together with the Managing Director as an Ex-officio member. All of the Directors were elected by the shareholder of the company for a term of 3 years. 18 (eighteen) number of Board meetings were held during the year 2022.

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 investment proposals, adopted policies and guidelines issued by regulators and gives directions for their due compliance and plans for the sustainable growth of the business. The Board provided guidelines for overall development to face the challenges and competition in the market. The Board also reviewed different policies & programs on a monthly basis in order to establish effective risk management in investment 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.



374th Board Meeting of Standard Bank Ltd.

COMMITTEES OF THE BOARD

The Bank has 3 (three) committees of the Board of Directors 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 powers to the Executive Committee to decide or act in those cases as instructed by the Board of Directors, which is not specifically assigned to the full board through the Bank Company Act and other laws and regulations. The Committee is used to ensure the implementation of policies and guidelines by the Board and continuous efforts to guide the Management to ensure uniform development and minimum acceptable investment standards for the Bank. The present executive committee of the Bank is comprised of 7 (seven) members. During the year 2022, a total number of 5 (five) Executive Committee meetings were held.

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 Audit Committee of the Bank is comprised of 5 (five) members. During the year 2022, the Audit Committee conducted 4 (four) meetings.

Risk Management Committee

The risk management committee was formed to play an effective role in mitigating impending risks arising from strategies and policies formulated by the Board and to carry out the responsibilities efficiently. The Committee identified and assessed several risk factors. The committee will scrutinize whether appropriate risk management measures are being put in place and applied as well as whether adequate capital and provision are being maintained against the risks identified. The Risk Management Committee of the Bank is comprised of 5 (five) members. Total 4 (four) meetings of the Risk Management Committee were held during the year 2022.

DIRECTORS' HONORARIUM

During the year 2022, the amount of Tk. 30,48,000 has been paid to the Directors as honorarium for attending in 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 director is entitled to get a maximum Tk. 8,000 (eight thousand) as honorarium for attending of each meeting.

COMPLIANCE OF SECTION 1.5(XXI) OF BANGLADESH SECURITIES AND EXCHANGE COMMISSION (BSEC) NOTIFICATION NO. BSEC/CMRCD/2006-158/207/ADMIN/80 DATED 03 JUNE 2018. The pattern of shareholding position as on 31.12.2022

- Parent/Subsidiary/Associated Companies and other related parties: Nil
- Shareholders holding ten percent (10%) or more voting interest in the Company (name-wise details); Nil

i) Shareholding position of Directors

Sl. No.	Name	Position	No. of Shares	(%) of shareholding
1	Mr. Kazi Akram Uddin Ahmed	Chairman	21,439,693	2.02%
2	Mr. Ferdous Ali Khan	Vice Chairman	24,059,215	2.27%
3	Mr. Kamal Mostafa Chowdhury	Director	24,403,746	2.30%
4	Mr. Ashok Kumar Saha	Director	23,022,158	2.17%
5	Mr. Ferozur Rahman	Director	22,006,405	2.07%
6	Mr. Md. Monzurul Alam	Director	21,242,790	2.00%
7	Mr. S. A. M. Hossain	Director	28,921,192	2.72%
8	Mr. Mohammed Abdul Aziz	Director	21,304,712	2.01%
9	Mr. Gulzar Ahmed	Director	21,263,027	2.00%
10	Mr. Md. Zahedul Hoque	Director	35,493,967	3.34%
11	Al-Haj Mohammed Shamsul Alam	Director	21,251,559	2.00%
12	Mr. Kazi Khurram Ahmed	Director	21,292,871	2.00%
13	Mr. A K M Abdul Alim	Director	21,392,398	2.01%
14	ICB, represented by its Managing Director Mr. Md. Abul Hossain	Director	43,180,817	4.07%
15	Mr. Najmul Huq Chaudhury	Independent Director	NIL	NIL
16	Mr. Md. Golam Hafiz Ahmed	Independent Director	NIL	NIL
17	Mr. Md. Habibur Rahman Managing Director & CEO	Ex-Officio Director	NIL	NIL

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

SI. No.	Name	Position
1.	Chief Executive Officer and his spouse & minor children	Nil
2.	Company Secretary and his spouse & minor children	Nil
3.	Chief Financial Officer and his spouse & minor children	Nil
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):

SI. No.	Name	Position	Share Holdings
1.	Mr. Md. Touhidul Alam Khan, FCMA	AMD	Nil
2.	Mr. Mohammad Rafiqul Islam	DMD & COO	Nil
3.	Mr. Mohd. Muin Uddin Latif Hasan	DMD & CBO	Nil
4.	Ms. Haider Nurun Naher	SEVP	Nil
5.	Ms. Alkona K. Choudhuri	SEVP	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 able to attend the meeting(s) leave of absence were granted by the board as per their prayer. During the year 2022 total 18 meetings were held.

As per compliance of Section 1.5 (x) 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 2022 are as follows:

SI. No.	Name	Position	Total no. of Meetings Held	Attended	Honorarium
1	Mr. Kazi Akram Uddin Ahmed	Chairman	18	18	144,000
2	Mr. Ferdous Ali Khan	Vice Chairman	18	18	144,000
3	Mr. Kamal Mostafa Chowdhury	Director	18	18	144,000
4	Mr. Ashok Kumar Saha	Director	18	17	136,000
5	Mr. Ferozur Rahman	Director	18	18	144,000
6	Mr. Md. Monzurul Alam	Director	18	18	144,000

Sl. No.	Name	Position	Total no. of Meetings Held	Attended	Honorarium
7	Mr. S. A. M. Hossain	Director	18	17	136,000
8	Mr. Mohammed Abdul Aziz	Director	18	18	144,000
9	Al-Haj Mohammed Shamsul Alam	Director	18	18	144,000
10	Mr. Gulzar Ahmed	Director	18	18	144,000
11	Mr. Md. Zahedul Hoque	Director	18	18	144,000
12	Mr. Kazi Khurram Ahmed	Director	18	18	144,000
13	Mr. A K M Abdul Alim	Director	18	18	144,000
14	Mr. Md. Abdul Hossain	Depositor Director	18	18	144,000
15	Mr. Najmul Huq Chaudhury	Independent Director	18	18	144,000
16	Mr. Golam Hafiz Ahmed	Independent Director	18	18	144,000
17	Mr. Khondoker Rashed Maqsood	Managing Director	18	18	-

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

AUDIT COMMITTEE MEETING 2022

Sl. No.	Name	Designation	No. of Meetings Held	Attended	Honorarium
1	Mr. Golam Hafiz Ahmed	Chairman	4	4	32,000
2	Al-haj Mohammed Shamsul Alam	Member	4	4	32,000
3	Mr. Ferdous Ali Khan	Member	4	4	32,000
4	Mr. Kazi Khurram Ahmed	Member	4	4	32,000
5	Mr. Najmul Huq Chaudhury	Member	4	4	32,000
6	Mr. Md. Ali Reza FCMA, CIPA	Member Secretary	4	4	-

EXECUTIVE COMMITTEE MEETING 2022

Sl. No.	Name	Designation	No. of Meetings Held	Attended	Honorarium
1	Mr. Ashok Kumar Saha	Chairman	5	5	40,000
2	Mr. Kamal Mostafa Chowdhury	Member	5	5	40,000
3	Mr. Ferozur Rahman	Member	5	5	40,000
4	Mr. S.A.M. Hossain	Member	5	4	40,000
5	Mr. Mohammed Abdul Aziz	Member	5	5	40,000
6	Mr. Gulzar Ahmed	Member	5	5	40,000
7	Mr. Md. Zahedul Hoque	Member	5	5	40,000
8	Mr. Md. Ali Reza FCMA, CIPA	Member Secretary	5	5	-

RISK MANAGEMENT COMMITTEE 2022

Sl. No.	Name	Designation	No. of Meetings Held	Attended	Honorarium
1	Mr. Kazi Akram Uddin Ahmed	Chairman	4	4	32,000
2	Mr. Mohammed Abdul Aziz	Member	4	4	32,000
3	Mr. S.A.M. Hossain	Member	4	4	32,000
4	Mr. Ferdous Ali Khan	Member	4	4	32,000
5	Mr. Kazi Khurram Ahmed	Member	4	4	32,000
6	Mr. Md. Ali Reza FCMA, CIPA	Member Secretary	4	4	-

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:

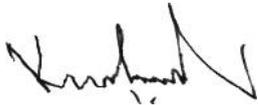
- The Financial Statements prepared by the management present fairly its state of affairs the result of its operations, cash flows and changes in equity.
- Proper books of accounts as required by law have been maintained.
- Appropriate accounting policies have been consistently applied in preparation 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 2022. 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 nine 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 re-election at regular intervals and at least once every three years.
Accountability	
Financial reporting	The board presents a balanced and understandable assessment of the company's position and prospects. The directors explain in the annual report their responsibility for preparing the annual accounts and an explanation of their business model.

Principles	Practices
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.
Audit committees and auditor	The main role and responsibilities of the audit committee is set out in written terms of reference.
Audit committees and auditor	The audit committee monitors and reviews the effectiveness of internal audit activities.
Audit committees and auditor	The audit committee has primary responsibility for making a recommendation on the appointment and removal of the external auditor.
Remuneration	
The level and components of 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.
The level and components of remuneration	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.
Procedure for developing policy	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.
Dialogue with shareholders	The Board uses the AGM to communicate with investors and encourage their participation.
Dialogue with shareholders	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.
Constructive use of the AGM	Shareholders are able to vote separately on each substantially separate issue.
Constructive use of the AGM	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.

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

The Board of Directors of Standard Bank Limited comprises members with 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 bank's growth while having expertise, the 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 a Diploma in Personal Management in UK and Industrial Management Training from Switzerland. The Bank's Independent Director, Mr. Golam Hafiz Ahmed has vast knowledge in the banking sector as a senior banker with over 34 years of illustrious banking career, he has held different senior management positions in Standard Chartered, Pubali Bank, Bank Indosuez, Dhaka Bank and NCC Bank. Besides, 02 (two) of the Directors of the bank namely Mr. Ashok Kumar Saha, Mr. Md. Zahedul Hoque has advanced degrees in Business Administration from the USA, Mr. A K M Abdul Alim has completed his MBA from the University of Bedfordshire, UK and Mr. Kazi Khurram Ahmed has completed BSc. Egg. (Computer Science) from Purdue University, USA.

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, (02) two Directors out of the total (17) seventeen 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. The appointment of another Independent Director is under process.

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 upto 2018) 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. Golam Hafiz Ahmed. 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. The appointment of another Independent Director is under process.

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 investment 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 apprised 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 other 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. Due to world-wide Covid-19 pandemic situation we are unable to conduct any workshop/training for the Board of Directors of our bank.

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 investments 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) Investment 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 investment 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 investment 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.

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.

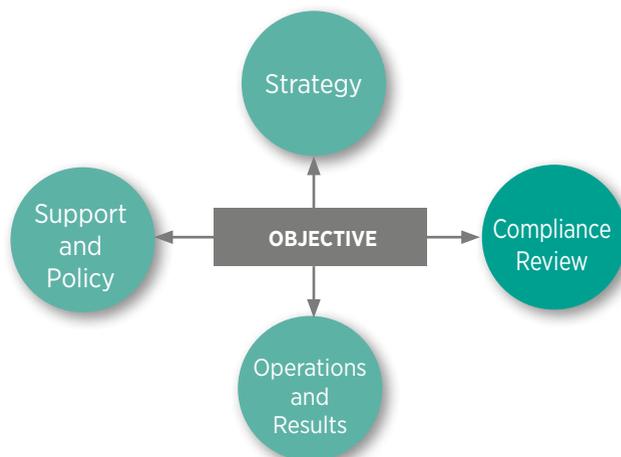
STRATEGIES TO ACHIEVE THE BUSINESS OBJECTIVES

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. Golam Hafiz Ahmed is one of the most highly respected bankers of the country having vast 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 2022.

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

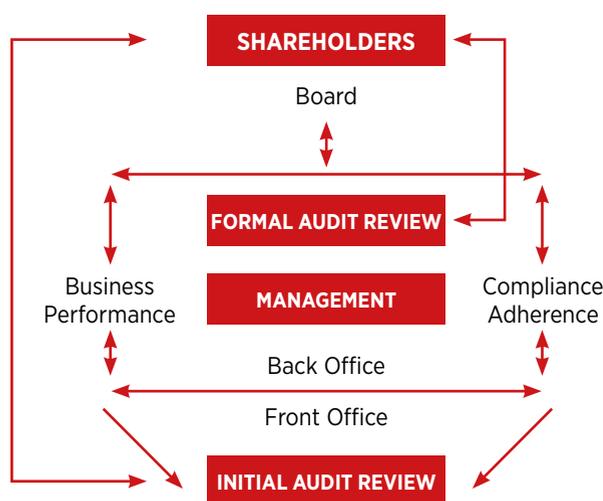
Place compliance report before the Board on quarterly basis regarding regularization of the errors & omissions, fraud and forgeries and other irregularities as detected by the internal and external auditors and inspectors of regulatory authorities

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 2022.



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, AAOFI 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. SBL's 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

Internal control is a process, affected by an entity's board of directors, management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations.
- Reliability of financial reporting.
- Compliance with applicable laws and regulations.

Internal Control Framework consists of below components as per The Committee of Sponsoring Organizations (COSO) Framework:

- Control Environment - The control environment sets the tone

of an organization, influencing the control consciousness of its people. It is the foundation for all other components of internal control, providing discipline and structure.

- Risk Assessment—is the identification and analysis of risks to achievement of entity's objectives, forming
- Control Activities—Control activities are the policies and procedures that help ensure management directives are carried out.
- Information and Communication—Pertinent information must be identified, captured and communicated in a form and timeframe that enables people to carry out their responsibilities.
- Monitoring - Monitoring internal control systems is a process that assesses the quality of the system's performance over time.

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 of Directors. 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) Division promotes operational efficiency and encourages compliance with managerial policies and procedures, laws and regulations and supervisory requirement. The ICC Division comprises the following three Departments:

- Internal Audit Department
- Monitoring Department
- Compliance Department

The Audit Committee of the Board of Directors approved 'Internal Audit Charter' in its 106th meeting held on 26.07.2022 to ensure independence, objectivity, authority, responsibility and accountability of Internal Audit Activity of Standard Bank Limited. Aligned with International Professional Practice Framework, IIA (USA) and as per Internal Audit Charter of Standard Bank Ltd., the Head of Internal Audit has functional Reporting to the Chairman of the Audit Committee of the Board of Directors and administrative Reporting to the Hon'ble Managing Director & CEO of the bank.

The Bank adopted Risk Based Internal Audit (RBIA) to assess its business risk and the control risk and determines the frequency of Internal Audit of each Auditable Units.

During the year 2022, Comprehensive Audit & Inspection, Surprise Inspection on Cash & Cash equivalent items and ICT Audit on our branches and Different Divisions/Departments of Head Office have been conducted. Beyond audit plan, audit of AML & CFT compliance, Online Reporting of Foreign Exchange Transactions of our Bank, cash incentive payments (only UK market), Special investigation on different issues and agent banking outlets has also been conducted.

The following table shows the positions of Audit & Inspection completed during 2022 at a glance:

Year	Comprehensive Audit & Inspection		Surprise Inspection on Cash & Cash Equivalent Items	Special Investigation	Online Reporting of Foreign Exchange Transactions	Examination of Cash Incentive Payments	ICT Audit	AML & CFT Compliance	Agent Banking
	Branch	Div/Dept./Subsidiary	Branch						
2022	138	9	32	36	19 AD Br. and 03 Divs.	11 AD Br. (Only UK Market)	40 Br & 7 Div.	54	05 outlets

Our Compliance Department replied on 05 (Five) Special Inspection on Core risks, 17 (Seventeen) Comprehensive Audit, 05 (Five) Inspection on Foreign Exchange Transactions and 05 (Five) Surprise inspection by Bangladesh Bank.

For smooth operation of the bank we ensure proper monitoring through Quarterly Operations Report, Loan Documentation Checklist, Departmental Control Functional Checklist, Online Transaction Monitoring, preparation of Self-assessment on Anti-fraud Internal Control and Health Report of the Bank.

Standard Bank Ltd. deploys all out efforts to develop strong control environment of the Bank.

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:

5. Management oversight and the control culture
6. Risk recognition and assessment
7. Control activities and segregation of duties
8. Information and communication
9. Monitoring activities and correcting deficiencies

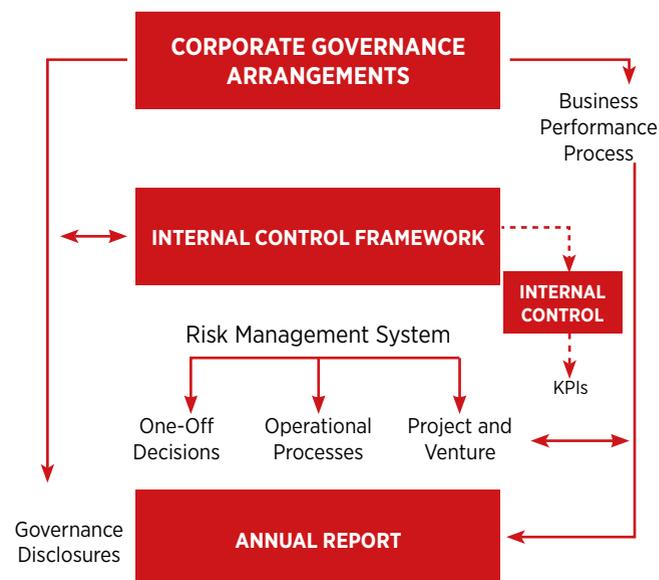
MANAGEMENT OVERSIGHT AND THE CONTROL CULTURE

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 investment (credit) risk, country and transfer risk, market risk, profit rate risk, liquidity risk, operational risk, legal risk and reputational risk, shariah violation 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. Shariah non-compliance Risk
2. Investment (credit) Risk including Environment Risk
3. Asset and Liability/Balance Sheet Risk
4. Foreign Exchange Risk
5. Internal Control and Compliance risk
6. Money laundering Risk
7. 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:

- Investment (credit) risk also includes concentration risk, country risk, transfer risk, and settlement risk
- Market risk (including profit 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.

INDEPENDENCE OF SHAHRI'AH SUPERVISORY COMMITTEE

As per Islamic Banking Guidelines issued by Bangladesh Bank, SBL formed an independent Shari'ah Supervisory Committee (SSC) consisting of 8 (eight) members including experienced and knowledgeable persons in Islamic Jurisprudence. The Board of Directors of SBL attaches its highest priority to complete independence of Shari'ah Supervisory Board as enshrined in AAOIFI Governance Standard no.5. The Shari'ah Supervisory Committee of SBL gives opinions and guidelines to ensure Shari'ah compliance in all activities

of the Bank particularly in the modes of investment. The Committee is governed by a by-laws approved by the Board of Directors. The representatives of the Committee attend different meetings of the Bank like Board of Directors, Audit Committee, and Annual Business Development Meetings and Conferences to give opinions and oversee the activities of the Bank from Shari'ah perspective. The Committee also evaluates performance of the officials in terms of their Shari'ah compliance.

Functions of the Committee

- The function of the Shari'ah Supervisory Committee is to offer views on matters related to the Bank from time to time. The Shari'ah Supervisory Committee may require any papers from the Bank and examine the same in order to ensure that all activities of the Bank are being carried out in accordance with the Islamic principles.
- To devote time and effort to devise more Shariah-compliant transactional procedures, templates and banking products that enable the Bank to adapt to market trends while maintaining a highly competitive edge in deposit procedures, investments and banking services.
- The SSC assists the BOD by way of giving advice on matters relating to Shari'ah. The BOD must respect their recommendations on Shari'ah principles as it is committed to run the Bank strictly in accordance with Shari'ah.
- Analysing contracts and agreements concerning the Bank's transactions as submitted by the Chairman of the Board of Directors or any department/branch within the bank or requested by the Board itself so that Shariah compliance can be evaluated and maintained.
- Ensuring Shari'ah compliance in the implementation of all banking transactions and correcting any breaches.
- The SSC has a Secretariat with a Member-Secretary who oversees whether the functions of the Bank are being carried out in accordance with the principles of Islamic Shari'ah. The Member-Secretary remains responsible to the Shari'ah Supervisory Committee.
- The status of the SSC is advisory to the BOD and Supervisory in respect of operational activities of the Bank.
- The Committee submits a complete annual report for the Board of Director summarizing all the issues referred to the Board as well as its opinion on the Bank's transactional procedures.
- The Shari'ah Supervisory Committee certifies the financial statements from time to time.
- The Shari'ah Supervisory Committee provides an annual round up statement on the adequacy of Shari'ah compliance measures carried out in the Bank.

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 aspect 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 14 days before the AGM to ensure all shareholders are notified about the event date, place and time. Also, SBL always ensures that link of AGM send to all shareholders to attend easily. 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 shares of the Bank stood at 1,062,074,773 out of which 1,057,720,267 number of shares (99.59%) are holding by local investors while the remaining 4,354,506 number of shares (0.41%) are holding by foreign investors.

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, 2022, 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 senior Management Committee, Management Investment 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 profit rates.

SBL has always been committed to the environment and also been active in social activities throughout the year 2022, 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. SBL's 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 351st meeting of the Board of Directors held on 23.12.2021. Thus the committee stands as follows;

Sl. No.	Name	Status with the Bank	Status with the Committee	Educational Qualification	Meeting/ Attendance
01	Mr. Golam Hafiz Ahmed	Independent Director	Member	M.S.S. (Economics)	4/4
02	Al-haj Mohammed Shamsul Alam	Director	Member	B.A	4/4
03	Mr. Ferdous Ali Khan	Director	Member	B.A	4/4
04	Mr. Kazi Khurram Ahmed	Director	Member	BSc. Egg. (USA) (Computer Science)	4/4
05	Mr. Najmul Huq Chaudhury	Independent Director	Chairman	M.Com	4/4
06	Mr. Md. Ali Reza	Acting Company Secretary	Member Secretary	MBA, FCMA, CIPA	4/4

MEETINGS OF THE AUDIT COMMITTEE

Bangladesh Bank suggested banks to hold at least 4 meetings in a year. The Audit Committee of SBL held 04 (four) meetings in the year 2022 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	105th Audit Committee Meeting	25th April, 2022
02	106th Audit Committee Meeting	26th July, 2022
03	107th Audit Committee Meeting	28th August, 2022
04	108th Audit Committee Meeting	25th October 2022

MAJOR AREAS FOCUSED BY AUDIT COMMITTEE IN 2022

The major issues, amongst others, were reviewed and discussed by the Audit Committee of the Bank during the year 2022 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 investments and providing with the necessary guidelines, advices and recommendations to the management to reduce the Non-performing Investments (NPIs).
- 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 2022 and 'Risk Based Audit Plan 2022 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 2022.
- Review of the audit ratings of all branches and departments for the year 2022
- 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 2022 as certified by the external auditors, M/S Shafique Basaq & 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 2021 as submitted by Ahmed Zaker & Co.
- Review of the Management Report on the Bank for the year ended 31 December 2021 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 2022 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 31st December 2021 and subsequent compliance by the management thereof.
- Review of AML rating of all Branches for the year 2021 & 2022.
- Review of compliance and related risk level of Branches, various Departments and Subsidiaries.
- Review of Annual Report on the Financial Health of the Bank, 2022.

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 investments 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 2022, 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,



Golam Hafiz Ahmed

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 Certificate (RMC) 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 investments 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 2021 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 'Board Risk Management Committee' by its 339th Board meeting held on 08.02.2021 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. Kazi Khurram Ahmed	Director	Member
06	Mr. Md. Ali Reza FCMA	Acting Company Secretary	Member Secretary

Formation of Board Risk Management Committee has been made mandatory to ensure proper risk management practice in the bank. The Committee is responsible for assisting the Board in performing its related duties and responsibilities for determining the risk profile of the Bank, ensuring mitigation where possible and allocating sufficient capital for unforeseen risks.

QUALIFICATIONS OF THE MEMBERS:

- Integrity, dedication and opportunity to spare time in the functions of the Committee will have to be considered while nominating a director to the committee;
- Each member is capable of making valuable and effective contributions in the functioning of the Committee;
- For performing 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

- To monitor proper implementation of overall risk management policies
- To monitor whether proper steps have been taken mitigate all risks including lending risk and management risk.

Deliberation of the Risk Management Committee in 2022

During the year 2022, the Board 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:

- Summary of Risk Management Report of Standard Bank Limited based on December 31, 2021.
- Information memo regarding Capital Requirement of Standard Bank Limited under Pillar-I of Basel-III based on December 31, 2021.
- Information memo regarding Analysis of Stress Testing Report of Standard Bank Limited based on December 31, 2021.

4. Summary of Risk Management Report of Standard Bank Limited based on March 31, 2022.
5. Information memo regarding Capital Requirement of Standard Bank Limited under Pillar-I of Basel-III based on March 31, 2022.
6. Information memo regarding Analysis of Stress Testing Report of Standard Bank Limited based on March 31, 2022.
7. Summary of Risk Management Report of Standard Bank Limited based on June 30, 2022.
8. Information memo regarding Capital Requirement of Standard Bank Limited under Pillar-I of Basel-III based on June 30, 2022.
9. Information memo regarding Analysis of Stress Testing Report of Standard Bank Limited based on June 30, 2022.
10. Summary of Risk Management Report of Standard Bank Limited based on September 30, 2022.
11. Information memo regarding Capital Requirement of Standard Bank Limited under Pillar-I of Basel-III based on September 30, 2022.
12. Information memo regarding Analysis of Stress Testing Report of Standard Bank Limited based on September 30, 2022.

REPORTING TO THE BOARD

The decisions and recommendations of the Board Risk Management Committee were submitted before the Board of Directors for review and the Board closely reviewed them. The minutes of meetings of the Board Risk Management Committee were submitted to Bangladesh Bank for their information.

MEETINGS OF THE RISK MANAGEMENT

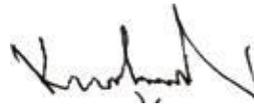
Committee of the Board

According to Bank Company Act-1991 (Amended-2013) and BRPD Circular No.11 dated 27 October 2013 of Bangladesh Bank, the Board Risk Management Committee held 04 (Four) meetings during the year 2022. Meeting dates are as follows:

SL	Meetings	Date of Meeting
1	27 th Risk Management Committee Meeting-2022	01.06.2022
2	28 th Risk Management Committee Meeting-2022	30.08.2022
3	29 th Risk Management Committee Meeting-2022	30.10.2022
4	30 th Risk Management Committee Meeting-2022	29.11.2022

The committee would like to extend thanks to all the members of the Board 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, the Management & the Risk Management Team of the Bank for their sincere cooperation towards discharging 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

For the year ended on 31st December, 2022

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

All praises be to Allah, the Lord of the worlds, The Most Gracious, the Most Merciful. Salat and Salam is for our beloved Prophet Muhammadur Rasulallah (Sallallahu Alaihee Wa Sallam).

To the Shareholders of Standard Bank Limited

Assalamu Alaykum Wa Rahmatullahi Wa Barakatuh.

In compliance with the terms of reference of the Bye-Laws of the Shari'ah Supervisory Committee, we submit the following Report on the operations of Standard Bank Limited for the year ended on 31st December 2022:

The Shari'ah Supervisory Committee of the Standard Bank Limited consists of Shari'ah Scholars, renowned Industrialists and experienced Islamic Bankers. 7 (seven) meetings of the Shari'ah Supervisory Committee and 4 (four) sub-committee meetings were held during the year 2022 to provide opinions on various Shari'ah related issues and other business methods referred to it by the Management of the Bank.

We have reviewed the principles and the contracts relating to the transactions and applications introduced by Standard Bank Limited during the period from 1st January, 2022 to 31st December 2022. We have conducted our review on the basis of Shari'ah inspection reports of the Muraquibs (Shari'ah Auditors) to form our opinion as to whether the Bank has complied with Shari'ah rules and principles and also with the specific fatwas, rulings and guidelines issued by us. In addition to our fatwas, the Muraquibs also followed the Internal Control & Compliance guidelines on Islamic Banking issued by the Bangladesh Bank.

The prime responsibility for ensuring Shari'ah compliance of the Bank's operations lies with the Board of Directors and Executive Management. Standard Bank Limited Management is responsible for ensuring that they conduct banking business in accordance with the Shari'ah rules and principles. It is our responsibility to form an independent opinion, based on our review of the banking operations and to report to you.

We conducted our review which included, on a test basis of each type of transaction, the relevant documentation and procedures adopted by the Bank. We planned and performed the review so as to obtain the information and explanation which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that Standard Bank Limited has not violated Shari'ah rules and principles.

After reviewing the Shari'ah Inspection Reports and Audited Financial Statements like the Balance Sheet, Profit & Loss Account of the Bank for the year 2022, the Shari'ah Supervisory Committee provides the following opinions and advices:

In our opinion:

- The agreements, contracts and transactions executed by Standard Bank Limited during the year have been made in accordance with the principles of Islamic Shari'ah.
- Distribution of profit to the Mudaraba Depositors conforms to the basis that had been approved by us in accordance with Shari'ah rules and principles.
- All earnings that have been realized from sources or by means prohibited by Shari'ah rules and principles have been kept in a separate account for distribution as per CSR policy approved by the Shari'ah Supervisory Committee of the Bank.

During the year under report, the Shari'ah Supervisory Committee has advised the Bank on the following Issues:

- To take effective steps aiming at the gradual development of the employees' and customers' awareness about Shari'ah compliance in Islamic Banking.
- To strengthen Audit and Inspection programs for satisfactory Shari'ah compliance.
- To continue close monitoring of non-performing investments for improvement of the quality of assets.
- To introduce gradually Mudaraba and Musharaka Modes of Investment.

We beg Allah the Almighty to grant us all the success and straight-forwardness.

Wassalamu Alaykum Wa Rahmatullahi Wa Barakatuh.

On behalf of the Shari'ah Supervisory Committee of Standard Bank Limited.



Dr. Muhammed Saifullah

Chairman

Dhaka, 25 April 2023

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 SBL's 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
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

Sl. No.	Particulars	Compliance Status
(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
(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

Sl. No.	Particulars	Compliance Status
(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
(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

Sl. No.	Particulars	Compliance Status
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	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: He has not been convicted by any Criminal Court of Law. He has not been punished for violating any rules, regulations or procedures/ norms set by any regulatory authority. He was not associated with any such company/organization; registration or license of which has been cancelled.	Complied

Sl. No.	Particulars	Compliance Status
2	<p>Experience and Suitability: 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. 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. 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. 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: The concerned person was not involved in any illegal activity while performing duties in his own or banking profession. 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. He is not a tax defaulter. 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	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.	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: 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. 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. Without improving the bank's major financial indicator like- CAMELS, annual salary increment will not be payable. 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. 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. 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	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.	Complied
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

Sl. No.	Particulars	Compliance Status
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	Experience and Suitability: For appointment as advisor, the concerned person will have to fulfill the following requirements with regard to experience and qualifications: <ol style="list-style-type: none"> Experience in Banking or Administration for at least 15 (fifteen) years or have a long experience in social activities. Higher academic education in the field of Economics, Banking and Finance or Business Administration will be treated as additional qualification for the concerned person. Satisfaction should be ensured that the concerned person was not dismissed from his service when he was Chairman/ Director/ Executive of any company. 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. 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. 	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 \checkmark 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).	\checkmark		
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.	\checkmark		Partially Complied: As 3 Independent Directors one appointed subsequently vide BSEC/CFD/204/2003/Part-VII/1494 dated 18 May 2023.
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;	\checkmark		
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;	\checkmark		
1(2)(b)(iii)	Who has not been an executive of the Company in immediately preceding 2 (two) financial years;	\checkmark		
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the Company or its Subsidiary or Associated Companies.	\checkmark		
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) Holder, Director or Officer of any Stock Exchange;	\checkmark		
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;	\checkmark		
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.	\checkmark		
1(2)(b)(viii)	Who is not Independent Director in more than 5 (five) listed Companies.	\checkmark		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not complied	
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 (NBF).	✓		
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.	✓		Partially Complied: One Independent Director's allowable tenures expired
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			As the Independent Directors were continuing, the compliance of this new code could not be complied for them.
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	✓		
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
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;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not complied	
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;			N/A
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;	✓		
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;			N/A
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;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not complied	
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
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 were 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 immediately 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	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not complied	
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 ;	✓		
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;			Clause # 5 of BRPD Circular no. 11 dated 27 October 2013 issued by Bangladesh Bank does not permit any bank in Bangladesh to form any other committees except three committees namely, Executive Committee, Audit Committee and Risk Management Committee
1(7)(b)	The Code of Conduct as determined by the NRC shall be posted on the website of the Company.			Besides, Bangladesh Bank vide its letter no. BRPD (R-1)717/2021-5064 dated 16.06.2021 informed all the scheduled banks operating in the Country that there is no scope for corporate Governance Code, 2018 which conflict with the Banking Campines Act, 1991 and the directives issued by Bangladesh Bank.
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;	✓		Partially Complied: Standard Exchange Company (UK) Limited & Standard Co (USA) Inc.DBA : Standard Express made Composition its Board of Directors without appointing at least one Independent Director of SBL.
2(c)	The Minutes of the Board meeting on 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;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not complied	
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;	✓		Partially Complied: Acting CS continuing as appointment under process.
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;	✓		
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).			N/A
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.			N/A
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;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not complied	
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;	✓		
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;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not complied	
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;	✓		
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.			N/A
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			No such instance as yet
	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.	-		

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;	-		Clause # 5 of BRPD Circular no. 11 dated 27 October 2013 issued by Bangladesh Bank does not permit any bank in Bangladesh to form any other committees except three committees namely, Executive Committee, Audit Committee and Risk Management Committee
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;			Clause # 5 of BRPD Circular no. 11 dated 27 October 2013 issued by Bangladesh Bank does not permit any bank in Bangladesh to form any other committees except three committees namely, Executive Committee, Audit Committee and Risk Management Committee
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;			Besides, Bangladesh Bank vide its letter no. BRPD (R-1)717/2021-5064 dated 16.06.2021 informed all the scheduled banks operating in the Country that there is no scope for corporate Governance Code, 2018 which conflict with the Banking Campines Act, 1991 and the directives issued by Bangladesh Bank.
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			

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not complied	
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;			Clause # 5 of BRPD Circular no. 11 dated 27 October 2013 issued by Bangladesh Bank does not permit any bank in Bangladesh to form any other committees except three committees namely, Executive Committee, Audit Committee and Risk Management Committee Besides, Bangladesh Bank vide its letter no. BRPD (R-1)717/2021-5064 dated 16.06.2021 informed all the scheduled banks operating in the Country that there is no scope for corporate Governance Code, 2018 which conflict with the Banking Campines Act, 1991 and the directives issued by Bangladesh Bank.
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;			Clause # 5 of BRPD Circular no. 11 dated 27 October 2013 issued by Bangladesh Bank does not permit any bank in Bangladesh to form any other committees except three committees namely, Executive Committee, Audit Committee and Risk Management Committee
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);			Besides, Bangladesh Bank vide its letter no. BRPD (R-1)717/2021-5064 dated 16.06.2021 informed all the scheduled banks operating in the Country that there is no scope for corporate Governance Code, 2018 which conflict with the Banking Campines Act, 1991 and the directives issued by Bangladesh Bank.
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			Clause # 5 of BRPD Circular no. 11 dated 27 October 2013 issued by Bangladesh Bank does not permit any bank in Bangladesh to form any other committees except three committees namely, Executive Committee, Audit Committee and Risk Management Committee
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:			Besides, Bangladesh Bank vide its letter no. BRPD (R-1)717/2021-5064 dated 16.06.2021 informed all the scheduled banks operating in the Country that there is no scope for corporate Governance Code, 2018 which conflict with the Banking Campines Act, 1991 and the directives issued by Bangladesh Bank.
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;			

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not complied	
6(5)(b)(i)(c)	Remuneration to Directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;			
6(5)(b)(ii)	Devising a Policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;			
6(5)(b)(iii)	identifying persons who are qualified to become Directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;			
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of Independent Directors and the Board;			
6(5)(b)(v)	Identifying the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;			
6(5)(b)(vi)	Developing, recommending and reviewing annually the Company's human resources and training policies;			
6(5)(c)	The Company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.			
7	External or Statutory Auditors			
7 a)	The issuer Company shall not engage its external or statutory auditors to perform the following services of the Company, namely:			Shafiq Basak & Co. Chartered Accountants have declared such independence during their appointment
7(1)(i)	Appraisal or valuation services or fairness opinions;	✓		Do
7(1)(ii)	Financial Information Systems design and implementation;	✓		Do
7(1)(iii)	Book-Keeping or other services related to the accounting records or financial statements;	✓		Do
7(1)(iv)	Broker-Dealer Services;	✓		Do
7(1)(v)	Actuarial Services;	✓		Do
7(1)(vi)	Internal Audit services or special audit services;	✓		Do
7(1)(vii)	Any service that the Audit Committee determines;			N/A
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓		Do
7(1)(ix)	Any other service that creates conflict of interest.	✓		Do
8	Maintaining a website by the Company.			
8.1	The company shall have an official website linked with the website of the stock exchange.	✓		
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	Obtaining certificate regarding compliance and sending it to shareholders along with 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 AGM.	✓		To be appointed in the upcoming AGM
9.3	To state, in accordance with annexure, in directors' report whether the conditions has been complied with.	✓		



AHMED ZAKER & Co.
CHARTERED ACCOUNTANTS

Head Office :

89 Kakrail, Green City Edge (Level 10), Dhaka 1000, Bangladesh
Website: www.ahmed-zaker.com Email: azcbangladesh@ahmed-zaker.com
Phone: +88-02-83005018, Fax: +88-02-8300509

Annexure-B

[Certificate as per condition No. 1(5)(xxvii)]

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

We have examined the compliance status to the Corporate Governance Code by **Standard Bank Limited** for the year ended on December 31, 2022. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated 03 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the 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 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:

- 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;
- 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;
- 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
- The governance of the company is satisfactory.

Place: Dhaka
Dated: 01 June, 2023

AKM Mohitul Haq, FCA
Senior Partner
Enrolment No: 0458
Ahmed Zaker & Co.
Chartered Accountants

MANAGING DIRECTOR & CEO AND CHIEF FINANCIAL OFFICER'S STATEMENT OF RESPONSIBILITIES

Date: 30 April, 2023
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, 2022

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 as well as NOC from regulators, we do hereby declare that:

1. The Financial Statements of Standard Bank Limited for the year ended on 31st December, 2022 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 31st December, 2022 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.



Mr. Ali Reza FCMA, CIPA
Chief Financial Officer (CFO)



Md. Habibur Rahman
Chief Executive Officer (CEO)

REPORT OF MANAGEMENT INVESTMENT 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	Member
3	Deputy Managing Director & CBO	Member
4	Head of Business Development, Coordinator of IBCP & Shari'ah Secretariat	Member
5	Coordinator of Investment Risk Management Division	Member
6	Head of Investment Administration Division	Member
7	Head of Corporate Business Division	Member
8	Head of Investment Risk Management Division	Member
9	Chief Financial Officer	Member
10	Head of Special Asset Management Division	Member
11	Head of International Division	Member
12	Head of Treasury Division	Member
13	Head of Small & Medium Enterprises Division	Member
14	Head of Risk Management Division	Member
15	Head of Agricultural & Rural Investment Division	Member
16	Mr. Tapas Kumar Mandal, VP, IRMD	Member Secretary

In addition to the above, the Chairman of the committee may invite any other Executives/Officers of the Bank to attend the meeting as and when required.

QUORUM OF THE COMMITTEE

Majority of members inclusive of Chairman of the committee will make the quorum. In absence of Chairman, the next immediate senior most (not below the rank of Deputy Managing Director) will chair the meeting. The Committee will recommend the proposal to the approval authority as per approved delegation of business power.

MEETING FREQUENCY

The Committee will meet 02 (two) days a week on business days to dispose of the investment proposals. However, the Chairman of the Committee, on special circumstances, may call the meeting with intimation of all concerned. Time and frequency shall be fixed by the Chairman of the committee from time to time, if required so, based on actual requirement.

MODUS OPERANDI

- All investment proposals received from the branches shall be placed to the Committee i.e. Management Investment Committee (MIC).
- The Committee shall recommend, if found justified, to the approval authority of the Bank or declined the investment proposal on the ground the valid reasons. All declined proposals should document reasons in details and explained to branches verbally in order to understand areas of

improvement and apply that in future. Minutes for declined investment proposal to be intimated to the Managing Director & CEO of the Bank for perusal.

- The Branch shall be free to make appeal for the declined investment proposal(s) provided that they are genuinely convinced about the merit of the case.
- The appeal on the proposal shall be addressed to the Managing Director of the Bank. The Chairman of the Management Investment Committee (MIC) along with the Managing Director and other members, as determined, together shall review the proposal.
- The decision from the appeal process shall be intimated to the MIC.

TERMS OF REFERENCE (TOR)

- i. The Committee will conduct their meeting as per schedule date and time.
- ii. Review and recommend 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 Risk Management Division (IRMD) 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. The Committee will examine 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 evaluate 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 System (ICRRS)", 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 polices 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. The Committee will review and will take into consideration the issues raised by Audit Committee, Executive Committee and Board of Directors of the Bank and regulatory bodies on regular basis.
- xv. The 'Early Alert' accounts to be discussed and to be monitored on regular interval as per Early Alert Policy of the Bank.
- xvi. The chairman of the Committee may co-opt any official from the Bank based on his/her expertise for better investment decision.
- xvii. Any other issues related to investment proposal.

NOTE OF DISSENT

Any decision regarding investment proposal shall be taken on unanimous agreement by the members. However, disagreement on the decision can be raised by any member through presentation of note of dissent. If any member raises his disagreement on the decision taken by the Committee on any issue, he/she is free to express the opinion with valid and professional reasons to protect bank's interest. Note of dissent to be presented in writing and to be placed to the Chairman of the Committee with proper justifications on investment point of view. The Chairman of the Committee shall place it to the Managing Director regarding acceptance of the note of dissent. The Managing Director shall have the discretionary power to proceed on the issue with note of dissent considering the gravity of the issue. The Chairman, however, may inform the matter of discussion/outcome to the committee for its information. If majority member raised (at least 25% of total presence) a note of dissent against any investment proposal, the proposal should be declined and properly be minuted.

OTHERS

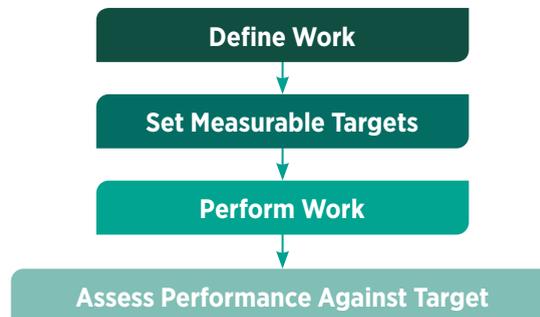
- The Committee shall work in line with the approved 'Terms of Reference (TOR)' and within the purview of Policies & Guidelines of Standard Bank Limited and Regulatory authorities. In case of any contradiction found, the terms of references of regulatory authorities shall prevail.
- The decision (Recommendation/decline) of the Committee shall be documented through Minutes of the Committee. An MIS on minutes of meeting shall be maintained for record. Minutes for declined investment proposal to be intimated to the Managing Director of the Bank for perusal.
- In case of any undecided scenario or upon disagreement among the members, the proposal may be referred by the Chairman of the committee to the Managing Director of the Bank for his decision other issues related to investment proposal.

REPORT OF 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 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.

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 to BDT 233,925 million in 2022 from BDT 225,085 million in 2021, increased 3.93% over last year. The Bank achieved 6% growth in investment with a total investment portfolio of BDT 178,128 million in 2022 compared to BDT 167,538 million in 2021. Import business of the Bank stood at BDT 74,581 million in 2022 with 5.76% increased over the previous year BDT 70,522 million in 2021, while Export business of the Bank stood at BDT 49,160 million in 2022, which is increased by 10.24% than that of previous year i.e BDT 44,593 million. Consolidated Operating Revenue for the year 2022 amounted to BDT 6,728 million, which is 8% higher than last year's BDT 6,257 million. All through the year 2022 the profit rate was in a declining state, the Net profit from investment of Standard Bank Ltd. decreased by 16% over last year. Consolidated Net profit from investment for the year 2022 amounted to BDT 3,769 million compared to BDT 4,463 million of 2021.

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 2022 indicate a 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 2022 was BDT (2,038) million. Net Operating Cash Flow after changes in operating assets and liabilities shows decrease of net inflow of BDT (2,486) million, which was BDT (8,792) million in previous year.

BUSINESS EXPANSION

SBL has expanded its segment geographically by opening new branches in different places considering the economic significance. As on 31 December 2022, 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 2022, Investment has increased by 6% and Term Deposit has decreased by 2% compared to that of 2021. 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 investment 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 2022, Capital to Risk Weighted Asset Ratio (CRAR) of Standard Bank Ltd. stands at 14.31% on solo basis and 13.96% on consolidated basis. To fulfill its capital requirement in the future as per BASEL-III requirements, Standard Bank Limited has already raised BDT 450.00 Crore through issuance of Mudaraba Perpetual Bond as per of additional Tier-I capital and another amount of TK.50 Crore is under process.

SATISFACTORY CREDIT RATING

ARGUS Credit Rating Services Limited has rated the Bank on 29 June 2022 with "AA+" in the long term and ST-2 for the Short Term based on audited financial statements of 2021 and other available information up to the date of rating declaration. The validity of the rating will be expired on 28th June 2023. 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 GOVERNANCE



CHIEF RISK OFFICER'S REPORT ON RISK MANAGEMENT



Our Banking industry is so intricately linked with the global and local economy that any real shock eventually gets propagated to the banking sector either immediately or with a lagged effect. The outgoing year 2022 was conspicuous by the way the Bangladesh economy alongside the world economy was making significant progress in its recovery from the COVID-19 pandemic where the major challenges were severe supply chain disruptions triggered by a war between Russia and Ukraine that also led to an energy crisis and the unprecedented tensions that gripped the banking industry of Bangladesh triggered by shortage of foreign exchange on the one hand and tight liquidity scenario in the local money market on the other.

Our Banking industry is so intricately linked with the global and local economy that any real shock eventually gets propagated to the banking sector either immediately or with a lagged effect. The outgoing year 2022 was conspicuous by the way the Bangladesh economy alongside the world economy was making significant progress in its recovery from the COVID-19 pandemic where the major challenges were severe supply chain disruptions triggered by a war between Russia and Ukraine that also led to an energy crisis and the unprecedented tensions that gripped the banking industry of Bangladesh triggered by shortage of foreign exchange on the one hand and tight liquidity scenario in the local money market on the other. Therefore, the major thrust of risk management activities of the Bank revolved around the unprecedented challenges that emerged from the afore-said fronts of macroeconomic shocks. But, even against the said odds, our core mandate was to manage portfolio optimally. Delivering on our mandate required that we proactively manage both risks and opportunities and ensure that we do so in a sustainable manner at all times without digressing from the principles of Shahri'ah.

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, investment (credit) risk (including residual risk, dilution risk, settlement/delivery risk, and counterparty risk); profit 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 Investment (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, Investment (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 31.12.2022, Capital Planning & Management and Statement of Non-Performing Investment) 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 2021 and did not recede before 2022. 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 24 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' profit 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 Investment Committee (MIC), 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).

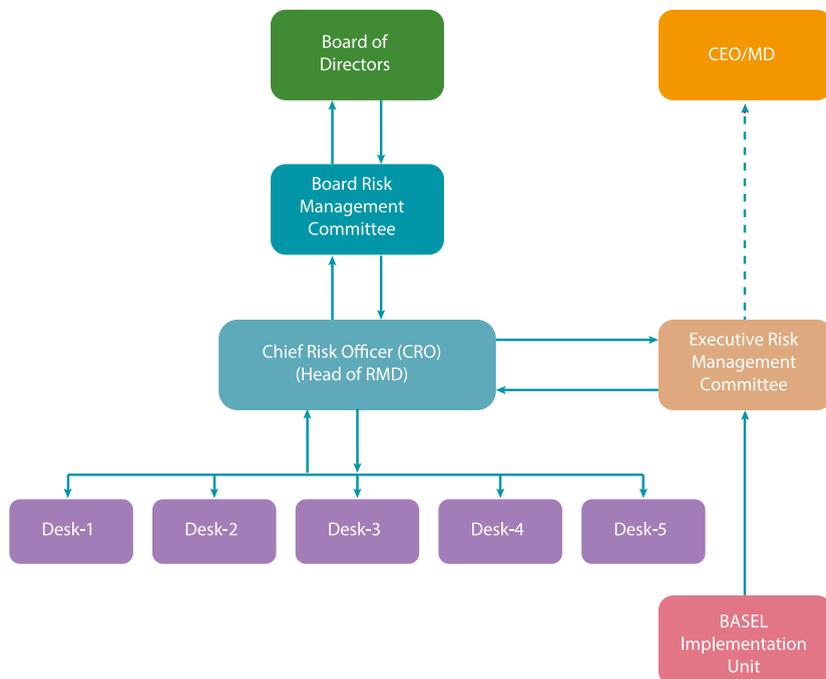


KEY ACTORS IN RISK GOVERNANCE OF THE BANK

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 investment (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.

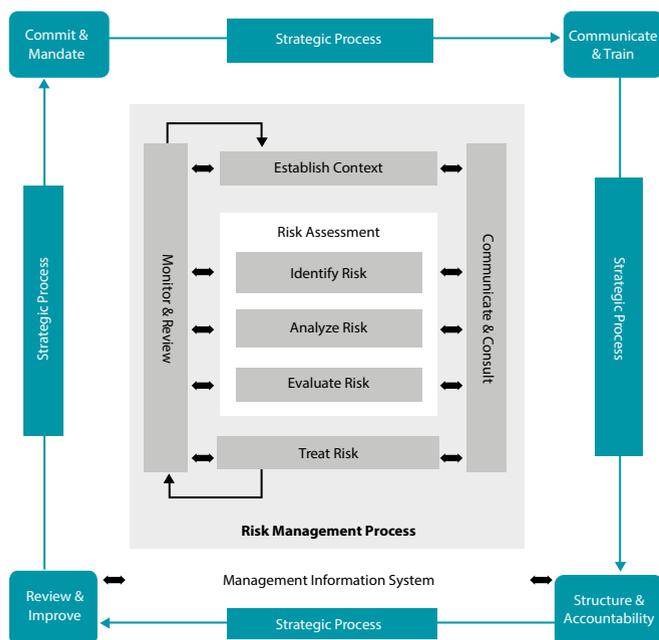
Processes:

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 (CRM)' for the month of June and December and another reporting format namely 'Monthly Risk Management Report (MRM)' 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.

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 investment (credit) shock, exchange rate shock, equity shock & profit rate shock. In case of investment (credit) shock, increase in NPIs, results of increase in NPIs due to default of top large borrowers, fall in the forced sale value (FSV) of mortgaged collateral, negative shift in the NPI categories & increase of NPIs 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.

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. Investment (Credit) Risk:

Investment (Credit) risk primarily triggers either from unwillingness or inability of an investment (credit) borrower to serve its obligation, resulting in economic loss to the bank. Investment (Credit) risk arises from on balance sheet claims such as investments 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, investments are the largest and most obvious source of investment (credit) risk.

Bank's Investment (Credit) Risk Management (IRM) specifically addresses the following areas as the IRM is mainly responsible for:

- Implementation of the investment (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 investment (credit) proposals, financial covenants, rating standards and benchmarks.
- Deciding on delegation of investment (credit) approving powers, prudential limits on large investment (credit) exposures, standards for investment collateral, portfolio management, investment review mechanism, risk concentrations, risk monitoring and evaluation, pricing of investments, provisioning, regulatory/legal compliance, etc.

A. Operating Under Sound Investment (Credit) Granting Procedure

The Bank strictly followed specified policy standards for granting investment (credit) by way of evaluating borrower:

- Internal investment (credit) rating assessment in combination with Internal Investment Risk Rating System (IIRRS);
- 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 investment pricing;
- Investment (Credit) growth increase after ensuring optimum asset quality and without compromising bank's standard of excellence;
- Investment (Credit) facilities are allowed after consideration of absolute due diligence;
- Inherent risk in investment (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
- Investment (Credit) delegations are specified for new/fresh limit, renewal or enhancement of limit, consumer/retail investment, personal investment etc.

B. Maintaining and Appropriate Investment (Credit) Administration Measurement and Monitoring Process

- The Bank established an appropriate investment (credit) administration, measurement and monitoring process to mitigate investment (credit) risk;

- Borrower follow-up and corrective action;
- Internal investment 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 profit 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 Investment (Credit) and High Use of Lines of Financing (Credit):

- Borrower is at the top of line each month;
- Failure to meet financial covenants in investment agreement;
- Delays in payment of principal and profit;
- Use of overdrafts/low balances in current account;
- Investment (Credit) inquiries from other lenders;
- Change of accountants;
- Other Indications of Problem Investments;
- 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 investment (credit) and market liquidity risks. For example, a downgrade of the investment (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 Profit Rate Risk arising from mismatches in the profit rate

profile of assets, liabilities and capital instruments including basis risk arising from different profit rate benchmarks, profit 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 profit rates. Commodity markets may also be less liquid than those for profit 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 2022, 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, profit 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 investment (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 investment (credit) risk, profit 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 ECAs
- 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 investments as % of total outstanding investments - optimum level up to 5%
- Classified investment recovery as % of total classified investments - optimum level minimum 20%
- Written-off investments as % of total classified investments - optimum level up to 15%
- Profit waiver as % of total classified investments - 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 investment (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. Consequently, 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 investments 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. Investment (Credit) Risk Management:

Investment (Credit) risk may arise from the banking book, trading book even from non-funded exposures.

In order to mitigate Investment (Credit) Risk on standalone basis, the Bank has taken the following steps:

- Formulation of Investment (Credit) Risk Policy, which clearly defines our objectives, criteria, investment (credit) approval process and clear-cut responsibilities of individuals associated with approving and administering the investment (credit) portfolio of the bank;
- Investment (Credit) proposals are exhaustive and contains security etc. to enable the credit approving authority to make well-informed decisions;
- Centralized setting up of investment (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 investment (credit) limits, maturity etc.;
- Periodic investment (credit) portfolio review;
- Industry and business segment focus including lending caps;
- Types of investment (credit) facilities;
- Industry and Business segment focus - grow, maintain & shrink;
- Single borrower exposure limit including syndication of investments;
- Discouraged business types;
- Large investment - 10% or more of Bank's total capital is considered and the maximum limit set according to net classified investments of the bank;
- Investment facility parameters (Investment size, tenor, margin & security etc.);
- Acceptable securities with quality and value;

- Internal Investment Risk Rating System (IIRRS) is followed;
- Insurance coverage (on goods/machineries etc financed by the bank) policy;
- Investment pricing strategy;
- Investment Approval Process is clearly defined;
- The Early Alert Reporting system is in place;
- Cross-border risk;
- Investment (Credit) assessment and Investment (credit risk) grading;
- Environmental Risk Rating;
- NPI Account Management and Investment (Credit) Recovery policy is in place;
- Audit & Inspection is done on IRM annually;
- Periodic stress testing etc;

The Bank has segregated duties of the officers/executives involved in investment (credit) related activities. Investment (Credit) approval, administration, monitoring and recovery functions have been segregated. For this purpose, two separate units have been formed within the investment (credit) functions namely Investment (Credit) Division and Investment (Credit) Administration Division. Investment (Credit) Division is entrusted with the duties of maintaining asset quality, assessing risk in investment (lending) to a particular customer, sanctioning investment (credit), formulating policy/strategy for lending operation, etc.

A thorough assessment is performed by Investment (Credit) Division before sanctioning of any investment (credit) facility. The risk assessment includes borrower's risk analysis, industry analysis, historical performance of the customer, security of the proposed investment (credit) facility, etc. The assessment process starts at the branch level by the relationship manager/officer and ends at Investment (Credit) Division when it is approved/declined by the Competent Authority. Investment (Credit) approval authority has been delegated to the Investment (Credit) Committee.

In determining Single Borrower Exposure/Large investment 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.

Investments are classified as per Bangladesh Bank's guidelines. Profit accrued on classified investment is suspended and adequate provision is maintained thereagainst as per Bangladesh Bank Guidelines.

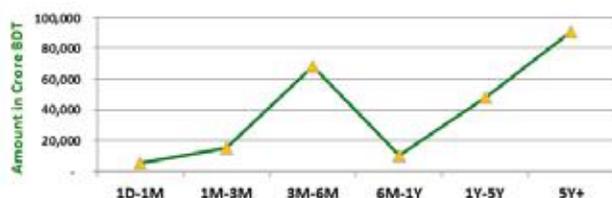
In order to mitigate Investment (Credit) Risk on portfolio basis, the Bank has taken the following steps:

Key Risk	Reference Tool (example)	Mitigation Process
Portfolio Growth	Reason for growth	MAT
Investment (Credit) Concentration	HHI, Gini, SEI, SI	Sectoral Lending Cap, Capital Allocation
Security/ Collateral/Margin Status	Coverage Assessment, Stress Testing	MAT
Investment 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 profit rate/liquidity. The responsibility of managing the asset/liability management procedures are monitored by the Asset Liability Management Committee (ALCO).

Net Mismatch between RSA & RSL



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, profit 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.

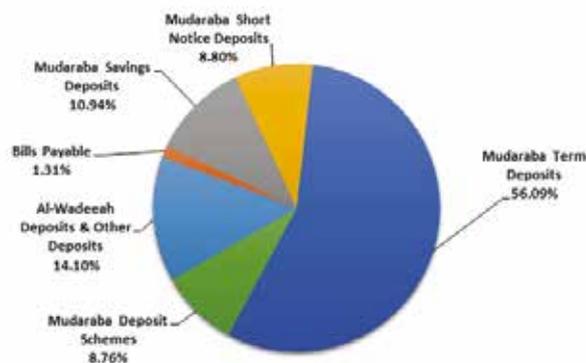
C. Liquidity Risk Management

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 investment (credit) risk, profit rate risk, foreign exchange risk, etc.

Cost of Fund



Deposit Mix

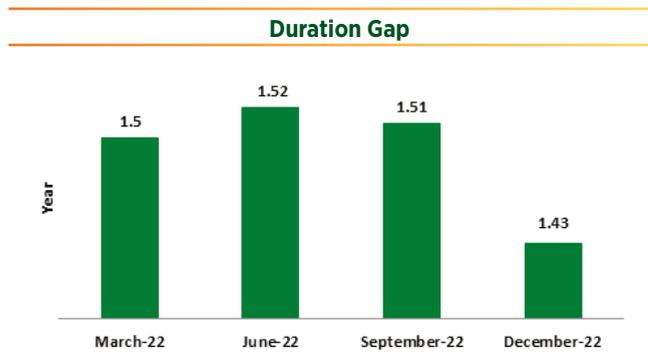


The intensity and sophistication of liquidity risk management processes depend on the nature, size and complexity of a bank's activities. Sound liquidity and controlling liquidity risk is critical to the viability of the Bank. Our liquidity risk management procedures are comprehensive and holistic. Responsibility 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.

D. Profit Rate Risk Management

Profit rate risk has the potential impact on a bank's earnings and net asset values due to changes in market profit rates. Profit rate risk arises when a bank's principal and profit cash flows (including final maturities), both on-and off-balance sheet, have mismatched re-pricing dates.

However, the Bank has segregated both the profit 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 Profit 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 Profit Rate Risk analysis and these are calculated on regular basis :
 - Net Investment Income
 - Net Profit Margin
 - Profit Earning Asset to Total Assets
 - Average Profit Rates of Investment
 - Average Profit 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 profit rates as per amendment clauses of investment sanction letters and therefore, the bank is less exposed to profit rate risk due to mismatch between floating and fixed rate.

However, due to market wide downward trend of profit rate, the Bank is likely to be exposed to lower income due to lower profit spread. To manage this risk, the Bank is actively planning to reduce its administrative expenses and increase fee-based income.

E. 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.

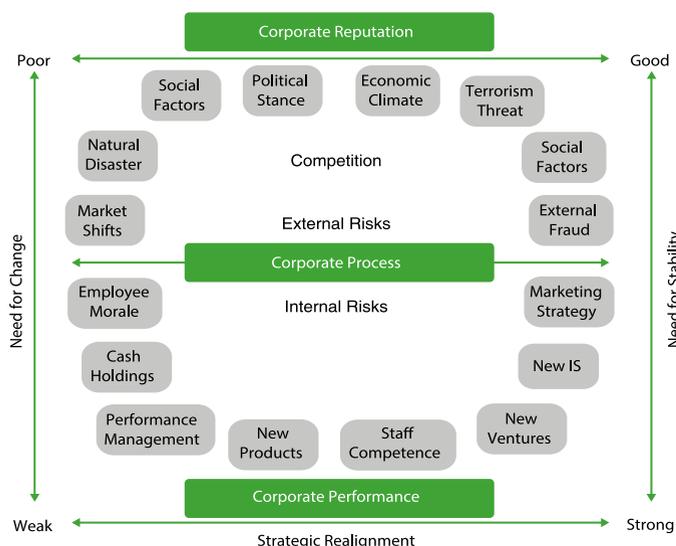
F. Internal Control and Compliance Risk Management

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.

G. 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.

H. 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:

STANDARD BANK LIMITED**LIQUIDITY STATEMENT****ASSET AND LIABILITY MATURITY ANALYSIS****FOR THE YEAR ENDED 31 DECEMBER 2022**

Particulars	Up to 01 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	More than 5 Years	Total
Assets:						
Cash in hand	2,170,463,586	-	-	-	-	2,170,463,586
Balance with Bangladesh Bank	6,837,100,000	-	-	-	6,609,433,643	13,446,533,643
Balance with other banks and financial institutions	746,149,224	-	5,000,000	-	-	751,149,224
Money at call & on short notice	-	-	-	-	-	-
Investment in Share & Securities	862,400	-	-	-	23,208,149,172	23,209,011,572
General Investments	27,898,677,742	21,841,879,742	57,550,588,764	46,610,987,834	20,441,773,616	174,343,907,698
Fixed assets including premises, furniture and fixtures	-	-	-	-	3,422,735,334	3,422,735,334
Other assets	80,145,076	2,620,068,563	3,306,562,353	8,393,582,282	-	14,400,358,274
Non-banking assets	-	-	-	-	-	-
Total Assets	37,733,398,028	24,461,948,305	60,862,151,117	55,004,570,116	53,682,091,765	231,744,159,331
Liabilities:						
Borrowing from Bangladesh Bank, Other banks, financial institutions and agents	20,463,988,430	-	-	2,085,417	-	20,466,073,847
Deposits	7,900,349,686	21,943,954,057	58,331,961,981	44,657,716,034	37,961,132,703	170,795,114,461
Other Accounts	-	-	-	-	-	-
Provision and other liabilities	249,019,349	168,094,027	1,708,846,644	6,464,465,335	14,183,035,030	22,773,460,385
Total Liabilities	28,613,357,465	22,112,048,084	60,040,808,625	51,124,266,786	52,144,167,733	214,034,648,693
Net Liquidity Gap	9,120,040,563	2,349,900,221	821,342,492	3,880,303,330	1,537,924,032	17,709,510,638

These financial statements should be read in conjunction with annexed notes



Managing Director



Director



Director



Chairman

Dated, Dhaka
April 30, 2023

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.	31.12.2021	2,840.03	14.26%	10.00%	12.50%
02.	31.12.2022	2,644.20	14.31%	10.00%	12.50%

CONSOLIDATED BASIS (WITH SUBSIDIARIES)

(BDT in Crore)

SI	As on	Capital Maintained	Maintained CRAR (%)	Required CRAR	Required (CRAR + CCB)
01.	31.12.2021	2,843.30	14.12%	10.00%	12.50%
02.	31.12.2022	2,637.41	13.96%	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)	107.80%	≥100.00%
Net stable Funding Ratio (NSFR)	112.35%	>100.00%
Stock of High quality liquid assets	BDT 2,683.06 crore	
Total net cash outflows over the next 30 calendar days	BDT 2,488.98 crore	
Available amount of stable funding	BDT 18,223.46 crore	
Required amount of stable funding	BDT 16,236.28 crore	

LEVERAGE RATIO:

The year-end Leverage Ratio for Basel III is as follows:

Particular	Solo	Consolidated	Required Ratio
Leverage Ratio	7.87%	7.78%	3.00%
On balance sheet exposure	BDT 22,683.21 crore	BDT 22,901.31 crore	
Off balance sheet exposure	BDT 3,062.32 crore	BDT 3,062.32 crore	
Total Deduction	BDT 144.09 crore	BDT 145.95 crore	
Total exposure	BDT 25,601.43 crore	BDT 25,817.68 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:

- a. **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.
- b. **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.
- c. **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:

- i) Policies and procedures designed to ensure that the bank identifies, measures, and reports all material risks;
- ii) A process that relates capital to the level of risk;
- iii) A process that states capital adequacy goals with respect to risk taking account of the bank's strategic focus and business plan; and

- iv) 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 investment (credit) risk, market risk and operation risk. Therefore, SRP considers all risks of the banks, not considered under pillar 1 of Basel III namely:

1. **Residual risk:** Error in documentation and error in valuation of collateral security.
2. **Concentration Risk:** Investment (Credit) concentration in groups, sectors or regions.
3. **Profit Rate Risk in the Banking Book:** Probable loss due to poor asset liability management and volatile movement of marketable instruments like bills, bond, debentures.
4. **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 (NSFR).
5. **Reputation Risk:** Internal & External Fraud, Non-payment of ABP, Credit Rating and Bad customer service.
6. **Strategic Risk:** CAMELS rating falling below 2, operating expenses exceeding 45% of operating income, classified investments exceeding 5% of total investment, recovery rate falling below 20%, write-off investment recovery falling below 15%, profit waiver exceeding 5% of total classified investments, cost of fund, strategic plan (deposit growth plan, investments growth plan, profit growth plan), rescheduling of investments (rescheduled more than three times are where capital charge are considered).
7. **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 investments 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

DISCLOSURES ON RISK BASED CAPITAL (BASEL-III) BASED ON 31.12.2022

(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 on 'Consolidated Basis' where four (04) subsidiaries belong to Standard Bank Ltd.
	(c)	No incidence occurred which lead to imposition of 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)	<p>The regulatory capital of the bank has been classified broadly into two tiers, which are consisted of the sum of the following categories:</p> <p>1) Tier-1 Capital (going-concern capital)</p> <p>a) Common Equity Tier-1 Capital b) Additional Tier-1 Capital</p> <p>2) Tier-2 Capital (gone-concern capital)</p> <p>a) Common Equity Tier 1 (CET1) capital consists of sum of the following items:</p> <p>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</p> <p>Less: Regulatory adjustments applicable on CET1 capital:</p> <p>1. Shortfall in provisions against NPIs 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</p> <p>b) Additional Tier 1 Capital (AT-1)</p> <p>Additional Tier 1 (AT1) capital consists of the following items:</p> <p>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</p> <p>Less: Regulatory adjustments applicable on AT1 Capital:</p> <p>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</p>
------------------------	-----	---

Qualitative Disclosure	<p>2) Tier-2 Capital (T-2)</p> <p>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:</p> <ol style="list-style-type: none"> 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 <p>Less: Regulatory adjustments applicable on Tier-2 capital:</p> <ol style="list-style-type: none"> 1) Revaluation Reserves for Fixed Assets, Securities and Equity Securities (followed phase-in deductions as per Basel-III). 2) Investment in own T-2 instruments/shares 3) Reciprocal crossholdings in the T-2 Capital of Banking, Financial and Insurance Entities. 4) Any investment exceeding the approved limit under section 26 ka(1) of Bank company Act-1991 (50% of investment). 5) Investment in Subsidiaries which are not consolidated (50% of investment) 6) Others if any <p>The calculation of Common Equity Tier-1, Additional Tier-1, Tier-1 and Tier-2 capital shall be subject to the following conditions:</p> <ol style="list-style-type: none"> 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
1.01	Fully Paid-up Capital	1,062.07	1,062.07
1.02	Non-repayable Share premium account	-	-
1.03	Statutory Reserve	654.88	654.88
1.04	General Reserve	-	-
1.05	Retained Earnings	54.00	53.27
1.06	Dividend Equalization Reserve	-	-
1.07	Minority interest in Subsidiaries	-	0.02
1.08	Other if any (if any item approved by BB)	-	-
1.09	Sub-Total: (1.10 to 1.90)	1,770.95	1,770.24
	Less: Regulatory adjustments applicable on CET1		
1.10	Shortfall in provisions required against Non Performing Investments (NPIs)	139.47	139.47
1.11	Shortfall in provisions required against investment in shares	-	-
1.12	Remaining deficit on account of revaluation of investment in securities after netting off from any other surplus on the securities	-	-
1.13	Goodwill and all other intangible assets	4.62	4.62
1.14	Deferred tax assets (DTA)	-	-
1.15	Defined benefit pension fund assets	-	-

1.16	Gain on sale related to securitization transactions	-	-
1.17	Investment in own CET-1 instruments/shares	-	-
1.18	Reciprocal crossholdings in the CET-1 Capital of Banking, Financial and Insurance Entities	-	1.85
1.19	Any investment exceeding the approved limit under section 26 ka(1) of Bank company Act-1991 (50% of investment)	-	-
1.20	Investment in Subsidiaries which are not consolidated (50% of investment)	-	-
1.21	Other if any	-	-
1.22	Sub-Total (1.10 to 1.21)	144.09	145.95
1.23	Total Common Equity Tier-1 (1.90 -1.22)	1,626.86	1,624.29
	Additional Tier 1 Capital		
2.24	Non-cumulative irredeemable preference shares	-	-
2.25	Instruments issued by the bank that meets the qualifying criteria for AT1	450.00	450.00
2.26	Minority Interest i.e. AT1 issued by consolidated subsidiaries to third parties (for consolidated reporting only)	-	-
2.27	Others	-	-
2.28	Sub-Total (2.24 to 2.27)	450.00	450.00
	Less: Regulatory adjustments applicable on AT1 Capital		
2.29	Investment in own AT-1 instruments/shares	-	-
2.30	Reciprocal crossholdings in the AT-1 Capital of Banking, Financial and Insurance Entities	-	-
2.31	Other if any	-	-
2.32	Sub-Total (2.29 to 2.32)	-	-
2.33	Total Additional Tier 1 Capital Available (2.5 - 2.8)	450.00	450.00
2.34	Maximum Limit of Additional Tier-1 Capital [considering para 3.2(iv) including foot note no.9 of RBCA Guidelines]	388.26	384.03
2.35	Excess Amount over Maximum Limit of AT-1	61.74	65.97
2.36	Total Admissible Additional Tier-1 Capital	388.26	384.03
2.37	Total Eligible Tier-1 Capital (1.23 + 2.36)	2,015.12	2,008.32
	Tier 2 Capital (gone-concern capital)		
3.38	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)	54.09	54.09
3.39	All other preference shares	-	-
3.40	Subordinated debt / Instruments issued by the banks that meet the qualifying criteria for Tier 2 capital as specified in the guideline.	575.00	575.00
3.41	Minority Interest i.e. Tier-2 issued by consolidated subsidiaries to third parties as specified in the guideline.	-	-
3.42	Revaluation Reserves as on 31 December, 2014 (50% of Fixed Assets and Securities and 10% of Equities)	1.31	1.31
3.43	Other if any (if any item approved by BB)	-	-
3.44	Sub-Total (3.38 to 3.43)	630.40	630.40
	Less: Regulatory adjustments applicable on Tier-2 capital		
3.45	Revaluation Reserves for Fixed Assets, Securities and Equity Securities (follow phase-in deductions as per Basel-III).	1.31	1.31
3.46	Investment in own T-2 instruments/shares	-	-
3.47	Reciprocal crossholdings in the T-2 Capital of Banking, Financial and Insurance Entities.	-	-
3.48	Any investment exceeding the approved limit under section 26 ka(1) of Bank company Act-1991 (50% of investment).	-	-
3.49	Investment in Subsidiaries which are not consolidated (50% of investment)	-	-
3.50	Other if any	-	-
3.51	Sub-Total (3.45 to 3.50)	1.31	1.31
3.52	Total Eligible Tier-2 Capital (3.44 - 3.51)	629.09	629.09
	Total Eligible Capital (Tier-1+Tier-2)(2.38+3.52)	2,644.20	2,637.41

Note: There is a Total Provision Shortfall of Tk.298.69 crore including General Provision Shortfall of Tk.115.51 crore, Specific Provision Shortfall of Tk.139.47 crore and Other Items Provision Shortfall of Tk.43.71 crore in the Bank, which will be maintained within 2023 as per Bangladesh Bank letter no.DBI-6/51(4)/2023-350 dated 13.04.2023 & DOS(CAMS)1157/41(Dividend)/2023-2148 dated 27.04.2023.

(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	1,756.71	1,749.00
	(c)	Capital Requirement for Market Risk	29.99	75.60
	(d)	Capital Requirement for Operational Risk	61.53	64.14
	(e)	Total Capital, CET-1 Capital, Total Tier-1 Capital and Tier-2 Capital Ratio:		
		• For the consolidated group:		
		➤ Total CRAR	13.96%	
		➤ CET-1 Capital Ratio	8.60%	
		➤ Total Tier-1 Capital Ratio	10.63%	
		➤ Tier-2 Capital Ratio	3.33%	
	• For stand alone:			
	➤ Total CRAR	14.31%		
	➤ CET-1 Capital Ratio	8.80%		
	➤ Total Tier-1 Capital Ratio	10.90%		
	➤ Tier-2 Capital Ratio	3.40%		
	(f)	Capital Conservation Buffer- Minimum Requirement: 2.50% of Total RWA. • For the consolidated group: 4.10% of Total RWA • For stand alone: 4.30% of Total RWA		
	(g)	Available Capital under Pillar-2 requirement - BDT 2,843.30 Crore as on 31.12.2021. The said amount as on 31.12.2022 will be arrived at within 31.05.2023.		

(d) Investment (Credit) Risk

Qualitative Disclosure	(a)	Investment (Credit) Risk & the bank's Investment (Credit) Risk Management Policy
		<p>Investment (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 investment, trade finance and leasing business, but also from off-balance sheet products such as guarantees and credit derivatives, and from the holdings of investment 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, Investment (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.</p> <p>The aims of Investment (Credit) Risk Management, underpinning sustainably profitable business, are principally:</p> <ul style="list-style-type: none"> to maintain a strong culture of responsible investment, 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 Investment (Credit) risks, their costs and their mitigation. <p>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.</p> <p>Investment (Credit) risk is one of the major risks faced by the Bank. To assess and to mitigate the Investment (Credit) risk, the Bank has implemented risk management manual, which is considered to be an important tool for retaining the quality and performance of the assets. Accordingly, the Bank's Investment (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.</p>

The Bank has defined segregation of duties for all Investment (Credit) risk related activities like investment (credit) approval, administration, monitoring and recovery functions. The Bank has set policies and procedures for the controlling and monitoring of investment (credit) risks from these activities. A thorough risk assessment is done before sanction of any investment (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 investment (credit) facility etc. Bank has also established separate Investment (Credit) Risk Management Services which helps in ensuring investment (credit) compliance with the post-sanction processes/ procedures laid down by the Bank from time to time. The Bank has in place a risk grading system for analyzing the risk associated with investment (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.

Investment Classification Criterion: Investment (credit) products are broadly divided into continuous investment, demand investment, fixed term investment and short-term agricultural and micro-credit investment. Standard Bank follows the relevant Bangladesh Bank guidelines for classification of its investment products. Presently, there are 5 categories of classification on objective criterion. These are: Standard (STD), Special Mention Account (SMA), Sub-standard (SS), Doubtful (DF) and Bad-loss (BL).

Definition of past due/overdue:

- i. Any continuous investment if not repaid/renewed within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue from the following day of the expiry date
- ii. Any demand loan if not repaid within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue from the following day of the expiry date
- iii. In case of any installment(s) or part of installment(s) of a fixed term investment is not repaid within the fixed expiry date, the amount of unpaid installment(s) will be treated as past due/overdue after six month of the expiry date
- iv. The short-term agricultural and micro-credit investment if not repaid within the fixed expiry date for repayment will be considered past due/overdue.

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 direction of the repayment prospect of the borrower.

Sub-Standard: These are the investments where bank has reason to doubt about the payment of the investment although recovery prospect is encouraging.

Doubtful: A Continuous Investment, Demand Investment, Fixed Term Investment or any installment(s)/part of installment(s) of a Fixed Term Investment which will remain past due/overdue for a period of 09 (nine) months or beyond but less than 12 (twelve) months, the entire investment will be put into the "Doubtful (DF)".

Bad/ loss: These are the investments that have a bleak recovery possibility.

Unclassified: These are the investments where bank is fully satisfied about its repayment.

A summary of some objective criteria for loan classification is stated below:

Type of facility	Overdue period for Investment Classification		
	Sub-standard	Doubtful	Bad & loss
Continuous & Demand investment (except CMSME)	3 months or more but less than 9 months	9 months or more but less than 12 months	12 months or more
Continuous & Demand Investment (BRPD circular no.16 under CMSME)	6 months or more but less than 18 months	18 months or more but less than 30 months	30 months or more
Fixed Term investment (except CMSME)	3 months or more but less than 9 months	9 months or more but less than 12 months	12 months or more
Fixed Term Investment (BRPD circular no.16 under CMSME)	6 months or more but less than 18 months	18 months or more but less than 30 months	30 months or more
Short Term Agricultural & Micro-Investment	12 months or more but less than 36 months	36 months or more but less than 60 months	60 months or more
Rescheduled accounts	Reschedule accounts will be marked as per BRPD Circular No. 15, September 23, 2012		

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 investments, 5% to 20% provision is maintained against sub-standard investments, 5% to 50% provision is maintained against doubtful investments and 100% provision is maintained against bad/ loss after deducting value of eligible security, if any, as per Bangladesh Bank guidelines. All profit is suspended/ discontinued if the investment is identified as sub-standard, doubtful or bad/ loss.

Throughout the year, the Bank reviews investments to assess whether objective evidence has arisen of impairment of an investment or portfolio that warrants a change in the classification of investments, which may result in a change in the provision required in accordance with BRPD Circular Letter No.03 dated 31 January 2021, BRPD Circular Letter No.05 dated 24 March 2021, BRPD Circular Letter No.13 dated 26 June 2021, BRPD Circular Letter No.19 dated 26 August 2021, BRPD Circular Letter No.45 dated 04 October 2021, BRPD Circular Letter No.50 dated 14 December 2021, BRPD Circular Letter No. 52 dated 29 December 2021, BRPD (P-1)/661/13/2021-12262 dated 29 December 2021, BRPD Circular Letter No.53 dated 30 December 2021, BRPD circular No.56 (10 December 2020), BRPD circular No.52 (20 October 2020), BRPD circular No.17 (28 September 2020), BRPD Circular No.16 (21 July 2020), BRPD circular No.13 (15 June 2020), BRPD circular No.04 (19 March 2020), BRPD circular No.07 (19 March 2020), BRPD circular No.24 (17 November 2019), BRPD circular No. 06 (19 May 2019), BRPD circular No.04 (16 May 2019), BRPD circular No.03 (21 April 2019), BRPD circular No.01 (20 February 2018), BRPD circular No.15 (27 September 2017), BRPD circular No.16 (18 November 2014), BRPD circular No.14 (23 September 2012), BRPD circular No.19 (27 December 2012) and BRPD circular No.05 (29 May 2013) a general provision at 0.25% to 2% under different categories of unclassified investments (good/standard investments) as well as a special general provision for COVID-19 had to be maintained regardless of objective evidence of impairment. Also specific provision for sub-standard investments, doubtful investments and bad & losses had to be provided at 5%, 20%, 50% and 100% respectively for investments depending on time past due. Again as per BRPD circular no.10 dated 18 September 2007 and BRPD circular no.14 dated 23 September 2012, a general provision at 1% is required to be provided for all off-balance sheet exposures. Such provision policies are not specifically in line with those prescribed by IFRS 9. The guidance in the circulars follows a formulaic approach whereby specified rates are applied to the various categories of investments as defined in the circulars. The provisioning rates are as follows:

		Specific provision on Investments	
		Specific provision on substandard investments and advances/investments other than agricultural investments	20.00%
		Specific provision on doubtful investments and advances/investment other than agricultural investments	50.00%
		Specific provision on substandard and doubtful agricultural investments	5.00%
		Specific provision on bad/loss and advances/investments	100.00%
		BRPD circular no.14 (23 September 2012) as amended by BRPD circular no.19 (27 December 2012) also provides scope for further provisioning based on qualitative judgments. In these circumstances, impairment losses are calculated on individual investments considered individually significant based on which specific provisions are raised. If the specific provisions assessed under the qualitative methodology are higher than the specific provisions assessed under the formulaic approach above, the higher of the two is recognized in liabilities under "Provisions for Investments" with any movement in the provision charged/released in the profit and loss account.	
Quantitative Disclosure	(b)	Total gross credit risk exposures broken down by major types of investment (credit) exposures:	BDT in Crore
		Bai - Murabaha	1,955.53
		Bai - Muajjal	6,821.59
		Bai - Salam	47.83
		HPSM	7,903.33
		Quard- e-Hasan with Service Charge	332.88
		Islamic Credit Card	71.73
		Inland bills purchased	60.18
		Foreign bills purchased and discounted	241.31
		Total	17,434.39
	(c)	Geographical distribution of exposures, broken down in significant areas by major types of investment (credit) exposures:	BDT in Crore
		Urban:	
		Dhaka Division	11,951.32
		Chittagong Division	2,754.96
		Khulna Division	1,172.04
		Barishal Division	35.76
		Rajshahi Division	676.00
		Rangpur Division	366.30
		Sylhet Division	60.30
		Mymensing Division	18.50
		Total	17,035.17
		Rural:	
		Dhaka Division	210.13
		Chittagong Division	83.68
		Khulna Division	-
		Barishal Division	-
		Rajshahi Division	49.47
		Rangpur Division	23.96
		Sylhet Division	7.99
		Mymensing Division	23.99
		Total	399.22
		Grand Total (urban + rural)	17,434.39

(d)	Industry or counterparty types distribution of exposures broken down by major types of credit (investment) exposures:	BDT in Crore
	Commercial lending	1,119.41
	Export financing	270.00
	House building investment	835.76
	Consumers Credit Scheme	639.44
	Small and medium enterprises	3,511.00
	Special program investment	29.65
	Other Investments and advances/Investments	206.70
	Total	6,611.96
	Industrial investments:	
	Agricultural Industries	473.00
	Textile Industries	672.00
	Food and allied Industries	1,146.44
	Pharmaceuticals Industries	6.00
	Leather, Chemical and Cosmetics etc	247.15
	Cement and Ceramic Industries	143.29
	Service Industries	131.24
	Transport and Communication Industries	250.00
	Other Industries	7,753.32
	Total	10,822.44
	Grand Total	17,434.39
(e)	Residual contractual maturity breakdown of the whole portfolio broken down by all types of investment (credit) exposure including bills purchased & discounted:	BDT in Crore
	Payable On demand	-----
	Up to one month	2,789.87
	Over one month but not more than three months	2,184.19
	Over three months but less than one year	5,755.06
	Over one year but less than five years	4,661.10
	Above five years	2,044.18
(f)	By major industry or counterparty type :	
	Amount of impaired investments and if available, past due investments, provided separately	BDT in Crore
	Corporate	6,152.67
	SME	3,510.82
	Consumer Financing	247.83
	Others (Agri, SOD Individual)	7,523.07
	Specific and general provisions; and	513.87
	Charges for specific allowances and charge-offs during the period	
(g)	Gross Non Performing Assets (NPAs)	BDT in Crore
	Non Performing Assets (NPAs) to Outstanding Investments & Advances	1,384.01
	Investment & Advances	7.94%
	Movement of Non Performing Assets (NPAs)	
	Opening balance	1,015.50
	Additions	739.33
	Reductions	370.83
	Closing balance	1,384.01
	Movement of specific provisions for NPAs	
	Opening balance	475.81
	Provisions made during the period	66.30
	Write-off	(50.90)
	Write-back of excess provisions	0.00
	Closing balance	491.21

(e) Equities: Disclosures for Banking Book Positions

Qualitative Disclosure	(a)	<p>The general qualitative disclosure requirement with respect to the equity risk, including:</p> <p>The Bank does not hold any value which is described 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.</p> <p>Therefore the Bank does not need 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”.</p> <p>Apart from above, the Bank is using the value at cost method for Quoted shares & Unquoted shares.</p>		
Qualitative Disclosure	(b)	<p>Value disclosed in the balance sheet of portfolio investments, as well as the fair value of those portfolio investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value.</p>		
			Cost Price	Market Price
		Quoted shares	BDT 15.13 crore	BDT 15.12 crore
		Unquoted shares	BDT 268.97 crore	BDT 268.97 crore
Qualitative Disclosure	(c)	<p>The cumulative realized gain (losses) arising from sales and liquidations in the reporting period.</p> <p>Realized gain (losses) from equity investments</p>		
	(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
Qualitative Disclosure	(e)	<p>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.</p>		

(f) Profit Rate Risk in the Banking Book (PRRBB)

Qualitative Disclosure	(a)	<p>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.</p> <p>The earnings or changes in the economic value are the main focus in banking book.</p> <p>Profit rate risk is the risk that a bank will experience deterioration in its financial position as profit rates move over time.</p> <p>Profit rate risk in the banking book arises from a bank’s core banking activities.</p> <p>Profit rate risk is the exposure of a bank’s financial condition to adverse movements in profit rates. Changes in profit rates affect a bank’s earnings by changing its net interest income and the level of other interest sensitive income and operating expenses.</p>			
Qualitative Disclosure	(b)	Profit Rate Risk - Increase in Profit Rate:	Minor	Moderate	Major
		Magnitude of Shock	1.00%	2.00%	3.00%
		Net Profit Income impact			
		<12 Months	9.96	19.91	29.87
		Capital after shock	2,654.16	2,664.12	2,674.07
		CRAR aftershock (%)	14.36	14.41	14.47
		Change in CAR after shock (%)	0.05	0.11	0.16
		Re-pricing Impact			
		Change in the value of the bond investment portfolio	-4.57	-9.15	-13.72
		Capital after shock	2,649.58	2,654.97	2,660.35
		CRAR aftershock (%)	14.34	14.36	14.39
		Change in CAR after shock (%)	-0.02	-0.05	-0.07
		Overall change in CAR (NII & re-pricing impact, %)	0.03	0.06	0.09

(g) Market Risk

Qualitative Disclosure	<p>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, Forex rates, and equity and commodity prices. The important aspect of the Market Risk includes liquidity management, profit rate risk management and the pricing of assets and liabilities. There are three types of Market Risk such as Profit Rate Risk, Foreign Exchange Risk & Equity Price Risk. The Board of Directors approves all policies related to market risk, sets limits and reviews compliance on a regular basis.</p> <p>Method used to measure Market Risk: In Standardized Approach, the capital requirement for various market risks (profit rate risk, equity price risk, commodity price risk, and foreign exchange risk) is determined separately.</p> <p>Market Risk Management System: The Treasury Division manages market risk covering Liquidity, profit rate and foreign exchange risk with oversight from Assets Liability Management Committee (ALCO) comprising of senior executives of the Bank. ALCO is chaired by the Managing Director. ALCO meets at least once in a month.</p> <p>Policies and Processes for mitigating market risk: There are approved limits for Investment to Deposit Ratio (IDR), Liquid Assets to Total Assets Ratio, Maturity Mismatch, Commitments for both on-balance sheet and off-balance sheet items and placements from money market and foreign 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, foreign exchange position and transactions to mitigate foreign exchange risks.</p>																
Quantitative Disclosure	<p>b) The capital requirement for:</p> <table border="1"> <tr> <td data-bbox="535 836 1080 864">Profit rate risk</td> <td data-bbox="1080 836 1262 864">Solo</td> <td data-bbox="1262 836 1490 864">Consolidated</td> </tr> <tr> <td data-bbox="535 864 1080 892">Equity position risk</td> <td data-bbox="1080 864 1262 892">0.00 crore</td> <td data-bbox="1262 864 1490 892">0.00 crore</td> </tr> <tr> <td data-bbox="535 892 1080 920">Foreign exchange risk</td> <td data-bbox="1080 892 1262 920">3.22 crore</td> <td data-bbox="1262 892 1490 920">48.83 crore</td> </tr> <tr> <td data-bbox="535 920 1080 948">Commodity risk</td> <td data-bbox="1080 920 1262 948">26.77 crore</td> <td data-bbox="1262 920 1490 948">26.77 crore</td> </tr> <tr> <td data-bbox="535 948 1080 976"></td> <td data-bbox="1080 948 1262 976">0.00 crore</td> <td data-bbox="1262 948 1490 976">0.00 crore</td> </tr> </table>	Profit rate risk	Solo	Consolidated	Equity position risk	0.00 crore	0.00 crore	Foreign exchange risk	3.22 crore	48.83 crore	Commodity risk	26.77 crore	26.77 crore		0.00 crore	0.00 crore	
Profit rate risk	Solo	Consolidated															
Equity position risk	0.00 crore	0.00 crore															
Foreign exchange risk	3.22 crore	48.83 crore															
Commodity risk	26.77 crore	26.77 crore															
	0.00 crore	0.00 crore															

(h) Operational Risk

Qualitative Disclosure	<p>(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.</p> <p>In addressing Operational Risk, Bank strengthened its Internal Control System and ensured sound Corporate Governance in all sphere of Management and Operations at different strata as well.</p> <p>The Bank maintains 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 takes on different measures including training, workshop and so on.</p> <p>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.</p> <p>Potential external events: No potential external events are expected to expose the Bank to significant operational risk.</p> <p>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 assessing operational risks including internal control & compliance risk is approved by the 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 undertakes periodic and special audits of the branches and departments at the Head Office for review of the operation and compliance of statutory requirements.</p> <p>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.</p>
------------------------	---

Quantitative Disclosure	b)	The Capital Requirement for Operational Risk (Solo)	BDT 61.53 crore
		The Capital Requirement for Operational Risk (Consolidated)	BDT 64.14 crore

(i) Liquidity Risk

Qualitative Disclosure			
	a)	<p>Views of the Board of Directors (BOD) on system to reduce liquidity risk</p> <p>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.</p> <p>The prerequisites of an effective liquidity risk management include an informed board, capable management, staff having relevant expertise and efficient systems and procedures in place. 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 withstanding stressed liquidity scenarios.</p> <p>Generally speaking the Board of our bank is responsible for:</p> <ul style="list-style-type: none"> a) Positioning bank's strategic direction and tolerance level for liquidity risk. b) Appointing senior managers who have ability to manage liquidity risk and delegate them the required authority to accomplish the job. c) Continuously monitoring the bank's performance and overall liquidity risk profile. d) Ensuring that liquidity risk is identified, measured, monitored, and controlled. <p>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:</p> <ul style="list-style-type: none"> 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. <p>Methods used to measure Liquidity risk</p> <p>1) Contractual maturity mismatch:</p> <p>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.</p> <p>2) Concentration of funding:</p> <p>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 as recommended in the Sound Principles of Bank for International Settlements (BIS).</p> <p>3) Available unencumbered assets:</p> <p>These metrics provide supervisors with data on the quantity and key characteristics including currency denomination and location of bank's 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.</p> <p>4) LCR by significant currency:</p> <p>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.</p>	

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 division. 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 on the 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 Plan: In order to develop a comprehensive liquidity risk management framework, the Bank has in place 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 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 does a liquidity crisis show 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 funds 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)	107.80%
		Net stable Funding Ratio (NSFR)	112.35%
		Stock of High Quality Liquid Assets	BDT 2,683.06 crore
		Total net cash outflows over the next 30 calendar days	BDT 2,488.98 crore
		Available amount of stable funding	BDT 18,223.46 crore
		Required amount of stable funding	BDT 16,236.28 crore

(j) Leverage Ratio:

Quantitative Disclosures	<p>a) Views of BOD on system to reduce excessive leverage</p> <p>In order to avoid building-up of 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:</p> <p>a) constrain the build-up of leverage in the banking sector which can damage the broader financial system and the economy; and</p> <p>b) reinforce the risk based requirements with an easy to understand and a non-risk based measure.</p> <p>Policies and processes for managing excessive on and off balance sheet leverage</p> <p>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 investment loss provisions that would be higher in good times and lower in bad times.</p> <p>Approach for calculating exposure</p> <p>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.</p> <p>Leverage Ratio = Tier-1 Capital (after related deductions)/ Total Exposure (after related deductions)</p> <p>A minimum Tier-1 leverage ratio of 3% is being prescribed both at solo and consolidated level.</p> <p>The banks 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.</p>																		
Quantitative Disclosures	<table border="1"> <thead> <tr> <th></th> <th style="text-align: center;">Solo</th> <th style="text-align: center;">Consolidated</th> </tr> </thead> <tbody> <tr> <td>Leverage ratio</td> <td style="text-align: center;">7.87%</td> <td style="text-align: center;">7.78%</td> </tr> <tr> <td>On balance sheet exposure</td> <td style="text-align: center;">BDT 22,683.21 crore</td> <td style="text-align: center;">BDT 22,901.31 crore</td> </tr> <tr> <td>Off balance sheet exposure</td> <td style="text-align: center;">BDT 3,062.32 crore</td> <td style="text-align: center;">BDT 3,062.32 crore</td> </tr> <tr> <td>Regulatory adjustments</td> <td style="text-align: center;">BDT 144.09 crore</td> <td style="text-align: center;">BDT 145.95 crore</td> </tr> <tr> <td>Total exposure</td> <td style="text-align: center;">BDT 25,601.43 crore</td> <td style="text-align: center;">BDT 25,817.68 crore</td> </tr> </tbody> </table>		Solo	Consolidated	Leverage ratio	7.87%	7.78%	On balance sheet exposure	BDT 22,683.21 crore	BDT 22,901.31 crore	Off balance sheet exposure	BDT 3,062.32 crore	BDT 3,062.32 crore	Regulatory adjustments	BDT 144.09 crore	BDT 145.95 crore	Total exposure	BDT 25,601.43 crore	BDT 25,817.68 crore
	Solo	Consolidated																	
Leverage ratio	7.87%	7.78%																	
On balance sheet exposure	BDT 22,683.21 crore	BDT 22,901.31 crore																	
Off balance sheet exposure	BDT 3,062.32 crore	BDT 3,062.32 crore																	
Regulatory adjustments	BDT 144.09 crore	BDT 145.95 crore																	
Total exposure	BDT 25,601.43 crore	BDT 25,817.68 crore																	

(k) Remuneration

The following are the main disclosures on remuneration that bank includes in their pillar-3 documents. The bank is not only discloses the required information, but to articulates 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 takers and be broken down between these two categories.

Qualitative Disclosures	
(a)	<p>Information relating to the bodies that oversee remuneration</p> <p>The Management of Standard Bank Limited for Remuneration program holds the responsibilities for overseeing the framing, reviewing and implementation 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. 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 as this activity is continually performed by the Bank's Management.
(b)	<p>Information relating to the remuneration of the processes</p> <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)	<p>Description of the ways in which current and future risks are taken into account in the remuneration processes</p> <p>The Management has always been in the practice of reviewing remuneration/compensation package/structure of the prime employees in top positions who are associated with high degree of risk factors in 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 the 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 and yearly incentive is determined and awarded on basis of the Annual Performance Appraisal (APA). In case of hiring exceptionally deserving candidate, the 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 regards to deferred and vested variable remuneration as follows:</p> <ul style="list-style-type: none"> ✓ PF (Vesting or entitlement to employer's contribution) 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. ✓ 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 Investment (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 Investment 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	<p>Number of meetings held by the main body overseeing remuneration during the financial year: Nil</p> <p>Remuneration paid to member: Nil</p>

(h)	Number of employees having received a variable remuneration award during the financial year	<p>Number of employees having received a variable remuneration award during the financial year: 2,239</p> <p>Number and total amount of guaranteed bonuses award during the financial year: 02, BDT 34.68 crore</p> <p>Number and amount of sign-on awards made during the year: 00</p>
(i)	Total amount of outstanding deferred remuneration, split into cash, shares, and share-linked instruments and other forms	<p>Total amount of outstanding deferred remuneration, split into cash, shares, and share-linked instruments and other forms: BDT 437.09 crore</p> <p>Total amount of deferred remuneration paid out in the financial year: BDT 25.05 crore</p>
(j)	Breakdown of amount of remuneration awards for the financial year to show:	<p>Breakdown of amount of remuneration awards for the financial year to show:</p> <ul style="list-style-type: none"> ✓ fixed remuneration : BDT 285.88 crore ✓ variable remuneration: BDT 8.71 crore ✓ deferred remuneration: BDT 437.09 crore and non-deferred remuneration: BDT 285.88 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 (e.g. claw back or similar reversals or downward revaluations of awards)of deferred remuneration and retained remuneration:	<p>Quantitative information about employees' exposure to implicit (e.g. fluctuation in the value of shares or performance units) and explicit adjustments (e.g. claw back or similar reversals or downward revaluations of awards) of deferred remuneration and retained remuneration:</p> <p>Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments: Nil</p> <p>Total amount of reductions during the financial year due to ex post explicit adjustments: Nil</p> <p>Total amount of reductions during the financial year due to ex post implicit adjustments: Nil</p>

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:

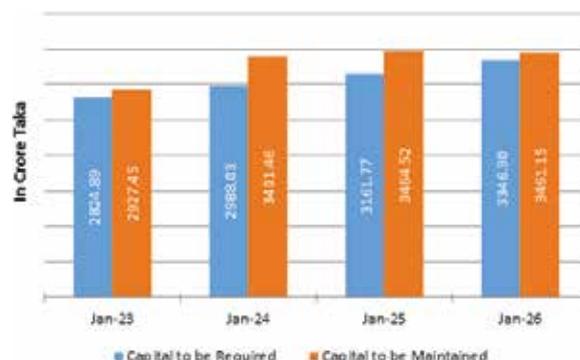
- i. Identifying and evaluating risks

- 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.

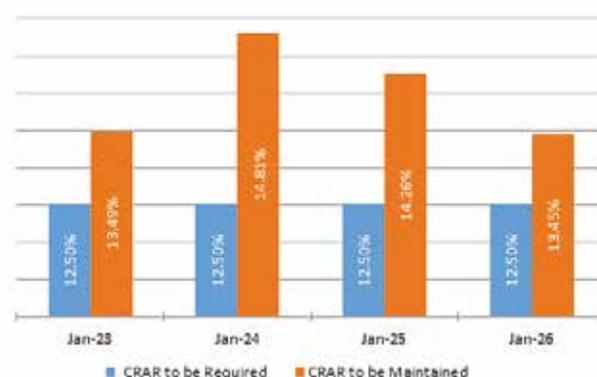
A) CAPITAL PLANNING:

SBL has been forecasting capital for 5 (five) years from 2022 to 2026 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 make use of capital efficiently, the Bank tries to reduce Risk Weighted Asset (RWA) by its best efforts. Moreover, the 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 to meet regulatory requirement. In 2021, the Bank also raised Tk.450.00 crore as Additional Tier-I capital under Tier-I Capital through Mudaraba Perpetual Bond in order to strengthen its Tier-I capital. In our latest capital planning exercise, the projected required and maintained capital of our Bank for the next 4 years are shown in the graphs below:

Capital (Required Vs. Maintained) (In Crore Taka)

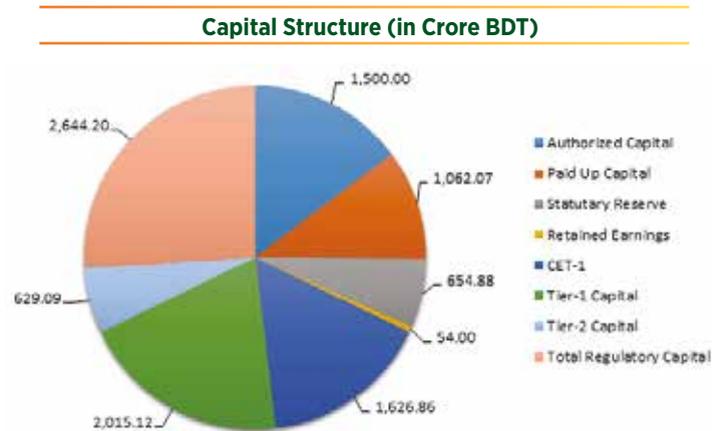


CRAR (Required Vs. Maintained)



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.1,062.07 crore and the Statutory Reserve stood at Tk.654.88 crore as on 31.12.2022. Total Regulatory Capital of the Bank stood at Tk.2,644.20 crore and Tk.2,637.41 crore on solo and consolidated basis respectively at the end of 2022.



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.2,015.12 crore and Tk.2,008.32 crore respectively. Besides this, Tier-II capital, which is another component of Capital stood at Tk.630.40 crore at the end of 2022, which includes General Provision on unclassified investments and Mudaraba 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 14.31% for solo basis and 13.96% for consolidated basis at the end of 2022.

STATEMENT OF NON-PERFORMING INVESTMENT

Banking sector has undergone turmoil over the years due to various reasons: excess liquidity, very high NPI in Banks, slower demand for investment 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, investment performance of few large commodity traders and importer continues to put pressure on NPI as well as profitability of banking sectors. Establishing or maintain good governance, managing NPI including collecting bad investments and increasing profitability were major challenges for 2022 since recovery from rescheduled investments was not encouraging.

From the micro prudential perspective, it is in the Standard Banks' interest to reduce the amount and number of NPIs, as it protects solvency and liquidity, which is ultimately, aimed at protecting our clients' interests. At the same time, resolving the issue of NPIs has a macro-prudential dimension as well, considering that the high rate of NPI's can pose a systemic risk. Systemic risk can occur if the aggregate lending activity is lower than it would be if the NPI ratio was not that high. The evidence shows that the level of NPIs 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 Investment (NPI) 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 Investments are therefore not yielding any income to the lender in the form of principal and profit payment. Therefore, managing Non-Performing Investment (NPI) 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 investments. Major responsibility of this Division is to formulate strategy and action plans for minimize of risk, prevention of investment 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 investments 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 investment. 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 NPIs;
- Enabling business process & structure to facilitate NPI Management;
- Improving and promoting out-of-court debt settlement;
- Improving in-court debt resolution

ENHANCED BANKS' CAPACITY TO DEAL UP NPIS

Furthermore, banks are required to establish efficient monitoring of lending, including the system of early warning for increased investment 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 investment risk. NPI 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 NPI management work flow are as follows:

- Standard Bank has promulgated self-investment 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 investment proposal without any interference of any third party, top management of the Bank or the client. Our Management Investment Committee of Head Office which is consist of top officials from different Division independently reviews the investment proposal, approves, recommends for onward approval where the potential risk are being screened of ensuring adequate protection against any hidden NPI.

- Even after approval of investment facilities, the post approval activities like investment facilities documentations and execution are carried out by separate Division namely Investment Administration Division (IAD) 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 Investment etc. are performed by Investment Risk Management Division. Recovery activities are initiated by Recovery Division which continuously strives for protection against NPIs. Overdue status, reminder through SMS, email, letter, telecommunications, meeting, discussions, visits etc. with clients are consistently carried out by the division which facilities managing NPI at lowest possible level.
- For Managing NPI 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 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, Investment 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 NPI 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 NPI movements and performance of the NPI 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 investment facilities with required security/collateral support as the policy priority since diversion of fund is one of the identified causes of investment 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 investment policy covering following areas:

- Strengthening of the operational recovery process throughout the bank
- Reinforcement of cash recovery system
- Strengthening of investment 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 NPI management strengthening
- Introduction of Incentive scheme for recovery of doubtful and bad investments
- 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 investments

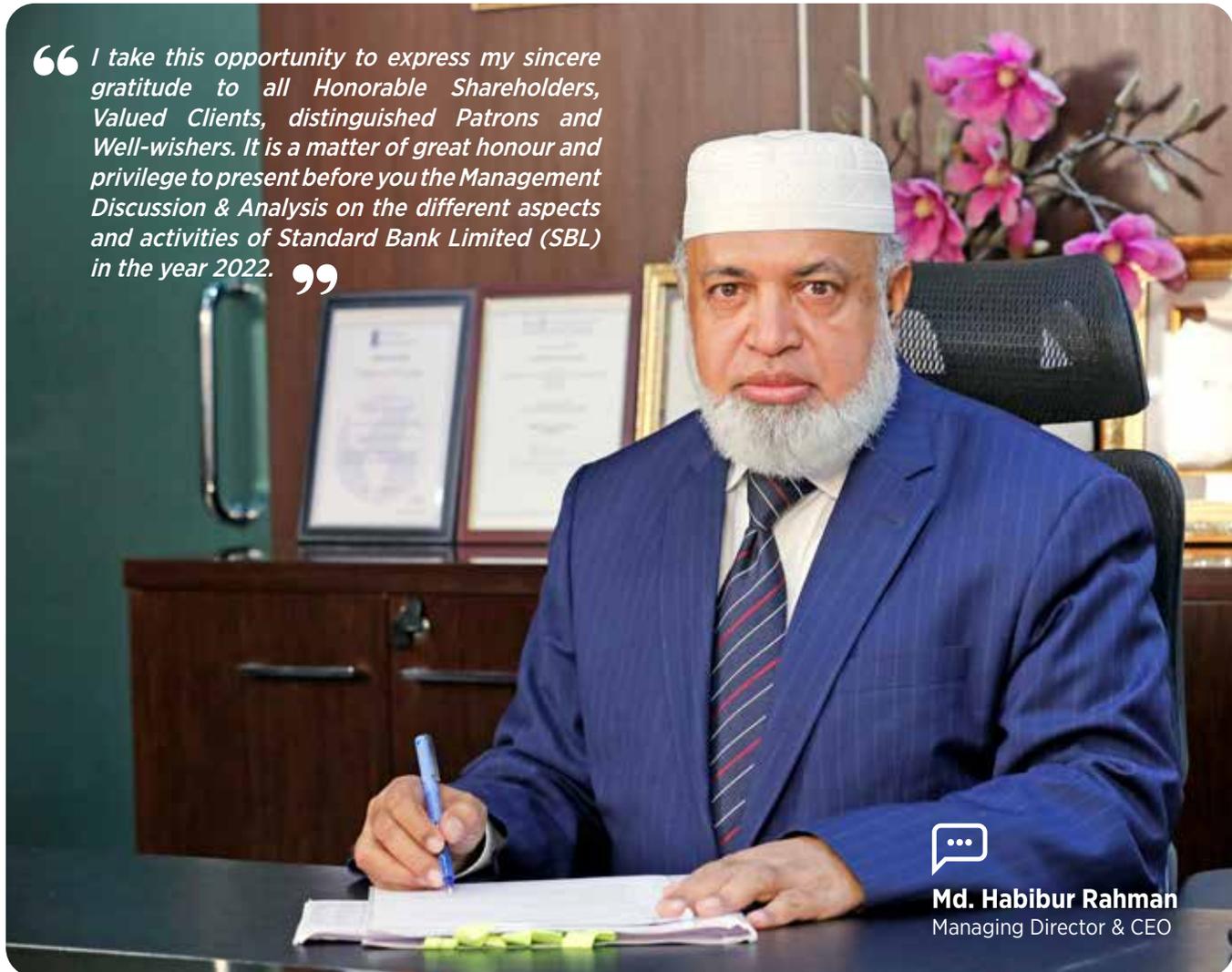
Standard Bank believes that its intense recovery strategies and innovative approaches will lead to a transition in aspired higher growth trajectory.



**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 2022. ”



Md. Habibur Rahman
Managing Director & CEO

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 a positive image of the bank, SBL is undoubtedly gaining momentum in its day-to-day activities to implement the slogan “Shari’ah Based Islami Bank” by establishing the shari’ah principle and strengthening the Bank’s financial capability to an international standard, increasing the brand image and practicing a 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 two (122) 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 8,500+ ATMs & more than 28,000+ 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. 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 to know the balances and gets mini statements instantly through sending Push-Pull SMS. SBL DigiBanking is the latest product from the ADC Department. With the SBL DigiBanking app, customers can do banking at any time from anywhere in the globe, customers can perform Fund Transfer to any SBL Account or Other Bank Account, top up to bKash and Nagad, 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. SBL already deployed one hundred twenty nine (129) units of Branch POS and will incorporate all branches of SBL by the year 2023. POS terminals help customers to 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 2022. As on December 2022, total outstanding amount under ETP, Solar Plant/ Energy Renewable Plant, HKK and other Green Industry was Taka 1,169.36 million.

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 2022, our 2,239 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. We are 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 14.31% as on 31 December 2022. 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 raised an amount of Tk.450.00 Crore through issuance of 1st SBL Mudaraba Perpetual Bond for Tk.500.00 Crore as per additional Tier-I Capital. Remaining Tk.50 Crore will be raised as soon as possible.

CORPORATE SOCIAL RESPONSIBILITY

This year Corporate Social Responsibility (CSR) activities of the Bank expenses to Taka 140.40 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 2022 to reaffirm the commitments of the Bank towards society.

The country experienced slower investment demand in 2022 resulting in substantial amount of surplus liquidity in the banking industry. Despite such scenario, the year 2022 SBL maintained and achieved a stable position in all key areas of its operations overcoming manifold challenges. Out of 138 Branches, Operating Performance of 2022 of some Branches may be mentioned as under:

(i) 2 Branches achieved 100% Deposit Target, (ii) 5 Branches achieved 100% Investment Target as set out for the year 2022. 25 Branches which incurred loss during the year are expected to be brought under profit club by June 2023. Shareholders' Equity of the Bank stood at Tk. 17,702 million compared to Tk. 17,253 million in 2021. Total Deposit and total Asset of the Bank stood at Tk. 170,803 million and Tk. 233,925 million respectively in 2022 compared to Tk. 166,419 million and Tk. 225,085 million in 2021. The Bank achieved 6.32% growth in investment with a total investment portfolio of Tk. 178,128 million in 2022 compared to Tk. 167,538 million in 2021. Import business of the Bank stood at Tk. 74,581 million in 2022 with 5.76% growth over the previous year Tk. 70,522 million in 2021, while Export business of the Bank stood at Tk. 49,160 million in 2022 which is increased by 10.24% than that of previous year i.e. Tk. 44,593 million. Total Foreign Remittance was Tk. 12,565 million in 2022 with 0.30% growth over the previous year Tk. 12,527 million. Total Foreign Exchange business of the Bank was Tk. 1,36,306 million in 2022 which is increased 6.79% than that of the previous year Tk. 1,27,642 million. The classified investments of the Bank increased to 7.77% from 6.06% in 2022 and finally registered an operating profit of Tk. 1,738 million in the year 2022 which was decreased by 3.62% compared to Tk. 1,803 million in 2021. Total manpower of the Bank is 2,239. Operating Profit Ratio of 2022 was 12%. In the year under review, country's money market was soft and domestic lending rates have fallen.

Return on equity was 6.34% in 2022 against 4.51% in 2021. Current ratio for the year 2022 was 0.83 times which has been almost steady since long. The Bank was less levered in 2022 (Debt equity ratio 12.21 times) compared to 2021 (ratio 12.05 times). Cost of Deposit was 4.72% in 2022 compared to 4.60% in 2021. Return on Average Assets was 0.49% in 2022 against 0.39% in 2021. At the end of year 2022, EPS and PE Ratio was Taka 1.06 and 8.33 times respectively compared to Taka 0.73 and 14.32 times in 2021.

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 un-banked people.

OUTLOOK 2023

Bangladesh made a rapid recovery from the COVID-19 pandemic supported by prudent macroeconomic policies. But, the economy now faces considerable challenges with global economic uncertainty, rising inflationary pressure, energy shortages, a balance-of-payments deficit, and a revenue shortfall. Rising commodity prices and a surge in imports in the second half of FY22 resulted in a Balance of Payments (BoP) deficit and accelerating inflation. Private consumption growth is expected to slow further because of economic uncertainty caused by high inflation and growth in public consumption continues to slow with government's austerity measures to curb inflation. Public investment will be affected by austerity measures that prioritize implementation of large investment projects due to lower revenue and declining foreign exchange reserves. Private investment is expected to be lower because of energy shortages and higher production costs. Net exports will add to growth as imports decline under restrictions and importers struggle to open letters of credit. Given this on-going import volatility in this trade-dependent economy, imports contracted by 2.2% in the first half of FY2023 following a 54.5% expansion in the same period of FY2022. The decline largely reflected decreased imports of intermediates for the garment industry but also the downturn in economic growth, restrictions imposed to discourage nonessential imports, and a sharply depreciated currency. 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 2023 another success, SBL is ready to accept the challenges of 2023 with new visionary zeal to achieve the common objectives of the Bank and hence, the year 2023 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 2023 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 NPI
- 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 non-banked 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 2023. 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.
- Increase of 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 2022 clearly 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 2023 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 three.

May the Almighty ALLAH bestow His choicest blessings on all of us.



Md. Habibur Rahman
Managing Director & 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 unfaltering 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

REPORT ON HUMAN CAPITAL

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-the last differentiator



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. 2022 with

2239 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 7.68% employees are in senior level, 22.51% are in mid-level, 45.47% are in junior level and rest of 24.34% are in ancillary level.

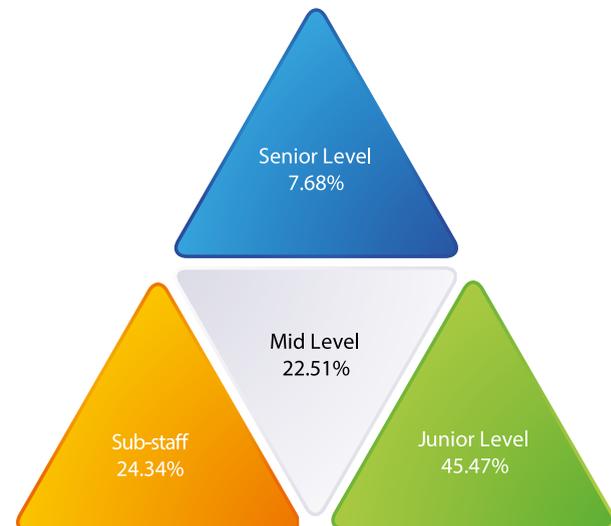


Figure: Employees at various levels of SBL

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.

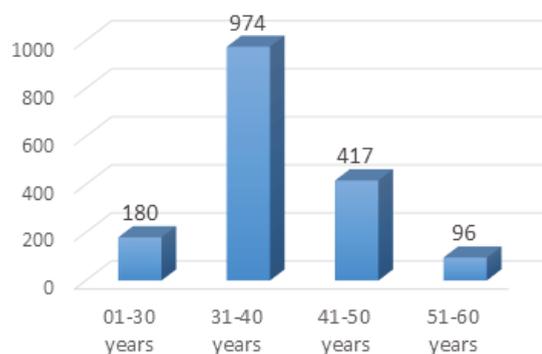
To achieve the desired goals and to hold values, SBL management focuses managing an efficient human capital inventory. The changes in employee level over the last 3 years are as follows:

Particular	2022	2021	2020
Total Employee at the beginning	2225	2289	2353
Number of Newly Recruited Employee	218	93	101
Departures (Retirement/Resignation etc.)	204	157	165
Total Employee at the end	2239	2225	2289

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.

Age Distribution of Permanent Executives & Officers in 2022



REPORT ON MANAGEMENT REMUNERATION COMMITTEE

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. To attune with vision of the government of Bangladesh to increase the standard of living, Bangladesh Bank vide BRPD Circular: 02, 04 & 05 dated January 20, 2022, January 25, 2022 & February 01, 2022 instructed all scheduled commercial banks to revise the pay structure employees to keep the dedication, ethics, morale and work ethic of employees of the bank intact while serving customers.

In compliance of the Bangladesh Bank instructions and to uphold the morale of the employees of the bank, the pay scale of Standard Bank Limited has been revised with effect from April 01, 2022.

REPORT ON HR ACCOUNTING

HUMAN RESOURCE ACCOUNTING:

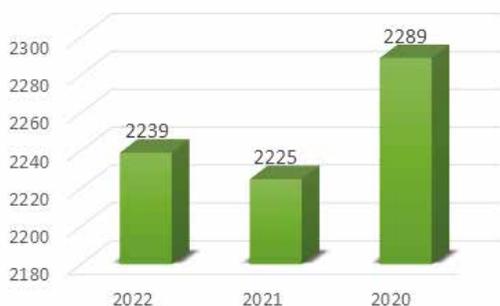
Human Resource Accounting involves measuring the costs incurred by organizations to recruit, select, hire, train, and develop human assets. It also involves measuring the economic value of people to the organization. It is the measurement of the cost and value of people to organizations. Nowadays this 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:

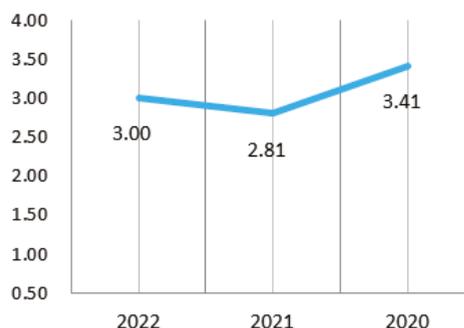
Particulars	2022	2021	2020
Total Employees	2239	2225	2289
Operating Revenue Per Employee (Million in Tk.)	3.00	2.81	3.41
Net Profit before Taxes per Employee (Million in Tk.)	0.69	0.61	0.94
Net Income Per Employee (Million in Tk.)	0.50	0.35	0.47
Asset Per Employee (Million in Tk.)	104.48	101.16	95.79
Direct Investment in Human Capital (Million in Tk.)	3291.36	2840.30	2881.66

GRAPHICAL PRESENTATION OF SOME HUMAN CAPITAL ISSUES:

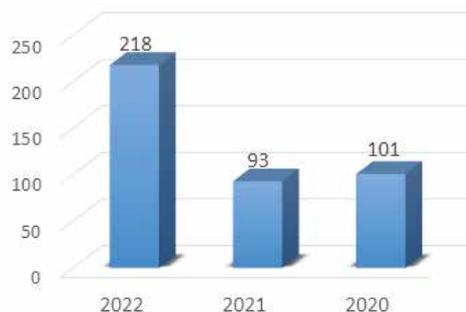
Total Employees



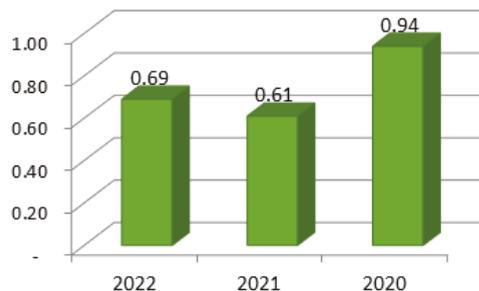
Operating Revenue Per Employee (Tk. In million)



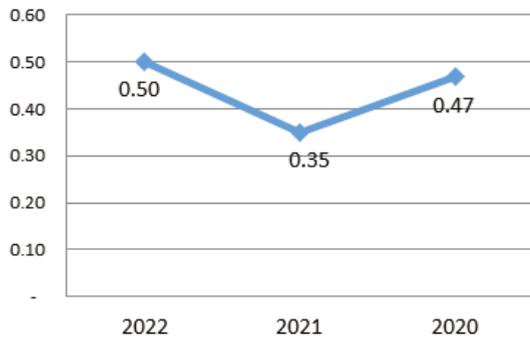
Newly Recruited Employees



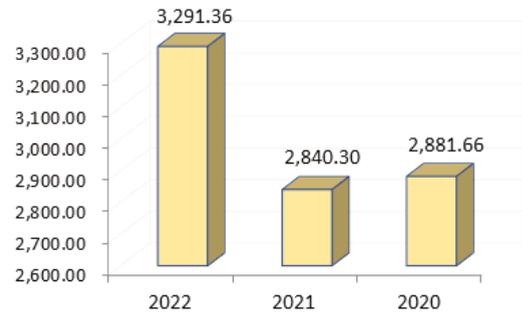
Net Profit before Taxes per Employee (Tk. In million)



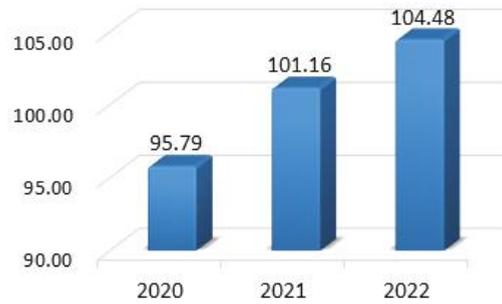
Net Profit Per Employee (Tk.In million)



Direct Investment in Human Capital (Tk. in Million)



Asset Per Employee (Tk. In Million)



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 Investment Schemes for Executives
- Maternity Benefits for Employees
- Leave Fare Compensation
- Charge Allowance for Branch Managers
- Risk Allowances for Officers of Cash Department
- Consumer Investment Schemes (Staff) at concessional interest rates

- Staff House Building Investment 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

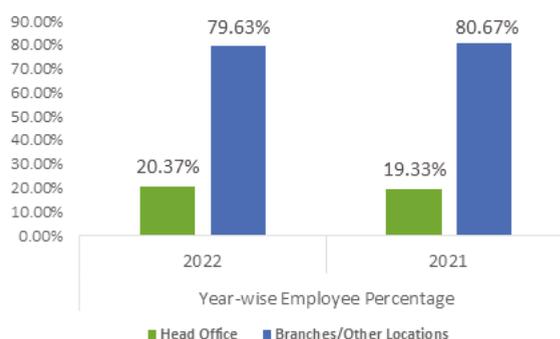
There are 2239 employees out of which 313 employees are female and 1926 are male. Among the employees, there are permanent, contractual and daily basis employees at SBL.

Particular	2022	2021	2020
Total Employee	2239	2225	2289

TOTAL EMPLOYEES DISTRIBUTION

Significant number of employees is working at Head Office and Branches/Other locations as illustrated below:

Branch & Head Office of Employee Distribution



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		
	2020	2021	2022
Male	1997	1936	1926
Female	292	289	313

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 1981, 225 & 33 employees of permanent, contractual and daily basis nature at SBL.

Type	Gender	Permanent		Contractual		Daily Basis		Total	
		2022	2021	2022	2021	2022	2021	2022	2021
Executive	Male	143	145	10	9	0	0	153	154
	Female	18	20	1	1	0	0	19	21
Officer	Male	1218	1199	10	11	0	0	1228	1210
	Female	288	262	6	6	0	0	294	268
Sub-staff	Male	314	332	198	206	33	34	545	572
	Female	0	0	0	0	0	0	0	0
Total		1981	1958	225	233	33	34	2239	2225

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. To make performance management system more systematic, transparent & value driven, SBL has rolled out new performance appraisal forms in December of 2021. New performance appraisal system is completely bilateral focusing on actual performance of the employee. In the performance appraisal, there are 70% marks are distributed for core business areas and 30% for behavioral traits.



Upon appraisal of annual performance against a number of KPIs as set by the management, the performing employees are rewarded with promotion, special increment and other benefits.

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 Learning Center (SBLC) for training & developing its human resources. SBLC prepares its training calendar every year considering Training Needs Analysis (TNA). A number of training programs are arranged in the areas of general banking, 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 2022			
Female	No. of Female Employees	Days of Leave at a time	Total Days
	10	180	1800

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. Information of AML training in 2022 are given below:

Name of Training	Number of Training	Number of Participant
SBTI	50	3155
External	58	154
Total	108	3309

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 2022.

IMPACT OF COVID-19 AT SBL:

Worldwide economy has been adversely affected by Covid-19 pandemic, causing slowdown of business activities and economic contractions. Banking industry has experienced drastic effect in every sphere of businesses. Luckily, economy is slowly recovering from the economic standstill affected so far by Covid-19. Impact of Covid-19 at SBL in last two years is illustrated below:

Year	Number of affected employee	Number of Recovered employee	Number of Death Employee
2021	246	246	0
2022	166	166	0

VERTICAL ANALYSIS

FOR THE LAST 5 YEARS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Particulars	31.12.2018	31.12.2019	31.12.2020	31.12.2021	31.12.2022
PROPERTY & ASSETS					
CASH	5.55%	4.91%	5.77%	14.06%	6.66%
Cash in Hand (including foreign currencies)	0.69%	0.78%	0.84%	0.79%	0.91%
Balance with Bangladesh Bank & its agent Bank (including Foreign Currencies)	4.86%	4.13%	4.93%	13.27%	5.75%
BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS	0.84%	0.87%	0.36%	0.36%	0.40%
In Bangladesh	0.78%	0.49%	0.07%	0.07%	0.10%
Outside Bangladesh	0.05%	0.38%	0.29%	0.29%	0.30%
PLACEMENT WITH BANKS & FINANCIAL INSTITUTIONS	0.08%	0.05%	0.00%	0.00%	0.00%
Government	12.48%	13.79%	10.77%	10.77%	8.68%
Others	10.51%	12.03%	7.39%	7.39%	5.43%
INVESTMENTS	1.97%	1.76%	3.38%	3.38%	3.25%
Bills Purchased and Discounted	74.09%	72.39%	74.43%	74.43%	76.15%
Loans, Cash Credits, Over Draft etc./ Investments	71.65%	70.64%	71.56%	71.56%	74.86%
Bills Purchased and Discounted	2.43%	1.75%	2.87%	2.87%	1.29%
FIXED ASSETS INCLUDING PREMISES, FURNITURE & FIXTURE	1.89%	1.72%	1.61%	1.61%	1.47%
OTHER ASSETS	5.72%	5.41%	6.16%	6.16%	6.57%
NON-BANKING ASSETS					
TOTAL ASSETS	100.00%	100.00%	100.00%	100.00%	100.00%
LIABILITIES & CAPITAL					
Liabilities					
PLACEMENT FROM BANKS & FINANCIAL INSTITUTIONS	6.13%	5.67%	8.47%	8.47%	8.75%
DEPOSITS AND OTHER ACCOUNTS	78.60%	79.08%	73.94%	73.94%	73.02%
Al-Wadeeah Deposits & Other Deposits	9.19%	9.57%	8.20%	8.20%	10.30%
Bills Payable	1.47%	1.78%	0.97%	0.97%	0.96%
Mudaraba Savings Deposits	5.62%	6.08%	8.86%	8.86%	7.98%
Mudaraba Short Notice Deposits	3.14%	3.44%	6.91%	6.91%	6.42%
Mudaraba Term Deposits	54.69%	53.10%	41.68%	41.68%	40.95%
Mudaraba Deposit Schemes	4.49%	5.11%	7.31%	7.31%	6.40%
OTHER LIABILITIES	7.75%	7.92%	9.92%	9.92%	10.67%
TOTAL LIABILITIES	92.48%	92.68%	92.33%	92.33%	92.43%
CAPITAL / SHAREHOLDERS' EQUITY					
Paid-up Capital	4.42%	4.32%	4.58%	4.58%	4.54%
Statutory Reserve	2.54%	2.51%	2.79%	2.79%	2.80%
General Reserve	0.00%	0.00%	0.00%	0.00%	0.00%
Revaluation Reserve on Investment	0.08%	0.04%	0.00%	0.00%	0.00%
Surplus in Profit and Loss Account/ Retained earnings	0.47%	0.45%	0.30%	0.30%	0.23%
TOTAL SHAREHOLDERS' EQUITY	7.52%	7.32%	7.67%	7.67%	7.57%
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	31.12.2018	31.12.2019	31.12.2020	31.12.2021	31.12.2022
PROPERTY & ASSETS					
CASH	183.20%	156.94%	175.85%	309.60%	185.05%
Cash in Hand (including foreign currencies)	78.18%	82.49%	91.44%	85.00%	88.73%
Balance with Bangladesh Bank & its agent Bank (including Foreign Currencies)	105.02%	74.45%	84.41%	224.60%	96.32%
BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS	600.54%	154.76%	837.02%	478.71%	158.94%
In Bangladesh	179.03%	142.01%	709.56%	205.37%	65.36%
Outside Bangladesh	421.51%	12.74%	127.46%	273.34%	93.58%
PLACEMENT WITH BANKS & FINANCIAL INSTITUTIONS	300.00%	127.77%	0.00%	0.00%	0.00%
Government	11.52%	12.48%	13.79%	3.20%	10.77%
Others	78.54%	77.65%	160.51%	21.41%	130.84%
INVESTMENTS	101.74%	99.52%	51.38%	45.32%	100.19%
Bills Purchased and Discounted	157.67%	213.99%	157.29%	130.97%	306.23%
Loans, Cash Credits, Over Draft etc./ Investments	88.42%	90.12%	97.31%	99.56%	91.99%
Bills Purchased and Discounted	69.25%	123.87%	59.98%	31.41%	214.24%
FIXED ASSETS INCLUDING PREMISES, FURNITURE & FIXTURE	99.25%	97.53%	105.35%	106.67%	105.49%
OTHER ASSETS	89.82%	93.91%	86.47%	94.01%	90.30%
NON-BANKING ASSETS					
TOTAL ASSETS	89.12%	88.85%	98.58%	97.42%	96.22%
LIABILITIES & CAPITAL					
Liabilities					
PLACEMENT FROM BANKS & FINANCIAL INSTITUTIONS	111.02%	96.04%	66.01%	62.94%	93.21%
DEPOSITS AND OTHER ACCOUNTS	543.77%	491.40%	606.53%	579.76%	592.52%
Al-Wadeeah Deposits & Other Deposits	97.78%	85.35%	114.95%	114.09%	76.66%
Bills Payable	92.44%	73.21%	180.34%	121.00%	97.73%
Mudaraba Savings Deposits	93.36%	82.16%	67.65%	81.53%	106.80%
Mudaraba Short Notice Deposits	76.94%	81.12%	49.00%	67.86%	103.53%
Mudaraba Term Deposits	83.87%	91.51%	125.61%	112.44%	97.92%
Mudaraba Deposit Schemes	99.39%	78.06%	68.98%	82.85%	109.88%
OTHER LIABILITIES	92.51%	86.89%	78.72%	93.39%	89.51%
TOTAL LIABILITIES	89.01%	88.66%	98.95%	97.44%	96.12%
CAPITAL / SHAREHOLDERS' EQUITY					
Paid-up Capital	90.91%	90.91%	92.92%	97.56%	97.09%
Statutory Reserve	91.59%	89.94%	88.93%	96.12%	95.78%
General Reserve	0.00%	0.00%	0.00%	0.00%	0.00%
Revaluation Reserve on Investment	1.70%	183.67%	0.00%	0.00%	0.00%
Surplus in Profit and Loss Account	95.68%	93.05%	150.08%	100.73%	125.63%
TOTAL SHAREHOLDERS' EQUITY	90.51%	91.19%	94.17%	97.17%	97.46%
Minority Interest	98.02%	99.51%	95.48%	97.01%	96.34%
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	89.12%	88.85%	98.58%	97.42%	96.22%

VERTICAL ANALYSIS

FOR THE LAST 5 YEARS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Particulars	31.12.2018	31.12.2019	31.12.2020	31.12.2021	31.12.2022
Profit on Investment	75%	82%	125%	114%	100%
Profit paid on Deposits & Borrowings etc.	72%	81%	112%	152%	92%
Net Profit on Investments	2%	2%	13%	-38%	8%
Investment Income	111%	103%	43%	1372%	29%
Commission, Exchange Earnings & Brokerage	101%	97%	106%	100%	70%
Other Operating Income	74%	85%	174%	81%	116%
TOTAL OPERATING INCOME (A)	91%	92%	99%	125%	93%
Salary & Allowances	88%	76%	95%	101%	87%
Rent, Taxes, Insurance, Electricity etc.	83%	88%	114%	107%	93%
Legal Expenses	73%	98%	139%	58%	100%
Postage, Stamp, Telecommunication etc.	84%	113%	117%	118%	94%
Stationery, Printing, Advertisement etc.	83%	82%	140%	148%	95%
Managing Director's salary & fees	100%	140%	45%	94%	100%
Directors' Fee & Other benefits	123%	104%	192%	111%	68%
Audit Fees	86%	39%	174%	104%	88%
Charges on Investment losses	-	-	-	-	-
Depreciation and Repair of Bank's Assets	72%	84%	81%	87%	115%
Other Expenses	82%	130%	73%	154%	79%
TOTAL OPERATING EXPENSES (B)	85%	84%	95%	106%	89%
Profit / (Loss) Before Provision (C) = (A - B)	98%	102%	106%	171%	104%
Specific Provision	80%	337%	48%	2827%	93%
General Provision	14%	106%	578%	77%	0%
Provision for Off-Balance Sheet items	613%	-187%	9%	-62%	0%
Provision for diminution in value of investments	40%	61%	147%	255%	46%
Provision for impairment of client margin Investment	574%	100%	51%	107%	55%
Other Provision	0%	0%	0%	7251%	-9%
Total Provision (D)	84%	270%	55%	403%	408%
Total Profit / (Loss) before Taxes (E)=(C - D)	14%	-168%	51%	-232%	-304%
Provision for Taxation	248%	168%	97%	344%	300%
Current Tax	116%	66%	103%	180%	143%
Deferred Tax	132%	102%	-7%	163%	158%
Net Profit / (Loss) after Taxation :	99%	83%	124%	117%	81%
Retained earnings brought forward from previous year	75%	165%	0%	0%	0%
Net Profit available for distribution	97%	87%	129%	117%	81%
Appropriations :					
Statutory Reserve	100%	75%	124%	186%	88%
Proposed Bonus Shares	-	-	-	-	-
Retained Earnings carried forward	96%	93%	132%	96%	79%
Net Profit / (Loss) after Taxation :	88%	99%	83%	124%	117%

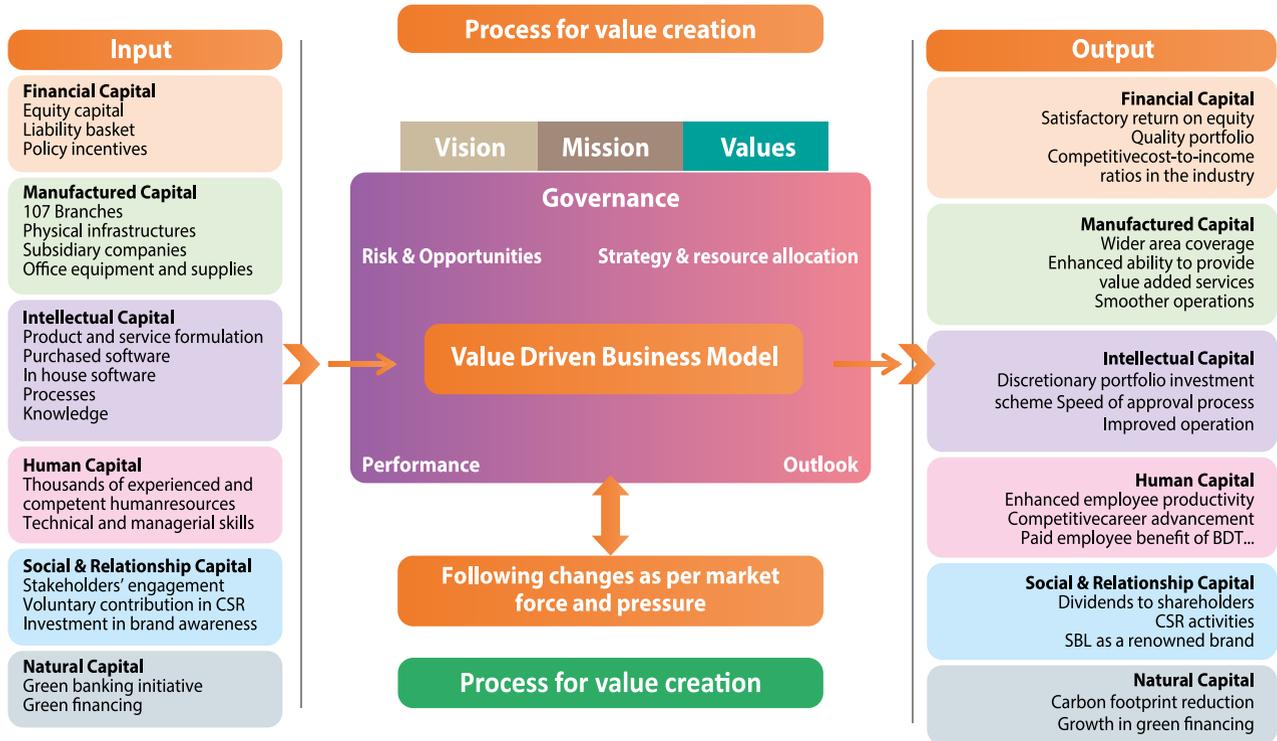
HORIZONTAL ANALYSIS

FOR THE LAST 5 YEARS

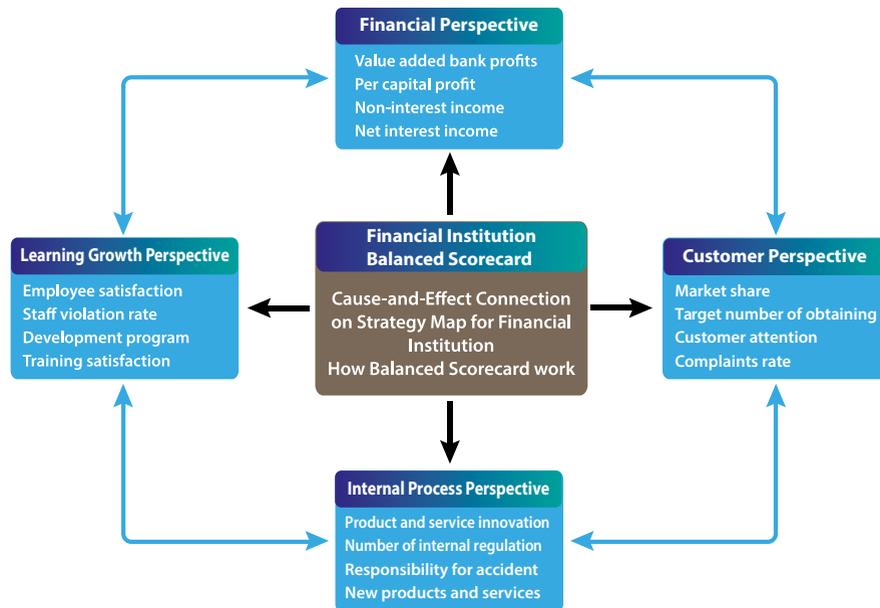
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Particulars	31.12.2018	31.12.2019	31.12.2020	31.12.2021	31.12.2022
Profit on Investment	80.51%	83.07%	71.00%	87.08%	80.26%
Profit paid on Deposits & Borrowings etc.	73.63%	74.46%	71.16%	63.21%	62.38%
Net Profit on Investments	21.05%	20.52%	11.28%	32.15%	25.15%
Investment Income	10.47%	8.68%	21.71%	2.21%	7.04%
Commission, Exchange Earnings & Brokerage	6.45%	5.69%	5.72%	8.02%	10.55%
Other Operating Income	2.57%	2.56%	1.58%	2.70%	2.16%
TOTAL OPERATING INCOME (A)	40.54%	37.45%	40.29%	45.07%	44.89%
Salary & Allowances	14.98%	16.14%	18.11%	24.11%	25.32%
Rent, Taxes, Insurance, Electricity etc.	4.33%	4.02%	3.78%	4.75%	4.64%
Legal Expenses	0.18%	0.15%	0.11%	0.26%	0.24%
Postage, Stamp, Telecommunication etc.	0.21%	0.15%	0.14%	0.16%	0.15%
Stationery, Printing, Advertisement etc.	0.69%	0.69%	0.53%	0.48%	0.46%
Managing Director's salary & fees	0.07%	0.04%	0.10%	0.15%	0.13%
Directors' Fee & Other benefits	0.06%	0.05%	0.03%	0.03%	0.04%
Audit Fees	0.01%	0.01%	0.01%	0.01%	0.01%
Charges on Investment losses	0.00%	0.00%	0.00%	0.00%	0.00%
Depreciation and Repair of Bank's Assets	1.77%	1.72%	2.28%	3.55%	2.81%
Other Expenses	4.08%	2.57%	3.76%	3.29%	3.82%
TOTAL OPERATING EXPENSES (B)	26.37%	25.54%	28.84%	36.79%	37.62%
Profit / (Loss) Before Provision (C) = (A - B)	19.24%	15.99%	16.09%	13.11%	11.65%
Specific Provision	7.59%	1.85%	4.08%	0.19%	0.19%
General Provision	0.80%	0.62%	0.11%	0.20%	0.00%
Provision for Off-Balance Sheet items	0.10%	-0.04%	-0.49%	1.06%	0.00%
Provision for diminution in value of investments	0.11%	0.15%	0.11%	0.06%	0.11%
Provision for impairment of client margin Investment	0.08%	0.07%	0.14%	0.17%	0.29%
Other Provision	0.00%	0.00%	1.16%	0.02%	-0.21%
Total Provision (D)	8.68%	2.63%	5.10%	1.71%	0.38%
Total Profit / (Loss) before Taxes (E)=(C - D)	12.23%	13.78%	11.81%	11.63%	11.31%
Provision for Taxation	6.33%	7.76%	6.61%	4.83%	3.15%
Current Tax	6.22%	7.67%	7.96%	5.94%	3.79%
Deferred Tax	0.10%	0.08%	-1.35%	-1.12%	-0.64%
Net Profit / (Loss) after Taxation :	7.12%	7.27%	6.26%	7.44%	8.53%

HOW WE CREATE VALUE



BALANCED SCORECARD



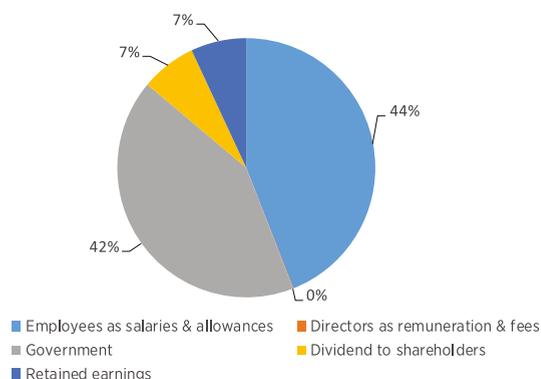
VALUE ADDED STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2022

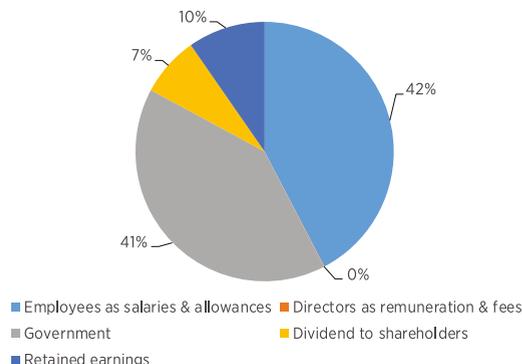
Value added statement shows exactly how much value (wealth) has been created by the bank during 2022 through its banking activities i.e. utilization of its capacity, capital, manpower and other resources and how it is allocated among different stakeholders i.e. employees, directors, shareholders, government 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	31.12.2022 Taka	31.12.2021 Taka
Wealth creation:		
Revenue from Banking services	14,988,834,172	13,880,992,760
Less: Cost of services & supplies	(9,612,692,079)	(8,833,566,976)
	5,376,142,093	5,047,425,783
Non-banking income	-	-
Provision for loans & other assets	145,561,851	414,732,871
Total wealth creation	5,521,703,944	5,462,158,655
Wealth distribution:		
Employees & Directors		
Employees as salaries & allowances	3,370,429,583	2,925,458,948
Directors as remuneration & fees	5,591,594	3,802,202
Government	3,210,616,332	2,796,910,793
Corporate tax	638,207,008	530,912,058
Service tax/ Value added tax	2,298,144,673	1,991,734,085
Excise duties	274,264,650	274,264,650
Shareholders		
Dividend to shareholders	531,037,387	515,570,279
Retention for future business growth		
Retained earnings	532,723,902	669,286,317
Depreciation and amortization	262,281,018	315,042,811
Total Wealth Distribution	7,912,679,815	7,226,071,350

Wealth Distribution-2022



Wealth Distribution-2021



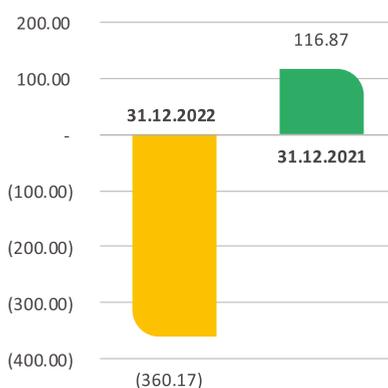
ECONOMIC VALUE ADDED (EVA) STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2022

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.

Particulars	31.12.2022	31.12.2021
	Taka	Taka
Shareholders equity	17,702,435,886	17,253,212,615
Add: Accumulated provision for loans & advances and other assets	5,138,658,479	5,294,388,057
Capital Employed	22,841,094,365	22,547,600,672
Average Capital Employed / Shareholders' equity	17,477,824,250	16,506,557,190
Earnings:		
Profit after tax	1,121,803,499	778,605,992
Add: Provision for loans & advances and other assets charged during the year	198,863,555	442,551,173
Less: Written off loans during the year	511,574,752	-
Net earnings	809,092,303	1,221,157,165
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	6.69%	6.69%
Capital charge (Cost of average equity)	1,169,266,442	1,104,288,676
Economic Value Added (EVA)	(360,174,140)	116,868,489

Economic Value Added (Million Taka)

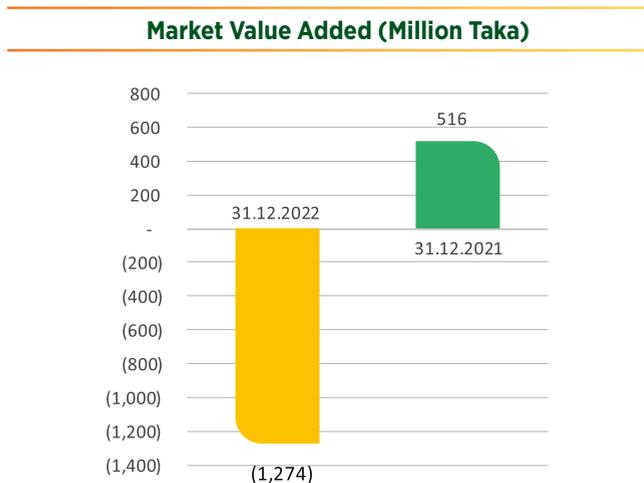


MARKET VALUE ADDED (MVA) STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2022

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	31.12.2022	31.12.2021
Face value per share (BDT)	10.00	10.00
Market value per share (BDT)	8.80	10.50
Number of shares outstanding	1,062,074,773	1,031,140,557
Total market capitalization (BDT million)	9,346	10,827
Book value of paid up capital (BDT million)	10,621	10,311
Market value added (BDT million)	(1,274)	516



STATEMENT ON CONTRIBUTION TO GOVERNMENT EXCHEQUER

FOR THE YEAR ENDED 31 DECEMBER 2022

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.

Particulars	31.12.2022	31.12.2021
Income Tax	2,107,019,806	1,806,125,755
Salary	112,828,758	91,661,352
Profit Paid on deposit	892,572,908	823,677,616
Payment on Supplier	17,212,829	23,389,002
House rent	15,335,169	15,044,662
IT on subordinate bond	28,383,014	29,230,375
Advance IT on LC commission	13,983,662	12,928,517
Advance Corporate Tax	470,000,000	466,442,756
Return for Professional & Technical Service	3,145,660	3,972,856
IT on Local LC	4,095,143	9,829,779
Others	549,462,664	329,948,840
VAT	191,124,868	185,608,330
House rent	49,671,425	48,577,565
LC Commission	40,293,235	39,682,386
Procurement of goods and Service	33,208,961	33,601,177
Legal , Professional & Technical Fees	4,824,915	4,614,465
Director Fees	329,600	286,026
VAT on Banking Service	62,647,400	58,846,711
Others	149,332	-
	-	-
Excise duty	274,264,650	274,264,650
Total Paid to Government Exchequer	2,572,409,323	2,265,998,735

Paid to Government Exchequer





**STAKEHOLDERS'
INFORMATION**

5 YEARS FINANCIAL HIGHLIGHTS

(Figure in million Taka)

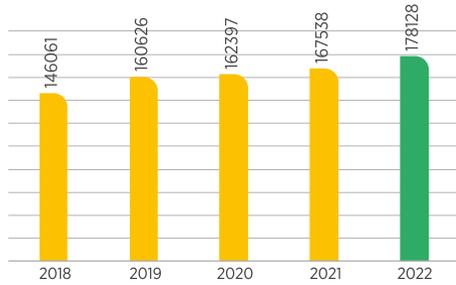
Particulars	2018	2019	2020	2021	2022
Income Statement					
Profit Income	14,190	17,201	13,745	12,087	12,030
Profit Expenses	10,479	12,952	11,561	7,624	8,261
Net Profit Income	3,710	4,249	2,185	4,463	3,769
Investment Income	1,844	1,797	4,203	306	1,055
Commission, Exchange Earnings & Brokerage	1,137	1,178	1,108	1,113	1,581
Other Operating Income	452	530	305	375	323
Non-Profit Income	3,434	3,505	5,616	1,794	2,959
Non-Profit Expense	3,753	4,443	4,685	4,454	4,990
Net Non-Profit Income	-319	-938	930	-2,660	-2,031
Profit before Provision & Tax	3,391	3,311	3,115	1,803	1,738
Provision for Investments & Assets	1,236	458	959	443	199
Profit after provision before Tax	2,156	2,854	2,156	1,361	1,539
Provision for Tax (Including Deferred Tax)	900	1,349	1,074	582	417
Profit after Tax	1,256	1,504	1,082	779	1,122
Balance Sheet					
Authorised Capital	15,000	15,000	15,000	15,000	15,000
Paid-up Capital	8,710	9,581	10,060	10,311	10,621
Shareholders' Equity (Capital & Reserve)	14,816	16,248	16,765	17,253	17,702
Borrowings	12,092	12,591	12,006	19,076	20,466
Deposits	154,961	175,468	169,639	166,419	170,803
Other Liabilities	15,279	17,583	20,861	22,337	24,954
Liquid Assets	36,101	45,454	39,971	40,053	37,001
Money At Call & on Short Notice	150	117	5	-	-
Investment	146,061	160,626	162,397	167,538	178,128
Investments in Shares & Securities	24,614	30,598	7,008	24,236	20,302
Fixed Assets	3,718	3,812	3,859	3,618	3,430
Other Assets	11,268	11,998	13,045	13,876	15,366
Total Assets (Excluding off-balance sheet items)	197,148	221,890	219,272	225,085	233,925
Net Asset Value (NAV)	14,817	16,248	16,765	17,253	17,703
Off-Balance Sheet exposure	49,442	48,747	38,902	52,660	49,353
Others Business					
Import Business	74,464	75,399	49,195	70,522	74,581
Export Business	51,884	56,326	43,631	44,593	49,160
Foreign Remittance	9,579	10,364	8,407	12,527	12,565
Capital Measures					
Total Risk Weighted assets	169,828	172,584	179,112	203,772	188,874
Core Capital (Tier I)	10,138	13,070	14,379	19,246	20,083
Supplementary Capital (Tier II)	6,790	6,462	8,651	7,184	6,291
Total capital	16,927	19,533	23,029	26,430	26,374
Tier I Capital Ratio	5.97%	7.57%	8.03%	9.44%	10.63%

Particulars	2018	2019	2020	2021	2022
Tier II Capital Ratio	4.00%	3.74%	4.83%	3.53%	3.33%
Risk Weighted CAR	9.97%	11.32%	12.86%	12.97%	13.96%
Internal Capital Generation Ratio	6.82%	6.77%	4.47%	3.93%	3.05%
Leverage Ratio	6.74%	6.74%	6.14%	6.74%	7.83%
Credit Quality					
Volume of Non-performing Investment	11,349	9,232	7,764	10,155	13,840
SMA loan outstanding	201	3,915	4,288	4,038	842
% of NPLs to Total Investments	8.44%	5.29%	4.92%	6.06%	7.77%
Gross NPL Coverage	20.01%	28.04%	41.88%	46.85%	35.49%
SMA to Credit Portfolio	0.14%	2.44%	2.64%	2.41%	0.47%
Provision for Unclassified Investments	1,156	1,263	1,282	0.00	0.00
Provision for Classified Investments	2,271	2,589	3,251	4,758	4,912
Provision for Off-Balance Sheet Items	433	426	346	297	-
Share Information					
Number of Share Outstanding	871	958	1,006	1,031	1,062
Earning Per Share (Taka)	1.31	1.50	1.05	0.73	1.06
Book Value Per Share (Taka)	10.00	10.00	10.00	10.00	10.00
Market Price Per Share (Taka)	15.60	8.90	8.30	10.50	8.80
Price Earning Ratio (Times)	11.90	5.95	7.91	14.32	8.33
Net Asset Value Per Share (Taka)	17.01	16.96	16.67	16.73	16.67
Cash Dividend (%)		5%	2.50%	3.00%	2.50%
Bonus Share (%)	10%	5%	2.50%	3.00%	2.50%
Rights Share Issue					
Operating Performance Ratio					
Net Profit Margin on average earning assets	2.74%	2.81%	1.26%	2.58%	2.05%
Net Non-Profit Margin on average earning assets	-0.24%	-0.62%	0.54%	-1.54%	-1.11%
Total operating expenses to average total assets	2.01%	2.12%	2.12%	2.00%	2.17%
Net operating income to average total assets	1.82%	1.58%	1.41%	0.81%	0.76%
Investment / Deposit Ratio(%)	84.63%	82.52%	87.17%	83.89%	93.64%
Return On Equity(ROE) %	8.47%	9.26%	6.45%	4.51%	6.34%
Return On Average Equity(ROAE) After Tax	8.90%	9.69%	6.56%	4.58%	6.42%
Return On Assets (ROA)%	0.67%	0.72%	0.49%	0.35%	0.49%
Return On Average Assets(ROAA) Before Tax	1.16%	1.36%	0.98%	0.61%	0.67%
Return On Investment (ROI)	8.22%	6.51%	22.35%	1.96%	4.74%
Price Earning Ratio (times)	11.90	5.95	7.91	14.32	8.33
Yield on Average Investment (%)	9.59%	11.54%	9.59%	7.54%	7.05%
Return On Average RWA	0.74%	0.87%	0.60%	0.38%	0.59%
Liquid Assets Ratio	1.14	1.14	1.16	1.15	1.11
Efficiency Ratio	80.76%	84.01%	83.91%	87.01%	88.41%
Debt to Equity Ratio	12.31	12.66	12.08	12.05	12.21
Net Income Ratio	7%	7%	6%	6%	7%
Operating Income Ratio	41%	37%	40%	45%	45%
Debt to Total Assets Ratio	92.48%	92.68%	92.35%	92.33%	92.43%
Asset Turnover ratio	9.45%	9.88%	8.78%	6.25%	6.53%
Times Profit Earned Ratio	1.68	1.60	1.67	1.82	1.81

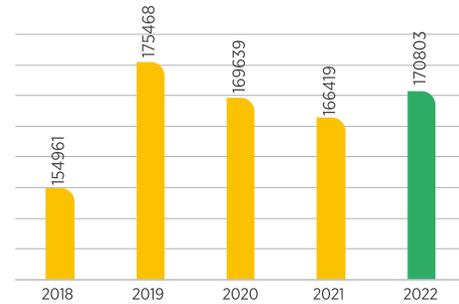
Particulars	2018	2019	2020	2021	2022
Debt Service Coverage Ratio	2%	2%	2%	1%	1%
Quick Ratio	1.08	1.34	1.21	1.07	0.83
Average Branch wise Manpower	18	17	17	17	16
Total Operating Profit to Total Income	19%	16%	16%	13%	12%
Profit expense to Total Expenses	74%	74%	71%	63%	62%
Profit Income to Total Income	81%	83%	71%	87%	80%
Operating profit per branch	25.31	24.00	22.57	13.07	12.59
Operating profit per employee	1.42	1.41	1.36	0.81	0.78
Per employee Income	7.38	8.80	8.46	6.24	6.74
Per employee expenses	5.96	7.39	7.10	5.43	5.96
Per employee Advances	61.14	68.26	70.95	73.30	80.06
Per employee Assets	82.52	94.30	95.79	101.16	105.13
Per employee Deposit	64.86	74.57	74.11	74.80	76.77
Burden Coverage Ratio	42%	38%	30%	33%	38%
NFI to Total Operating Income	19%	17%	29%	13%	20%
Cost income ratio	81%	57%	84%	87%	88%
Operating profit as % of working funds	2.30%	1.91%	1.73%	1.05%	0.94%
Net Profit income as % of working funds	2.51%	2.45%	1.21%	2.59%	2.04%
Total cost of Fund	8.00%	9.73%	8.85%	7.15%	7.85%
Cost of Deposit(%)	5.71%	7.37%	6.63%	4.60%	4.72%
Administrative cost (%)	2.29%	2.36%	2.22%	2.55%	3.13%
Other Information					
Number of Branches	134	138	138	138	138
Urban	81	83	83	83	97
Rural	46	48	48	48	41
Number of SME & Agriculture Branches	7	7	7	7	7
Number of Employees	2,389	2,353	2,289	2,225	2,239
Number of Shareholders	24,124	20,847	20,017	23,134	22,029
Number of Foreign Correspondents	21	21	21	21	21
Average earning assets	135,215	151,168	173,424	172,752	183,548
Average Total assets	186,424	209,519	220,581	222,179	229,505
Average Deposits	144,846	165,214	172,554	168,029	168,611
Average Advance	137,144	153,343	161,511	164,967	172,833
Average Investment	22,424	27,606	18,803	15,622	22,269
Average Equity	14,113	15,532	16,507	17,009	17,478

GRAPHICAL PRESENTATION

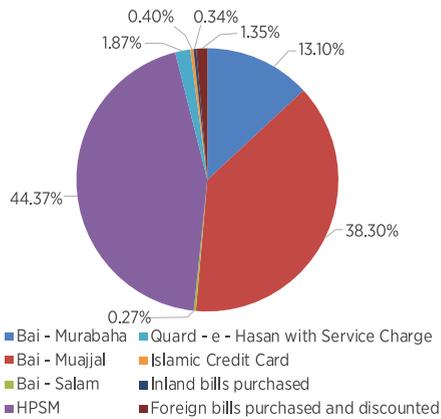
Investments (Million Taka)



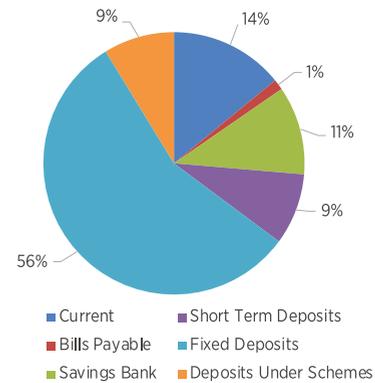
Deposit (Million Taka)



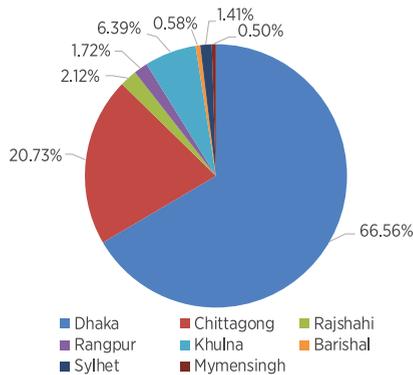
Investment Portfolio Mix - 2022



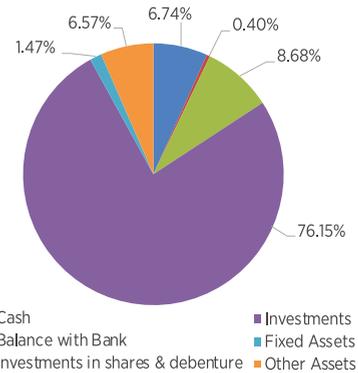
Deposit Portfolio Mix - 2022



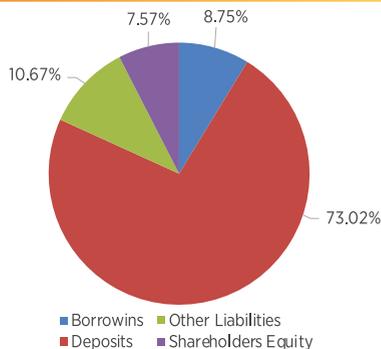
Regionwise Deposit Mix - 2022



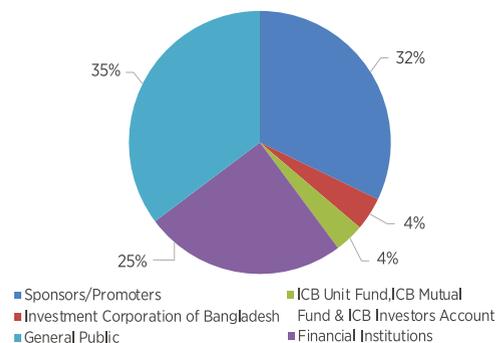
Assets Mix - 2022



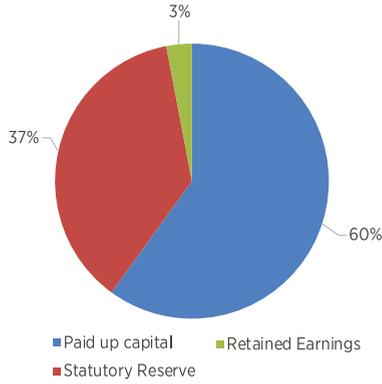
Assets Funding Mix - 2022



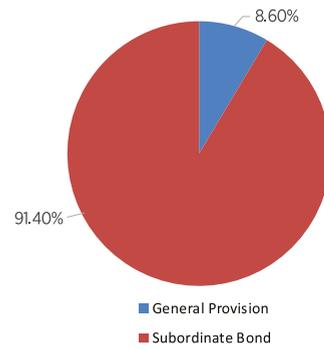
Types of Shareholding



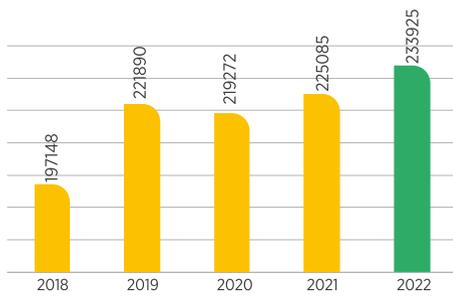
Tier-I Capital



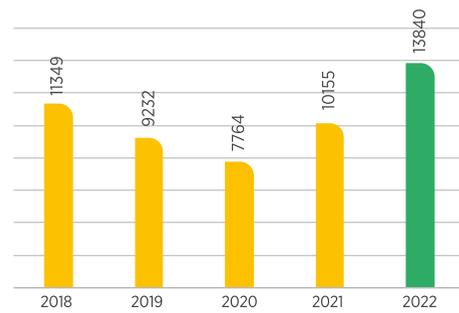
Tier-II Capital



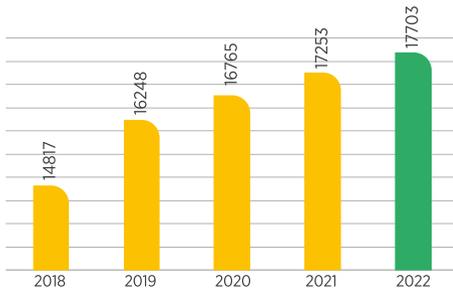
Total Assets (Million Taka)



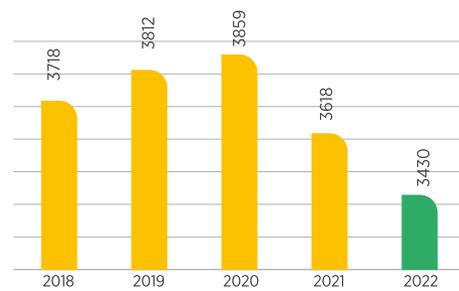
Non performing Assets (Million Taka)



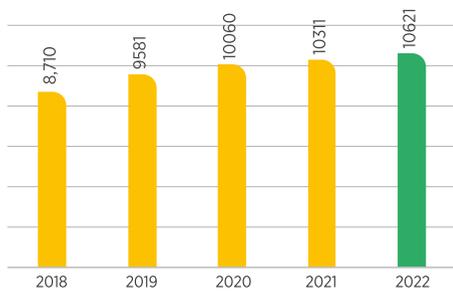
Net Assets Value (Million Taka)



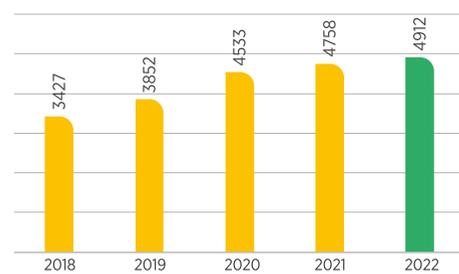
Fixed Assets (Million Taka)



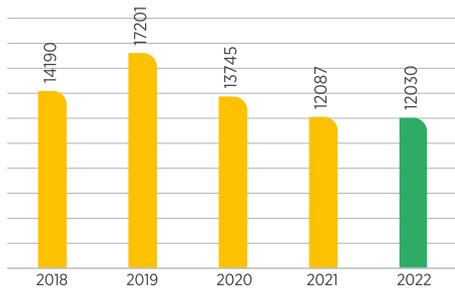
Paid up Capital (Million Taka)



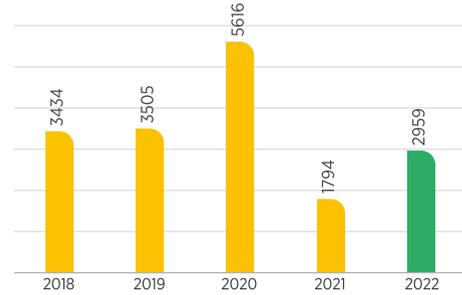
Provision for Investments (Million Taka)



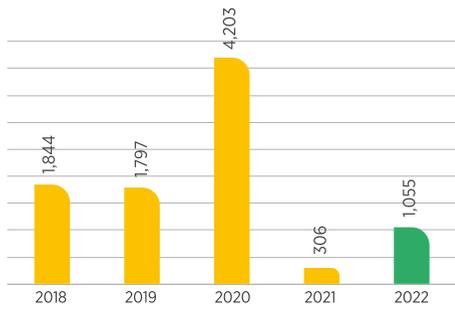
Investment Income (Million Taka)



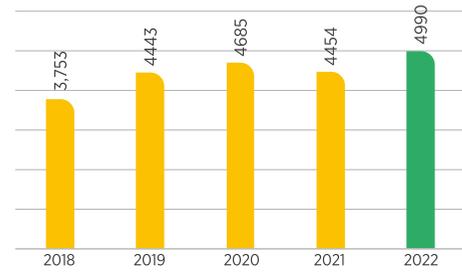
Non Investments Income (Million Taka)



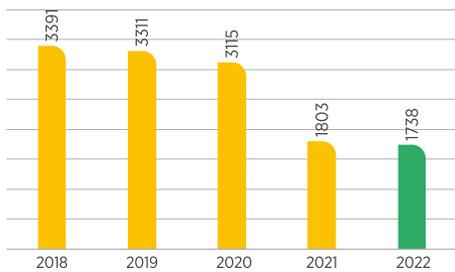
Investment (Securities) Income (Million Taka)



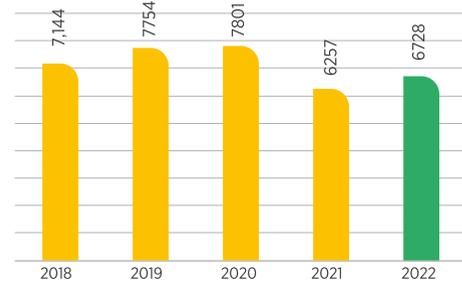
Operating Expense (Million Taka)



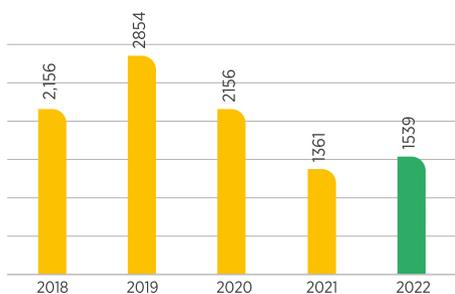
Operating Profit (Million Taka)



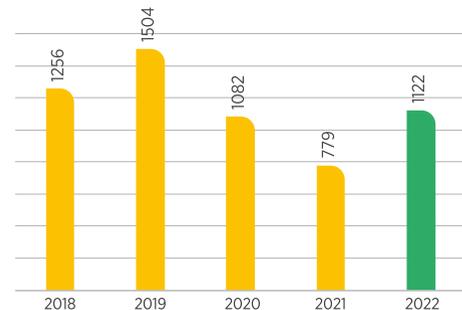
Operating Income (Million Taka)



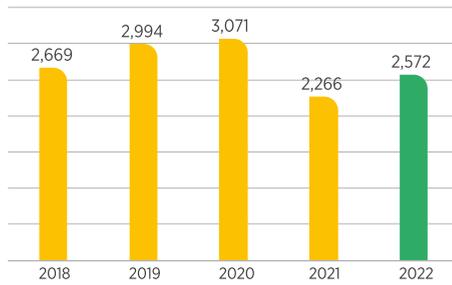
Profit Before Tax (Million Taka)



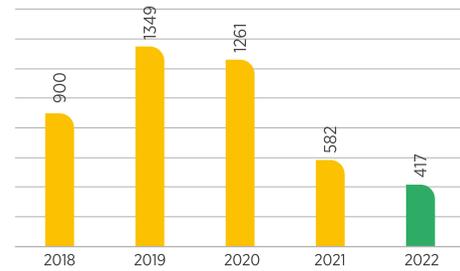
Profit After Tax (Million Taka)



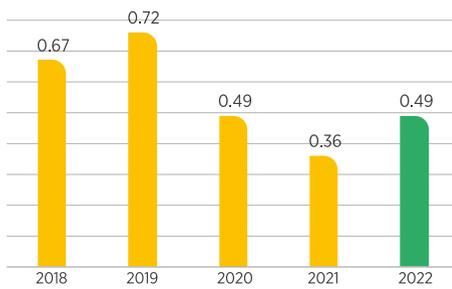
Total Contribution to National Exchequer (Million Taka)



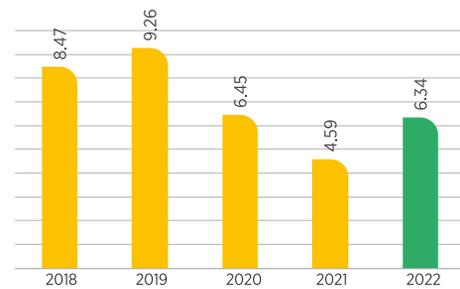
Provision for Tax (Million Taka)



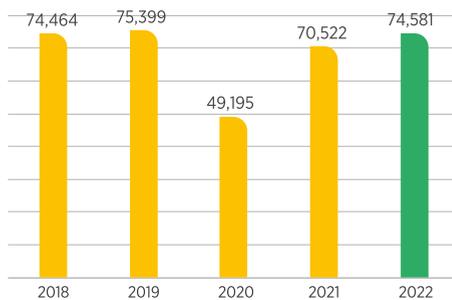
Return on Assets (Percentage)



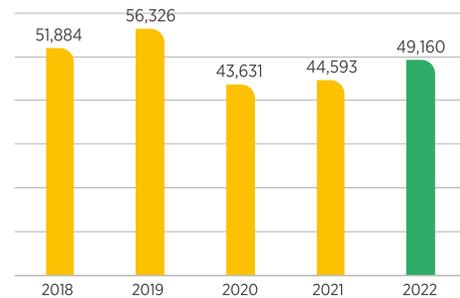
Return on Equity (Million Taka)



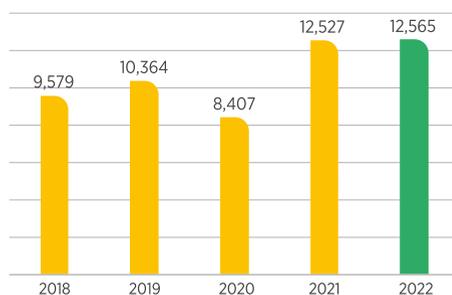
Import Business (Million Taka)



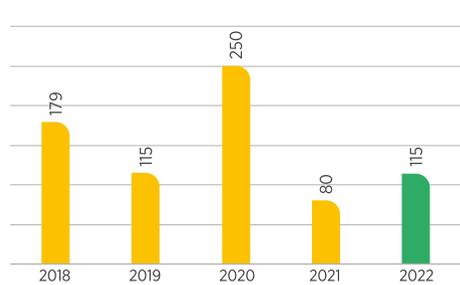
Export Business (Million Taka)



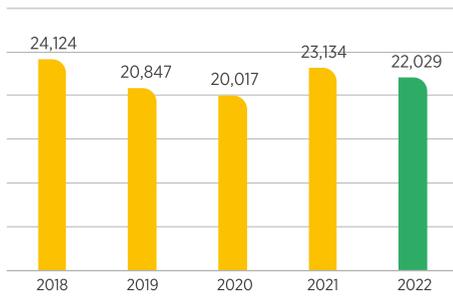
Foreign Remittance (Million Taka)



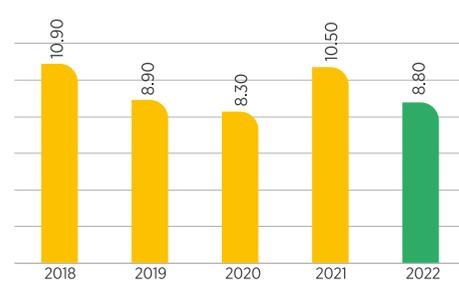
CSR Expense (Million Taka)



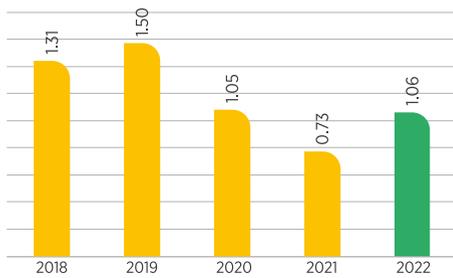
Number of Shareholders (Million)



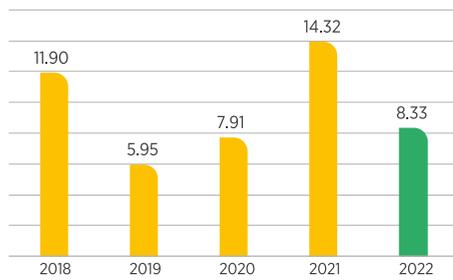
Market Price Per share (Taka)



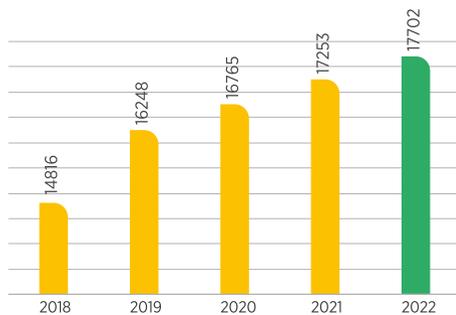
Earnings Per share (Taka)



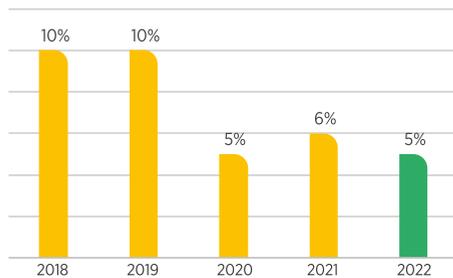
Price Earning Ratio (Times)



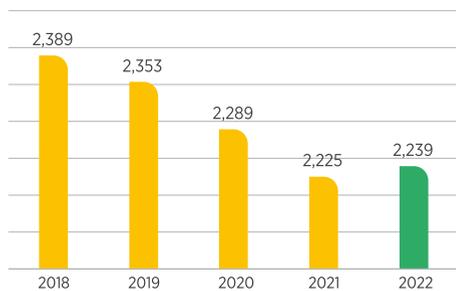
Shareholders Equity (Million Taka)



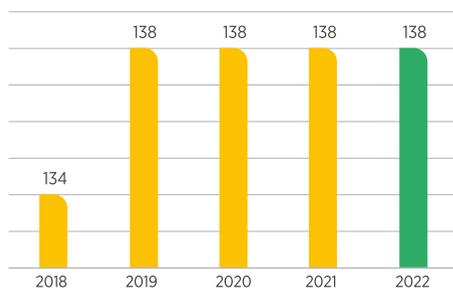
Dividend (Percentage)



Total Employees



Number of Branches

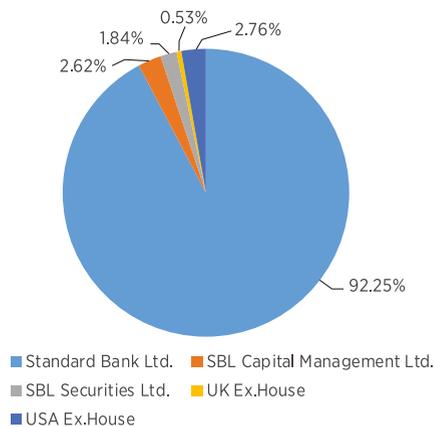


SEGMENT REPORTING

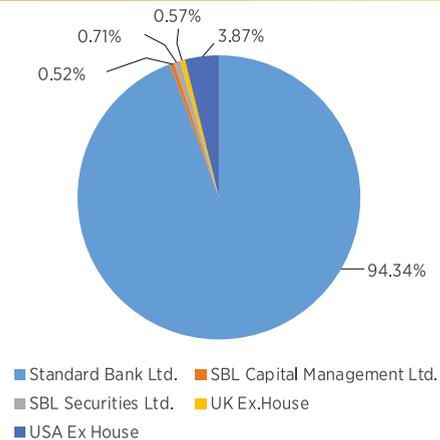
Following table also summarizes both the stand alone performance of the Bank and its subsidiaries.

Particulars	Standard Bank Ltd.	Subsidiaries		Overseas		Total
		SBL Capital Management Ltd	SBL Securities Ltd	UK Ex.House	USA Ex. House	
Net interest Income	3,723,495,283	1,229,083	57,674,332	-	213,009	3,782,611,707
Total Operating Income	5,920,758,136	168,298,936	117,946,639	34,197,191	177,094,612	6,418,295,514
Total Non Operating Income	314,668,829	1,197,850	216,458	916,473	6,443,295	323,442,906
Total Operating Expenses	4,707,677,607	25,748,830	35,269,733	28,297,569	193,239,866	4,990,233,604
Profit before Provision	1,527,749,359	143,747,956	82,893,364	6,816,095	(9,701,959)	1,751,504,815
Total Provision against assets	145,561,851	39,762,607	13,539,097	-	-	198,863,555
Profit before Tax (PBT)	1,382,187,508	103,985,349	69,354,267	6,816,095	(9,701,959)	1,552,641,261
Provision for Taxation	377,439,929	24,215,639	15,517,276	-	-	417,172,844
Profit After Tax (PAT)	1,004,747,579	79,769,710	53,836,991	6,816,095	(9,701,959)	1,135,468,416
Segment Assets	231,744,159,331	2,182,008,332	598,501,863	17,232,733	108,811,643	234,650,713,902
Segment Liabilities	231,744,159,332	2,182,008,332	598,501,863	17,232,733	108,811,643	234,650,713,903

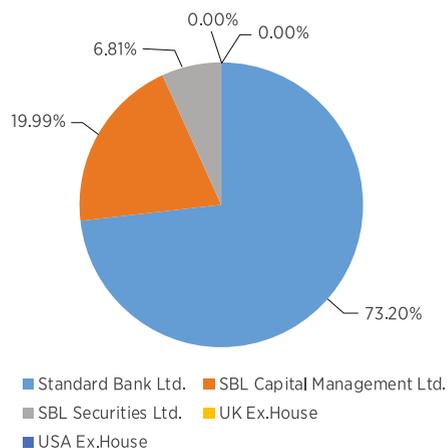
Total Operating Income (%)



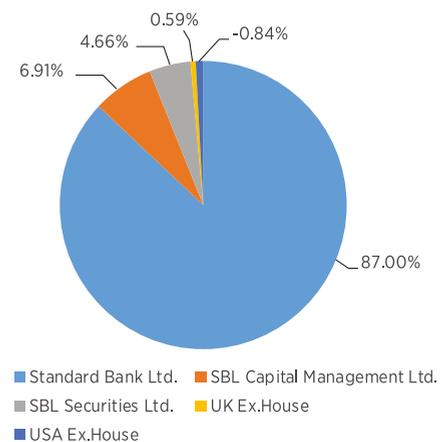
Total Operating Expenses (%)



Total Provision against assets (%)



Profit After Tax (PAT) (%)



CREDIT RATING REPORT

Credit Rating	2022	2021
Long Term Rating	AA+	AA+
Short Term Rating	ST-2	ST-2
Outlook	Stable	Stable
Validity	28 June, 2023	29 June, 2022



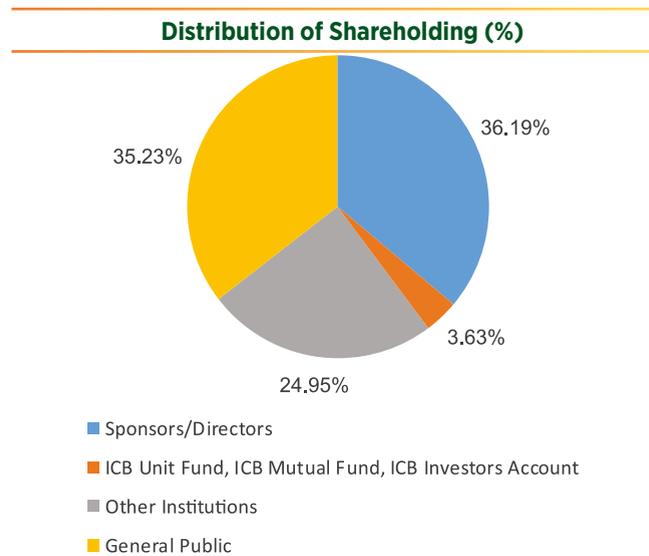
ARGUS Credit Rating Services Limited (ACRSL) reaffirms surveillance rating of Standard Bank Limited to “AA+” (Pronounced as double A Plus) in the Long Term and “ST-2” in the Short Term. The rating has been conducted through an in-depth analysis of the operational & financial performance of the Bank along with all its relevant quantitative and qualitative factors. The basis of the evaluation was financials of the Bank up to December 31, 2021 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 Investment grade. High credit quality and low expectation of credit risk. When assigned this rating indicates the obligor has long strong capacity to meet its financial obligations but may be vulnerable to adverse economic conditions compared to obligors with higher credit ratings.

Short Term Rating: 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 (%)	
		31.12.2021	31.12.2022	31.12.2021	31.12.2022
1	Sponsors/Directors	401,271,133	384,327,354	38.92%	36.19%
2	ICB Unit Fund, ICB Mutual Fund & ICB Investors Account	37,462,408	38,553,536	3.63%	3.63%
3	Institutions	227,692,601	264,981,728	22.08%	24.95%
4	General Public	364,714,415	374,212,155	35.37%	35.23%
Total		1,031,140,557	1,062,074,773	100%	100%



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 share@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

Mobile: +8801999055536

Mr. Farhad Bin Amin, AO

Share Department

Metropolitan Chamber Building (Mezzanine floor)
122-124, Motijheel C/A, Dhaka-1000
Phone: +8802-223357913

COMMUNICATION TO STAKEHOLDERS

Annual Report 2022 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:

Mobile: +8801999055536

Phone: 88-02-223357913, 223385106, 223358385

Fax: 88-02-223390321

SWIFT: SDBLBDDH

Web: www.standardbankbd.com

E-mail : share@standardbankbd.com

PHOTO GALLERY



Reception at Ganabhaban



Standard Bank Limited donates BDT Four Crore to the project of “House with Land for the Homeless People”



“Best Bank for Sustainable Business transformation in Bangladesh-2021” by The Global Economics in Dubai



Standard Bank distributed Iftar among the People



Doa Mahfil held at Standard Bank on 46th Martyrdom Anniversary of Father of the Nation Bangabandhu



Standard Bank Offers Gifts to the Honourable Hajj Pilgrims



Standard Bank Limited celebrates its 24th Founding Anniversary



Standard Bank holds Business Review Meeting 2023



Training on Managing Non Performing Investment held at SBL Learning Centre

PROJECTS FINANCED BY STANDARD BANK LTD.



Standard Bank Limited Gulshan-1 Branch Financed NDE Ready Mix Ltd.



Standard Bank Limited Naryanganj Branch Financed Eurotex Knitwear Ltd.



Standard Bank Limited Principal Branch Financed Vitalac Dairy & Food Industries Ltd.



Standard Bank Limited Kustia Branch Financed BRB Cable Industries Limited



Standard Bank Limited Gulshan-1 Branch Financed Nitol Motors Ltd.



Standard Bank Limited Khulna Branch Financed Glory Engineering Ltd., Khulna



Standard Bank Limited Khulna Branch Financed Glory Poles & Concrete Ltd., Khulna



Standard Bank Limited (Foreign Exchange Branch) Financed Noman Home Textile Mills Ltd., Gazipur



Standard Bank Limited Gulshan-1 Branch Financed VOTT Oil Refineries Limited



Standard Bank Limited Khulna Branch Financed Glory Jute Ltd., Khulna



Standard Bank Limited Principal Branch Financed Chaity Composite Limited, Narayangonj

AWARDS



STANDARD BANK LIMITED HAS BEEN AWARDED GOLD TROPHY IN ASIA SUSTAINABILITY REPORTING RATING (ASRRAT) - 2022



STANDARD BANK LIMITED HAS BEEN AWARDED THE QUALITY CHOICE PRIZE 2022 FROM THE EUROPEAN SOCIETY FOR QUALITY RESEARCH (ESQR)



STANDARD BANK LIMITED HAS BEEN AWARDED THE “BUSINESS TRANSFORMATION AWARD-2021” ON A GLOBAL PLATFORM



STANDARD BANK LIMITED HAS BEEN AWARDED WITH THE BEST BANK FOR SUSTAINABLE BUSINESS TRANSFORMATION - BANGLADESH 2021



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. Tariquul 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.





STANDARD BANK LIMITED OBTAINED CAMELS RATED BEST BANK AWARD



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 NATIONAL TAX CARD
AWARD FROM NBR**



**STANDARD BANK LIMITED
GETS WORLD QUALITY
COMMITMENT AWARD**



SUSTAINABILITY



ONE STEP AHEAD

Towards

**Excellence in
Sustainable Banking**



Awarded

GOLD TROPHY

in Asia Sustainability Reporting Rating
(ASRRAT)-2022



Standard Bank Limited

Shari'ah Based Islami Bank

SUSTAINABILITY REPORT OF STANDARD BANK



In 2022, Standard Bank Limited (SBL) has published its first-ever sustainability report using a set of ESG-linked indexes outlined by the Global Reporting Initiative (GRI), which is globally the most acclaimed sustainability reporting standards. SBL has been awarded GOLD RANK for its Sustainability Report by the 'Asia Sustainability Reporting Rating (ASRRAT)-2022, held in Jakarta, Indonesia.

THEME OF THE REPORT

SBL has prepared this report keeping Shari'ah values and principles in mind by using the expansive thought of the triple bottom line: Planet, People, and Profit, adding Prophet to make it 4Ps. Here, Prophet denotes the essence of mental, spiritual balance and peace of life.



Figure: Mr. Md. Touhidul Alam Khan, Additional Managing Director of SBL handing over Gold trophy of Asia Sustainability Reporting 2022 to honorable Chairman of the bank, Ln. Kazi Akram Uddin Ahmed Khan, accompanying with Mr Md. Ali Reza, CFO, SBL.

STANDARD BANK'S ALIGNMENT WITH SUSTAINABILITY STRATEGIES

Standard Bank Limited does not consider sustainability as an environmental issue only, rather it takes economic & social issues into account: as such, labor practices, human rights, economic performance, community, society, corruption, corporate governance and responsibility of product & services.

In accordance with Islamic principles of social responsibility and justice shariah based banks are expected to care for the underprivileged people of the society. Thus, as a responsible corporate citizen, Standard Bank is committed to create value for the society in a holistic and inclusive approach. 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 by contributing towards the 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 distressed people during any natural or man-made disasters. To us, success is not only equal economic profit; it also means commitment to values like honesty, integrity, excellence, trust and dedication. At Standard Bank, we bear the spirit of corporate social responsibility.

SUSTAINABILITY STRATEGY OF STANDARD BANK

The management of Standard Bank family has deeply pondered over the definition of "Sustainability" refers to not being harmful to the environment by depleting natural resources, rather supporting long-term ecological, social and governance (ESG) issues. Upon reflecting the notion, they have come up with following strategies:

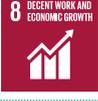
Through actionable measures reduce ecological footprint by:

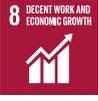


An "ecological footprint" is the pressure put on the planet to meet the needs of the people that live there, where every single individual have his/her own ecological footprint.

MAPPING OF SDGs WITH DIFFERENT FINANCING SCOPE OF BANKS

The mapping of SDGs with different financing scope as demonstrated below enables the Bank to identify the activities that can channel funding into projects aligned with the SDGs.

SDGs		Financing Scope
Sustainable Financing	Goal 1: No Poverty	
	Goal 2: Zero Hunger	
	Goal 5: Gender Equality	
	Goal 6: Clean Water & Sanitation	
	Goal 8: Decent Work & Economic Growth	
	Goal 9: Industry Innovation & Infrastructure	
		<ul style="list-style-type: none"> • Sustainable Agriculture • Sustainable CMSME • Socially Responsible Finance

SDGs		Financing Scope
Sustainable Linked Financing	Goal 6: Clean Water & Sanitation	
	Goal 7: Affordable & Clean Energy	
	Goal 8: Decent Work & Economic Growth	
	Goal 9: Industry Innovation & Infrastructure	
	Goal 12: Responsible Consumption & Production	
	Goal 13: Climate Action	
	Goal 17: Partnerships for the Goals	

ECONOMIC SUSTAINABILITY OF STANDARD BANK

**3,273,80
Million**

Employee wage

BDT 3,273,80 million total wages distributed among employees during 2022.

**2,572.40
Million**

Amount paid to Govt. Exchequer

BDT. 2,572.40 million paid as tax, Vat and others during 2022.

**2,03,437
Million**

Loans disbursed in SME business segment

BDT 2,03,437 million loans disbursed against **3,800 clients** in SME Sector during 2022.

**5,959.40
Million**

Social investment in the community

BDT 5,959.40 million invested in community support program through MFI linkage program during 2022. Around **87 clients** received the support.

**12,673.16
Million**

Total investment in sustainable finance

BDT 12,673.16 million loans invested in sustainable finance during 2022. **790 number** of clients received the financial service.

**67
Employees**

Employees trained in regard sustainable finance

A total of 67 employees trained in regard to sustainable finance during 2022.

Loans disbursed in SME business segment

BDT 2,03,437 million loans disbursed against 3,800 clients in SME Sector during 2022.

Social investment in the community

BDT 5,959.40 million invested in community support program through MFI linkage program during 2022. Around 87 clients received the support.

Total investment in sustainable finance

BDT 12,673.16 million loans invested in sustainable finance during 2022. 790 number of clients received the financial service.

Employees trained in regard sustainable finance

A total of 67 employees trained in regard to sustainable finance during 2022.

DEVELOPMENT OF CMSME

COVID STIMULUS FUND AND STANDARD BANK: To tackle devastating effect of Covid during 2020 to till date, Bangladesh

Bank provided different stimulus facilities to badly effected business entities.

For CMSME sectors, a revolving Tk. 20,000.00 crore stimulus package was approved in 2020. We, Standard Bank Ltd has actively participated in the program and disbursed following amount to the affected organization @4% profit rate to help them support their business.

Particulars	Disbursement BDT in Crore
Covid Stimulus 1st Phase (July-2020 to Jun-2021)	101.32
Covid Stimulus 2nd Phase (July-2021 to Jun-2022)	144.17
Covid Stimulus 3rd Phase (July-2022 to December-2022)	18.94

Financial Inclusion

For financial inclusion, BDT 85.10 million stimulus package has been disbursed under Financial Inclusion Financing through MFIs/NGOs by Agriculture Division in 2022. In this support package around 165 remote area people has been given financial support.

Women entrepreneurial Help 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 @5% Rate against refinance facility from Bangladesh Bank as per policy guideline of Bangladesh Bank.

ENVIRONMENTAL SUSTAINABILITY OF STANDARD BANK

Consumption of non-renewable energy

Total fuel (Octane & Diesel) consumption during 2022- **182,390** liters

Consumption of Electricity consumption

Total Electricity consumption during 2022- **3,815,554** kWh

Water Consumption pattern

All of our premises consume supply water for sanitary & drinking purpose only.

Waste generation

Total **8,778 kg** of paper waste generated during 2022.

Environmental & Social Due Diligence

- **649** customers appraised for Environmental & Social Due Diligence (ESDD) during 2022.
- **BDT 55,600 million** financed based on Environmental & Social Risk Rating (ESRR) during 2022.

SECTOR WISE ESDD PERFORMANCE



Online Banking

100% of SBL Bank branches provide online Banking facility.

Internet Banking:

Particulars	2021	2022
Total No. of Accounts	12,315	11,807
No. of Transactions	561	355
Amount of Transactions	Tk. 1,37,63,594.00	Tk. 88,93,454.00

SBL Digibanking:

Particulars	2021	2022
Total No. of Customers in Mobile Apps in DigiBanking	8,430	12,761
No. of Transactions	1,30,099	2,32,665
Amount of Transactions	Tk. 146,86,86,648.00	Tk. 280,80,33,829.00

SOCIETAL SUSTAINABILITY OF STANDARD BANK



Training & Education

For development of employees' skill and professionalism the bank has a well-equipped learning center in the head office. Throughout the year SBL arranges required training for its valued employees. These training includes Banking Foundation training, ICT/Technical skills, soft skills, core banking, customer service, product and services, marketing & sales, relationship management, audit & compliance, AML & CFT, risk management, team building, managerial and leadership, Ethics, gender equality awareness, ESRM Etc. The bank also arrange external training in order to develop employees with required banking and organizational skills.

Name of Training	Number of Training	Number of Participant
Internal	50	3155
External	58	154
Total	108	3309

Number of training organized in 2022- 108 (including internal and external sources)

Number of employees received training- **3,309**

Male participants- **85%**, Female participants- **15%**

Number of training days- **119**

Total **training costs incurred- BDT 4.41 million**

Training on gender equality/ awareness program:

The bank organized gender equality/awareness program where around 151 participants were engaged, where 112 were male and 39 were female attendees.

Impact of Covid-19 at SBL:

Year	Number of affected employee	Number of Recovered employee	Number of Death Employee
2021	246	246	0
2022	166	166	0

Maternity Leave:

Maternity Leave in 2022					
Female	No. of Female Employees	Days of Leave at a time	Total Days	Employee returned to work	Employee retained after getting back to work
	10	180	1800	All	All

CSR expenditure:

Standard Bank Limited being a Shari'ah based Bank of the country always believes & aspires to promote socio-economic development. As part of our commitment and to ensure value in the changing economy of the nation; we always aim to reinforce our role in supporting economy which is fully backed by societal awareness of responsibility to society. Accordingly, we take on initiatives and implement actions that assemble a wide range of societal needs and requirements, thereby enhancing the overall contribution to society. We have adopted CSR practices in a structured manner in line with our organizational mission and vision in order to assist the underprivileged inhabitants of our country.

a) EDUCATION: BDT 6.09 million

Standard Bank always stands beside the meritorious students from low-income family in reputed academic and vocational training institutions by granting scholarships/stipends. We also support for upgrading the facilities in academic and vocational training institutions facilitating the under privileged rural & urban population.

b) HEALTH CARE: BDT 1.82 million

Since Covid-19 has discovered, health issues are rapidly increasing and getting more and more complicated. Under such situation, support of corporate houses would certainly beneficial for the underprivileged segment of our country. Thus, preventive and curative healthcare support for underprivileged people is another venture of Standard Bank's CSR initiatives.

c) DISASTER MANAGEMENT: BDT 124.98 million

The bank always plays a crucial role in contribution to disaster management and comes forward when the country is stricken by massive natural calamity, tragic accident etc. Thus, our Bank tries to contribute in a way so that the economic and human costs of natural disasters can be minimized. The large portion of CSR activities in 2022 went to this portion due to the severe impact of inundating flood.



Figure: Standard Bank Limited Donates 75,000 pcs Blankets to the Honorable Prime Minister's Relief Fund



Figure: Standard Bank Limited Donates TK 100 million to the Honorable Prime Minister's Relief Fund

d) ART, CULTURAL WELFARE AND SPORTS: BDT 7.03 million

Art and culture play an important role for development of a nation. With that notion, Standard Bank promotes local art & culture that help develop sound mind end emotional state.

f) OTHERS CSR ACTIVITIES: BDT 0.48 million

Since its inception Standard Bank has been taking various moves to promote humanity, moral values and patriotism as well as for wellbeing of society and country. During the year 2022, bank donated BDT 0.48 million to individuals for operating Combined Day Care Centre.



Figure: Standard Bank Hosts Luncheon for Underprivileged Childs on Sheikh Russell's Birthday

INTEGRATED REPORTING

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 organizations 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 2022 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 2022 annual integrated report covers the period between 1st January 2022 and 31 December 2022. 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 2022 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, USA and UK.

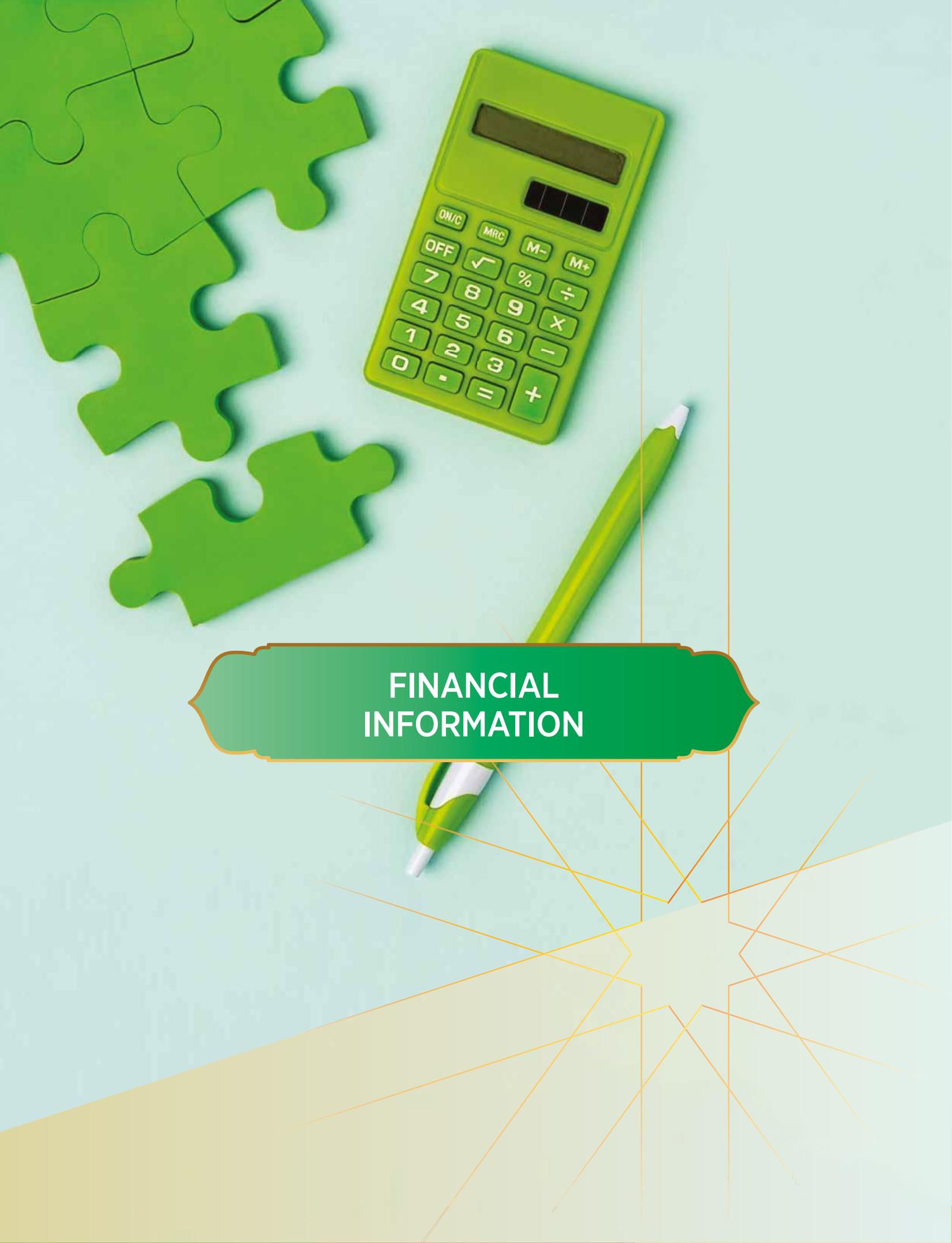
Our annual integrated report aims to present a balanced and concise analysis of our strategy, performance, governance and prospects. In determining the content to be included in this report, we considered the issues that are material to maintain the commercial viability and social relevance required 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 2022 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 2022 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 2022 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 2022, 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.

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
1. Measurement of Provision for Investments:	
<p>The process for estimating the provision for Investments portfolio associated with Investments 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 Investments 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 2022 the Bank reported total gross Investments of BDT 174,343.91 million (2021: BDT 163,958.66 million) and provision for Investments of BDT 4,912.11 million (2021: BDT 4,758.06 million).</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Tested the Investments monitoring and provisioning process; • Identification of loss events, including early warning and default warning indicators; • Reviewed quarterly Classification of Investments (CL); • Followed Bangladesh Bank's Circulars and Guidelines. <p>Our substantive procedures in relation to the provision for Investments portfolio comprised the following:</p> <ul style="list-style-type: none"> • 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.

See Note No. 7 and 12 to the financial statements	
2. Legal and Regulatory Matters:	
<p>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.</p> <p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions and other contingent liabilities.</p>	<p>We obtained an understanding of the Bank's key controls over the legal provision and contingencies process.</p> <p>We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.</p> <p>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.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Bank's provisions and contingent liabilities disclosure.</p>
3. IT Systems and Controls :	
<p>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.</p> <p>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.</p>	<p>We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting.</p> <p>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.</p>

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 2020, 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 2022 of subsidiaries; SBL Capital Limited, Standard Bank Securities Limited, Standard Express (USA) Ltd. (unaudited) and Standard Exchange Co. (UK) Ltd. (unaudited being exempted) have been audited 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 Investments & advance and other assets as per Bangladesh Bank Letter DBI-6/51(4)/2023-350 dated April 13, 2023 and DOS(CAMS)1157/41(Dividend)/2023-2148 dated April 27, 2023;
 - 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 5,496 person hours; and
 - l) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained as disclosed in note # 13.09 during the year.

Dated, Dhaka
April 30, 2023



Sampad Kumar Basak, FCA
Enrolment # 625
Partner
Shafiq Basak & Co.
Chartered Accountants
DVC: 2304300625AS833879

STANDARD BANK LIMITED & IT'S SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2022

Particulars	Notes	Amount in Taka	
		31.12.2022	31.12.2021
PROPERTY & ASSETS			
CASH	3(a)	15,756,397,329	15,000,784,105
Cash in Hand (including foreign currencies)		2,309,863,685	2,049,635,123
Balance with Bangladesh Bank & its agent Bank (including Foreign Currencies)		13,446,533,644	12,951,148,982
BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS	4(a)	942,875,401	816,142,550
In Bangladesh		234,643,855	153,352,581
Outside Bangladesh		708,231,546	662,789,969
PLACEMENT WITH BANKS & FINANCIAL INSTITUTIONS	5	-	-
INVESTMENTS IN SHARES & SECURITIES	6(a)	20,301,939,553	24,236,400,041
Government		12,708,012,400	16,627,703,300
Others		7,593,927,153	7,608,696,741
INVESTMENTS	7(a)	178,128,422,588	167,538,046,328
General investments etc.		175,113,530,547	161,078,885,596
Bills Purchased and Discounted		3,014,892,041	6,459,160,732
FIXED ASSETS INCLUDING PREMISES, FURNITURE & FIXTURES	8(a)	3,430,025,172	3,618,249,805
OTHER ASSETS	9(a)	15,365,555,748	13,875,515,916
NON-BANKING ASSETS		-	-
TOTAL ASSETS		233,925,215,791	225,085,138,745
LIABILITIES & CAPITAL			
LIABILITIES			
PLACEMENT FROM BANKS & FINANCIAL INSTITUTIONS	10(a)	20,466,073,846	19,075,715,676
DEPOSITS AND OTHER ACCOUNTS	11(a)	170,803,078,529	166,419,122,928
Al-Wadeeah Deposits & Other Deposits		24,089,528,357	18,466,438,341
Bills Payable		2,239,909,678	2,189,073,630
Mudaraba Savings Deposits		18,676,722,387	19,945,848,272
Mudaraba Short Notice Deposits		15,029,418,754	15,560,491,624
Mudaraba Term Deposits		95,797,850,856	93,808,963,286
Mudaraba Deposit Schemes		14,969,648,497	16,448,307,775
OTHER LIABILITES	12(a)	24,953,627,530	22,337,087,526
TOTAL LIABILITIES		216,222,779,905	207,831,926,130
CAPITAL / SHAREHOLDERS' EQUITY			
Paid-up Capital	13	10,620,747,730	10,311,405,570
Statutory Reserve	14	6,548,799,705	6,272,362,203
General Reserve	15	-	-
Revaluation Reserve on Investment		-	-
Surplus in Profit and Loss Account/ Retained earnings	16(a)	532,723,902	669,286,317
Non-controlling Interest	16.1	164,549	158,525
TOTAL SHAREHOLDERS' EQUITY		17,702,435,886	17,253,212,615
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		233,925,215,791	225,085,138,745
Net Asset Value (NAV) per share (previous year's figure restated)	52(a)	16.67	16.24

STANDARD BANK LIMITED & IT'S SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2022

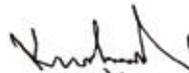
Particulars	Notes	Amount in Taka	
		31.12.2022	31.12.2021
OFF-BALANCE SHEET ITEMS			
CONTINGENT LIABILITIES			
Acceptances and Endorsements	17(a)	16,624,419,970	17,951,775,496
Letters of Guarantee		15,757,510,742	13,262,731,177
Irrevocable Letters of Credit		11,325,437,450	16,189,396,894
Bills for Collection		5,645,196,255	5,255,968,041
Other Contingent Liabilities		-	-
TOTAL:		49,352,564,417	52,659,871,608
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		49,352,564,417	52,659,871,608

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 30, 2023


Sampad Kumar Basak, FCA
 Enrolment # 625
 Partner
 Shafiq Basak & Co.
 Chartered Accountants
 DVC: 2304300625AS833879

STANDARD BANK LIMITED & IT'S SUBSIDIARIES
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022

Particulars	Notes	Amount in Taka	
		31.12.2022	31.12.2021
Profit on Investment	18.3(a)	12,029,707,460	12,086,945,280
Less: Profit paid on Deposits & Borrowings etc.	19(a)	8,260,760,670	7,624,208,230
Net Profit on Investments		3,768,946,790	4,462,737,050
Income from investments in shares & securities	20(a)	1,055,065,387	306,223,196
Commission, Exchange Earnings & Brokerage	21(a)	1,580,618,420	1,113,039,277
Other Operating Income	22(a)	323,442,906	374,785,007
		2,959,126,713	1,794,047,480
TOTAL OPERATING INCOME (A)		6,728,073,503	6,256,784,530
Salary & Allowances	23(a)	3,352,879,583	2,907,908,948
Rent, Taxes, Insurance, Electricity etc.	24(a)	613,904,088	573,217,114
Legal Expenses	25(a)	31,707,488	31,460,418
Postage, Stamp, Telecommunication etc.	26(a)	20,129,087	19,018,312
Stationery, Printing, Advertisement etc.	27(a)	60,596,884	57,698,228
Managing Director's salary & fees	28	17,550,000	17,550,000
Directors' Fee & Other benefits	29(a)	5,591,594	3,802,202
Shariah Supervisory Committee's Fees & Expenses	29(b)	492,085	137,184
Audit Fees	30(a)	1,434,934	1,377,505
Charges on Investment losses	31(a)	-	-
Depreciation and Repair of Bank's Assets	32(a)	372,599,241	427,565,772
Zakat Expenses	32.1	7,509,901	16,841,840
Other Expenses	33(a)	505,838,720	397,085,185
TOTAL OPERATING EXPENSES (B)		4,990,233,605	4,453,662,708
Profit / (Loss) Before Provision (C) = (A - B)		1,737,839,898	1,803,121,822
Provision for investments	34(a)		
Specific Provision for Classified Investments		25,177,112	23,432,547
General Provision for Unclassified Investments		-	24,105,514
Special General Provision-COVID-19		148,482,011	236,785,746
Provision for Off-Balance Sheet items		-	127,821,087
Provision for diminution in value of investments		14,771,618	6,762,575
Provision for impairment of client margin investments		38,530,086	21,055,727
Other Provision		(28,097,272)	2,587,977
Total Provision (D)		198,863,555	442,551,173
Total Profit / (Loss) before Taxes (E)=(C - D)		1,538,976,343	1,360,570,649
Provision for Taxation		417,172,845	581,964,657
Current Tax	12.1.1	502,430,865	716,447,938
Deferred Tax	9.6	(85,258,020)	(134,483,281)
Net Profit / (Loss) after Taxation :		1,121,803,498	778,605,992
Appropriations :	14(a)		
Statutory Reserve		276,437,502	243,105,220
General reserve		-	-
Dividend		-	-
Retained Earnings carried forward		845,365,996	535,500,772
Attributable to			
Equity Holders' of Bank		480,277,796	495,465,066
Coupon Payable to Mudaraba perpetual Bond		354,150,000	53,160,274
Provision for Start-up Fund		10,932,178	(13,128,837)
Non-controlling interest		6,022	4,269
Consolidated Earning per Share (EPS): (Previous year's figure restated)	36	1.06	0.73
Bank Earning per Share (EPS): (Previous year's figure restated)		0.95	0.63



Managing Director



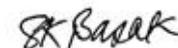
Director



Director



Chairman



Sampad Kumar Basak, FCA

Enrolment # 625

Partner

Shafiq Basak & Co.

Chartered Accountants

DVC: 2304300625AS833879

Subject to our separate report of even date

Dated, Dhaka
April 30, 2023

www.standardbankbd.com

STANDARD BANK LIMITED & ITS SUBSIDIARIES CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

Particulars	Notes	Amount in Taka	
		31.12.2022	31.12.2021
A) CASH FLOWS FROM OPERATING ACTIVITIES			
Profit receipts in Cash		11,539,158,582	12,300,107,636
Profit payments in Cash		(7,680,760,956)	(11,187,399,781)
Dividend receipts		31,437,821	14,723,378
Fee and commission receipts in Cash		935,158,922	860,923,962
Recoveries from investment previously written off		1,556,485	830,934
Cash Payments to employees		(3,370,429,583)	(2,925,458,948)
Cash Payments to suppliers		(60,596,884)	(57,698,228)
Income taxes paid		(638,207,008)	(530,912,058)
Receipts from other operating activities	37(a)	326,156,639	382,858,533
Payments for other operating activities	38(a)	(1,287,317,884)	(1,082,767,059)
Cash generated from operating activities before changes in operating assets and liabilities		(203,843,866)	(2,224,791,631)
Increase / (Decrease) in operating assets and liabilities			
Statutory deposits		-	-
Purchase of trading securities		14,769,588	(4,223,322,787)
Investments to other banks		-	-
Investments to customers		(10,590,376,261)	(5,141,262,717)
Other assets	39(a)	(54,092,256)	(49,965,865)
Deposits from other banks		1,341,554,771	5,370,000,000
Deposits from customers		2,462,401,115	(5,027,021,621)
Other liabilities account of customers		-	-
Trading liabilities		2,190,358,170	2,269,628,259
Other liabilities	40(a)	2,352,854,691	233,957,843
		(2,282,530,182)	(6,567,986,888)
Net cash flows from operating activities (A)		(2,486,374,048)	(8,792,778,519)
B) CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of non-trading securities		-	-
Payments for Purchase of securities		-	-
Purchase of property, plant & equipment		(78,141,538)	(83,833,062)
Sale of property, plant & equipment		333,693	186,390
Purchase / sale of subsidiary		-	-
Net cash flow from investing activities (B)		(77,807,845)	(83,646,672)
C) CASH FLOWS FROM FINANCING ACTIVITIES			
Received from issue of investment capital and debt security		-	6,000,000,000
Received for redemption of investment capital and debt security		(800,000,000)	(1,200,000,000)
Receipts from issue of ordinary shares		-	-
Dividends paid		(318,622,431)	(251,497,697)
Net cash flow from financing activities (C)		(1,118,622,431)	4,548,502,303
D) NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		(3,682,804,324)	(4,327,922,888)
E) EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		645,459,498	252,115,315
F) CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		32,444,629,956	36,520,437,528
G) CASH AND CASH EQUIVALENTS AT END OF THE YEAR (D+E+F)		29,407,285,130	32,444,629,955
CASH AND CASH EQUIVALENTS AT END OF THE YEAR			
Cash in hand (including foreign currencies)		2,309,863,685	2,049,635,123
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		13,446,533,643	12,951,148,982
Balance with other Banks and Financial Institutions		942,875,402	816,142,550
Placement with other Banks and Financial Institutions		-	-
Govt. Security/Reverse repo (Less:Revaluation Reserve on Investment)		12,707,150,000	16,626,080,000
Prize Bonds		862,400	1,623,300
		29,407,285,130	32,444,629,955
Net Operating Cash Flows (NOCF) per Share (Previous year's figure restated)	42(a)	(2.34)	(8.28)

These financial statements should be read in conjunction with annexed notes



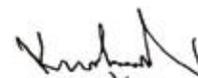
Managing Director



Director



Director



Chairman

Dated, Dhaka
April 30, 2023

STANDARD BANK LIMITED & IT'S SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

(Amount in Taka)

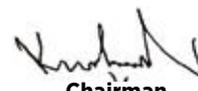
Particulars	Paid up Capital	Statutory Reserve	Minority Interest	Revaluation gain/loss on investments	Profit & Loss surplus A/c	Total
Balance as on 1-1-2022	10,311,405,570	6,272,362,203	158,525	-	669,286,317	17,253,212,615
Prior years adjustment	-	-	-	-	-	-
Changes in accounting policy	-	-	-	-	-	-
Restated Balance	10,311,405,570	6,272,362,203	158,525	-	669,286,317	17,253,212,615
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-
Adjustment of last year revaluation gain on investments	-	-	-	-	-	-
Surplus/Deficit on revaluation of investment	-	-	-	-	-	-
Currency translation difference	-	-	-	-	1,844,123	1,844,123
Net gains and losses not recognised in the income statement	-	-	-	-	-	-
Coupon Receivable from Mudaraba Peretual Bond	-	-	-	-	-	-
Addition during the period	-	-	-	-	-	-
Adjustment of last year	-	-	-	-	-	-
Net profit for the period	-	-	-	-	1,121,803,498	1,121,803,498
Dividends (Cash & Bonus shares)	309,342,160	-	-	-	(618,684,334)	(309,342,174)
Non Controlling Interest	-	-	6,024	-	(6,022)	-
Issue of Right Shares	-	-	-	-	-	-
Coupon Payable to Mudaraba Peretual Bond	-	-	-	-	(354,150,000)	(354,150,000)
Start-up Fund	-	-	-	-	(10,932,178)	(10,932,178)
Appropriation made during the year	-	276,437,502	-	-	(276,437,502)	-
Balance as on 31.12.2022	10,620,747,730	6,548,799,705	164,549	-	532,723,902	17,702,435,886
Balance as on 31.12.2021	10,311,405,570	6,272,362,203	158,525	-	669,286,317	17,253,212,615

These financial statements should be read in conjunction with annexed notes


Managing Director


Director


Director


Chairman

Dated, Dhaka
 April 30, 2023

STANDARD BANK LIMITED
BALANCE SHEET
AS AT 31 DECEMBER 2022

Particulars	Notes	Amount in Taka	
		31.12.2022	31.12.2021
PROPERTY & ASSETS			
CASH	3	15,616,997,231	14,851,371,401
Cash in Hand (including foreign currencies)		2,170,463,587	1,900,222,419
Balance with Bangladesh Bank & its agent Bank (including Foreign Currencies)		13,446,533,644	12,951,148,982
BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS	4	751,149,224	657,197,114
In Bangladesh		158,399,109	63,560,815
Outside Bangladesh		592,750,115	593,636,299
PLACEMENT WITH BANKS & FINANCIAL INSTITUTIONS	5	-	-
INVESTMENTS IN SHARES & SECURITIES	6	23,209,011,571	27,269,763,687
Government		12,708,012,400	16,627,703,300
Others		10,500,999,171	10,642,060,387
INVESTMENTS	7	174,343,907,698	163,958,656,979
General investments etc.		171,329,015,657	157,499,496,247
Bills Purchased and Discounted		3,014,892,041	6,459,160,732
FIXED ASSETS INCLUDING PREMISES, FURNITURE & FIXTURES	8	3,422,735,334	3,608,917,391
OTHER ASSETS	9	14,400,358,273	13,002,573,950
NON-BANKING ASSETS		-	-
TOTAL ASSETS		231,744,159,331	223,348,480,523
LIABILITIES & CAPITAL			
LIABILITIES			
PLACEMENT FROM BANKS & FINANCIAL INSTITUTIONS	10	20,466,073,846	19,075,715,676
DEPOSITS AND OTHER ACCOUNTS	11	170,795,114,461	166,408,776,246
Al-Wadeeah Deposits & Other Deposits		24,081,564,289	18,456,091,658
Bills Payable		2,239,909,678	2,189,073,630
Mudaraba Savings Deposits		18,676,722,387	19,945,848,272
Mudaraba Short Notice Deposits		15,029,418,754	15,560,491,625
Mudaraba Term Deposits		95,797,850,856	93,808,963,286
Mudaraba Deposit Schemes		14,969,648,497	16,448,307,775
OTHER LIABILITIES	12	22,773,460,387	20,688,546,640
TOTAL LIABILITIES		214,034,648,694	206,173,038,562
CAPITAL / SHAREHOLDERS' EQUITY			
Paid-up Capital	13	10,620,747,730	10,311,405,570
Statutory Reserve	14	6,548,799,705	6,272,362,203
General Reserve	15	-	-
Revaluation Reserve on Investment		-	-
Surplus in Profit and Loss Account/ Retained earnings	16	539,963,203	591,674,188
TOTAL SHAREHOLDERS' EQUITY		17,709,510,638	17,175,441,961
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		231,744,159,331	223,348,480,523
Net Asset Value (NAV) per share (Previous year's figure restated)	52	16.67	16.17

STANDARD BANK LIMITED
BALANCE SHEET
AS AT 31 DECEMBER 2022

Particulars	Notes	Amount in Taka	
		31.12.2022	31.12.2021
OFF-BALANCE SHEET ITEMS			
CONTINGENT LIABILITIES			
Acceptances and Endorsements	17.1	16,624,419,970	17,951,775,496
Letters of Guarantee	17.2	15,757,510,742	13,262,731,177
Irrevocable Letters of Credit	17.3	11,325,437,450	16,189,396,894
Bills for Collection	17.4	5,645,196,255	5,255,968,041
Other Contingent Liabilities	17.5	-	-
TOTAL:		49,352,564,417	52,659,871,608
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		49,352,564,417	52,659,871,608

These financial statements should be read in conjunction with annexed notes



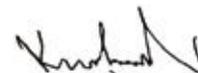
Managing Director



Director



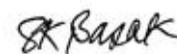
Director



Chairman

Subject to our separate report of even date

Dated, Dhaka
April 30, 2023



Sampad Kumar Basak, FCA
Enrolment # 625
Partner
Shafiq Basak & Co.
Chartered Accountants
DVC: 2304300625AS833879

STANDARD BANK LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022

Particulars	Notes	Amount in Taka	
		31.12.2022	31.12.2021
Profit on Investment	18.3	11,984,255,953	12,074,580,383
Less: Profit paid on Deposits & Borrowings etc.	19	8,260,760,670	7,624,208,230
Net Profit on Investments		3,723,495,283	4,450,372,153
Income from investments in shares & securities	20	898,721,883	211,024,488
Commission, Exchange Earnings & Brokerage	21	1,298,540,971	849,324,558
Other Operating Income	22	314,668,829	346,075,504
		2,511,931,683	1,406,424,550
TOTAL OPERATING INCOME (A)		6,235,426,966	5,856,796,703
Salary & Allowances	23	3,273,806,450	2,822,745,731
Rent, Taxes, Insurance, Electricity etc.	24	536,672,106	518,771,717
Legal Expenses	25	16,587,578	20,354,619
Postage, Stamp, Telecommunication etc.	26	15,320,943	16,699,670
Stationery, Printing, Advertisement etc.	27	55,069,171	52,705,200
Managing Director's salary & fees	28	17,550,000	17,550,000
Directors' Fee & Other benefits	29	4,365,970	3,012,602
Shariah Supervisory Committee's Fees & Expenses	29(b)	492,085	137,184
Audit Fees	30	922,500	828,000
Charges on Investments losses	31	-	-
Depreciation and Repair of Bank's Assets	32	360,653,452	421,199,008
Zakat Expenses	32.1	7,509,901	16,841,840
Other Expenses	33	418,727,451	348,820,999
TOTAL OPERATING EXPENSES (B)		4,707,677,607	4,239,666,570
Profit / (Loss) Before Provision (C) = (A - B)		1,527,749,359	1,617,130,133
Provision for Investments	34		
Specific Provision for Classified Investments		25,177,112	23,432,547
General Provision for Unclassified Investments		-	24,105,514
Special General Provision		148,482,011	236,785,746
Provision for Off-Balance Sheet items		-	127,821,087
Provision for diminution in value of investments		-	-
Other Provision		(28,097,272)	2,587,977
Total Provision (D)		145,561,851	414,732,871
Total Profit / (Loss) before Taxes (E)=(C - D)		1,382,187,508	1,202,397,262
Provision for Taxation		377,439,929	529,178,800
Current Tax	12.1	462,697,949	663,662,081
Deferred Tax	9.6	(85,258,020)	(134,483,281)
Net Profit / (Loss) after Taxation :		1,004,747,579	673,218,462
Appropriations :			
Statutory Reserve	14	276,437,502	243,105,220
General reserve		-	-
Coupon Payable to Mudaraba perpetual Bond		354,150,000	53,160,274
Provision for Start-up Fund		10,932,178	(13,128,837)
Dividend		-	-
Retained Earnings carried forward		363,227,899	390,081,805
Earning Per Share (EPS): (Previous year's figure restated)	36	0.95	0.63

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 30, 2023

Sampad Kumar Basak, FCA
 Enrolment # 625
 Partner
 Shafiq Basak & Co.
 Chartered Accountants
 DVC: 2304300625AS833879

STANDARD BANK LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

Particulars	Notes	Amount in Taka	
		31.12.2022	31.12.2021
A) CASH FLOW FROM OPERATING ACTIVITIES			
Profit receipts in Cash		11,337,363,571	12,192,544,031
Profit payments in Cash		(7,672,774,868)	(11,176,702,874)
Dividend receipts		31,437,821	14,723,378
Fee and commission receipts in Cash		653,081,473	597,209,243
Recoveries on Investments previously written off		1,556,484	830,934
Cash Payments to employees		(3,291,356,450)	(2,840,295,731)
Cash Payments to suppliers		(55,069,171)	(52,705,200)
Income taxes paid		(638,786,290)	(509,800,066)
Receipts from other operating activities	37	317,382,563	354,149,030
Payments for other operating activities	38	(1,085,573,077)	(955,273,243)
Cash generated from operating activities before changes in operating assets and liabilities		(402,737,944)	(2,375,320,498)
Increase / (Decrease) in operating assets and liabilities			
Statutory deposits		-	-
Purchase of trading securities		141,061,216	(4,591,785,603)
Investments to other banks		-	-
Investments to customers		(10,385,250,719)	(4,508,451,582)
Other assets	39	(430,452,783)	(254,920,232)
Deposits from other banks		1,341,554,771	5,370,000,000
Deposits from customers		3,044,783,444	(5,001,574,983)
Other liabilities account of customers		-	-
Trading liabilities		2,190,358,170	2,269,628,258
Other liabilities	40	1,989,499,087	325,888,011
		(2,108,446,814)	(6,391,216,131)
Net cash flow from operating activities (A)		(2,511,184,758)	(8,766,536,629)
B) CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of non-trading securities		-	-
Payments for Purchase of securities		-	-
Purchase of property, plant & equipment		(76,098,961)	(78,819,639)
Sale of property, plant & equipment		333,692	186,390
Purchase / sale of subsidiary		-	-
Net cash flow from investing activities (B)		(75,765,269)	(78,633,249)
C) CASH FLOW FROM FINANCING ACTIVITIES			
Received from issue of loan capital and debt security		-	6,000,000,000
Payments for redemption of loan capital and debt security		(800,000,000)	(1,200,000,000)
Receipts from issue of ordinary shares		-	-
Dividends paid		(318,622,432)	(251,497,697)
Net Cash flow from financing activities (C)		(1,118,622,432)	4,548,502,303
D) NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		(3,705,572,459)	(4,296,667,575)
E) EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		645,459,498	252,115,315
F) CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		32,136,271,815	36,180,824,075
G) CASH AND CASH EQUIVALENTS AT END OF THE YEAR (D+E+F)		29,076,158,854	32,136,271,815
CASH AND CASH EQUIVALENTS AT END OF THE YEAR			
Cash in hand (including foreign currencies)		2,170,463,586	1,900,222,419
Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies)		13,446,533,644	12,951,148,982
Balance with other Banks and financial institutions		751,149,224	657,197,114
Placement with other Banks and Financial Institutions		-	-
Govt. Security/Reverse repo (Less:Revaluation Reserve on Investment)		12,707,150,000	16,626,080,000
Prize Bonds		862,400	1,623,300
		29,076,158,854	32,136,271,815
Net Operating Cash Flows (NOCF) per Share	42	(2.36)	(8.25)

These financial statements should be read in conjunction with annexed notes



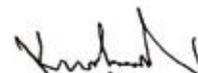
Managing Director



Director



Director



Chairman

Dated, Dhaka
April 30, 2023

STANDARD BANK LIMITED**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY****FOR THE YEAR ENDED 31 DECEMBER 2022**

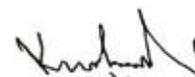
(Amount in Taka)

Particulars	Paid up Capital	Statutory Reserve	Minority Interest	Revaluation gain/loss on investments	Profit & Loss surplus A/c	Total
Balance as on 01-01-2022	10,311,405,570	6,272,362,203	-	-	591,674,188	17,175,441,961
Changes in accounting policy	-	-	-	-	-	-
Restated Balance	10,311,405,570	6,272,362,203	-	-	591,674,188	17,175,441,961
Surplus/Deficit on revaluation of properties	-	-	-	-	-	-
Adjustment of last year revaluation gain on investments	-	-	-	-	-	-
Surplus/Deficit on revaluation of investment	-	-	-	-	-	-
Currency translation difference	-	-	-	-	-	-
Net gains and losses not recognised in the income statement	-	-	-	-	-	-
Adjustment of last year	-	-	-	-	-	-
Net profit for the period	-	-	-	-	1,004,747,579	1,004,747,579
Dividends from SBL Capital Management Ltd	-	-	-	-	123,748,200	123,748,200
Dividends from SBL Securities Ltd	-	-	-	-	79,997,250	79,997,250
Dividends (Cash & Bonus shares)	309,342,160	-	-	-	(618,684,334)	(309,342,174)
Issue of Right Shares	-	-	-	-	-	-
Coupon Payable to Mudaraba perpetual Bond	-	-	-	-	(354,150,000)	(354,150,000)
Strat-up Fund	-	-	-	-	(10,932,178)	(10,932,178)
Appropriation made during the year	-	276,437,502	-	-	(276,437,502)	-
Balance as on 31.12.2022	10,620,747,730	6,548,799,705	-	-	539,963,203	17,709,510,638
Balance as on 31.12.2021	10,311,405,570	6,272,362,203	-	-	591,674,188	17,175,441,961

These financial statements should be read in conjunction with annexed notes


Managing Director

Director

Director

ChairmanDated, Dhaka
April 30, 2023

STANDARD BANK LIMITED
LIQUIDITY STATEMENT
ASSET AND LIABILITY MATURITY ANALYSIS
FOR THE YEAR ENDED 31 DECEMBER 2022

Particulars	Up to 01 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	More than 5 Years	Total
Assets:						
Cash in hand	2,170,463,586	-	-	-	-	2,170,463,586
Balance with Bangladesh Bank	6,837,100,000	-	-	-	6,609,433,643	13,446,533,643
Balance with other banks and financial institutions	746,149,224	-	5,000,000	-	-	751,149,224
Money at call & on short notice	-	-	-	-	-	-
Investment in Share & Securities	862,400	-	-	-	23,208,149,172	23,209,011,572
General Investments	27,898,677,742	21,841,879,742	57,550,588,764	46,610,987,834	20,441,773,616	174,343,907,698
Fixed assets including premises, furniture and fixtures	-	-	-	-	3,422,735,334	3,422,735,334
Other assets	80,145,076	2,620,068,563	3,306,562,353	8,393,582,282	-	14,400,358,274
Non-banking assets	-	-	-	-	-	-
Total Assets	37,733,398,028	24,461,948,305	60,862,151,117	55,004,570,116	53,682,091,765	231,744,159,331
Liabilities:						
Borrowing from Bangladesh Bank, Other banks, financial institutions and agents	20,463,988,430	-	-	2,085,417	-	20,466,073,847
Deposits	7,900,349,686	21,943,954,057	58,331,961,981	44,657,716,034	37,961,132,703	170,795,114,461
Other Accounts	-	-	-	-	-	-
Provision and other liabilities	249,019,349	168,094,027	1,708,846,644	6,464,465,335	14,183,035,030	22,773,460,385
Total Liabilities	28,613,357,465	22,112,048,084	60,040,808,625	51,124,266,786	52,144,167,733	214,034,648,693
Net Liquidity Gap	9,120,040,563	2,349,900,221	821,342,492	3,880,303,330	1,537,924,032	17,709,510,638

These financial statements should be read in conjunction with annexed notes



Managing Director



Director



Director



Chairman

Dated, Dhaka
April 30, 2023

STANDARD BANK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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, 122 ATMs and 24 Agent outlets all over the country.

Now the bank is operating as full fledged Islamic shariah Based Banking from 1st January, 2021

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 dealing in government securities etc complying with shariah principles. There have been significant changes in the nature of the principal activities of the Bank and a biggest business transformation has been taken place as on 1st January 2021 in the history of global business arena. We have migrated our bank from conventional banking to Islamic banking.

As a fully operational shariah based commercial bank, we focuses on pursuing unexplored market niches in the Small and Medium Enterprises (SME) business, Corporate Business, RMG & Knitware Sector which hitherto 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) 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.

b) 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 DigiBaning 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 anywhere. This documents clearly describes the day to day operational process of SBL DigiBanking System.

c) Agent Banking:

Standard Bank obtained permission from Bangladesh Bank to commence Agent Banking services. we have 24 Agent Banking Outlets up to reporting period of 31.12.2022 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 Investments 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	
			2022	2021	2022	2021	2022	2021
SCML	Tk	100	15,000,000	15,000,000	14,999,400	14,999,400	100.00%	100.00%
SBSL	Tk	10	80,000,000	80,000,000	79,994,500	79,994,500	99.99%	99.99%
UK Exchange	Tk	100	36,171,810	34,078,830	36,171,810	34,078,830	100.00%	100.00%
USA Exchange	Tk	100	156,550,000	131,517,500	156,550,000	131,517,500	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

IFRSs: 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 2013) 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 2022 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: 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 "available for sale" 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 Profit 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 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. Profit 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 Investments & off Balance Sheet items:

IFRS: As per IFRS 9: Financial Instruments, an entity shall recognise an impairment allowance on Investments based on expected credit losses. At each reporting date, an entity shall measure impairment allowance for Investments at an amount equal to the lifetime expected credit losses, if the credit risk on these Investments has increased significantly since initial recognition, whether assessed on an individual or collective basis, considering all reasonable information (including that which is forward-looking). For those Investments 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 Investments that are possible within 12 months after the reporting date.

Bangladesh Bank: As per 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 Investmentss (Standard/SMA Investmentss) should be maintained regardless of objective evidence of impairment. And specific provision for sub-standard/doubtful/bad-loss Investmentss should be made at 20%, 50% and 100% respectively on Investmentss 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 Profit in suspense

IFRS: Investments to customers are generally classified as 'Investmentss and receivables' as per IFRS 9 and Profit income is recognised through effective Profit rate method over the term of the Investments. Once a Investments is impaired, Profit 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 Investments is classified (other than bad loss), Profit on such Investmentss are not allowed to be recognised as income, rather the corresponding amount needs to be credited to an Profit in suspense account, which is presented as liability in the balance sheet.

vi) Other comprehensive income

IFRS: 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: 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 14 dated 25 June, 2003, & BRPD 15 dated 9 November, 2009 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: 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 Profit 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: 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,& BRPD 15 dated 9 November ,2009 there must exist a face item named Non-banking asset.
- xii) **Cash flow statement**
IFRS: 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, & BRPD 15 dated 9 November ,2009cash 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 & BRPD 15 dated 9 November ,2009issued by Bangladesh Bank.
- xiii) **Balance with Bangladesh Bank: (Cash Reserve Requirement)**
IFRS: 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: 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& BRPD 15 dated 9 November ,2009 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: 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 & BRPD 15 dated 9 November ,2009 hence,it is shown in fixed assets.
- xvi) **Investments net of provision**
IFRS: Investments should be presented net of provision.
Bangladesh Bank: As per BRPD 14, dated 25 June ,2003 & BRPD 15 dated 9 November ,2009 provision on Investments are presented separately as liability and can not be netted off against Investments.
Bank's Methodology: Investments have been shown at gross amounts without Markup profit at 31 December 2021.
- xvii) **Disclosure of appropriation of profit**
IFRS: 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,& BRPD 15 dated 9 November ,2009 an appropriation of profit should be disclosed on the face of Profit & Loss Account.
- xviii) **Provision on undrawn Investments commitments:**
IFRS: As per IFRS 9 bank shall recognise credit losses on undrawn Investments 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 Investments commitments).

xix) Name of the financial statements:

IFRS: 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 & BRPD 15 dated 9 November ,2009 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 “Hikmah20” 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, 2022.

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, 2022.

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. Investments 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 Investments 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 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 abovementioned 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 Investments write-off

Investments 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 Investment Recovery Division (CRD) has been set up at the Banks Head Office which monitors Investments 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 IRD maintains a separate ledger for all individual cases written off by each branch. The IRD follow up on the recovery efforts of these written off Investments and reports to management on periodic basis. Written off Investments 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 be 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 2022 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. The balance of the gratuity fund for the year ended 31 December 2022 is Tk. 1,84,69,05,716.11.

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.

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 2022 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 Investments.

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 HFTorHTM) is made following Bangladesh Bank DOS Circular no. 05 dated 26 May, 2008 , BRPD 15 dated 9 November ,2009and 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 Profit bearing security, the Bank does not accrue Profit 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) Investments, advances and provisions

Investments are stated in the balance sheet net off unearned income(Markup profit & profit receivable). Specific provisions were made to adjust all impaired Investments 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 and BRPD Circular No.3 of 21 April ,2019 respectively at the following rates:

Rate of provision:

Particulars	Short term Agri-credit	Consumer Financing			SMEF	Investments to BHs /MBs/SDs	All other credit	
		Other than HF &LP	HF	LP				
Unclassified	Standard	1%	2%	1%	2%	0.25%	2%	1%
	SMA	1%	2%	1%	2%	0.25%	2%	1%
Classified	SS	5%	20%	20%	20%	5%	20%	20%
	DF	5%	50%	50%	50%	20%	50%	50%
	BL	100%	100%	100%	100%	100%	100%	100%

iv) **Fixed Assets Including Premises, Furniture & Fixtures and Right Of Use Assets.**

Recognition and measurement

Application of Lease as per IFRS 16 along with its relevant assumptions and disclosures:

IFRS 16: Standard Bank Limited applied IFRS 16 from 1 January 2020 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 liability is measured by increasing the carrying amount to reflect Profit 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. Profit on the lease liability in each period during the lease term shall be the amount that produces a constant periodic rate of Profit 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 to be those with a value of around US\$ 5 000 or less, when new. Leases of 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 31-12-2022. 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.

Items of fixed assets excluding land are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Land is measured at cost/valuation.

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 derecognized. 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 form 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 2022.

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 & 15 dated 9 November, 2009 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) Placement from other banks, financial institutions and agents

Placement from other banks, financial institutions and agents include Profit bearing placement which are stated in the financial statements at principal amount of the outstanding balance. Profit payables on such placement are reported under other liabilities.

ii) Deposits and other accounts

Deposits and other accounts include non-Profit bearing current deposits redeemable at call, Profit 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 Investments, provision for taxes, Profit payable on borrowing, Profit 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 2022, 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 Investments**
Provision for classified Investments 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 and BRPD Circular No.3 of 21 April ,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 2022 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 Profit

Non controlling Profit (non-controlling Profit) 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 Profit 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 Profit 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 Profit is reported on the consolidated income statement as a share of profit belonging to the Non controlling shareholder.

D. Revenue Recognition**i) Profit income**

Profit on unclassified Investments is accounted for as income on accrual basis, Profit on classified Investments is credited to Profit suspense account with actual receipt of Profit there from credited to income as and when received as per IFRS 15 and instruction contained in BRPD 14 dated 23 September 2012, BRPD 16 dated 18 November, 2014 ,BRPD 3 dated 21 April, 2019 & BRPD 15 dated 9 November , 2009 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) Profit income from investments

Profit 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) Profit paid on Placement and deposits

Profit paid on Placement and deposits are calculated on 360 days basis (except for some treasury instruments which are calculated on 364 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.

c. Zakat Fund

Zakat is paid by the Bank at the rate of 2.58% (instead of 2.50% as the Bank maintains its financial statements following Gregorian Year) and calculated on the closing balances of Share Premium, Statutory Reserve, General Reserve (Retained Earnings) and Dividend Equalization Accounts. Zakat is charged in the Profit & Loss Account of the Bank as per Guidelines for Islamic Banking issued by Bangladesh Bank through BRPD Circular No. 15 dated 09.11.2009. Zakat is not paid on Paid up Capital and Deposits, since it is the responsibility of the Shareholders and Depositors respectively.

- 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 2022.
- 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 43.
- 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 2022 in its meeting no. 376 held on 30.04.2023.
- 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
 - i) 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
- 4) Fraud and forgery
- 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.

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

Our Compliance Department replied on 05 (Five) Special Inspection on Core risks, 17 (Seventeen) Comprehensive Audit, 05 (Five) Inspection on Foreign Exchange Transactions and 05 (Five) Surprise inspection by Bangladesh Bank.

For smooth operation of the bank we ensure proper monitoring through Quarterly Operations Report, Loan Documentation Checklist, Departmental Control Functional Checklist, Online Transaction Monitoring, preparation of Self-assessment on Anti-fraud Internal Control and Health Report of the Bank.

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 usage 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 2022 were as follows:

Mr. Md. Tohidul Alam Khan	MD & CEO (CC)	Chairman
Mr. Mohammad Rafiqul Islam	DMD & COO	Member
Mr. Mohd. Muin Uddin Latif Hassan	DMD & CBO	Member
Mr. Md. Ali Reza	EVP	CFO/Member
Mr. Shah Rahat Uddin Ahmed	VP	Head of Treasury Member Secretary

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, Profit 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 Investment Risk

Investment 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. Investment risk is usually defined as the performance risk associated with a financial contract (e.g. a Investments, 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 Profit payments, would be called Investment 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 Investment 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 Investment risk management activities have been designed to address all these issues.

A thorough risk assessment is done before sanction of any Investment facility at risk management units. The risk assessment includes borrower risk analysis, financial analysis, industry analysis, historical performance of the customer, security of the Investment facility etc. The assessment process starts at the branch level and ends at Investment Risk Management division when it is approved /declined by the competent authority. Investment 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 Investments 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. Investments 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.01/2011dated 30.01.2011 and BRPD Circular no.02dated 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 Investment risk hence it has been decided to integrate the same with Investment 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 (EnvRR) of any Investment 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 EnvRR of a Investment 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 & 33 branches during the year 2022 & special inspection on four core risk (ALM, CRM, ICCD & ICT) based on 30-06-2022 by DBI & two core risk (AML & Foreign Exchange Risk) by BFIU & Foreign Exchange Inspection department during 2022 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, Investment Division, Investment 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:

- The Bank Companies Act 1991 as amended.
- The Companies Act 1994
- Income Tax Ordinance, 1984 and rules
- The Value Added Tax (VAT) Act & Supplementary Duty Act 2012.
- Bangladesh Securities and Exchanges Rules 1987, Bangladesh Securities and Exchanges Ordinance 1969, Bangladesh Securities and Exchanges Act 1993.
- 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 2022.

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	IAS	9	Complied *
Consolidated Financial Statements	IFRS	10	Complied
Joint Arrangements	IFRS	11	N/A
Disclosure of Profits 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 2022 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 Investments, deposits and other transactions and balances with SME customers.
Consumer Banking	Includes Investments, 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 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.
SBL Securities 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 .
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.

- c) 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 2022. 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 376th meeting held on April 30, 2023.

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 (ACRSL) based on the audited financial statements as at and for the year ended 31 December 2022. The following ratings have been awarded:

Particulars	Date of Rating	Long term	Short term
Surveillance Rating	28-Jun-23	AA+	ST-2
Outlook		High credit quality and low expectation of credit risk	High certainty of timely payment
		Stable	

2.24

Director's Responsibilities on Statement

The Board of Directors is responsible for the preparation and presentation of the Financial Statements of the Bank and its Subsidiaries in compliance with the regulations.

These Financial Statements comprise

- Consolidated Profit or Loss
- Consolidated Balance Sheet
- Consolidated Statement of Changes in Equity
- Consolidated Statement of Cash Flows
- Notes to the Financial Statements

		Amount in Taka	
		31.12.2022	31.12.2021
3. CASH			
3.1 Cash in hand			
In local Currency		2,152,334,016	1,817,119,514
In Foreign Currency		18,129,571	83,102,905
Total		2,170,463,587	1,900,222,419
3.2 Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)			
In local Currency		13,175,839,364	12,665,582,200
In Foreign Currency		76,653,623	216,173,761
		13,252,492,987	12,881,755,961
Sonali Bank as agent of Bangladesh Bank			
Local currency		194,040,657	69,393,021
		13,446,533,644	12,951,148,982
Total		15,616,997,231	14,851,371,401
3.3 Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR)			
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 No. 01 dated January 19, 2014, DOS Circular Letter No. 26 dated August 19, 2019 and MPD circular No. 02 dated December 10, 2013 and MPD circular No.01 dated April 03, 2018, MPD circular No.01 dated March 23, 2020 & 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 5.50% Statutory Liquidity Ratio, on the same liabilities has also been maintained in the form of BGIB, SUKUK, 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):			
(4% of Average Demand and Time Liabilities)			
Required Reserve		6,431,617,000	6,625,910,000
Actual Reserve maintained (as per Bangladesh Bank Statement)		13,268,717,000	12,629,800,000
Surplus/(Deficit)		6,837,100,000	6,003,890,000
ii) Statutory Liquidity Ratio (SLR) :			
(5.5% of Average Demand and Time Liabilities)			
Required Reserve		8,868,557,000	9,110,626,000
Actual Reserve maintained		21,901,265,000	24,590,669,000
Surplus/(Deficit)		13,032,708,000	15,480,043,000
3.4 Held for Statutory Liquidity Ratio			
Cash in hand		2,170,475,000	1,900,221,000
Balance with Sonali Bank		186,540,000	60,478,000
Excess of CRR		6,837,100,000	6,003,890,000
Government Treasury Bills		2,400,000,000	7,500,000,000
Government Treasury Bonds		10,307,150,000	9,126,080,000
		21,901,265,000	24,590,669,000
3(a) Consolidated cash			
i. Cash in hand			
Standard Bank Limited (note-3.1)			
Standard Exchange Co.(UK) Ltd.		2,170,463,586	1,900,222,419
Standard Express(USA) Ltd.		139,400,099	149,412,704
SBL Capital Mgt. Ltd.		-	-
SBL Securities Ltd.		-	-
		2,309,863,685	2,049,635,123

		Amount in Taka	
		31.12.2022	31.12.2021
ii.	Balance with Bangladesh Bank and its agent bank(s)		
	Standard Bank Limited (note-3.2)	13,446,533,644	12,951,148,982
	Standard Exchange Co. (UK) Ltd.	-	-
	Standard Express (USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	SBL Securities Ltd.	-	-
		13,446,533,644	12,951,148,982
		15,756,397,329	15,000,784,105
4.	Balance with other Banks and financial institutions		
	In Bangladesh (note 4.1)	158,399,109	63,560,815
	Outside Bangladesh (note 4.2)	592,750,115	593,636,298
		751,149,224	657,197,114
4.1	In Bangladesh		
	Al-wadeeah Current deposits		
	Agrani Bank Limited	101,376	100,804
	Basic Bank Limited	1,843	5,000
	BRAC Bank Ltd.	341,184	341,184
	Eastern Bank Limited	1,253	1,253
	Islami Bank bd Limited	54,841	48,053
	Janata Bank Limited	44,660	232,403
	Premier Bank Ltd	1,600	-
	Pubali Bank Ltd.	-	13,000,000
	Sonali Bank Limited	45,294,882	25,539,053
	Standard Chartered Bank	2,641,350	10,956,267
	Trust Bank Ltd.	4,754,760	4,156,651
	Mudaraba Short Term Deposit (MSND)		
	Exim Bank Ltd	58,620	100,000
	The City Bank Limited	100,000	(919,852)
	Jamuna Bank Ltd	575	-
	Agrani Bank Limited	100,002,165	-
		153,399,109	53,560,815
	Savings Deposit	-	-
	Fixed Deposits		
	Hajj Finance Company Ltd.	5,000,000	10,000,000
		158,399,109	63,560,815

4.2 Outside Bangladesh**In Current account****Profit Bearing**

Habib American Bank Ltd. New York
Mashreq Bank Psc, New York

Non Profit Bearing

Standard Chartered Bank, New York
AXIS Bank Limited, Mumbai, India
ICICI Bank Ltd., Mumbai, India
A.B. Bank LTD. MUMBAI
Standard Chartered Bank Ltd., Mumbai, India
Standard Chartered Bank Ltd., Frankfurt
Standard Chartered Bank Ltd., Tokyo
ICICI Bank Ltd., Hongkong
Nepal Bangladesh Bank Ltd, Kathmundo
Bhutan National Bank, Bhutan
Commerz Bank, Frankfurt
Habib Metropolitan Bank Ltd. Karachi, Pakistan
Bank Aljaria, KSA
Bank Aljaria, KSA, USD
Commerzbank, Frankfurt (GBP)
SCB, LONDON (GBP)
Hsbc Mumbai India
Sonal Bank (UK) Ltd

Total Nostro Accounts

FDR
Standard Chartered Bank Ltd., Mumbai, India
Others
Habib American Bank Ltd, New York (OBU)

Total Outside Bangladesh**Total****(Annexure-A for details)****4.3 Maturity grouping of balance with other banks and financial institutions**

Payable on demand
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

4.4 Net Balance with other banks and financial institutions

Balance with other banks and financial institutions **(note-4)**
Add: Lending to other banks and financial institutions **(note-05)**
Less: Borrowing from other banks and financial institutions **(note-10)**

Amount in Taka	
31.12.2022	31.12.2021
17,421,936	83,463,956
12,863,697	75,901,532
-	68,535,014
4,676,507	25,743,400
13,686,154	24,989,704
7,887,467	9,460,788
0.0	52,857,350
281,847,131	1,344,126
14,158,477	39,092,258
3,284,994	17,699,572
17,995,428	14,909,212
109,545	469,985
11,959,040	3,436,152
462,603	5,514,423
18,354,009	25,271,361
9,162,657	3,786,637
1,891,787	1,149,431
23,314,437	112,560,885
4,167,024	-
5,145,724	-
448,388,617	566,185,786
-	-
7,352,100	7,352,100
-	-
137,009,398	20,098,412
592,750,115	593,636,298
751,149,224	657,197,114
-	-
-	-
746,149,224	647,197,114
-	-
5,000,000	10,000,000
-	-
-	-
751,149,224	657,197,114
751,149,224	657,197,114
-	-
20,466,073,846	19,075,715,676
(19,714,924,622)	(18,418,518,562)

	Amount in Taka	
	31.12.2022	31.12.2021
a) Government securities		
Treasury Bill		
14 days Treasury Bills		-
91 days Treasury Bills	-	-
182 days Treasury Bills	-	-
364 days Treasury Bills	-	-
Total Treasury Bill	-	-
Government Bond & Sukuk		
SUKUK	10,307,150,000	9,126,080,000
BGIB	2,400,000,000	7,500,000,000
Total Government Bond	12,707,150,000	16,626,080,000
Prize bonds	862,400	1,623,300
Total Prize bonds	862,400	1,623,300
Government Islamic Bond		
1 years bonds	-	-
2 years bonds	-	-
Total Government Islamic Bond	-	-
Total Government Securities	12,708,012,400	16,627,703,300
b) Other Investments		
Quoted Shares	151,331,235	150,912,931
Unquoted Shares	5,407,168,523	5,386,148,043
Subordinated Bonds	4,942,499,412	5,104,999,412
Total Others Investment	10,500,999,171	10,642,060,387
6.1 Government Securities classified as per Bangladesh Bank Circular:		
Held for trading (HFT)	-	-
Held to maturity (HTM)	12,707,150,000	16,626,080,000
Other Securities (Prize Bond)	862,400	1,623,300
	12,708,012,400	16,627,703,300
6.2 Maturity grouping of Investments :		
On demand	862,400	1,623,300
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	23,208,149,171	27,268,140,387
	23,209,011,571	27,269,763,687
6.3 Other Investments :		
a) Quoted Shares		
First Bangladesh Fixed Income Fund	146,779,000	146,779,000
Bangladesh Steel Re-Rolling Mills Ltd	2,493,010	2,493,010
The ACME Laboratories Limited	-	109,226
Sonali Life Insurance Company	23,070	43,070
Runner Automobile Limited	676,745	676,745
Robi Axiata Limited	811,880	811,880
Union Insurance Ltd.	11,430	-
Islami Commercial Insurance	87,980	-
Meghna Insurance Ltd.	40,020	-
Bd Paints Ltd.	160,500	-
Achia Sea Foods Limited	247,600	-
Total Quoted Shares	151,331,235	150,912,931

	Amount in Taka	
	31.12.2022	31.12.2021
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
SWIFT	3,003,185	3,003,185
Standard Exchange Co.(UK) Ltd.	36,171,810	34,078,830
Standard Express(USA) Ltd.	156,550,000	131,517,500
SBL Capital Mgt. Ltd.	1,499,940,000	1,499,940,000
SBL Securities Ltd.	799,940,000	799,945,000
SBL Capital Mgt. Ltd.(Investment)	2,717,515,364	2,723,615,364
Total Unquoted Shares	5,407,168,523	5,386,148,043
c) Subordinated Bond		
Zero Coupon Bond	99,999,412	99,999,412
Beximco Green-Sukuk Al Istisna'A	10,000,000	10,000,000
Investment In Perpetual Bond	4,500,000,000	4,500,000,000
Jamuna Bank Ltd 2nd Subordinate Bond	200,000,000	300,000,000
MTBL 3rd Subordinated Bond	60,000,000	90,000,000
The City Bank 2nd Subordinated Bond	52,500,000	85,000,000
Golden Harvest Agro Industries Ltd.	20,000,000	20,000,000
Total Subordinated Bond	4,942,499,412	5,104,999,412
Total Other Investments	10,500,999,171	10,642,060,387
(Annexure-E may kindly be seen for details)		
6(a) Consolidated Investments		
Government		
Standard Bank Limited	12,708,012,400	16,627,703,300
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	-	-
SBL Securities Ltd.	-	-
	12,708,012,400	16,627,703,300
Others		
Standard Bank Limited	10,500,999,171	10,642,060,387
Standard Capital Mgt. Ltd (Share Capital & Investment to SCML)	(4,217,455,364)	(4,223,555,364)
Standard Exchange Co.(UK) Ltd.	(36,171,810)	(34,078,830)
Standard Express(USA) Ltd.	(156,550,000)	(131,517,500)
SBL Capital Mgt. Ltd.	1,781,866,143	1,743,307,257
SBL Securities Ltd.	521,179,013	412,425,791
SBL Securities Ltd. (Share Capital to SSL)	(799,940,000)	(799,945,000)
	7,593,927,153	7,608,696,741
	20,301,939,553	24,236,400,041

7. Investments

As per classification into the following broad categories:

I) General Investments etc.

Inside Bangladesh

Bai - Murabaha

Bai - Muajjal

Bai - Salam

HPSM

Quard - e - Hasan with Service Charge

Islamic Credit Card

Outside Bangladesh

ii) Bills purchased and discounted

Payable inside Bangladesh

Inland bills purchased

Payable outside Bangladesh

Foreign bills purchased and discounted

Total

7.1 Net Investments

Investments(note-7)

Less:

Non-performing Investments(note-7.9)

Profit suspense Account (note-12.5)

Provision for Investments (note-12.2)

7.2 Residual maturity grouping of Investments including bills purchased and discounted

Repayable on demand

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

7.3 Investments on the basis of significant concentration including bills purchased and discounted

a) Investments to allied concerns of Directors/Sponsors of the Bank (Annexure-D)

b) Investments to Chief Executive and other senior executives (including staff)

c) Investments to customers group :

i) Commercial lending

ii) Export financing

iii) House building Investment

iv) Consumers Investment Scheme

v) Small and medium enterprises

vi) Special program Investment

vii) Other Investments

	Amount in Taka	
	31.12.2022	31.12.2021
	19,555,325,779	17,675,715,251
	68,215,944,542	62,578,900,327
	478,254,160	957,362,938
	79,033,295,689	74,909,942,760
	3,328,849,745	653,206,387
	717,345,742	724,368,585
	171,329,015,657	157,499,496,248
	-	-
	171,329,015,657	157,499,496,248
	601,773,417	635,578,295
	2,413,118,624	5,823,582,437
	3,014,892,041	6,459,160,732
	174,343,907,698	163,958,656,979
	174,343,907,698	163,958,656,979
	13,840,141,724	10,154,982,128
	2,618,193,009	1,922,153,825
	4,912,107,189	4,758,062,019
	21,370,441,923	16,835,197,972
	152,973,465,775	147,123,459,008
	-	-
	27,898,677,742	31,799,542,341
	21,841,879,742	18,367,147,011
	57,550,588,764	44,737,185,987
	46,610,987,834	56,139,822,948
	20,441,773,616	12,914,958,692
	174,343,907,698	163,958,656,979
	303,318,000	504,880,000
	1,054,159,396	1,087,682,623
	11,194,100,000	9,689,900,000
	2,700,000,000	1,589,200,000
	8,357,600,000	6,582,500,000
	5,340,200,000	4,551,400,000
	35,110,000,000	33,203,400,000
	296,496,912	3,818,283,389
	2,067,000,000	789,200,000
	65,065,396,912	60,223,883,389

		Amount in Taka	
		31.12.2022	31.12.2021
d) Industrial Investments			
i) Agricultural Industries		4,730,000,000	3,188,500,000
ii) Textile Industries		6,720,000,000	23,239,000,000
iii) Food and allied Industries		11,464,400,000	10,477,800,000
iv) Pharmaceuticals Industries		60,000,000	5,200,000
v) Leather, Chemical and Cosmetics etc		2,471,500,000	2,441,700,000
vi) Cement and Ceramic Industries		1,432,900,000	1,326,100,000
vii) Service Industries		1,312,400,000	4,908,400,000
viii) Transport and Communication Industries		2,500,000,000	3,391,300,000
ix) Other Industries		77,229,833,390	53,164,210,967
		107,921,033,390	102,142,210,967
Total Investments		174,343,907,698	163,958,656,979
7.4 Geographical Location-wise Investments:			
Urban:			
Dhaka Division		119,513,150,174	113,062,371,052
Chittagong Division		27,549,553,733	27,792,715,927
Khulna Division		11,720,401,905	8,929,269,595
Barishal Division		357,608,677	344,419,182
Rajshahi Division		6,759,966,427	6,031,834,468
Rangpur Division		3,663,043,134	3,587,670,662
Sylhet Division		602,985,535	700,398,695
Mymensing Division		185,028,696	185,674,494
		170,351,738,281	160,634,354,075
Rural :			
Dhaka Division		2,101,305,967	1,551,687,029
Chittagong Division		836,844,493	753,593,829
Khulna Division		-	-
Barishal Division		-	-
Rajshahi Division		494,671,505	472,793,098
Rangpur Division		239,632,028	214,446,518
Sylhet Division		79,855,889	96,812,534
Mymensing Division		239,859,536	234,969,896
		3,992,169,417	3,324,302,904
Outside Bangladesh		-	-
Total		174,343,907,698	163,958,656,979
7.5 Details of pledged collaterals			
Agriculture and SME		33,048,300,000	33,023,400,000
Manufacturing/Production		33,194,300,000	29,201,900,000
Real Estate		11,321,900,000	9,975,000,000
Service Industry		14,360,800,000	15,855,700,000
Others		2,095,710,553	5,542,333,331
		94,021,010,553	93,598,333,331

7.6 Details of large investments

Number of clients with amount of outstanding and classified Investments to whom Investments sanctioned exceeds 10% of total capital of the Bank. Total Capital of the Bank was Taka 2644.06 crore as at 31 December ,2022 (Taka 2639.91 Crore in 2021)

	Amount in Taka	
	31.12.2022	31.12.2021
Number of Clients	28	28
Amount of outstanding Investments	7,983.26	7,285.77
Amount of classified Investments	-	-
Measures taken for recovery	Not applicable	Not applicable

Name of Clients	Outstanding as on 31.12.2021		Total Amount (In crore)	
	Funded	Non-Funded	2022	2021
Chaity Group	363.45	21.23	384.68	413.51
Sinha Group	281.94	-	281.94	282.82
M.A.Rahman Dyeing Industry Ltd	439.64	-	439.64	406.06
Paradise Group	463.22	1.03	464.25	429.27
Pran Group	254.07	383.85	637.92	457.09
Bashundhara Group	379.54	-	379.54	360.77
Rose Group/Pantex	96.93	117.76	214.69	266.28
SQ Group	106.50	274.40	380.90	344.66
City Group	321.71	203.46	525.17	313.66
Rangs Group	281.90	16.64	298.54	300.43
Modern Group	280.82	-	280.82	255.45
Nitol-Niloy Group	97.98	0.70	98.68	148.52
Abdul Monem Ltd.	182.04	62.09	244.13	275.08
Mir Akhter Hossain Ltd.	75.09	43.73	118.82	123.82
Eurotex Group	46.48	248.05	294.53	312.63
Union Group	57.12	27.88	85.00	124.61
Prime Group	347.28	8.33	355.61	344.75
MSA Textiles Ltd	186.80	20.47	207.27	191.10
Karim Group	169.94	171.57	341.51	225.99
Abul Khair Group	-	81.03	81.03	207.31
Provita Group	325.48	0.08	325.56	204.34
Meghna Group	-	333.47	333.47	307.01
BRB	229.13	43.69	272.82	-
Jahir Group	90.83	27.65	118.48	-
Armana Group	291.78	116.27	408.05	-
Max Infrastructure Ltd	6.19	172.05	178.24	-
NDE Group	159.46	67.91	227.37	69.86
BSRM Group	-	4.60	4.60	10.96
Seacom Group	-	-	-	210.79
Nationtech-KKENT JV	-	-	-	316.14
Noman Group	-	-	-	247.15
Gemcon Group	-	-	-	135.71
Total	5,535.32	2,447.94	7,983.26	7,285.77

		Amount in Taka	
		31.12.2022	31.12.2021
7.7	Particulars of Investments	Taka	Taka
i)	Investments considered good in respect of which the Bank is fully secured	133,267,944,134	117,731,049,080
ii)	Investments considered good against which the bank holds no security other than the debtors' personal guarantee	29,100,518,259	37,074,067,916
iii)	Investments considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	10,872,620,973	7,670,529,329
iv)	Investments adversely classified; provision not maintained there against	1,102,824,332	1,483,010,654
		174,343,907,698	163,958,656,979
v)	Investments due by directors or officers of the banking company or any of them either separately or jointly with any other persons	1,357,477,596	1,592,561,663
vi)	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	530,479,575	730,709,388
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.	1,630,304,947	1,657,329,791
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	781,863,190	689,660,063
ix)	Due from banking companies	-	-
x)	Total amount of Classified Investments on which interest is not credited to income	13,840,141,724	10,154,982,128
a)	Movement of Classified Investments		
	Opening Balance	10,154,982,128	7,768,228,563
	Increase/(decrease) during the year	3,685,159,596	2,386,753,565
		13,840,141,724	10,154,982,128
b)	Provision kept against investment classified as bad debts (note-7.9)	4,912,107,189	4,758,062,019
c)	Profit credited to profit suspense Account (note-12.5)	2,618,193,009	1,922,153,825
xi)	Cumulative amount of written off Investments		
	Opening Balance	4,674,746,311	4,704,155,554
	Amount written off during the year	511,574,752	-
		5,186,321,063	4,704,155,554
	Amount realized against Investments previously written off	321,151,566	29,409,243
	Closing Balance	4,865,169,497	4,674,746,311
	The amount of written off/classified Investments for which law suits have been filed	4,499,100,000	4,638,874,000
7.8	Classification of Investments		
	Unclassified:	160,503,765,974	153,803,674,851
	Standard including staff Investments	159,661,597,868	149,765,364,492
	Special Mention Account (SMA)	842,168,106	4,038,310,359
	Classified:	13,840,141,724	10,154,982,128
	Sub standard	1,033,155,122	815,321,552
	Doubtful	1,602,734,611	1,315,224,576
	Bad/Loss	11,204,251,991	8,024,436,000
		174,343,907,698	163,958,656,979

7.9

Particulars of required provision for Investments

				Amount in Taka	
				31.12.2022	31.12.2021
Status	Outstanding	Base for provision	%		
Un-classified -General provision:					
All Unclassified Investment (other than Small and Medium Enterprise financing, Investment to BH/MB/SD agst shares, Consumer Financing, House Finance, Agriculture Finance, Staff investment and Special Mentioned Account)	123,301,495,232	123,301,495,232	1% to 5%	1,018,128,074	1,143,546,434
Small and Medium Enterprise financing	28,161,850,126	28,161,850,126	0.25%	65,071,811	72,956,987
Investment to BH/MB/SD agst shares	547,250,618	547,250,618	2.00%	10,945,012	11,121,549
Consumer Financing,	289,524,924	289,524,924	2.00%	5,790,498	4,002,261
Consumer Financing,	302,439,597	302,439,597	2.00%	6,048,792	4,966,089
House Finance	1,300,917,875	1,300,917,875	1.00%	13,009,179	10,194,507
Agriculture Finance	4,715,129,547	4,715,129,547	1.00%	32,984,284	28,228,314
Staff Investment	1,042,989,949	1,042,989,949	0.00%	-	-
Special Mentioned Account	842,168,106	3,146,068	.25% to 5%	3,146,069	30,671,440
Classified-specific provision					
Sub Standard	1,033,155,122	619,802,415	5% to 20%	73,741,181	47,175,996
Doubtful	1,602,734,611	919,643,533	5% to 50%	437,765,478	296,609,177
Bad/Loss	11,204,251,991	5,795,312,351	100.00%	5,795,312,351	3,108,589,266
	174,343,907,697	166,999,502,234		6,306,819,009	3,452,374,439
Required provision for Investments				7,461,942,729	4,758,062,020
Total Provision maintained (note-12.2)				4,912,107,189	4,758,062,020
Deferral Provision will be maintained in future				2,549,835,540	
Excess/(Short) provision at 31 December				-	-

*As per Bangladesh Bank letter no. DBI-6/51(4)/2023-350 dated 13.04.2023 & DOS (CAMS) 1157/ 41(Dividend)/2023-2148 dated 27.04.2023, the remaining provision of Tk. 298.69 crore will be maintained within 2023.

7.10

Particulars of required provision on Off-Balance Sheet Exposures

Base for Provision	Rate %			
Acceptance and endorsements	16,624,419,970	1%	166,244,200	179,517,755
Letter of guarantee	15,757,510,742		157,575,107	132,627,312
Letter of credit	11,325,437,450		113,254,374	161,893,969
Bills for Collection	-		-	-
Required provision of Off-Balance Sheet Exposures			437,073,681	474,039,036
Deferral Provision will be maintained in future			437,073,681	-
Excess/(Shortfall) provision at 31 December			-	-

As per Bangladesh Bank letter no. DBI-6/51(4)/2023-350 dated 13.04.2023 & DOS (CAMS) 1157/ 41(Dividend)/2023-2148 dated 27.04.2023, the remaining provision of Tk. 298.69 crore will be maintained within 2023.

7.11

Suits filed by the bank (Branch wise details)

	Amount in Taka	
	31.12.2022	31.12.2021
Aganagar Branch	2,839,295	-
Agrabad Branch	3,336,646,459	3,336,646,459
Ashkona Branch	19,217,572	17,842,216
Ashulia Branch	5,389,496	5,389,496
Bagerhat Branch	89,732,434	-
Bahaddarhat Branch	5,471,000	106,694,434
Bakshigonj Branch	58,027,058	19,027,058
Banani Branch	384,789,499	401,892,518
Baneswar Branch	7,000,000	7,000,000
Banti Bazar Branch	19,464,011	2,928,700
Barishal Branch	42,820,224	20,455,010
Bashurhat Branch	24,501,324	53,996,624
Beanibazar Branch	116,466,862	12,686,283
Benapole Branch	4,921,445	162,941,185
Bhairab SME Branch	2,832,980	4,539,607
Bhogeshwar Branch	38,288,798	2,832,980
Bishawanath Branch	210,808,613	41,502,943
Bogra Branch	42,649,670	219,526,238
Brahmanbaria Branch	843,489,186	43,149,670
CDA Avenue Branch	20,968,371	882,646,956
CEPZ Branch	181,108,593	54,444,146
Chapainawabgonj Branch	10,306,324	163,487,108
Chowdhuryhat Branch	1,508,321	882,624
Chuadanga Branch	6,706,844	1,508,321
Cox's Bazar Branch	11,785,323	47,980,454
Cumilla Branch	19,149,080	8,886,655
Dakkhinkhan Branch	374,783,955	14,213,337
Dhanmondi Branch	296,979,896	320,704,731
Dinajpur Branch	10,004,051	302,496,304
Ekoria Branch	182,170,743	-
Faridpur Branch	53,068,151	99,319,057
Feni Branch	278,238,675	43,330,991
Foreign Exchange Branch	50,997,000	73,398,213
Fulbari Branch	41,228,322	32,300,000
Gazipur Branch	23,732,323	38,318,830
Goalabazar Branch	30,200,000	26,241,508
Gobindagonj Branch	6,050,000	9,844,000
Gopalganj Branch	522,554,172	4,500,000
Green Road Branch	1,812,365,165	522,554,172
Gulshan Branch	6,045,963,967	1,787,400,000
Gulshan-1 Branch	27,259,898	1,702,789,366
Hatikumrul Branch	1,132,693,749	5,926,366
Imamgonj Branch	35,170,218	1,132,693,749
Jessore Branch	55,492,140	29,201,466
Jhenaidah Branch	3,705,047,965	55,492,140
Jubilee Road Branch	53,826,437	2,883,879,418
Kadamtoli Branch	19,425,705	53,826,437
Kamarpur Branch	40,559,103	7,694,764
Kanchpur Branch	23,580,094	39,421,177
Kansat Branch	3,358,042	23,592,098
Karnaphuli Branch	4,484,440	3,358,042
Khan Jahan Ali Branch	2,438,402,011	-
Khatungonj Branch	542,949,284	2,410,918,334
Khulna Branch	80,585,422	741,582,419
Kushtia Branch	121,565,682	81,247,072
Malibagh Branch	7,594,716	130,331,144
Matuail Branch	22,424,717	15,931,674
Mirpur Branch	-	518,000
Moulvibazar Branch	60,683,820	28,334,660
Munshikhola Branch	40,057,725	60,683,820
Mymensingh Branch	325,659,047	45,161,807
Nangalmora SME Branch	38,807,150	433,000
Narayangonj Branch	191,691,442	580,380,682
Nawabgonj Branch	29,040,907	35,183,150

		Amount in Taka	
		31.12.2022	31.12.2021
	Nawabpur Branch	155,814,603	192,881,442
	New Eskaton Branch	30,060,660	17,253,310
	Nilphamari Branch	45,077,720	89,831,520
	Oxygen Square Branch	3,045,572,762	25,060,660
	Pabna Branch	323,461	39,300,265
	Pahartali Branch	48,428,381	370,292,939
	Panthapath Branch	2,000,000	48,428,381
	Pather Hat Branch	5,508,750	2,000,000
	Patuakhali Branch	3,526,837	5,508,750
	Pirgonj Branch	733,975,451	3,526,837
	Principal Branch	124,207,502	1,054,316,971
	Progati Sharani Branch	328,523,467	124,207,502
	Rajshahi Branch	30,954,503	542,249,096
	Ramchandrapur Branch	300,860,387	31,838,396
	Rangpur Branch	19,176,684	158,890,983
	Ring Road Branch	387,324,161	19,176,684
	Rohanpur Branch	50,425,869	381,627,661
	Sadarghat Branch	169,281,322	76,029,388
	Saidpur Branch	146,296,034	163,711,987
	Satkhira Branch	15,477,006	82,562,034
	Savar SME Branch	52,716,513	15,477,006
	Shafipur Branch	8,424,251	42,131,906
	Shibchar Branch	8,596,252	12,773,735
	Sonargaon Janapath Branch	16,945,355	18,780,077
	Sunamgonj Branch	351,218	549,701
	Sylhet Branch	309,049,512	311,512,067
	Takerhat Branch	345,000	1,492,243
	Tangail Branch	28,807,663	10,602,179
	Tongi Branch	888,634	888,634
	Topkhana Branch	614,574,869	609,945,183
	Uttara Model Town Branch	884,981,661	765,081,507
		31,804,081,405	24,180,018,655
7.12	Bills purchased and discounted		
	Payable in Bangladesh	601,773,417	635,578,295
	Payable outside Bangladesh	2,413,118,624	5,823,582,437
		3,014,892,041	6,459,160,732
7.13	Maturity grouping of bills purchased and discounted		
	Payable within one month	301,489,204	645,916,073
	Over one month but less than three months	1,205,956,816	2,583,664,293
	Over three months but less than six months	1,507,446,021	3,229,580,366
	Six months or more	-	-
		3,014,892,041	6,459,160,732
7.14	Sector -wise Investments		
	Government & autonomous	-	-
	Co-operative sector	-	-
	Other public sector	-	-
	Private sector	174,343,907,698	163,958,656,979
		174,343,907,698	163,958,656,979
7(a)	Consolidated Investments		
	Standard Bank Limited (note-7)	171,329,015,657	157,499,496,248
	Standard Bank Limited (Investment to SBSL)	(317,814,180)	(251,882,624)
	Standard Bank Limited (Investment to SCML)	(400,000,000)	(301,000,000)
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	4,056,064,856	3,668,572,813
	SBL Securities Ltd.	446,264,214	463,699,159
		175,113,530,547	161,078,885,596

		Amount in Taka	
		31.12.2022	31.12.2021
Consolidated bills purchased and discounted			
Standard Bank Limited (note-7)		3,014,892,041	6,459,160,732
Standard Exchange Co.(UK) Ltd.		-	-
Standard Express(USA) Ltd.		-	-
SBL Capital Mgt. Ltd.		-	-
SBL Securities Ltd.		-	-
		3,014,892,041	6,459,160,732
		178,128,422,588	167,538,046,328
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		890,159,228	881,342,014
Office Appliance		790,786,756	777,819,173
Computer		342,222,207	334,824,928
Right of Use Assets (ROUA) as per IFRS-16		274,244,823	274,244,824
Bank's Vehicle		143,290,418	138,767,358
Total cost		5,309,484,825	5,275,779,688
Intangible Assets			
Software		183,583,788	141,189,963
Total cost		5,493,068,613	5,416,969,651
Less: Accumulated Depreciation		2,070,333,278	1,808,052,260
Net book value at the end of the year		3,422,735,334	3,608,917,391
(See Annexure-B for details)			
8(a) Consolidated fixed assets including premises, furniture and fixture			
Standard Bank Limited (note-8)		3,422,735,334	3,608,917,391
Standard Exchange Co.(UK) Ltd.		987,852	1,228,201
Standard Express(USA) Ltd.		2,936,979	5,333,755
SBL Capital Mgt. Ltd.		2,401,878	1,580,076
SBL Securities Ltd.		963,129	1,190,382
		3,430,025,172	3,618,249,805
9. Other assets			
Stock of Stationery		25,809,941	24,900,177
Stamps in hand		5,165,272	5,416,856
Suspenses A/c (note-9.1)		268,957,274	223,667,536
Advance Deposit		3,865,392	1,761,922
Branch adjustments accounts (note-9.5)		-	63,652,289
Sundry Assets (note-9.2)		14,096,560,394	12,683,175,170
		14,400,358,273	13,002,573,950
9.1 Suspense Accounts			
Sundry Debtors		11,652,691	8,474,303
Advance Against TA/DA		989,400	1,232,250
Advance Against Proposed Branch		17,098,000	27,620,000
Advance Against Legal Expenses		11,249,999	11,992,295
Encashment-PSP/BSP/WEDB		83,216,905	70,728,091
Advance on against IPO		-	22,869,340
Advance Against Training & Seminars		60,000	-
Advance Against Annual General Meeting		250,000	-
Mobile Banking		26,958	27,858
Cash Remittance		144,413,321	80,723,399
		268,957,274	223,667,536

		Amount in Taka	
		31.12.2022	31.12.2021
9.2	Sundry Assets		
	Advance Rent	164,106,178	245,720,323
	Profit Receivable (note - 9.4)	784,236,364	93,595,198
	Prepaid expenses	12,919,533	12,301,195
	Advance Tax (note-9.3)	11,962,508,709	11,323,722,418
	Deferred Tax - note-12.1(i)	338,843,642	253,585,621
	Protested Bill Account	28,737,128	28,737,128
	Clearing Adjustment	(2,061,802)	(2,062,542)
	BFTN adjustment	(190,809,149)	(8,884,865)
	Working Progress, Building	724,797,545	578,015,797
	Fx.Deal Receivable	-	4,552,700
	Dividend Receivable	127,429,410	-
	Profit Waived	95,477,943	106,086,604
	Excise duty adjustment on FDR	50,374,593	47,805,293
	Demand Draft without advice	300	300
		14,096,560,394	12,683,175,170
9.3	Advance Tax		
	Advance Corporate Tax	11,238,994,743	10,667,393,559
	Advance Income tax on L/C Commission	138,651,580	123,954,880
	Advance Income tax on Tr.Bill	185,958,478	185,958,478
	Advance Income tax on Share dividend	232,486,176	210,940,403
	Advance Tax On Vehicle	5,627,500	4,150,000
	Advance Income tax on Profit Balance with other banks	97,512,623	96,313,275
	Advance Income tax on Subordinated bond	24,273,685	20,121,688
	Advance Income Tax On BGIIB	2,164,804	52,365
	Advance Tax On Sukuk	33,628,715	13,937,214
	Advance Income Tax On Msnd	3,210,406	900,556
		11,962,508,709	11,323,722,418
9.4	Profit Receivable		
	Profit Receivable on SME	37,145,691	33,550,524
	Profit Receivable on Treasury Bond	-	3,180,417
	Profit Receivable on FDR & Sub-Bond	747,090,673	56,864,257
		784,236,364	93,595,198
9.5	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 .		
9.6	Deferred Tax Assets:		
	Opening Balance	253,585,621	119,102,340
	Additional made during the period	85,258,020	134,483,281
	Adjustment during the period	-	-
	Closing Balance	338,843,641	253,585,621
	Deferred tax liabilities/(Asset)		
	Fixed Asset		
	Carrying amount	3,422,735,334	3,431,151,228
	Tax base	3,443,620,722	3,518,851,247
	Taxable Temporary Difference	(20,885,388)	(87,700,019)

		Amount in Taka	
		31.12.2022	31.12.2021
	Provision for gratuity		
	Carrying amount	867,703,067	572,577,142
	Tax base	-	-
	Deductible Temporary Difference	(867,703,067)	(572,577,142)
	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	122,953,937	177,766,163
	Lease Liabilities	129,210,522	184,979,321
	Deductible Temporary Difference	(6,256,585)	(7,213,158)
	Total Taxable /(deductible) Temporary difference	(903,583,044)	(676,228,323)
	Applicable tax rate	37.50%	37.50%
	Deferred Tax Assets	(338,843,642)	(253,585,621)
	Opening balance	(253,585,622)	(119,102,340)
	Deferred tax (income)/expenses	(85,258,020)	(134,483,281)
9(a)	Consolidated other assets		
	Standard Bank Limited (note-9)	14,400,358,273	13,002,573,950
	Standard Exchange Co.(UK) Ltd.	12,391,377	14,428,295
	Standard Express(USA) Ltd.	11,396,638	23,134,172
	SBL Capital Mgt. Ltd.	573,985,811	469,727,791
	SBL Securities Ltd.	367,423,649	365,651,708
		15,365,555,748	13,875,515,916
10.	Placement From Banks & Financial Institutions		
	In Bangladesh (note-10.1)	19,489,030,991	18,576,512,002
	Outside Bangladesh	977,042,855	499,203,674
		20,466,073,846	19,075,715,676
10.1	In Bangladesh Placement		
	Other Borrowings		
	Re-Finance from B Bank	2,085,417	2,650,000
	EDF from B Bank	4,510,402,773	4,686,492,740
	Financial Stimulus Fund From B. Bank	1,295,680,710	2,037,369,262
	Foreign Exchange Deal Payable	75	-
	Borrowing from Outside Bangladesh (Standard Chartered Bank, New York)	1,429,862,016	-
	Borrowing From Other Local Banks Fcy	201,000,000	-
	Borrowing From Bangladesh Bank	1,000,000,000	-
	SBL Subordinated Non-Convertible Bond	6,550,000,000	7,350,000,000
	Sbl Mudaraba Perpetual Bond	4,500,000,000	4,500,000,000
	Total	19,489,030,991	18,576,512,002
		19,489,030,991	18,576,512,002
	Outside Bangladesh		
	FI Banks	977,042,855	499,203,674
		20,466,073,846	19,075,715,676
10.1.1	Subordinated Non-Convertible & Mudaraba Perpetual Bond		
	SBL 2nd Subordinated Non-Convertible Bond		
	Sonali Bank Limited	400,000,000	600,000,000
	Janata Bank Limited	200,000,000	300,000,000
	Pubali Bank Limited	200,000,000	300,000,000
	Eastern Bank Limited	200,000,000	300,000,000
	Agrani Bank Limited	200,000,000	300,000,000
	Mercantile Bank Limited	140,000,000	210,000,000
	Midland Bank Limited	80,000,000	120,000,000
	Uttara Bank Limited	80,000,000	120,000,000
	United Finance Limited	20,000,000	30,000,000
	National Life Insurance Co. Ltd	80,000,000	120,000,000
		1,600,000,000	2,400,000,000

		Amount in Taka	
		31.12.2022	31.12.2021
SBL 3rd Subordinated Non-Convertible Bond			
Agrani Bank Limited		1,000,000,000	1,000,000,000
National Life Insurance Co. Ltd		150,000,000	150,000,000
Shadharan Bima Corporation		100,000,000	100,000,000
Janata Bank Limited		500,000,000	500,000,000
Uttara Bank Limited		500,000,000	500,000,000
Mercantile Bank Limited		200,000,000	200,000,000
Dutch Bangla Bank Ltd		1,000,000,000	1,000,000,000
Sonali Bank Limited		1,000,000,000	1,000,000,000
Rupali Bank Limited		500,000,000	500,000,000
		4,950,000,000	4,950,000,000
SBL 1st Mudaraba Perpetual Bond			
Social Islami Bank Ltd		1,500,000,000	1,500,000,000
Ai-Arafah Islami Bank Ltd		1,000,000,000	1,000,000,000
First Security Islami Bank Ltd		1,000,000,000	1,000,000,000
Union Bank Ltd		1,000,000,000	1,000,000,000
		4,500,000,000	4,500,000,000
Total SBL Subordinated Non-Convertible & Mudaraba Perpetual Bond		11,050,000,000	11,850,000,000
10.2 Security against borrowing from other banks, financial institutions and agents			
Secured		-	-
Unsecured		20,466,073,846	19,075,715,676
		20,466,073,846	19,075,715,676
10.3 Maturity grouping of borrowing from other banks, financial institutions and agents			
Repayable on demand		20,466,073,846	19,075,715,676
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		-	-
		20,466,073,846	19,075,715,676
10(a) Consolidated Placement from Banks and Financial Institutions			
Standard Bank Limited (note-10)		20,466,073,846	19,075,715,676
Standard Exchange Co.(UK) Ltd.		-	-
Standard Express(USA) Ltd.		-	-
SBL Capital Mgt. Ltd.		-	-
SBL Securities Ltd.		-	-
		20,466,073,846	19,075,715,676
11. Deposits and other deposits			
Deposits from banks		12,341,554,771	11,000,000,000
Deposits from customers		158,453,559,690	155,408,776,246
		170,795,114,461	166,408,776,246
11.1 Deposits' from banks			
Current deposits and other deposits		-	-
Bills payable		-	-
Savings Bank/Mudaraba Savings Deposits		-	-
Short Notice Deposits		-	-
Fixed Deposits/Mudaraba Fixed Deposits		12,341,554,771	11,000,000,000
		12,341,554,771	11,000,000,000

		Amount in Taka	
		31.12.2022	31.12.2021
11.2	Deposits' from banks		
	Mudaraba Fixed Deposits		
	Al-Arafah Islami Bank Ltd	-	2,500,000,000
	Islami Bank Ltd	3,750,000,000	3,000,000,000
	Bank Asia Ltd	2,750,000,000	4,000,000,000
	BRAC Bank Ltd	800,000,000	1,500,000,000
	The City Bank Ltd	900,000,000	-
	Agrani Bank Ltd, Islami Window	700,000,000	-
	Shahjal Islami Bank Ltd	500,000,000	-
	Trust Bank Ltd	500,000,000	-
	Commercial bank of ceylon	700,000,000	-
	Bangladesh Krishi Bank	1,040,000,000	-
	Mudaraba Short Notice Deposits		
	Bengal Commercial Bank	701,147,203	-
	Bangladesh Krishi Bank	407,568	-
		12,341,554,771	11,000,000,000
11.3	Customer Deposits		
	i) Al-wadeeah current deposits and other Deposits		
	Al-wadeeah current deposits	11,101,509,527	9,400,178,100
	Foreign Currency deposits	4,715,054,327	3,595,195,118
	Sundry deposits	8,265,000,435	5,460,718,440
		24,081,564,289	18,456,091,658
	ii) Bills payable		
	Pay orders issued	2,217,498,303	2,189,073,630
	Pay slips issued	600	-
	Demand draft	22,410,775	-
		2,239,909,678	2,189,073,630
	iii) Mudaraba savings deposits	18,676,722,387	19,945,848,272
	iv) Term Deposits/Fixed Deposits		
	Fixed Deposits/Mudaraba Term Deposits (Excluding Bank Deposit)	83,456,296,085	82,808,963,286
	Short Notice Deposits	15,029,418,754	15,560,491,624
	Deposits Under Schemes	14,969,648,497	16,448,307,775
		113,455,363,336	114,817,762,685
	Total	158,453,559,690	155,408,776,246
11.4	Sundry deposits		
	Sundry creditors	1,806,021,968	276,259,758
	Margin Deposit	3,020,626,629	2,014,679,628
	Risk Fund	4,984,012	5,015,982
	Service charge	6,815,375	3,690,574
	Security Money	40,007,784	41,290,029
	SBL Employees Provident Fund	7,568	7,568
	SBL Employees W. Fund	1,026,669	1,023,069
	Foreign Remittance Payable A/c	18,092,555	-
	Profit payable on deposits	2,381,844,494	1,801,844,780
	VAT, Excise Duty and Income Tax	977,506,005	861,816,252
	Cash Incentive Payable	50	50
	Central Fund (RMG Sector)	3,263,923	2,090,668
	Others	4,803,403	453,000,082
		8,265,000,435	5,460,718,440

		Amount in Taka	
		31.12.2022	31.12.2021
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	12,341,554,771	11,000,000,000
	Over 1 year but within 5 years	-	-
	Over 5 years but within 10 years	-	-
	Over 10 years	-	-
		12,341,554,771	11,000,000,000
11.6	Maturity analysis (Deposits received from other than banks)		
	Repayable on demand	7,771,056,669	6,580,124,670
	Up to 1 month	129,293,016	236,727,062
	Over 1 month but within 3 months	21,943,954,058	18,880,604,513
	Over 3 months but within 1 year	45,990,407,210	32,172,639,682
	Over 1 year but within 5 years	44,657,716,034	55,761,952,456
	Over 5 years but within 10 years	37,961,132,703	41,776,727,863
	Over 10 years	-	-
		158,453,559,690	155,408,776,246
11.7	Maturity analysis (Bills payable)		
	Repayable on demand	2,239,909,678	2,189,073,630
	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	-	-
		2,239,909,678	2,189,073,630
11.8	Payable on Demand and Time Deposits		
	i. Demand Deposits		
	Current/Al-wadeeah current Deposits	11,101,509,527	9,400,178,100
	Savings deposits/Mudaraba Savings deposits (10%)	1,867,672,239	1,994,584,827
	Foreign Currency Deposits (non profit bearing)	4,715,054,327	3,595,195,119
	Sundry deposits	8,265,000,434	5,460,718,440
	Bills payable	2,239,909,678	2,189,073,630
		28,189,146,205	22,639,750,116
	ii. Time Deposits		
	Savings deposits/Mudaraba savings deposits (90%)	16,809,050,148	17,951,263,445
	Fixed deposits/Mudaraba Term Deposits	95,797,850,856	93,808,963,286
	Short-Term Deposits/Mudaraba Short Notice Deposits	15,029,418,754	15,560,491,624
	Deposits Under Schemes	14,969,648,498	16,448,307,775
	Foreign Currency Deposits (Profit Bearing)	-	-
		142,605,968,256	143,769,026,130
		170,795,114,461	166,408,776,246

		Amount in Taka	
		31.12.2022	31.12.2021
11.9	Fixed Deposits- Maturity wise Grouping(including Bank Deposit)		
	Repayable within 01 month	2,271,223,576	1,924,950,594
	Repayable over 1 months but within 03months	20,441,012,182	17,324,555,350
	Repayable over 3 months but within 1 year	32,201,354,421	21,734,126,281
	Repayable over 1 year but within 5 years	17,892,776,472	27,496,910,973
	Repayable over 5 years but within 10 years	22,991,484,205	25,328,420,088
	Unclaimed Deposits for 10 years and above	-	-
		95,797,850,856	93,808,963,286
11.10	Sector -wise deposits		
	Government & autonomous	4,856,778,643	4,856,778,643
	Deposit Money Bank	12,341,554,771	11,000,000,000
	Other public sector	9,742,133,547	9,742,133,547
	Foreign Currency	4,715,054,327	3,595,195,118
	Private	139,139,593,173	137,214,668,938
		170,795,114,461	166,408,776,246
11(a)	Consolidated deposits and other deposits		
	Current deposits and other deposits		
	Standard Bank Limited	24,081,564,289	18,456,091,658
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	7,964,068	10,346,683
	SBL Securities Ltd.	-	-
		24,089,528,357	18,466,438,341
	Bills payable		
	Standard Bank Limited	2,239,909,678	2,189,073,630
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	SBL Securities Ltd.	-	-
		2,239,909,678	2,189,073,630
	Savings bank/Mudaraba savings deposits		
	Standard Bank Limited	18,676,722,387	19,945,848,272
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	SBL Securities Ltd.	-	-
		18,676,722,387	19,945,848,272
	Short Term Deposits		
	Standard Bank Limited	15,029,418,754	15,560,491,624
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	SBL Securities Ltd.	-	-
		15,029,418,754	15,560,491,624
	Term/Fixed deposits		
	Standard Bank Limited	95,797,850,856	93,808,963,286
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	SBL Securities Ltd.	-	-
		95,797,850,856	93,808,963,286

Deposits under schemes

Standard Bank Limited

Standard Exchange Co.(UK) Ltd.

Standard Express(USA) Ltd.

SBL Capital Mgt. Ltd.

SBL Securities Ltd.

Amount in Taka	
31.12.2022	31.12.2021
14,969,648,497	16,448,307,775
-	-
-	-
-	-
-	-
14,969,648,497	16,448,307,775
170,803,078,529	166,419,122,928
12,842,731,471	12,380,035,390
-	-
168,094,027	154,696,137
-	-
-	-
4,912,107,189	4,758,062,019
226,551,290	239,787,003
4,775,231	4,775,231
-	296,539,036
2,618,193,009	1,922,153,825
24,351,741	16,841,840
42,575	42,575
6,872,444	3,066,275
500,000	4,501,828
27,684,123	16,751,945
540,869,890	337,437,526
20,500,000	20,500,000
25,830	25,830
8,738,004	8,738,004
831,622	272,492
666,335,870	4,349,613
-	20,172,604
249,019,348	36,690,441
44,124,099	46,361,624
364,943	(2,086,732)
370,547	370,547
343,598,690	-
14,118,648	20,095,436
11,721,028	11,721,028
(2,344,628)	(2,531)
1,556,484	830,934
5,027,223	31,306,757
-	153,556,520
129,210,522	184,979,321
(135,610,438)	-
43,099,601	15,974,121
22,773,460,387	20,688,546,640

12. OTHER LIABILITIES

Provision for Taxation (note-12.1)

Deferred Tax (note-12.1(i))

Accrued Expenses

General Provision for Unclassified Investments (note-12.2)

General Provision for SMA (note-12.2)

Specific provision for Classified Investments (note-12.2)

Provision for classified others Assets (note-12.7)

Provision for decrease in value of investments (note-12.8)

Provision for Off-Balance Sheet Items (note-12.4)

Profit Suspense Account (note-12.5)

Zakat Fund

Provision for Nostro A/c

Provision for Bonus (note-12.6)

Provision for LFC

Provision for Start-up Fund (note-12.14)

Special General Provision-COVID-19 (note-12.3)

Provision for Green Banking

Dividend Settlement A/C

Provision for Incentive of good borrower

Commission Payable Account

Payable to OBU

Provision for unforeseen losses

Profit Receivable on overdue Investment

Exchange House

MFS Settlement Account

Islamic Settlement Account

Branch adjustments accounts

Swift Charge Payable A/C

Residual Amt. For Cust. Repay. (Mig)

Profit Reimbursement A/C Swc-I & S-Cc

Written-Off Investments Recovery A/C

Non Shariah Income

Compensation Suspense Account

Leased Liabilities as per IFRS-16

Bank To Bank Rtgs Fc Settlement (Usd)

Foreign Currency translation gains (note-12.10)

		Amount in Taka	
		31.12.2022	31.12.2021
12.1	Provision for Taxation		
	Opening Balance	12,380,033,521	11,716,371,440
	Addition during the period	462,697,949	663,662,081
		12,842,731,471	12,380,033,521
	Adjustment during the period	-	-
	Closing Balance	12,842,731,471	12,380,033,521
	Provision for taxation has been made on accounting profit considering taxable allowances/disallowances as per Income Tax Ordinance 1984.		
12.1.1	Provision for current tax made during the year		
	Income tax @ 37.50% on taxable profit (A)	632,723,422	759,863,455
	Add: Income tax @ 20% on dividend income	6,287,564	2,944,676
	Capital Gain on Share @ 10%	304,743	825,992
	Capital Gain on sale of Fixed Assets (15%)	50,054	27,959
	Capital Gain on Govt. securities (0%)	-	-
	Add: Excess profit tax		
	Tax on Salary Perquisite	14,205,347	30,000,000
	Add: Settlement/ Adjustment for the period	-	-
	Less: Tax adjustment against excess paid for the year-2020	-	130,000,000
	Investments written off Benefits	190,873,180	-
	Estimated provision required as at 31 December, (i)	462,697,949	663,662,081
	Computation of taxable profit		
	Profit before tax	1,527,749,359	1,617,130,133
	Less: Dividend income	31,437,821	14,723,378
	Less: Capital Gain on share	3,047,427	8,259,917
	Less: Capital Gain on sale of Fixed Assets	333,693	186,390
	Less: Capital Gain on Govt. securities	-	-
	Profit before tax (excluding dividend income and capital gain)	1,492,930,418	1,593,960,448
	Add : Inadmissible expenditure	194,332,040	485,490,106
	Less : Further allowable expenditure	-	-
	Estimated taxable profit for the year (A)	1,687,262,458	2,079,450,554
	Consolidated Provision for current Taxation		
	Standard Bank Limited (note-11.3)	462,697,949	663,662,081
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	24,215,639	36,056,806
	SBL Securities Ltd.	15,517,277	16,729,051
		502,430,865	716,447,938
12.1(a)	Consolidated Provision for Taxation		
	Standard Bank Limited (note-12)		
	Standard Exchange Co.(UK) Ltd.	12,842,731,471	12,380,033,521
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.		
	Opening Balance	405,456,443	381,240,804
	Addition during the period		
	Adjustment during the period		
	Closing Balance		
	SBL Securities Ltd.		
	Opening Balance	85,533,183	74,848,541
	Addition during the period		
	Adjustment during the period		
	Closing Balance	13,333,721,097	12,836,122,866
12.1(i)	Deferred Tax :		
	Opening Balance	-	-
	Additional provision made during the period	-	-
		-	-
	Adjustment during the period	-	-
	Closing Balance	-	-

		Amount in Taka	
		31.12.2022	31.12.2021
12.2	Provision for Investments		
i)	The movement in general provision for unclassified Investments:		
	Provision held at the beginning of the year	0.00	1,254,427,705
	Additional provision made for the period	-	20,588,436
	The amount transferred to specific provision as per Bangladesh Bank letter no. DOS (CAMS) 1157/ 41(Dividend)/2022-2063 dated 18.04.2022	-	1,275,016,141
	Provision held at the end of the period	-	-
ii)	The movement in general provision on Special Mention Account (SMA) Investment:		
	Provision held at the beginning of the year	-	27,154,361
	Amount transferred to provision for bad & doubtful debts	-	-
	Additional provision made for the period	-	3,517,078
	The amount transferred to specific provision as per Bangladesh Bank letter no. DOS (CAMS) 1157/ 41(Dividend)/2022-2063 dated 18.04.2022	-	30,671,439
	*Provision held at the end of the period	-	-
iii)	The movement in specific provision for bad and doubtful debts:		
	Provision held at the beginning of the Period	4,758,062,019	3,251,441,891
	Amount adjusted during the Period	-	-
	Amount written off during the Period	508,995,147	-
	Amount Transfer from General provision of Off-Balance Sheet & others as per BB as per approval letter of DOS (CAMS) 1157/ 41(Dividend)/2022-2063 dated 18.04.2022	617,690,602	177,500,000
	Amount Transfer from provision for unforeseen losses	20,172,604	-
	Amount Transfer from general provision as per BB as per approval letter of DOS (CAMS) 1157/ 41(Dividend)/2022-2063 dated 18.04.2022	-	1,305,687,581
	Amount Transfer from Compensation Suspense Account	-	-
	Amount recovered from written off during the Period	-	-
	Amount of provision for the Period	25,177,112	23,432,547
	Provision held at the end of the period	4,912,107,189	4,758,062,019
	Total	4,912,107,189	4,758,062,019
12.3	The movement in Special General Provision-COVID-19:		
	Provision held at the beginning of the Period	337,437,526	100,651,780
	Amount Transfer from Compensation Suspense Account	54,950,353	-
	Additional provision for the period	148,482,011	236,785,746
	Provision held at the end of the period	540,869,890	337,437,526
12.4	The movement in General provision for Off Balance Sheet Items:		
	Provision held at the beginning of the Period	296,539,036	346,217,949
	Additional provision for the period	-	127,821,087
	The amount transferred to specific provision as per Bangladesh bank letter no. DOS (CAMS) 1157/ 41(Dividend)/2022-2063 dated 18.04.2022	296,539,036	177,500,000
	Provision held at the end of the period	-	296,539,036
12.5	Profit Suspense Account		
	Balance at the beginning of the Period	1,922,153,825	1,632,466,069
	Amount transferred to " Profit Suspense A/c" during the period +	696,039,184	348,278,560
	Amount recovered in " Profit Suspense A/c" during the period (-)	-	58,590,804
	Amount written off during the Period (-)	-	-
	Balance at the end of the period	2,618,193,009	1,922,153,825

		Amount in Taka	
		31.12.2022	31.12.2021
12.6	Provision for Bonus		
	Balance at the beginning of the period	3,066,275	120,000,000
	Add: Additional provision for the period	3,806,169	3,066,275
	Less: Disbursement during the period	-	120,000,000
		6,872,444	3,066,275
12.7	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	10,069,452	7,481,475
	Less: Amount written off during the Period	-	-
	Add: Addition during the period	-	2,587,977
		10,069,452	10,069,452
	c) Provision against Profit Waiver		
	Balance at the beginning of the period	200,980,423	187,644,710
	Add: Addition during the period	60,000,332	40,000,000
	Less: Waived during the Period	45,138,773	26,664,287
	Less: Adjustment of excess provision	28,097,272	-
		187,744,710	200,980,423
	Total Provision for other Assets	226,551,290	239,787,003
12.7(a)	Consolidated Provision for Other Assets		
	Standard Bank Limited (note-12.7)	226,551,290	239,787,003
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	489,064	489,064
	Add: Addition during the period	-	-
		227,040,354	240,276,067
12.8	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
12.8(a)	Consolidated Provision for decrease in value of Investments		
	Standard Bank Limited (note-12.8)	4,775,231	4,775,231
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	457,138,564	457,138,564
	Add: Addition during the period	7,966,430	-
	SBL Securities Ltd.	76,471,194	69,708,619
	Add: Addition during the period	6,805,188	6,762,575
		553,156,607	538,384,989
12.9	Provision for impairment of client margin Investments		
	Balance at the beginning of the period	-	-
	Less: adjustment during the period	-	-
	Add: Addition during the period	-	-
		-	-

	Amount in Taka	
	31.12.2022	31.12.2021
12.9(a) Consolidated Provision for impairment of client margin Investments		
Standard Bank Limited (note-12.9)	-	-
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	375,453,762	356,669,603
Add: Addition during the period	31,796,177	18,784,159
SBL Securities Ltd.	11,990,604	9,719,036
Add: Addition during the period	6,733,909	2,271,568
	425,974,452	387,444,366
12.10 Foreign Currency translation gains/loss against investment		
Standard Exchange Co.(UK) Ltd.	2,554,001	461,021
Beginning of the Period	461,021	225,431
Addition during the period	-	-
Adjustment during the period	(2,092,980)	(235,590)
	40,545,600	15,513,100
Standard Express(USA) Ltd.		
Beginning of the Period	15,513,100	14,118,100
Addition during the period	25,032,500	1,395,000
Adjustment during the period	-	-
Total Foreign Currency translation gains	43,099,601	15,974,121
Less: Foreign Currency translation loss		
Beginning of the Period	-	-
Addition during the period	-	-
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
	43,099,601	15,974,121
12.11 Provision for Profit Waived		
Balance at the beginning of the Period	13,335,713	-
Add: Additional provision for the Period	14,861,559	13,335,713
Less: Fund transfer to SBL Foundation	-	-
	28,197,272	13,335,713
12.12 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
12.13 Provision for Green Banking		
Balance at the beginning of the Period	20,500,000	20,500,000
Add: Additional provision for the Period	-	-
Less: Adjustment during the period	-	-
	20,500,000	20,500,000
12.14 Provision for Start-up Fund		
Balance at the beginning of the Period	16,751,945	29,880,782
Add: Additional provision for the Period	10,932,178	-
Less: Adjustment during the period	-	13,128,837
	27,684,123	16,751,945

		Amount in Taka	
		31.12.2022	31.12.2021
12.15	Provision for Unforeseen Losses		
	Balance at the beginning of the Period	20,172,604	20,172,604
	Add: Additional provision for the Period		-
	Less: Adjustment during the period	20,172,604	
		-	20,172,604
12(a)	Consolidated other liabilities		
	Standard Bank Limited (note-12)	22,773,460,387	20,688,546,640
	Standard Exchange Co.(UK) Ltd.	2,740,256	17,016,355
	Standard Express(USA) Ltd.	96,855,666	88,729,851
	SBL Capital Mgt. Ltd.	1,801,014,826	1,318,327,033
	SBL Securities Ltd.	279,556,395	224,467,647
		24,953,627,530	22,337,087,526
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 of Share	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
2020	2.5% Bonus	25,149,769	251,497,690	10,311,405,570
2021	3% Bonus	30,934,216	309,342,160	10,620,747,730

13.3 Issued, subscribed and fully Paid up Capital :

66,000,000 ordinary shares of Taka 10/- each issued for cash
 930,497,173 ordinary shares of Taka 10/- each issued as bonus shares
 65,577,600 ordinary shares of Taka 10/- each issued as Right shares in 2007

Amount in Taka	
31.12.2022	31.12.2021
660,000,000	660,000,000
9,304,971,730	8,995,629,570
655,776,000	655,776,000
10,620,747,730	10,311,405,570

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 (%)	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Sponsors/Promoters	341,146,537	359,348,009	32%	35%
Investment Corporation of Bangladesh	43,180,817	41,923,124	4%	4%
ICB Unit Fund, ICB Mutual Fund & ICB Investors Account	38,553,536	37,462,408	4%	4%
Financial Institutions	264,981,728	227,692,601	25%	22%
General Public	374,212,155	364,714,415	35%	35%
Total	1,062,074,773	1,031,140,557	100%	100%

13.7 Classification of Shareholders by holding as on 31 December, 2022

Shareholding range	Number of Share holders	No. of shares	
		31.12.2022	31.12.2021
01-500	5926	922,274	1,779,043
501-5000	10407	21,456,873	23,453,346
5001-10000	2400	16,048,317	17,759,808
10001-20000	1540	20,516,519	21,430,151
20001-30000	543	12,850,299	13,013,044
30001-40000	238	8,098,342	8,383,587
40001-50000	123	5,444,532	8,424,612
50001-100000	317	21,146,256	25,120,422
100001-1000000	410	111,290,609	113,985,614
1000001-10000000	99	295,507,213	273,627,413
10000001 and above	26	548,793,539	524,163,517
	22029	1,062,074,773	1,031,140,557

13.8 Composition of Shareholders' equity**Solo**

Paid-up Capital
 Statutory Reserve
 General Reserve
 Revaluation Reserve on Investment
 Surplus in Profit and Loss Account/ Retained earnings

10,620,747,730	10,311,405,570
6,548,799,705	6,272,362,203
-	-
-	-
539,963,203	591,674,188
17,709,510,638	17,175,441,961

	Amount in Taka	
	31.12.2022	31.12.2021
Consolidated	-	-
Paid-up Capital	10,620,747,730	10,311,405,570
Statutory Reserve	6,548,799,705	6,272,362,203
General Reserve	-	-
Revaluation Reserve on Investment	-	-
Surplus in Profit and Loss Account / Retained earnings	532,723,902	669,286,317
Non-controlling Interest	164,549	158,525
	17,702,435,886	17,253,212,615

13.9 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 2022 is shown below:

	Taka	Taka
Tier-I Capital (Going-Concern Capital)		
Paid up Capital	10,620,747,730	10,311,405,570
Statutory Reserve (note-14)	6,548,799,705	6,272,362,203
General Reserve	-	-
Surplus Profit & Loss Account/Retained Earnings	539,963,203	591,674,184
Sub Total	17,709,510,638	17,175,441,957
Regulatory Adjustments	1,440,914,874	18,660,721
Total Core Capital (Tier-I)	16,268,595,764	17,156,781,236
Additional Tier-1 Capital	3,882,565,394	4,059,495,281
Tier-II Capital (Gone -Concern Capital)		
General Provision maintained against unclassified investments	540,869,890.47	633,976,560.00
Provision for Off-Balance sheet exposure (note-12.3)	-	-
SBL Subordinated Non-Convertible Bond	5,750,000,000	6,550,000,000
Sub Total	6,290,869,890	7,183,976,560
Regulatory Adjustments	-	-
Total Supplementary Capital (Tier-II)	6,290,869,890	7,183,976,560
A . Total Regulatory Capital	26,442,031,048	28,400,253,077
B. Total Risk Weighted Assets	184,822,659,230	199,118,941,935
C. Required Capital based on risk weighted assets (10%)	18,482,265,923	19,911,894,194
D. Surplus/(Deficiency) (A-C)	7,959,765,125	8,488,358,884
Capital to Risk Weighted Ratio ((A/B)*100)	14.31%	14.26%
Percentage of Capital on Risk weighted Assets:		
Capital Requirement		
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%

13.9(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 2022 is shown below:

	Amount in Taka	
	31.12.2022	31.12.2021
Core Capital (Tier-I)		
Paid up Capital	10,620,747,730	10,311,405,570
Statutory Reserve (note-14a)	6,548,799,705	6,272,362,203
General Reserve	-	-
Minority interest in subsidiaries	164,549	158,525
Surplus Profit & Loss Account/Retained Earnings	532,723,902	669,286,317
Sub Total	17,702,435,886	17,253,212,615
Regulatory Adjustments	1,459,486,801	57,448,155
Total Core Capital (Tier-I)	16,242,949,084	17,195,764,460
Additional Tier-1 Capital	3,840,264,813	4,053,209,291
Supplementary Capital (Tier-II)		
General Provision maintained against unclassified investments (note-12.2)	540,869,890.47	633,976,560.00
Provision for Off-Balance sheet exposure (note-12.3)	-	-
SBL Subordinated Non-Convertible Bond	5,750,000,000	6,550,000,000
Sub Total	6,290,869,890	7,183,976,560
Regulatory Adjustments	-	-
Total Supplementary Capital (Tier-II)	6,290,869,890	7,183,976,560
A. Total Regulatory Capital	26,374,083,787	28,432,950,311
B. Total Risk Weighted Assets	188,874,098,824	201,433,081,692
C. Required Capital based on risk weighted assets (10%)	18,887,409,882	20,143,308,169
D. Surplus/(Deficiency) (A-C)	7,486,673,905	8,289,642,142
Capital to Risk Weighted Ratio ((A/B)*100)	13.96%	14.12%
Percentage of Capital on Risk weighted Assets:		
	31.12.2022	31.12.2021
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%
14 Statutory Reserve		
Opening balance at the beginning of the Period	6,272,362,203	6,029,256,983
Addition during the period	276,437,502	243,105,220
Closing balance at the end of the Period	6,548,799,705	6,272,362,203
14(a) Consolidated Statutory Reserve		
Opening balance at the beginning of the Period	6,272,362,203	6,029,256,983
Addition during the period	276,437,502	243,105,220
Closing balance at the end of the Period	6,548,799,705	6,272,362,203
15. General Reserve		
Opening balance at the beginning of the Period	-	-
Addition during the period	-	-
Closing balance at the end of the Period	-	-

	Amount in Taka	
	31.12.2022	31.12.2021
15.1 Revaluation gain/loss on investments		
Opening balance at the beginning of the Period	-	-
Adjustment during the Period	-	-
Addition during the period	-	-
Closing balance at the end of the Period	-	-
15.1(a) Consolidated revaluation gain/loss on investment		
Standard Bank Limited	-	-
Standard Exchange Co.(UK) Ltd.	-	-
Standard Express(USA) Ltd.	-	-
SBL Capital Mgt. Ltd.	-	-
SBL Securities Ltd.	-	-
	-	-
16. Retained earnings/movement of profit and loss account		
Balance on 1 January	591,674,188	680,591,284
Add: Net Profit after tax for the Period	1,004,747,579	686,345,435
Add: Transfer from SCML	123,748,200	-
Add: Transfer from SBSL	79,997,250	23,998,350
Less: Transfer to statutory Reserve	(276,437,502)	(243,105,220)
Less: Coupon Payable to Mudaraba Peretual Bond	(354,150,000)	(53,160,274)
Less: Provision for Start-up Fund	(10,932,178)	-
Less: Cash/Stock dividend	(618,684,334)	(502,995,387)
Balance at	539,963,203	591,674,188
16(a) Consolidated retained earnings/movement of profit and loss account		
Balance on 1 January	669,286,317	674,205,018
Add: Net Profit after tax for the Period	1,121,803,499	791,732,962
Add: Coupon Receivable from Mudaraba Peretual Bond	-	-
Less: Transfer to statutory Reserve	(276,437,502)	(243,105,220)
Add/Less: Foreign Currency translation Gain/ loss	1,844,124	2,613,953
Less: Non-controlling Interest	(6,024)	(4,735)
Less: Coupon Payable to Mudaraba Peretual Bond	(354,150,000)	(53,160,274)
Less: Provision for Start-up Fund	(10,932,178)	-
Less: Cash/Stock dividend	(618,684,334)	(502,995,387)
Balance at	532,723,902	669,286,317
16.1 Non-controlling Interest		
SBL Capital Mgt. Ltd.		
Balance on 1 January	71,661	69,998
Add: Addition during the period	2,939	1,663
Sub Total	74,600	71,661
SBL Securities Ltd.		
Balance on 1 January	86,864	83,792
Add: Addition during the period	3,085	3,072
Sub Total	89,949	86,864
Balance at	164,549	158,525

		Amount in Taka	
		31.12.2022	31.12.2021
17.	CONTINGENT LIABILITIES		
17.1	Acceptances and Endorsements		
	Back to Back L/C (Foreign)	36,190,256	25,119,310
	Back to Back L/C (Local)	4,911,315,968	5,608,954,482
	Letter of Credit (Others)	11,676,913,746	12,317,701,704
		16,624,419,970	17,951,775,496
17.2	Letter of Guarantee		
	Letter of Guarantee(Local)	15,733,194,630	13,262,731,177
	Letter of Guarantee(Foreign)	-	-
	Others	24,316,112	-
		15,757,510,742	13,262,731,177
	Money for which the Bank is contingently liable in respect of guarantees given favoring:		
	Directors	-	-
	Government	-	-
	Banks and other financial institutions	-	-
	Others	15,757,510,742	13,262,731,177
		15,757,510,742	13,262,731,177
17.3	Irrevocable Letter of Credit		
	Letter of Credit (Sight)	8,655,070,761	11,906,702,973
	Letter of Credit (Usance)	2,670,366,689	4,282,693,921
	Letter of Credit (Others)	-	-
		11,325,437,450	16,189,396,894
17.4	Bill for Collection		
	Inward local bill for collection	-	-
	Inward Foreign bill for collection	-	-
	Outward local bill for collection	3,355,428,945	2,999,316,345
	Outward Foreign bill for collection	2,289,767,310	2,256,651,696
		5,645,196,255	5,255,968,041
17.5	Other Contingent Liabilities	49,352,564,417	52,659,871,608
17(a)	Consolidated contingent liabilities		
	Acceptances and endorsements		
	Standard Bank Limited (note-17)	16,624,419,970	17,951,775,496
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	SBL Securities Ltd.	-	-
		16,624,419,970	17,951,775,496
	Letters of guarantee		
	Standard Bank Limited (note-17)	15,757,510,742	13,262,731,177
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	SBL Securities Ltd.	-	-
		15,757,510,742	13,262,731,177
	Irrevocable Letters of Credit		
	Standard Bank Limited (note-17)	11,325,437,450	16,189,396,894
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	SBL Securities Ltd.	-	-
		11,325,437,450	16,189,396,894

		Amount in Taka	
		31.12.2022	31.12.2021
	Bills for Collection		
	Standard Bank Limited (note-17)	5,645,196,255	5,255,968,041
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	SBL Securities Ltd.	-	-
	Total	5,645,196,255	5,255,968,041
	Other Contingent liabilities		
	Standard Bank Limited (note-17)	-	-
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	SBL Securities Ltd.	-	-
	Total	49,352,564,417	52,659,871,608
18	Income Statement		
	Income:		
	Profit, discount and similar income (note-18.1)	11,984,255,953	12,074,580,383
	Dividend income (note-20)	31,437,821	14,723,378
	Fees, Commission and brokerage (note-21.1)	653,081,473	597,209,243
	Gains Less Losses arising from dealing in securities (note-20)	3,047,427	8,259,917
	Gains Less Losses arising from Investment securities (note-20)	864,236,634	188,041,194
	Gains Less Losses arising from dealing in Foreign Currencies (Note-21.2)	645,459,498	252,115,315
	Income from non banking assets	-	-
	Other operating income (note-22)	314,668,829	346,075,504
	Profit less losses on profit rate changes	-	-
	Total	14,496,187,635	13,481,004,933
	Expenses:		
	Profit paid on deposit, Borrowings etc. (note-19)	8,260,760,670	7,624,208,230
	Losses on Investments	-	-
	Administrative Expenses (note-18.2)	4,026,669,137	3,575,802,760
	Other operating expenses (note-33)	418,727,451	348,820,999
	Depreciation on Banking assets (note-32)	262,281,018	315,042,811
	Total	12,968,438,276	11,863,874,800
	Operating Profit before Provision	1,527,749,359	1,617,130,133
18(a)	Consolidated Income Statement		
	Income:		
	Standard Bank Limited (note-18)	14,496,187,635	13,481,004,933
	Standard Exchange Co. (UK) Ltd.	35,113,664	20,359,602
	Standard Express (USA) Ltd.	183,537,907	182,321,506
	SBL Capital Mgt. Ltd.	169,496,786	110,880,956
	SBL Securities Ltd.	104,498,180	86,425,763
	Total	14,988,834,172	13,880,992,760
	Expenses:		
	Standard Bank Limited (note-18)	12,968,438,276	11,863,874,800
	Standard Exchange Co. (UK) Ltd.	28,297,569	20,344,721
	Standard Express (USA) Ltd.	193,239,866	149,804,621
	SBL Capital Mgt. Ltd.	25,748,830	20,624,964
	SBL Securities Ltd.	35,269,733	23,221,831
	Total	13,250,994,274	12,077,870,938
	Consolidated Operating Profit before Provision	1,737,839,898	1,803,121,822
18.1	Profit , Discount and similar income		
	Profit received from Investments (note-18.3)	11,883,009,001	12,058,406,500
	Profit received from FC clearing Account	-	-
	Profit received from Bank and other financial institutions	101,246,952	16,173,883
	Total	11,984,255,953	12,074,580,383

		Amount in Taka	
		31.12.2022	31.12.2021
18.2	Administrative Expenses		
	Salary and allowances (note-23)	3,273,806,450	2,822,745,731
	Rent, Taxes, Insurance, Electricity etc.(note-24)	536,672,106	518,771,717
	Legal expenses (note-25)	16,587,578	20,354,619
	Postage, stamp, telecommunication etc.(note-26)	15,320,943	16,699,670
	Stationery, Printings, advertisement etc.(note-27)	55,069,171	52,705,200
	Managing Director's salary and fees (note-28)	17,550,000	17,550,000
	Directors' Fees (note-29)	4,365,970	3,012,602
	Shariah Supervisory Committee's Fees & Expenses (note-29-b)	492,085	137,184
	Auditor's fees (note -30)	922,500	828,000
	Zakat Expenses of the Bank (32.1)	7,509,901	16,841,840
	Repair of Bank's assets (note-32)	98,372,433	106,156,197
		4,026,669,137	3,575,802,760
	Expenses included VAT on which applicable		
18.3	Profit received from Investments		
	Bai Murābahah	1,222,210,711	1,163,538,679
	Bai Muajjal	4,774,946,064	5,738,234,010
	Bai Salam	30,181,308	18,286,807
	Hire Purchase/ HPSM	5,474,871,871	4,896,974,086
	Mushārahah	27,351,716	29,374,810
	Qard	35,704,445	19,776,585
	OBU Business	16,849,329	33,429,535
	Export Development Fund (EDF)	864,792	533,677
	Tijara VISA Card	71,138,781	73,677,713
	Inland bills purchased	210,500,582	78,893,343
	Foreign bills purchased and discounted	18,389,402	5,687,255
	Total profit on Investment	11,883,009,001	12,058,406,500
	Profit received from FC clearing account	-	-
	Profit received from Bank and other Financial Institution	101,246,952	16,173,883
	Profit on Placement	-	-
		101,246,952	16,173,883
	Total	11,984,255,953	12,074,580,383
18.3(a)	Consolidated profit on investment		
	Standard Bank Limited (note-18.3)	11,984,255,953	12,074,580,383
	Standard Bank Limited (Profit Received from SCML)	(281,244,877)	(246,374,630)
	Standard Bank Limited (Profit Received from SBSL)	(13,664,917)	(20,802,714)
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	213,009	3,799,922
	SBL Capital Mgt. Ltd.	282,473,960	229,747,812
	SBL Securities Ltd.	57,674,332	45,994,507
		12,029,707,460	12,086,945,280
19.	Profit paid on deposits, borrowings, etc.		
	Profit paid on deposits (note -19.1)	7,725,525,539	7,036,373,344
	Profit paid on borrowings (note -19.1)	535,235,131	587,834,886
		8,260,760,670	7,624,208,230
19.1	Profit paid on deposits ,borrowing etc of the Bank		
	Profit paid on deposits		
	Mudaraba Savings Deposits	307,520,411	360,356,638
	Mudaraba Short Notice Deposits	570,850,874	483,611,319
	Mudaraba Term Deposits	5,448,437,534	5,122,977,828
	Mudaraba Deposit Schemes	1,390,727,479	1,058,725,892
	Profit on lease liabilities as per IFRS-16	7,986,088	10,696,907
	Foreign Currency	3,153	4,760
		7,725,525,539	7,036,373,344
	Profit paid on borrowing		
	Profit paid on subordinated Bond	438,842,194	548,942,411
	Profit paid on call deposit	54,147,485	33,040,270
	Profit paid on Bangladesh Bank Refinance	42,245,451	5,852,205
		535,235,130	587,834,886
		8,260,760,670	7,624,208,230

		Amount in Taka	
		31.12.2022	31.12.2021
19(a)	Consolidated profit paid on Deposits, borrowings, etc.		
	Standard Bank Limited (note-19)	8,260,760,670	7,624,208,230
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	SBL Securities Ltd.	-	-
		8,260,760,670	7,624,208,230
20.	Income from Investment		
	Dividend on shares	31,437,821	14,723,378
	Gain on shares	3,047,427	8,259,916
	Profit received from Prize /Bond	1,500,000	8,000
	Profit received from Perpetual Bond	354,630,462	-
	Profit from Government Securities (GIIB)	42,248,785	188,033,194
	Profit from Government Securities/bond/Sukuk	465,857,388	-
		898,721,883	211,024,488
20(a)	Consolidated Income from Investment		
	Standard Bank Limited	898,721,883	211,024,488
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	123,490,760	77,079,691
	SBL Securities Ltd.	32,852,744	18,119,017
		1,055,065,387	306,223,196
21.	Commission/Fees, Exchange and Brokerage		
	Commission /Fees (note-21.1)	653,081,473	597,209,243
	Exchange earnings (note-21.2)	645,459,498	252,115,315
	Brokerage	-	-
		1,298,540,971	849,324,558
21.1	Commission		
	Commission on Import L/Cs	221,451,822	197,927,877
	Commission on Export L/Cs	220,753,818	213,410,799
	Rebate on nostro a/c	52,251,685	51,390,293
	Commission on Bank Guarantee	147,360,703	114,852,540
	Commission on chanchyapatra	-	6,068,277
	Commission on Remittance	11,263,445	13,559,457
	Underwriting commission	-	-
		653,081,473	597,209,243
	Brokerage	-	-
		653,081,473	597,209,243
21.2	Exchange		
	Gains arising from Dealing Securities	-	-
	Gains arising from Investment Securities	-	-
	Gains arising from Foreign Trade Business	645,459,498	252,115,315
		645,459,498	252,115,315
21(a)	Consolidated Commission, Exchange and Brokerage		
	Standard Bank Limited (note-21)	1,298,540,971	849,324,558
	Standard Exchange Co.(UK) Ltd.	34,197,191	18,186,622
	Standard Express(USA) Ltd.	176,881,603	157,496,582
	SBL Capital Mgt. Ltd.	43,579,092	45,227,278
	SBL Securities Ltd.	27,419,563	42,804,237
		1,580,618,420	1,113,039,277
22.	Other operating income		
	SWIFT & Telex charge recoveries	16,043,688	15,927,826
	Postage charge recoveries	8,731,073	11,749,933
	Service charges	152,913,713	136,092,845
	Locker charges	1,803,880	1,885,761
	Investments processing /documentation fees	7,555,521	54,139,255
	Capital Gain on Sale of Assets	333,693	186,390

		Amount in Taka	
		31.12.2022	31.12.2021
	Service charges agst CIB/Clearing return	-	13,060
	Debit/VISA Card Fees	86,984,404	74,787,980
	Stationery Charge Recovery	3,208,072	4,305,770
	Handling Commission On Lease Finance	910,194	-
	Handling Charge On Pe-Hsia Booth	429,000	2,897,425
	Earning on Treasury FEX	2,379,680	-
	NPSB Settlement Income	9,578,069	8,798,242
	Charges On Rtgs	8,803,757	1,587,644
	Recovery From Written Off Investments A/C	9,544,724	29,409,243
	Other earnings	5,449,361	4,294,128
		314,668,829	346,075,504
22(a)	Consolidated other operating income		
	Standard Bank Limited (note-22)	314,668,829	346,075,504
	Standard Exchange Co.(UK) Ltd.	916,473	2,172,980
	Standard Express(USA) Ltd.	6,443,295	21,025,000
	SBL Capital Mgt. Ltd.	1,197,851	5,200,805
	SBL Securities Ltd.	216,458	310,718
		323,442,906	374,785,007
23.	Salaries and allowances		
	Basic salary	1,158,709,048	1,121,539,534
	Allowances (note-23.1)	1,565,466,186	1,349,089,211
	Bonus & ex-gratia	346,760,878	182,478,816
	Bank's contribution to provident fund	115,741,094	112,184,758
	Casual wages	87,129,244	57,453,412
		3,273,806,450	2,822,745,731
23.1	Allowances		
	House rent allowances	578,507,600	560,670,268
	Conveyance allowances	85,859,668	88,275,488
	Entertainment allowances	56,689,839	52,585,542
	House maintenance & utility	40,403,912	41,119,822
	Medical allowances	106,808,865	78,721,080
	Risk allowances	2,493,300	2,694,181
	Washing allowances	1,631,269	1,713,243
	Remuneration for probationaries	169,573,924	65,995,830
	Charge allowances	3,001,960	2,571,136
	Leave Fare Compensation	92,558,981	86,635,197
	Gratuity	414,998,700	350,000,000
	Leave Encashment	11,786,168	16,553,038
	Extra allowances	1,152,000	1,554,386
		1,565,466,186	1,349,089,211
23(a)	Consolidated salaries and allowances		
	Standard Bank Limited (note-23)	3,273,806,450	2,822,745,731
	Standard Exchange Co. (UK) Ltd.	6,788,966	6,151,002
	Standard Express (USA) Ltd.	55,404,156	55,580,673
	SBL Capital Mgt. Ltd.	15,518,871	11,654,325
	SBL Securities Ltd.	1,361,140	11,777,217
		3,352,879,583	2,907,908,948
24.	Rent, Taxes, Insurance, electricity, etc.		
	Rent- Office	270,395,027	271,513,129
	Rent- Godown	554,000	539,688
	Rent Paid - Atm Booth	16,484,514	-
	Rates and taxes	55,840,952	55,700,400
	Insurance	128,425,367	124,444,400
	Utilities	64,972,246	66,574,100
		536,672,106	518,771,717

		Amount in Taka	
		31.12.2022	31.12.2021
24(a) Consolidated Rent, Taxes, Insurance, electricity, etc.			
Standard Bank Limited (note-24)		536,672,106	518,771,717
Standard Exchange Co. (UK) Ltd.		7,597,527	6,653,664
Standard Express (USA) Ltd.		66,041,476	43,746,293
SBL Capital Mgt. Ltd.		3,152,979	2,066,224
SBL Securities Ltd.		440,000	1,979,216
		613,904,088	573,217,114
25. Legal expenses			
Legal Charges		9,975,093	19,613,960
Fees ,Stamp & notary public expenses		6,612,485	740,659
		16,587,578	20,354,619
25(a) Consolidated Legal expenses.			
Standard Bank Limited (note-25)		16,587,578	20,354,619
Standard Exchange Co. (UK) Ltd.		108,515	39,759
Standard Express (USA) Ltd.		14,625,709	10,571,840
SBL Capital Mgt. Ltd.		133,975	396,450
SBL Securities Ltd.		251,711	212,750
		31,707,488	31,575,418
26. Postage, Stamps, Telecommunication etc.			
Postage		8,968,156	9,103,176
Telegram, telex, fax and e-mail		284,944	711,138
Telephone, Mobile (office & residence)		6,067,843	6,885,356
		15,320,943	16,699,670
26(a) Consolidated Postage, Stamps, Telecommunication etc.			
Standard Bank Limited (note-26)		15,320,943	16,699,670
Standard Exchange Co. (UK) Ltd.		87,053	73,156
Standard Express (USA) Ltd.		4,484,299	1,977,337
SBL Capital Mgt. Ltd.		45,297	61,271
SBL Securities Ltd.		191,495	206,878
		20,129,087	19,018,312
27. Stationery, Printing, Advertisement etc.			
Printing stationery		7,965,306	5,800,338
Security stationery		928,665	1,428,116
Petty stationery		8,587,517	8,251,906
Computer stationery		10,605,862	11,482,369
Calender, Dairy, Greetings Crads Etc		11,175,161	8,998,393
Publicity and advertisement		15,806,660	16,744,078
		55,069,171	52,705,200
27(a) Consolidated Stationery, Printing, Advertisement etc.			
Standard Bank Limited (note-27)		55,069,171	52,705,200
Standard Exchange Co. (UK) Ltd.		618,538	879,234
Standard Express (USA) Ltd.		4,517,225	3,768,855
SBL Capital Mgt. Ltd.		190,700	156,282
SBL Securities Ltd.		201,250	188,657
		60,596,884	57,698,228
28. Managing Director's salary and fees			
Basic salary		9,000,000	9,000,000
House rent allowance		2,400,000	2,400,000
House maintenance & utility		600,000	600,000
Bank's contribution to provident fund		900,000	900,000
Entertainment		1,200,000	1,200,000
Cook & Servant		600,000	600,000
Residence Security Guard		600,000	600,000
Bonus		1,500,000	1,500,000
Leave Fare Compensation		750,000	750,000
		17,550,000	17,550,000

		Amount in Taka	
		31.12.2022	31.12.2021
29. Directors fees & meeting expenses			
	Directors fees	3,048,000	2,436,800
	Travelling and haltage	589,770	51,344
	Refreshment and dinner	728,200	524,458
		4,365,970	3,012,602
29(a) Consolidated Directors fees & meeting expenses			
	Standard Bank Limited (note-29)	4,365,970	3,012,602
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	606,000	-
	SBL Capital Mgt. Ltd.	450,800	349,600
	SBL Securities Ltd.	168,824	440,000
		5,591,594	3,802,202
29(b) Shariah Supervisory Committee's Fees & Expenses			
	Directors fees	116,085	137,184
	Travelling and haltage	-	-
	Refreshment and dinner	376,000	-
		492,085	137,184
30. Audit fees		922,500	828,000
		922,500	828,000
30 (a) Consolidated Auditors fees			
	Standard Bank Limited	922,500	828,000
	Standard Exchange Co.(UK) Ltd.	512,434	434,505
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	SBL Securities Ltd.	-	-
		1,434,934	1,262,505
31. Charges on Investments losses			
	Investments-written off	-	-
	Profit waived	-	-
		-	-
31(a). Consolidated charges on Investments losses			
	Standard Bank Limited	-	-
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	SBL Securities Ltd.	-	-
		-	-
32. Depreciation and repair of Banks assets			
	Depreciation on Fixed Assets		
	Building	11,530,064	11,530,064
	Furniture & fixture	69,901,997	68,082,841
	Office appliance & equipment	73,462,960	106,568,611
	Computer	28,656,338	45,979,145
	Software	14,851,491	11,849,839
	Right of use assets	54,812,226	56,477,619
	Motor vehicle	9,065,942	14,554,692
		262,281,018	315,042,811
	Repair, Renovation & Maintenance of Bank's Assets		
	Office furniture	-	358,932
	Office appliance & equipment	14,330,389	18,925,209
	Computer	2,144,825	2,130,701
	Software	67,047,920	70,820,773
	Motor vehicle	14,849,299	13,920,582
		98,372,433	106,156,197
		360,653,452	421,199,008
Total		360,653,452	421,199,008

		Amount in Taka	
		31.12.2022	31.12.2021
32(a)	Consolidated depreciation and repair of Banks assets		
	Standard Bank Limited (note-32)	360,653,452	421,199,008
	Standard Exchange Co.(UK) Ltd.	636,021	552,645
	Standard Express(USA) Ltd.	7,518,238	4,040,974
	SBL Capital Mgt. Ltd.	800,198	663,748
	SBL Securities Ltd.	2,991,332	1,109,397
		372,599,241	427,565,772
32.1	Zakat Expenses of the Bank		
	Zakat Expenses	7,509,901	16,841,840
		7,509,901	16,841,840
33.	OTHER EXPENSES		
	Entertainment (office)	15,622,322	11,546,878
	Donation & subscription	120,298,469	38,874,464
	Travelling	9,077,618	4,198,118
	Branch /Subsidiary company opening expenses	19,000	124,998
	Training and seminar expenses	4,437,945	1,935,507
	Newspaper and periodicals	927,768	853,806
	Petrol, oil and lubricants	30,816,298	41,547,455
	Car expenses	36,335,143	36,180,490
	Photocopy expenses	1,745,639	2,112,585
	Staff uniform and liveries	3,479,857	3,223,723
	Cleaning and washing	7,027,443	7,566,073
	Premises up keeping	1,026,392	3,050,283
	Local conveyance	6,995,083	6,613,996
	Business development	30,460,155	9,579,681
	Freight and cartage	140,660	273,455
	Cook and servant	10,555,431	7,984,836
	Annual General Meeting	1,820,739	1,226,530
	Bank charges and commission paid	9,054,961	10,641,615
	Loss on sale of Assets	-	36,947
	Performance award	135,000	125,000
	SBL welfare fund	14,853,962	14,404,960
	Generator expenses	1,641,504	1,071,830
	Connectivity fees	14,407,271	14,236,423
	CDBL Charges	115,000	144,479
	Visa Card Process charges	22,122,012	11,830,435
	Dhaka Stock Exchange	1,192,013	1,106,247
	Chittagong Stock Exchange	1,164,013	1,077,247
	Registered Joint Stock Company	-	18,354
	Membership fee to Central Shariah Board	1,000,000	1,000,000
	Recruitment Expenses	3,884,231	4,226,154
	NPSB settlement expenses	2,066,100	1,619,345
	Discomfort Allowances	201,600	2,458,252
	Security Service-Out Sourcing	58,328,872	49,304,527
	BSEC Subscription	230,075	-
	Subordinated Bond Issue Expenses	1,552,500	36,361,248
	Nid Verification Charge	694,985	1,223,966
	Medical Expenses	932,317	1,587,608
	Motivational Allowance For Covid-19	13,500	9,949,136
	Compensation For Covid-19	2,799,126	8,727,752
	Other Expenses	1,340,843	776,596
		418,727,451	348,820,999
	Expenses included VAT on which applicable		
33(a)	Consolidated other expenses		
	Standard Bank Limited (note-33)	418,727,451	348,820,999
	Standard Exchange Co.(UK) Ltd.	11,948,513	5,560,756
	Standard Express(USA) Ltd.	40,042,763	30,118,652
	SBL Capital Mgt. Ltd.	5,456,010	5,277,062
	SBL Securities Ltd.	29,663,983	7,307,716
		505,838,720	397,085,185

		Amount in Taka	
		31.12.2022	31.12.2021
33.1	Nostro account maintenance		
	Nostro account maintenance	-	-
	Bank charge	-	-
		-	-
34	Provision for Investments, off balance sheet exposure & other assets		
	Provision for bad and doubtful Investments	25,177,112	23,432,547
	Provision for SMA Investments	-	-
	Provision for unclassified Investments	-	24,105,514
	Special General Provision-COVID-19	148,482,011	236,785,746
	Provision for off balance sheet exposure	-	127,821,087
	Provision for other assets	(28,097,272)	2,587,977
	Provision for diminution in value of investments(34.1)	-	-
		145,561,851	414,732,871
34.1	Provision for diminution in value of investments		
	Dealing Securities		
	Quoted	-	-
	Unquoted	-	-
	Investment Securities		
	Quoted	-	-
	Unquoted	-	-
		-	-
		145,561,851	414,732,871
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		
	Standard Bank Limited (note-34.1)	-	-
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	7,966,430	-
	SBL Securities Ltd.	6,805,188	6,762,575
		14,771,618	6,762,575
34(a)	Consolidated Provision for Investments off balance sheet exposure & other assets		
	*Provision for bad and doubtful Investments SBL	25,177,112	23,432,547
	Provision for SMA Investments SBL	-	-
	Provision for unclassified Investments SBL	-	24,105,514
	Special General Provision-COVID-19	148,482,011	236,785,746
	Provision for off balance sheet exposure-SBL	-	127,821,087
	Provision for diminution in value of investments (SCML & SBSL)	14,771,618	6,762,575
	Provision for impairment of client margin Investments (SCML & SBSL)	38,530,086	21,055,727
	Provision for others (SBL)	(28,097,272)	2,587,977
		198,863,555	442,551,173

*As per Bangladesh Bank letter no. DBI-6/51(4)/2023-350 dated 13.04.2023 & DOS (CAMS) 1157/41(Dividend)/2023-2148 dated 27.04.2023, the remaining provision of Tk. 298.69 crore will be maintained within 2023.

		Amount in Taka	
		31.12.2022	31.12.2021
35	Tax expenses		
	Current tax	462,697,949	663,662,081
	Deferred tax	(85,258,020)	(134,483,281)
		<u>377,439,929</u>	<u>529,178,800</u>
35(a)	Consolidated tax expenses		
	Current tax		
	Standard Bank Limited (note-35)	462,697,949	663,662,081
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	24,215,639	36,056,806
	SBL Securities Ltd.	15,517,278	16,729,051
		<u>502,430,865</u>	<u>716,447,938</u>
	Deferred tax		
	Standard Bank Limited (note-35)	(85,258,020)	(134,483,281)
	Standard Exchange Co.(UK) Ltd.	-	-
	Standard Express(USA) Ltd.	-	-
	SBL Capital Mgt. Ltd.	-	-
	SBL Securities Ltd.	-	-
		<u>(85,258,020)</u>	<u>(134,483,281)</u>
	Total	<u>417,172,844</u>	<u>581,964,657</u>
36	Earning Per Share (EPS)		
	Net profit after tax	1,004,747,579	673,218,462
	Number of Ordinary Share	1,062,074,773	1,062,074,773
	Earning Per Share *	<u>0.95</u>	<u>0.63</u>
	* 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.		
	*EPS has significantly decreased due to decrease operating profit .		
36(a)	Consolidated Earning Per Share (EPS)		
	Net profit after tax	1,121,803,499	778,605,992
	Number of Ordinary Share	1,062,074,773	1,062,074,773
	Earning Per Share *	<u>1.06</u>	<u>0.73</u>
	* 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	16,043,688	15,927,826
	Postage charge recoveries	8,731,073	11,749,933
	Service charges	152,913,713	136,092,845
	Locker charges	1,803,880	1,885,761
	Investments processing /documentation fees	7,555,521	54,139,255
	Service charges agst CIB/Clearing return	-	13,060
	Debit / VISA Card Fees	86,984,404	74,787,980
	Stationery Charge Recovery	3,208,071	4,305,770
	Handling Commission On Lease Finance	910,194	-
	Handling Charge On Pe-Hsia Booth	429,000	2,897,425
	Earning on Treasury FEX	2,379,680	-
	NPSB Settlement Income	9,578,069	8,798,242
	Charges On Rtgs	8,803,757	1,587,644
	Recovery From Written Off Investments A/C	9,544,724	29,409,243
	Other earnings	5,449,362	4,294,129
	Gain on shares	3,047,427	8,259,917
		<u>317,382,563</u>	<u>354,149,030</u>

		Amount in Taka	
		31.12.2022	31.12.2021
37(a)	Consolidated Received from other operating activities		
	Standard Bank Limited (note-35)	317,382,563	354,149,030
	Standard Exchange Co.(UK) Ltd.	916,473	2,172,980
	Standard Express(USA) Ltd.	6,443,295	21,025,001
	SBL Capital Mgt. Ltd.	1,197,850	5,200,805
	SBL Securities Ltd.	216,458	310,717
		326,156,639	382,858,533
38	Payments for other operating activities		
	Rent, Taxes, Insurance, Electricity etc.	536,672,106	518,771,717
	Legal Expenses	16,587,578	20,354,619
	Postage, Stamp, Telecommunication etc.	15,320,943	16,699,670
	Directors' Fee & Other benefits	4,365,970	3,012,602
	Shariah Supervisory Committee's Fees & Expenses	492,085	137,184
	Audit Fees	922,500	828,000
	Repair of Bank's assets	98,372,433	106,156,197
	Zakat Expenses	7,509,901	16,841,840
	Other Expenses	405,329,561	272,471,414
		1,085,573,077	955,273,243
38(a)	Consolidated Payments for other operating activities		
	Standard Bank Limited (note-38)	1,085,573,077	955,273,243
	Standard Exchange Co.(UK) Ltd.	20,996,168	13,759,214
	Standard Express(USA) Ltd.	137,229,710	94,223,948
	SBL Capital Mgt. Ltd.	9,779,160	8,563,539
	SBL Securities Ltd.	33,739,769	10,947,115
		1,287,317,884	1,082,767,059
39	Changes in other assets		
	Stock of stationery	909,764	(1,503,449)
	Stamps in hand	(251,584)	(84,605)
	Suspenses A/c	45,289,738	(65,901,595)
	Advance deposit	2,103,471	(620,726)
	Profit Receivable	262,259,470	70,077,546
	Branch adjustments accounts	248,871,587	-
	Advance rent	(81,614,145)	(49,189,208)
	Prepaid expenses	618,338	12,301,195
	Excise Duty adjustment on FDR	2,569,300	6,742,553
	Working Progress, Building	146,781,749	171,189,771
	Fx.Deal Receivable	(4,552,700)	(4,552,700)
	Profit Waived	(10,608,660)	106,086,604
	Clearing Adjustment	(181,923,544)	10,374,848
		430,452,783	254,920,232
39(a)	Consolidated Changes in other assets		
	Standard Bank Limited (note37)	430,452,783	254,920,232
	Standard Exchange Co.(UK) Ltd.	(2,036,918)	(6,054,311)
	Standard Express(USA) Ltd.	(11,737,534)	12,510,887
	SBL Capital Mgt. Ltd.	(364,358,015)	(211,711,943)
	SBL Securities Ltd.	1,771,941	300,999
		54,092,256	49,965,865
40	Changes in other liabilities		
	Accrued Expenses	13,397,890	76,349,585
	Standard Exchange UK	(2,237,525)	(21,078,934)
	Profit suspenses account	696,039,185	289,687,756
	Zakat Fund	7,509,901	16,841,840
	Provision for bonus	3,806,169	(116,933,725)
	Islamic Settlement Account	0.00	(25,000)
	Profit receivable	212,328,907	(4,157,135)
	Provision for LFC	(4,001,828)	(45,182,701)
	Provision for Start-up Fund	10,932,178	(13,128,837)
	Special General Provision-COVID-19	203,432,364	-
	SBL Foundation	-	(30,000,000)
	MFS Settlement Account	2,451,675	(2,155,993)
	Commission Payable Account	559,131	35,366
	Payable to OBU	661,986,257	(4,821,622)
	Provision for unforeseen losses	-	8,311,320

		Amount in Taka	
		31.12.2022	31.12.2021
	Branch adjustments accounts	343,598,690	-
	Swift Charge Payable A/C	(5,976,788)	7,693,591
	Residual Amt. For Cust. Repay. (Mig)	-	11,721,028
	Profit Reimbursement A/C Swc-I & S-Cc	(2,342,097)	-
	Written-Off Investments Recovery A/C	725,550	830,933
	Non Shariah Income	(26,279,534)	31,306,757
	Compensation Suspense Account	(153,556,520)	153,556,520
	Motivational Allowance Payable For Covid	-	(32,962,738)
	Foreign Currency translation gains	27,125,480	-
	Total	1,989,499,085	325,888,011
40(a)	Consolidated Changes in other liabilities		
	Standard Bank Limited (note-38)	1,989,499,085	325,888,011
	Standard Exchange Co.(UK) Ltd.	(14,276,095)	(10,716,943)
	Standard Express(USA) Ltd.	221,254	(100,469,566)
	SBL Capital Mgt. Ltd.	346,545,439	941,341
	SBL Securities Ltd.	30,865,008	18,315,000
		2,352,854,691	233,957,843
41	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	1,004,747,579	673,218,462
	Provision for taxation	377,439,929	529,178,800
	Provision for Investments & Off BS Exposure	145,561,851	414,732,871
	Changes in profit and others receivable	(2,142,301,525)	(3,746,890,380)
	Changes in accrual Profit expense	587,985,802	(50,989,422)
	Depreciation & Amortization of Fixed Assets	262,281,018	315,042,811
	Proceeds from sale of fixed assets	333,693	186,390
	Advance Income taxes paid	(638,786,290)	(509,800,065)
		(402,737,944)	(2,375,320,534)
	Consolidated		
	Net profit after taxation	1,121,803,499	778,605,992
	Provision for taxation	417,172,844	581,964,657
	Provision for Investments & Off BS Exposure	198,863,555	442,551,173
	Changes in Profit and others receivable	(2,157,539,549)	(3,762,920,597)
	Changes in accrual Profit expense	587,985,804	(50,989,422)
	Depreciation & Amortization of Fixed Assets	262,281,018	315,042,810
	Proceeds from sale of fixed assets	333,692	186,390
	Advance Income taxes paid	(638,207,008)	(530,912,058)
		203,843,866	(2,224,791,632)
42	Net Operating Cash Flows per Share (NOCFPS)		
	Net cash flow from operating activities	(2,511,184,758)	(8,766,536,629)
	Number of Ordinary Share	1,062,074,773	1,062,074,773
	Net Operating Cash Flows per Share (NOCFPS)	(2.36)	(8.25)
42(a)	Consolidated Net Operating Cash Flows per Share (NOCFPS)		
	Net cash flow from operating activities	(2,486,374,048)	(8,792,778,519)
	Number of Ordinary Share	1,062,074,773	1,062,074,773
	Net Operating Cash Flows per Share (NOCFPS)	(2.34)	(8.28)

**NOCFPS has significantly increased in 2022 in comparison with previous year 2021 for the following reasons:a) Increase of cash flow due to significant collection of new deposit for Tk. 438.40 crore in 2022 in compare with the year 2021 .b) Fee and commission receipts has been increased in 2022 by Tk.46.76 crore in compare with the year 2021 due to increase foreign trade business.c) Income from investments in shares & securities has been increased in 2022 by Tk.74.88 crore in compare with the year 2021 due to increase foreign trade business.d) Payments for redemption of Investment in Subordinated Bond has been decreased in 2022 by Tk. 40.00 crore in compare with the year 2021 due adjustment of SBL 1st subordinated bond .

43 Expenditure Incurred for employees

Number of employees at 31 December 2022 was 2239(2021: 2225) who were in receipt of remuneration for 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. 24,000.

44 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 351th meeting of the Board of Directors held on 23.12.2021. Thus the committee stands as follows;

SL. No.	Name	Status with Bank	Status with Committee	Educational Qualification
1	Mr. Golam Hafiz Ahmed	Independent Director	Chairman	M.S.S. (Eco)
2	Mr. Nazmul Huq Chaudhury	Director	Member	B. Com
3	Haji Md. Shamsul Alam	Director	Member	B.A
4	Mr. Ferdous Ali Khan	Director	Member	B.A
5	Mr. Kazi Khurram Ahmed	Director	Member	BSc. Egg. (USA) (Computer Science)
6	Md. Ali Reza	Acting Company Secretary	Member Secretary	MBA, FCMA, CIPA

During 31.12.2022, 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 Investments and providing with the necessary guidelines, advices and recommendations to the management to reduce the Non-performing Investments (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 2022' and 'Risk Based Audit Plan 2022' of bank's audit and inspection 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 2021 & 2022.
- Review of the audit ratings of all branches and departments for the year 2021.
- 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 2021 as certified by the external auditors, M/S Shafiq Basak & 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 2021 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 2021 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 2022 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 there of.
- Review of AML rating of all Branches for the year 2021 & 2022.
- Review of compliance and related risk level of Branches, various Departments and Subsidiaries.
- Review of Annual Report on the Financial Health of the Bank, 2021.

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 Investments 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

45 Related Party Disclosures

i) Particulars of Directors of the Bank as on 31 December 2022

Sl.No.	Name of the Persons	Designation	Present Address	% of shares as on 31.12.2022
1	Mr. Kazi Akram Uddin Ahmed	Chairman	House # 73, Road # 6, O.R. Nizam Road R/A, Chittagong.	2.02%
2	Mr. Ferdous Ali Khan	Vice Chairman	H-27, Lake Drive Road, Sector-07, Uttara, Dhaka.	2.27%
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, Katapahar Lane, Kotwali, 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	168, Fakirapool, Motijheel, Dhaka	2.01%
9	Al-Haj Mohammed Shamsul Alam	Director	M/s. Radio Vision, 398, Bipani Bitan, Chittagong.	2.00%
10	Mr. Gulzar Ahmed	Director	Apan Jewellers, 65 Gulshan Avenue, Suvastu Imam Square (Ground Floor), Gulshan-1, Dhaka-1212.	2.00%
11	Mr. Md. Zahedul Hoque	Director	284, Khatungonj, Chittagong,	3.34%
12	Mr. Kazi Khurram Ahmed	Director	NAM Villa, House-4-B/5, Road-06, Gulshan, Dhaka	2.00%
13	Mr. A. K. M. Abdul Alim	Director	Rosewood Regency, H-36/B, R-37, Apt-A/5, Gulshan-2, Dhaka.	2.01%

14	ICB, represented by its Managing Director, Mr. Md. Abul Hossain	Director	Managing Director, Investment Corporation of Bangladesh	4.07%
15	Mr. Najmul Huq Chaudhury	Independent Director	House # 232, Road # 9, Block-B, Chandgaon CDA R/A, Chittagong	NIL
16	Mr. Golam Hafiz Ahmed	Independent Director	Flat E1, House-38, Road-26, Sector-7, Uttara Model Town, Dhaka	NIL
17	Mr. Md. Habibur Rahman	MD & Ex-Officio Director	Gawsia Dynasty, 109/1 Kakrail, Circuit House Road, Dhaka	NIL

46 Related Party Disclosures

Statement of Investments to our Bank Directors & their Relatives

(Figure in Lac)

SL No.	Name of the Directors	Status with Bank	Name of the Concern	Nature of Investment	Limit	Outstanding
1	Mr. Kazi Akram Uddin Ahmed	Chairman	M/s. Kazi & Co.	Bai-Muajjal (Gen)	950.00	15.82
2	Mr. Ferdous Ali Khan	Vice-Chairman	Ferdous Ali Khan Model School & College	HPSM	53.00	33.90
2	Mr. Md. Shamsul Alam	Director	M/s. Radio Vision.	Bai-Muajjal (Gen)	300.00	67.54
3	Mr. Kamal Mostafa Chowdhury	Director	M/s. Raja Corporation.	Bai-Muajjal (Gen)	70.00	6.00
4	Mr. Kamal Mostafa Chowdhury	Director	M/s. K.M.C. International	Bai-Muajjal (Gen)	1,022.00	-
5	Mr. Kamal Mostafa Chowdhury	Director	M/s. K.M.C. International	Letter of Credit	90.00	-
6	Mr. S.A.M. Hossain	Director	M/s. Samira Trade International.	Bai-Muajjal (Gen)	660.00	-
7	Mr. S.A.M. Hossain	Director	M/S Victor Internationa;	Letter of Credit	-	-
8	Mr. S.A.M. Hossain	Director	M/S Victor Internationa;	MPI-TR	-	-
9	Mr. Md. Monzurul Alam	Director	M/s. Monzurul Alam.	Bai-Muajjal (Gen)	945.00	458.86
10	Mr. Md. Abdul Aziz	Director	M/s. Mohammed Abdul Aziz.	Bai-Muajjal (Gen)	523.00	-
11	Mr. Md. Abdul Aziz	Director	M/s. New Ruma Products	Letter of Credit	428.00	43.14
12	Mr. Md. Abdul Aziz	Director	M/s. Alim International	Letter of Credit	-	56.65
13	Mr. Ferozur Rahman	Director	M/s. Olio Enterprise	Bai-Muajjal (Gen)	1,032.00	936.69
14	Mr. Ashok Kumar Saha	Director	Mr. Ashok Kumar Saha	Bai-Muajjal (Gen)	761.00	446.91
15	Mr. Ashok Kumar Saha	Director	NGS Steel Ind.Ltd	Bank Guarantee	1.07	1.07
16	Mr. Ashok Kumar Saha	Director	NG Shaha Steel Ind.(Pvt.) Ltd	Bank Guarantee	1.30	1.30
17	Mr. Ashok Kumar Saha	Director	NGS Steel Ind.Ltd	Bank Guarantee	1.83	1.83
18	Mr. Md. Zahedul Hoque	Director	M/S.Zahed Brothers	Bai-Muajjal (Gen)	870.00	959.51
19	Mr. Kazi Khurram Ahmed	Director	M/s. EMX Ltd.	Bank Guarantee	3.97	3.97
20	Mr. Kazi Khurram Ahmed	Director	M/s. Ahmed & Sons	Bai-Muajjal (Gen)	500.00	-
	Total				8,212.17	3,033.18

Amount in Taka	
31.12.2022	31.12.2021

47 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.

48 Unclaimed Dividend

Dividend remained unclaimed which were declared for the year

2013	16,800,754	16,800,754
2016	7,824,293	7,621,835
2019	13,784,567	14,192,882
2020	6,717,595	6,868,215
2021	14,301,064	-
	59,428,273	45,483,686

49 Auditors work hour

The external auditor has covered 80% of the risk weighted assets and has spent around 5,496 hours to complete the audit as per Bangladesh Auditing Standards.

50 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, 2022 under the guidelines of Bangladesh Bank BRPD circular No.14 dated 25th June, 2003.

51 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.

52 Net Asset Value Per Share

Shareholders' Equity	17,709,510,638	17,175,441,961
Number of Ordinary Share	1,062,074,773	1,031,140,557
Net Asset Value (NAV) Per Share	16.67	16.66

52 (a) Consolidated Net Asset Value Per Share

Shareholders' Equity	17,702,435,886	17,253,212,615
Number of Ordinary Share	1,062,074,773	1,031,140,557
Consolidated Net Asset Value (NAV) Per Share	16.67	16.73

53 Events after the Balance Sheet date

The Board of Directors in its 376th meetings decided to recommend payment of 2.5% stock dividend & 2.5% Cash dividend for the year 2022. The total amount of dividend is Taka. 531,037,386.00

STANDARD BANK LIMITED
FIXED ASSETS INCLUDING PREMISES, FURNITURE AND FIXTURES
AS AT 31 DECEMBER 2022

Annexure-'A'

Description	Cost			Depreciation			Written down value at 31 December 2022	
	Balance at 1st January 2022	Addition during the year	Adjustment for disposal	Balance at 31 December 2022	Balance at 1st January 2022	Addition during the year		Adjustment for disposal
	Taka	Taka	Taka	Taka	Taka	Taka		Taka
Land	2,373,245,825	-	-	2,373,245,825	-	-	-	2,373,245,825
Building	495,535,566	-	-	495,535,566	11,530,064	-	108,621,639	386,913,927
Furniture & Fixture	881,342,014	8,817,214	-	890,159,228	69,901,997	-	521,469,307	368,689,921
Office Appliances	777,819,173	12,967,584	-	790,786,757	73,462,960	-	723,341,505	67,445,252
Computer	334,824,928	7,397,279	-	342,222,207	28,656,338	-	303,140,038	39,082,169
Right of Use Assets (ROUA) as per IFRS-16	274,244,824	-	-	274,244,824	54,812,226	-	151,290,888	122,953,936
Software	141,189,963	42,393,825	-	183,583,788	14,851,491	-	137,380,733	46,203,055
Bank Vehicle	138,767,358	4,523,060	-	143,290,418	9,065,942	-	125,089,169	18,201,249
Total 31.12.2022	5,416,969,651	76,098,962	-	5,493,068,613	262,281,018	-	2,070,333,279	3,422,735,334
Total 31.12.2021	5,338,436,402	78,819,639	286,390	5,416,969,651	315,042,811	286,390	1,808,052,260	3,608,917,391

STANDARD BANK LIMITED**NAME OF THE DIRECTORS/SPONSORS AND THE ENTITIES IN WHICH THEY HAVE INTEREST****AS AT 31 DECEMBER 2022**

SL.No.	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
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
2	Mr. Ferdous Ali Khan House # 27, Lake Drive Road Sector#7, Uttara Model Town Dhaka -1230	Vice Chariman	Ferdous Tailors Fabrics & Fashion	Proprietor
3	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
4	Mr. Ashok Kumar Saha 29/B, Ghatforhadbeg Chittagong	Director	NGS STEEL INDUSTRIES LTD. UTTAM OIL MILLS LTD. NG SAHA STEEL INDUSTRIES (PVT.) LTD. NGS FOOD PRODUCTS LIMITED A.K. SAHA STEEL INDUSTRIES (PVT.) LTD.	Managing Director Managing Director Director Director Chairman
5	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
6	Mr. Md. Monzurul Alam 218, D.T. Road, Dewanhat, Chittagong.	Director	1. Taher & Co. Ltd. 2. Golden Bricks Works Ltd. 3. Golden Steel Alloy Works Ltd. 4. Alhaj Mostafa Hakim Housing & Real Estate Ltd. 5. Golden Oxygen Ltd. 6. Alhaj Mostafa Hakim Cement Ind. Ltd. 7. Golden Iron Works Ltd. 8. Mostafa Hakim Agriculture Product. 9. Alhaj Mostafa Hakim Bricks Ltd. 10. H.M Steel & Industry Ltd. 11. Golden Ispat Ltd. 12. H.M Ship Breaking Industry Ltd. 13. Golden LPG Ltd.	Managing Director Managing Director
7	Mr. S. A. M. Hossain Victor Electronics 400 Bipani Bitan (3rd Floor), Chittagong.	Director	i) Victor Electronics ii) Samira Electronics iii) Samira Trade Intl. iv) Eastern Metal Ind. Chittagong Ltd. v) Hotel Victory Ltd.	Proprietor Proprietor Proprietor Chairman Chairman
8	Mr. Mohammed Abdul Aziz 268, Fakirapool, Motijheel, Dhaka	Director	i) MOHAMMED ABDUL AZIZ ii) New Ruma Products iii) Alim International	Proprietor Proprietor Proprietor

SL.No.	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
9	Al-Haj Mohammed Shamsul Alam M/s. Radio Vision 398, Bipani Bitan Chittagong.	Director	M/S. Radio Vision M/S. Pam Complex Pvt. Limited M/S. A.B. Electronics M/S. G. Telecom M/S. G. Net Digital Communication R.V. Electronics Industries Limited MIDAS Financing Ltd.	Managing Partner Managing Director Managing Partner Partner Partner Managing Director
10	Mr. Gulzar Ahmed House # 10, Road # 108, Gulshan, Dhaka-1212.	Director	The Apan Jewellers	Proprietor
11	Mr. Md. Zahedul Hoque 284/285, Khatungonj, Chittagong.	Director	i) M/S Zahed Brothers i) M/S. Arafat Ltd.	Proprietor Director
12	Mr. Kazi Khurram Ahmed NAM Villa, House # 4-B/5, Road # 06, Gulshan-1, Dhaka	Director	(i) The Eastern Engineering Works Limited (ii) Ahmed & Sons (iii) EMX Limited	Director Proprietor Chairman & MD
13	Mr. A K M Abdul Alim ROSEWOOD REGENCY APT# A-5, HOUSE # 36/B, ROAD # 37, GULSHAN-2, DHAKA- 1212	Director	i) MAAS CORPORATION ii) M/s A K M Abdul Alim	Proprietor Proprietor
14	Investment Corporation of Bangladesh (ICB), representing by Managing Director Investment Corporation of Bangladesh Head Office, 8, Rajuk Avenue(14th Floor), Dhaka.	Director	NIL	
15	Mr. Najmul Huq Chaudhury House # 232, Road # 9 Block-B, Chandgaon CDA R/A Chittagong	Independent Director	NIL	
16	Mr. Golam Hafiz Ahmed 11 Minto Road, Dhaka-1000	Independent Director	NIL	
17	Mr. Md. Habibur Rahman MD & CEO, Standard Bank Ltd. Metropolitan Chamber Building (3rd floor) 122-124, Motijheel C/A., Dhaka 1000	Ex-Officio Director	NIL	

STANDARD BANK LIMITED

STATEMENT OF INVESTMENTS TO OUR BANK DIRECTORS AS AT 31 DECEMBER 2022

Annexure-“D”
Fig in Lac TK.

Sl. No.	Name of The Director	Status with Bank	Name of the Concern	Nature of Investment	Limit	Outstanding	Classification Status	Remarks
1	Mr. Kazi Akram Uddin Ahmed	Chairman	M/s. Kazi & Co.	Bai-Muajjal (Gen)	950	15.82	UC	Regular
2	Mr. Ferdous Ali Khan	Vice-Chairman	Ferdous Ali Khan Model School & College	HPSM	53	33.90	UC	Regular
3	Md. Shamsul Alam	Director	M/s. Radio Vision.	Bai-Muajjal (Gen)	300	67.54	UC	Regular
4	Mr. Kamal Mostafa Chowdhury	Director	M/s. Raja Corporation.	Bai-Muajjal (Gen)	70	6	UC	Regular
5	Mr. Kamal Mostafa Chowdhury	Director	M/s. K.M.C. International	Bai-Muajjal (Gen)	1022	-	UC	Regular
6	Mr. Kamal Mostafa Chowdhury	Director	M/s. K.M.C. International	Letter of Credit	90	-	UC	Regular
7	Mr. S.A.M. Hossain	Director	M/s. Samira Trade International.	Bai-Muajjal (Gen)	660	-	UC	Regular
8	Mr. S.A.M. Hossain	Director	M/S Victor Internationa;	Letter of Credit	-	-	UC	Regular
9	Mr. S.A.M. Hossain	Director	M/S Victor Internationa;	MPI-TR	-	-	UC	Regular
10	Mr. Md. Monzurul Alam	Director	M/s. Monzurul Alam.	Bai-Muajjal (Gen)	945	458.86	UC	Regular
11	Mr. Md. Abdul Aziz	Director	M/s. Mohammed Abdul Aziz.	Bai-Muajjal (Gen)	523	-	UC	Regular
12	Mr. Md. Abdul Aziz	Director	M/s. New Ruma Products	Letter of Credit	428	43.14	UC	Regular
13	Mr. Md. Abdul Aziz	Director	M/s. Alim International	Letter of Credit	-	56.65	UC	Regular
14	Mr. Ferozur Rahman	Director	M/s. Olio Enterprise	Bai-Muajjal (Gen)	1032	936.69	UC	Regular
15	Mr. Ashok Kumar Saha	Director	Mr. Ashok Kumar Saha	Bai-Muajjal (Gen)	761	446.91	UC	Regular
16	Mr. Ashok Kumar Saha	Director	NGS Steel Ind.Ltd	Bank Guarantee	1.07	1.07	UC	Regular
17	Mr. Ashok Kumar Saha	Director	NG Shaha Steel Ind.(Pvt.) Ltd	Bank Guarantee	1.3	1.3	UC	Regular
18	Mr. Ashok Kumar Saha	Director	NGS Steel Ind.Ltd	Bank Guarantee	1.83	1.83	UC	Regular
19	Mr. Md. Zahedul Hoque	Director	M/S.Zahed Brothers	Bai-Muajjal (Gen)	870	959.51	UC	Regular
20	Mr. Kazi Khurram Ahmed	Director	M/s. EMX Ltd.	Bank Guarantee	3.97	3.97	UC	Regular
21	Mr. Kazi Khurram Ahmed	Director	M/s. Ahmed & Sons	Bai-Muajjal (Gen)	500	-	UC	Regular
	Total				8,212.17	3,033.18		

STANDARD BANK LIMITED
INVESTMENT IN SHARES OF THE BANK
AS AT 31 DECEMBER 2022

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 31.12.2022	Total market as at 31.12.2022
1	First Bangladesh Fixed Income Fund	10	22,784,408	146,779,000	6.44	5.00	113,922,040
2	Bangladesh Steel Re-Rolling Mills Ltd	10	87,320	2,493,010	28.55	90.00	7,858,800
3	Sonali Life Insurance Company	10	4,307	23,070	5.36	59.60	256,697
4	Runner Automobile Limited	10	9,301	676,745	72.76	48.40	450,168
5	Robi Axiata Limited	10	81,188	811,880	10.00	30.00	2,435,640
6	Union Insurance Ltd.	10	1,143	11,430	10.00	37.30	42,634
7	Islami Commercial Insurance	10	8,798	87,980	10.00	28.10	247,224
8	Meghna Insurance Ltd.	10	4,002	40,020	10.00	42.80	171,286
9	Bd Paints Ltd.	10	16,050	160,500	10.00	25.20	404,460
10	Achia Sea Foods Limited	10	24,760	247,600	10.00	37.80	935,928
11	Beximco Green-Sukuk Al Istisna'A	100	100,000	10,000,000	100.00	89.00	8,900,000
	Sub Total			161,331,235			135,624,877
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	SWIFT			3,003,185			3,003,185
4	Standard Exchange Co.(UK) Ltd.			36,171,810			36,171,810
5	Standard Express(USA) Ltd.			156,550,000			156,550,000
6	SBL Capital Mgt. Ltd.			1,499,940,000			1,499,940,000
7	SBL Securities Ltd.			799,940,000			799,940,000
	Sub Total			2,689,653,159			2,689,653,159
	Total			2,850,984,394			2,825,278,036

STANDARD BANK LTD.**NAME OF DIRECTORS AND THEIR SHAREHOLDINGS
AS AT 31 DECEMBER 2022**

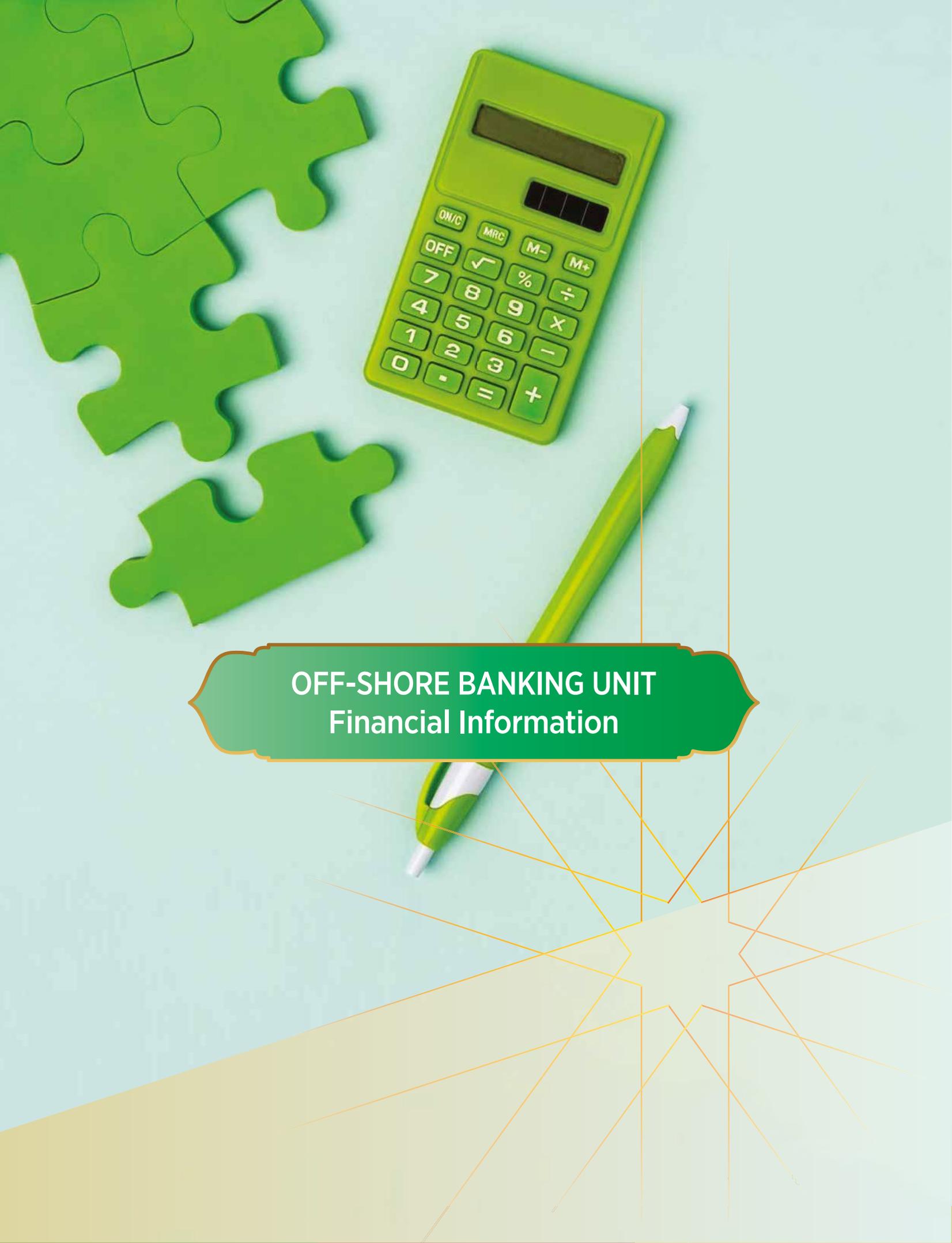
Annexure-"F"

Sl. No.	Name of Directors	Status	Share Balance	
			31.12.2022	31.12.2021
1	Mr. Kazi Akram Uddin Ahmed	Chairman	2,14,39,693 Shares of Tk. 10/ Each Tk.21,43,96,930/-	2,08,15,236 Shares of Tk. 10/ Each Tk. 20,81,52,360/-
2	Mr. Ferdous Ali Khan	Vice Chairman	2,40,59,215 Shares of Tk. 10/- Each Tk.24,05,92,150/-	2,33,58,462 Shares of Tk. 10/- Each Tk. 23,35,84,620/-
3	Mr.Kamal Mostafa Chowdhury	Director	2,44,03,746 Shares of Tk. 10/- Each Tk. 24,40,37,460/-	2,36,92,958 Shares of Tk. 10/- Each Tk. 23,69,29,580/-
4	Mr. Ashok Kumar Saha	Director	2,30,22,158 Shares of Tk. 10/- Each Tk. 23,02,21,580/-	2,23,51,610 Shares of Tk. 10/- Each Tk. 22,35,16,100/-
5	Mr. Ferozur Rahman	Director	2,20,06,405 Shares of Tk. 10/- Each Tk. 22,00,64,050/-	2,13,65,442 Shares of Tk. 10/- Each Tk. 21,36,54,420/-
6	Mr. Md. Monzurul Alam	Director	2,12,42,790 Shares of Tk. 10/- Each Tk. 21,24,27,900/-	2,06,24,069 Shares of Tk. 10/- Each Tk. 20,62,40,690/-
7	Mr. S. A. M. Hossain	Director	2,89,21,192 Shares of Tk. 10/- Each Tk. 28,92,11,920/-	2,80,78,828 Shares of Tk. 10/- Each Tk. 28,07,88,280/-
8	Mr. Mohammed Abdul Aziz	Director	2,13,04,712 Shares of Tk. 10/ Each Tk. 21,30,47,120/-	2,06,84,187 Shares of Tk. 10/ Each Tk. 20,68,41,870/-
9	Al-Haj Mohammed Shamsul Alam	Director	2,12,51,559 Shares of Tk. 10/- Each Tk. 21,25,15,590/-	2,62,05,398 Shares of Tk. 10/- Each Tk. 26,20,53,980/-
10	Mr. Gulzar Ahmed	Director	2,12,63,027 Shares of Tk. 10/- Each Tk. 21,26,30,270/-	2,06,43,716 Shares of Tk. 10/- Each Tk. 20,64,37,160/-
11	Mr. Md. Zahedul Hoque	Director	3,54,93,967 Shares of Tk. 10/- Each Tk. 35,49,39,670/-	3,44,60,163 Shares of Tk. 10/- Each Tk. 34,46,01,630/-
12	Mr. Kazi Khurram Ahmed	Director	2,12,92,871 Shares of Tk. 10/- Each Tk.21,29,28,710/-	2,06,72,691 Shares of Tk. 10/- Each Tk.20,67,26,910/-
13	Mr. A. K. M. Abdul Alim	Director	2,13,92,398 Shares of Tk. 10/- Each Tk. 21,39,23,980/-	2,07,69,319 Shares of Tk. 10/- Each Tk. 20,76,93,190/-
14	Investment Corporation of Bangladesh (ICB), represented by its Managing Director, Mr. Md. Abul Hossain	Director	4,31,80,817 Shares of Tk. 10/- Each Tk 43,18,08,170/-	4,19,23,124 Shares of Tk. 10/- Each Tk. 41,92,31,240/-
15	Mr. Najmul Huq Chaudhury	Independent Director	NIL	NIL
16	Mr. Golam Hafiz Ahmed	Independent Director	NIL	NIL
17	Mr. Md. Habibur Rahman	Managing Director & CEO	NIL	NIL

STANDARD BANK LIMITED

HIGHLIGHTS

Sl. No.	Particulars	31.12.2022	31.12.2021
1	Paid Up Capital	10,620,747,730	10,311,405,570
2	Total Capital	26,374,083,787	26,430,102,231
3	Capital Surplus/(deficit)	7,486,673,905	6,052,884,747
4	Total Assets	233,925,215,791	225,085,138,745
5	Total Deposits	170,803,078,529	166,419,122,928
6	Total Investments	178,128,422,588	167,538,046,328
7	Total contingent liabilities and commitments	49,352,564,417	52,659,871,608
8	Investment Deposit Ratio	93.64%	83.89%
9	Percentage of classified Investments against total Investments	7.77%	6.06%
10	Profit after tax and provision	1,121,803,499	778,605,992
11	Amount of classified Investments during the year	13,840,141,724	10,154,982,128
12	Provisions kept against classified Investments	4,912,107,189	4,758,062,020
13	Provision surplus/(deficit)	-	-
14	Cost of fund	7.85%	7.15%
15	Profit earning assets	184,918,230,641	182,178,176,700
16	Non-Profit earning assets	49,006,985,150	42,906,962,045
17	Return on investment (ROI)	4.74%	1.96%
18	Return on assets (ROA)	0.49%	0.35%
19	Return on Equity (ROE)	6.34%	4.51%
20	Net Profit Margin (NPM)	2.05%	2.58%
21	Incomes from investment	1,055,065,387	306,223,196
22	Earning per share (Taka)	1.06	0.73
23	Price earning ratio (times)	8.33	14.32

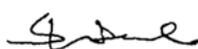


OFF-SHORE BANKING UNIT
Financial Information

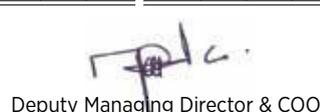
STANDARD BANK LIMITED
OFF-SHORE BANKING UNIT
BALANCE SHEET

AS ON DECEMBER 31, 2022

Particulars	Notes	31.12.2022		31.12.2021	
		USD	BDT	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	2	2,916,108	302,360,803	234,199	20,098,412
In Bangladesh		-	-	-	-
Outside Bangladesh		2,916,108	302,360,803	234,199	20,098,412
Investments in Shares and Securities		-	-	-	-
Government		-	-	-	-
Others		-	-	-	-
Investments	3	26,580,324	2,726,467,582	73,491,512	6,305,571,725
General Investment		4,365,082	447,746,817	6,619,358	567,940,877
Bills Purchased & Discounted		22,215,242	2,278,720,765	66,872,154	5,737,630,848
Fixed Assets Including Premises, Furniture & Fixtures		-	-	-	-
Other Assets	4	-	-	-	-
Non-Banking Assets		-	-	-	-
TOTAL ASSETS		29,496,432	3,028,828,385	73,725,711	6,325,670,137
LIABILITIES AND CAPITAL					
Liabilities					
Borrowing From Banks & Other Financial Institutions	5	29,422,435	3,019,918,764	72,643,496	6,228,266,439
Borrowing from SBL	5.1	21,290,698	2,042,875,909	67,633,459	5,798,718,795
Borrowing from FI Bank	5.2	8,131,737	977,042,855	5,010,037	429,547,644
Deposits and other Accounts:	6	-	-	-	-
Current Deposits & Other Deposits		-	-	-	-
Bills Payable		-	-	-	-
Savings Deposits		-	-	-	-
Compensation		-	-	-	-
Short Term Deposits		-	-	-	-
Fixed Deposits		-	-	-	-
Unearned Income		-	-	-	-
Diposits Under Schemes		-	-	-	-
OTHER LIABILITIES	7	73,997	8,909,621	1,082,215	97,403,698
TOTAL LIABILITIES		29,496,432	3,028,828,385	73,725,711	6,325,670,137
Capital / Shareholder's Equity					
Paid Up Capital		-	-	-	-
Statutory Reserve		-	-	-	-
Profit Payable		-	-	-	-
General Reserve		-	-	-	-
Compensation Realizable		-	-	-	-
Revaluation Reserve on Investment		-	-	-	-
Surplus In Profit And Loss Account/Retained Earnings	8	-	-	-	-
Total Shareholders' Equity		-	-	-	-
Total Liabilities And Shareholders' Equity		29,496,432	3,028,828,385	73,725,711	6,325,670,137


SAVP, OBU


EVP & CFO

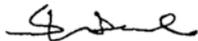

Deputy Managing Director & COO


Managing Director & CEO

STANDARD BANK LIMITED
OFF-SHORE BANKING UNIT
BALANCE SHEET

AS ON DECEMBER 31, 2022

Particulars	Notes	31.12.2022		31.12.2021	
		USD		USD	
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 Facilites		-	-	-	-
Undrawn Formal Standby Facilities, Credit Lines And Other commitments		-	-	-	-
TOTAL OFF-BALANCE SHEET ITEMS		-	-	-	-



SAVP, OBU



EVP & CFO



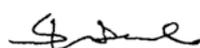
Deputy Managing Director & COO



Managing Director & CEO

STANDARD BANK LIMITED
OFF-SHORE BANKING UNIT
PROFIT & LOSS ACCOUNT
AS ON DECEMBER 31, 2022

Particulars	Notes	31.12.2022		31.12.2021	
		USD	BDT	USD	BDT
Profit on Investment	9	2,686,186	247,392,629	1,386,519	117,569,479
Profit Paid on Deposits & Borrowings etc.	10	1,509,037	138,979,442	765,827	64,938,055
Net Profit on Investment		1,177,149	108,413,187	620,692	52,631,424
Investment Income					
Commission, Exchange Earnings And Brokerage	11	46,214	4,256,256	125,331	10,627,336
Other Operating Income		-	-	-	-
Total Operating Profit(A)		1,223,363	112,669,442	746,023	63,258,760
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	12	8,297	764,136	7,010	594,400
Total Operating Expenses(B)		8,297	764,136	7,010	594,400
Profit/(Loss) Before Provision C=(A-B)		1,215,066	111,905,306	739,013	62,664,360
Specific Provision		-	-	-	-
General Provision		514,757	52,834,739	734,915	63,055,717
Provision For Diminution In Value of Investments		-	-	-	-
Provision For Off-Balance Sheet Items		-	-	-	-
Total Provision(D)		514,757	52,834,739	734,915	63,055,717
Total Profit/(Loss) Before Taxes(E)=(C-D)		700,309	59,070,567	4,098	(391,357)
Provision for Tax expenses					
Current Tax		-	-	-	-
Deferred Tax		-	-	-	-
Net Profit/(Loss) after Taxation		700,309	59,070,567	4,098	(391,357)



SAVP, OBU



EVP & CFO


Deputy Managing Director
& COO

Managing Director
& CEO

STANDARD BANK LIMITED

OFF-SHORE BANKING UNIT

NOTES TO STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

AS ON DECEMBER 31, 2022

1.0 Status of the Units

Banking Regulation and Policy Department of Bangladesh Bank their letter No.BRPD(P-3)744(110)/2010-839 dated 11.03.2010 has given permission to open Off-shore Banking Units at our Principal Branch, Gulshan Branch, Dhaka and Agrabad Branch, Chittagong complying certain terms and conditions.

Meantime, Foreign Exchange Policy Department of Bangladesh Bank vide their letter No.FEPD(Import Policy)122/2012-1317 dated 02.08.2012 has provided 3 (three) separate Code Numbers for 3 OBUs as given below:1. OBU-Principal Branch Dhaka:610100-45 2. OBU-Gulshan Branch, Dhaka:61-0103-46 & 3. OBU-Agrabad Branch, Chittagong: 61-0009-47.OBU of Standard Bank started its operation from Head Office using the Code of OBU-Principal Branch-610100-45

1.1 Principal activities

The principal activities of the OBU are to provide mudaraba investment against payment of import bills under UPAS (Usance Payment at Sight) to its customers of Off-shore Banking Units in Bangladesh.

1.2 Significant accounting policies and basis of preparation of financial statements

1.2.1 Basis of accounting

The Off-shore Banking Units maintain its accounting records in USD from which accounts are prepared according to the Bank Company Act,1991 as amended, International Financial Reporting Standards (IFRSs) and other applicable directives issued by Bangladesh Bank. All the financial statements relating to the OBU has already been accounted for in the separate financial statements of the Bank (considering necessary adjustments relating to intra-units transactions and balances). Along with that, this financial statements relating to OBU only is prepared and disclosed in compliance with the requirements of Bangladesh Bank.

1.2.2 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the report amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The figures (BD Taka/BDT) appearing in these Financial Statements have been rounded off to the nearest integer.

1.2.3 Foreign currency transactions

a. Foreign currency transactions

Foreign currency transactions are converted in to equivalent Taka using the ruling exchange rates on the dates of respective transactions as per IAS-21 "The Effects of changes in Foreign Exchange Rates". Foreign currency balances held in US Dollars (USD) are converted into Taka at weighted average rate of inter-bank market as determined by Bangladesh Bank on the closing date of every month.

b. Transaction gains and losses

The resulting exchange transaction gains and losses are included in the profit and loss account.

1.2.4 Translation reserve

The activities of OBU is considered as foreign operation due to it's different functional currency other than the non-OBU operation of the Bank. As per IAS - 21, items of balance sheet of OBU has been translated to presentation currency using closing rate and items of income and expenditure has been translated to presentation currency using spot rate prevailing on the date of actual transaction, otherwise average rate has been used. Due to the above translation using two rates the arising differences have been kept as translation reserve.

1.2.5 Retained earnings/Net profit transferred to main operation

As on 31 December the net income in USD/foreign currency of OBU is transferred to main operation of the Bank at exchange rate prevailing on that date.

1.2.6 Comparative information and rearrangement thereof

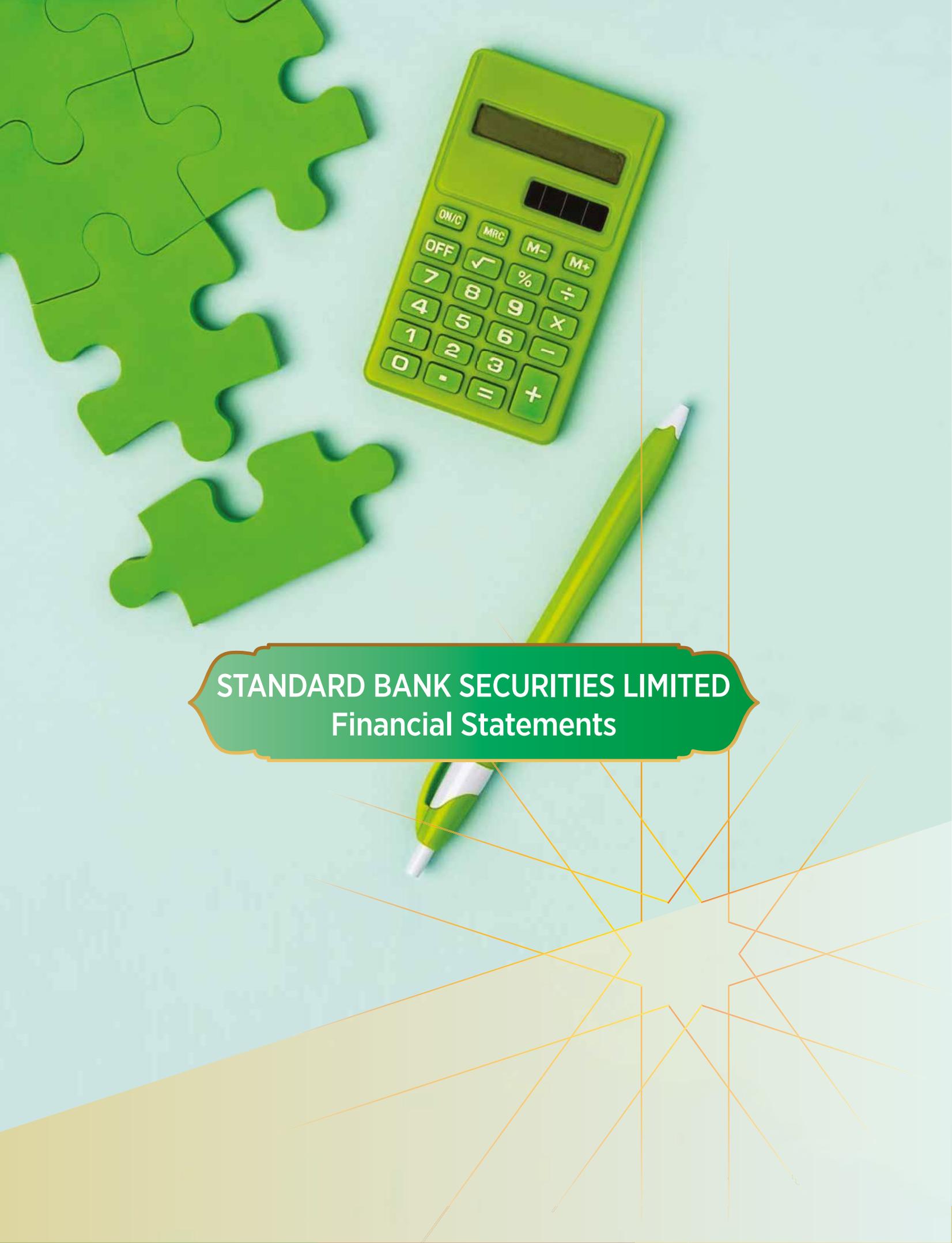
Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

1.2.7 Reporting period

The financial statements cover from 01 January 2022 to 31 December 2022.

STANDARD BANK LIMITED
OFF-SHORE BANKING UNIT
NOTES TO STATEMENT OF FINANCIAL STATEMENTS
AS ON DECEMBER 31, 2022

	31.12.2022		31.12.2021	
	USD	BDT	USD	BDT
2 Balance with other Banks and Financial Institutions	\$2,916,108	302,360,803	\$234,199	20,098,412
Balance with SBL, HO, ID	-	-	-	-
Balance with Nostro Account (Habib American NY)	\$2,916,108	302,360,803	\$234,199	20,098,412
3 Investment	\$26,580,324	2,726,467,582	\$73,491,512	6,305,571,725
HPSM	\$4,365,082	447,746,817	\$6,619,357	567,940,877
Foreign Bills Purchased	\$21,164,890	2,170,981,293	\$64,128,160	5,502,196,086
Local Bills Purchased	\$1,050,352	107,739,472	\$2,743,995	235,434,762
4 Other Assets	-	-	-	-
5 Borrowing	\$29,422,435	3,019,918,764	\$72,643,496	6,228,266,439
Borrowing from SBL	\$21,290,698	2,042,875,909	\$67,633,459	5,798,718,795
Borrowing from Bank Muscat, Oman	-	-	\$3,006,397	257,760,721
RAK Bank, UAE	\$8,131,737	977,042,855	\$2,003,640	171,786,923
Standard Chartered Bank Ltd, Singapore	-	-	-	-
United Bank Ltd, UAE	-	-	-	-
ICICI, India	-	-	-	-
6 Deposits and other Accounts	-	-	-	-
7 Other Liabilities	\$73,997	8,909,621	\$1,082,215	97,403,698
General provision on Investment	\$44,814	5,395,805	\$1,081,566	97,345,212
Markup Profit	\$14,457	1,740,745	-	-
Interest Suspense	\$14,726	1,773,071	\$650	58,486
8 Surplus in Profit & Loss Account/Retained Earnings	-	-	-	(391,357)
9 Profit on Investment	\$2,686,186	247,392,629	\$1,386,519	117,569,479
Profit on HPSM	\$259,254	23,876,840	\$389,044	32,988,880
Profit on Foreign Bills Purchased	\$2,278,112	209,809,793	\$930,404	78,893,344
Profit on Local Bills Purchased	\$148,820	13,705,996	\$67,071	5,687,255
10 Advance Fee & Profit Paid on Deposit & Borrowings etc.	\$1,509,037	138,979,442	\$765,827	64,938,055
Advance fee paid to ICICI Bank	-	-	-	-
Advance fee paid to SCB	-	-	-	-
Profit Paid on Borrowing fund from SBL	\$1,050,336	96,733,991	\$696,811	59,085,850
Profit Paid on Borrowing fund from other FI Banks	\$458,701	42,245,451	\$69,016	5,852,205
11 Commission, Exchange Earnings and Brokerage	\$46,214	4,256,256	\$125,331	10,627,336
Charge Earned by Swift	\$6,643	611,808	\$3,666	310,857
Interest on Nostro Balance	-	-	-	-
Rebate Received from Nostro	\$39,335	3,622,679	\$27,295	2,314,471
Investment processing fee	\$236	21,769	\$94,370	8,002,008
12 Other Expenses	\$8,297	764,128	\$7,010	594,400
Nostro Account Maintenance Charge Paid to Habib American NY	\$508	46,740	\$666	56,473
Software Maintenance Charge	\$7,789	717,388	\$6,344	537,927



STANDARD BANK SECURITIES LIMITED
Financial Statements



CHATTOGRAM OFFICE:
National House (1st Floor),
109, Agrabad Commercial Area,
Chattogram - 4100, Bangladesh.
Phone : 88-031-711561
Pho/Fax : 88-031-723680
Web : www.shafiqbasak.com
E-mail : basak_sbc@yahoo.com
basak@shafiqbasak.com

CHARTERED ACCOUNTANTS

Partners:

Md. Shafiqul Islam, FCA
Sampad Kumar Basak, FCA
Sarwar Mahmood, FCA
Sheikh Zahidul Islam, MBA, FCA

DHAKA OFFICE -(1):
Shatabdi Centre (6th & 8th Floor),
292, Inner Circular Road,
Fakirapool, Motijheel, Dhaka.
Phone : 88-02-7194870
Pho/Fax : 88-02-7192098
Web : www.shafiqbasak.com
E-mail : shafiq_basak@yahoo.com
shafiq@shafiqbasak.com

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** (the "company") which comprise the financial position as at 31 December 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give true and fair view, in all material respects, of the financial position of the Company as at 31 December 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and other regulatory requirements.

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), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Control

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs as explained in note # 01, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The companies Act, 1994, require the management to ensure effective internal audit, internal control and risk management functions of the company.

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.



DHAKA OFFICE -(2): House - 42 (1st Floor), Road - 01, Block - A, Niketan, Gulshan - 01, Dhaka.
Phone : 88-02-9859602-3, 01819-285196, E-mail.mahmoods.bd@gmail.com

শফিক বসাক এন্ড কোং
SHAFIQ BASAK & CO.
 CHARTERED ACCOUNTANTS

- 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 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 Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company 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.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Bangladesh Securities and Exchange Commission Rules 2020, 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 the Company so far as it appeared from our examination of these books; and
- c. the statements of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns.

Place, Dhaka
 April 26, 2023



Md. Shafiqul Islam FCA
 Enrolment # 595
 Partner, **SHAFIQ BASAK & CO.**
 Chartered Accountants
 DVC: 2304260595AS456580

STANDARD BANK SECURITIES LIMITED
(A Subsidiary of Standard Bank Ltd.)
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER, 2022

Particulars	Notes	Amount (In Taka)	
		31.12.2022	31.12.2021
Assets:			
Non-Current Assets			
Property, plant and equipment	4	963,128	1,190,382
Investment in Stock Exchange	5	282,320,683	282,320,683
		283,283,811	283,511,065
Current Assets			
Advances, deposits and prepayments	6	6,514,119	323,570
Advance income tax	7	58,715,514	53,378,371
Receivable from DSE	8	4,060,562	25,582,923
Other receivable	9	8,878,165	4,046,161
Receivable from Margin Clients	10	446,264,214	463,699,160
Investment in shares	11	521,179,013	412,425,790
Cash and cash equivalents	12	62,671,858	74,347,444
		1,108,283,445	1,033,803,419
		1,391,567,256	1,317,314,484
Total Assets			
Equity and Liabilities:			
Equity			
Share capital	13	800,000,000	800,000,000
Retained earnings	14	262,182	40,959,214
Capital Reserve		3,744,073	-
		804,006,255	840,959,214
Current Liabilities			
Payable to clients	15	23,032,977	31,962,817
Payable to DSE	16	439,591	13,877,567
Bai-Muajjal(Gen) from SBL	17	317,814,180	251,882,624
Others Payable	18	61,352,755	15,154,214
Provision for Expenses	19	183,365	167,709
		402,822,868	313,044,931
Non Current Liabilities			
Provision for diminution in value of Investment	20	82,142,184	76,471,194
Provision for Clients' margin facility	21	17,041,035	11,990,604
Provision for income Tax	22	85,554,914	74,848,541
		184,738,133	163,310,339
		1,391,567,256	1,317,314,484
Total Equity and Liabilities			
Net Asset Value(NAV) Per Share		10.05	10.51

The accompanying notes form an integral part of these financial statements.

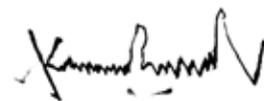


Chief Executive Officer (Acting)



Director

Subject to our separate report of even date.



Chairman



Md. Shafiqul Islam FCA
 Enrolment # 595
 Partner, **SHAFIQ BASAK & CO.**
 Chartered Accountants
 Date: April 26, 2023
 DVC: 2304260595AS456580

Place, Dhaka
 April 18, 2023

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 2022

Particulars	Notes	Amount (In Taka)	
		31.12.2022	31.12.2021
A. Income			
Brokerage Commission		27,419,563	42,804,237
Capital Gain on Investment in Securities		15,565,910	9,202,269
Dividend on Investment in Securities		17,286,841	8,916,748
Profit on Margin facility		55,995,017	44,565,665
Profit earned on Bank Deposits	23	1,462,315	1,428,841
Other operating Income	24	216,458	310,717
Total operating Income		117,946,104	107,228,477
B. Less: Expenses			
Direct Expenses	25	3,399,064	5,598,341
Salary and Allowances	26	14,136,618	11,777,217
Rent, Taxes, Insurance, Electricity etc.	27	2,969,930	1,979,216
Board Meeting Expenses	28	528,000	440,000
Stationery, Printing, Advertisements etc.	29	168,824	188,657
Audit & Consultancy Fees	30	201,250	212,750
Postage, Stamp, Telecommunication etc.	31	251,710	206,878
Repair and Maintenance	32	191,495	93,723
Registration & Renewal fees	33	329,250	153,184
Depreciation on Fixed Assets	34	194,633	1,015,674
Other Expenses	35	1,397,776	1,394,981
Financial Expenses	36	24,870,085	20,963,924
Total Expenses		48,638,635	44,024,545
C. Total Profit before Provision (A-B):		69,307,469	63,203,932
D. Provision for diminution in value of Investment	20	5,670,990	6,762,575
Provision for clients margin balance	21	5,050,431	2,271,568
Total Provision:		10,721,421	9,034,143
E. Total Profit before Taxation (C-D):		58,586,048	54,169,789
Less: Provision for taxation	22	15,539,007	16,729,051
F. Net profit after Taxation (Transferred to retained earnings)	14	43,047,041	37,440,738
G. Earning Per Share (EPS) :	37	0.54	0.47

The accompanying notes form an integral part of these financial statements.

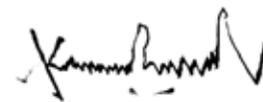


Chief Executive Officer (Acting)



Director

Subject to our separate report of even date.



Chairman



Md. Shafiqul Islam FCA

Enrolment # 595

Partner, **SHAFIQ BASAK & CO.**

Chartered Accountants

Date: April 26, 2023

DVC: 2304260595AS456580

Place, Dhaka
April 18, 2023

STANDARD BANK SECURITIES LTD.
(A Subsidiary of Standard Bank Ltd.)
STATEMENT OF CHANGE IN SHARE HOLDER'S EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

Particulars	Share capital	Capital Reserve	Retained earnings"	"Total (Equity)"
Balance at 01 January 2022	800,000,000	-	40,959,214	840,959,214
Dividend paid for the year 2021	-	-	(40,000,000)	(40,000,000)
Total Comprehensive Income for the year	-	-	43,047,041	43,047,041
Transfer to Capital Reserve		3,744,073	(3,744,073)	-
Interim Dividend for the year 2022			(40,000,000)	(40,000,000)
Balance at 31 December 2022	800,000,000	3,744,073	262,182	804,006,255

STANDARD BANK SECURITIES LTD.
STATEMENT OF CHANGE IN SHARE HOLDER'S EQUITY
FOR THE YEAR ENDED 31 DECEMBER, 2021

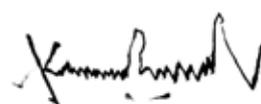
Particulars	Share capital	Capital Reserve	Retained earnings	Total (Equity)
Balance at 01 January 2021	800,000,000	-	27,518,476	827,518,476
Dividend paid for the year 2020	-	-	(24,000,000)	(24,000,000)
Total Comprehensive Income for the year	-	-	37,440,738	37,440,738
Transfer to Capital Reserve	-	-	-	-
Balance at 31 December 2021	800,000,000	-	40,959,214	840,959,214



Chief Executive Officer (Acting)



Director



Chairman

STANDARD BANK SECURITIES LTD.
(A Subsidiary of Standard Bank Ltd.)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

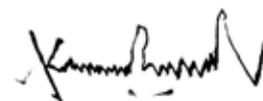
Particulars	Amount (In Taka)	
	2022	2021
A. Cash Flow from Operating Activities		
Brokerage commission	27,419,563	42,804,237
Other operating income	216,458	310,717
Operating expenses	(47,657,381)	(43,008,871)
Profit earned on Bank Deposits	1,462,315	1,428,841
Profit on Margin facility	55,995,017	44,565,665
Capital gain on investment in securities	15,565,910	9,202,269
Dividend on investment in securities	17,286,841	8,916,748
Advance income tax	(10,169,777)	(14,405,037)
Advances, deposits and prepayments	(6,190,549)	711,480
Other Operating assets	16,690,357	5,397,040
Other Operating liabilities	(16,153,620)	21,268,682
Net Cash flow from / (used in) Operating Activities	54,465,134	77,191,771
B. Cash Flow from Investing Activities		
Investment in Securities	(108,753,222)	97,669,027
Investment in Margin facility	17,434,946	(115,466,631)
Investment in Stock Exchange	-	-
Acquisition of property, plant and equipment	(754,000)	-
Net Cash flow from Investing Activities	(92,072,276)	(17,797,604)
C. Cash Flow from Financing Activities:		
Share Capital	-	-
Bai-Muajjal(gen) from SBL	65,931,556	4,420,884
Dividend Paid	(40,000,000)	(24,000,000)
Net Cash flow from Financing Activities	25,931,556	(19,579,116)
D. Net Cash Inflow/(Outflow) in Cash and Cash Equivalents (A+B+C)	(11,675,586)	39,815,051
E. Cash and Cash equivalents at beginning of the year	74,347,444	34,532,393
F. Cash and cash Equivalents at end of the Quarter (D+E)	62,671,858	74,347,444
G. Closing cash and bank balances		
Cash and cash equivalents	62,671,858	74,347,444
H. Net Operating Cash Flow (NOCF) Per Share	0.68	0.96



Chief Executive Officer (Acting)



Director



Chairman

STANDARD BANK SECURITIES LIMITED
(A Subsidiary of Standard Bank Ltd.)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED ON 31 DECEMBER 2022

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 63 Dilkusha Commercial Area, 3rd Floor, 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 2020 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) Accounting policies and explanatory notes

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 2022 to 31 December 2022 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 Right on Use Asset

The company has complied with International Financial Reporting standards IFRS (16): Lease and accordingly accounted for asset under appropriate head. However upon review of company's lease rental agreement, termination clause include a clause like " Both party can cancel the agreement with 3 (three) months prior notice, which indicates that lease term is not more then 1 year. So company need not to include in Right of Use (ROU) assets.

3.07 Investments:**3.7.1 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. Accordingly, investment is measured at cost which is considered as fair value.

3.7.2 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.

3.08 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.

3.09 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.

3.10 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.

3.11 Capital Reserve:

As per Risk Based Capital Adequacy Rules 2019 part B (rule (1) (b); rule 5 (2)) shall Maintain a mandatory provision at least 10% of profit after tax of last year as Capital reserve and the full amount of such reserve shall be accounted for in computing total Capital.

3.12 Revenue recognition:

Revenue comprises of brokerage commission, profit on margin facility, profit on bank 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) Profit on margin facility recognized on accrual basis. Such income is calculated considering daily margin loan balance of the respectable clients. Income is recognized on monthly but realized quarterly.
- 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 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.

3.13 Margin facility to clients:

Standard Bank Securities Limited extends margin facility to the portfolio investors at an agreed ratio (between investors deposit and facility amount) of purchase securities against the respective investor account. The investors are maintaining the margin as per rules and regulations.

3.14 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 Bangladesh Securities and Exchange Commission Rules 2020.

3.15 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.
4. the board of directors' in its 40th meeting held on 18 April 2023 hereby recommended no dividend as final dividend for the year ended December 31, 2022, and interim cash dividend of 5% per share on the equity shares of the company for the year 2022 has been approved in its 39th Board of Directors meetings held on December 06, 2022.

STANDARD BANK SECURITIES LTD. NOTES TO FINANCIAL STATEMENTS

		Amount (In Taka)	
		31.12.2022	31.12.2021
4.00 Property, plant and equipment:			
	This is made up as follows:		
	Opening balance	9,934,080	9,934,080
	Add: Additions during the period	972,000	-
	Less: Desposal	3,065,800	-
	Closing balance (A)	7,840,280	9,934,080
	Depreciation :		
	Opening balance	8,743,698	7,728,024
	Add: Charges during the period	194,633	1,015,674
	Less: Adjustment	2,061,179	-
	Closing balance (B)	6,877,152	8,743,698
	Written down value (A-B)	963,128	1,190,382
	The details of the above balance have been Shown in (Annexure-1) .		
5.00 Investment In Stock Exchange			
	Dhaka Stock Exchange Ltd.*	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 intial 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, 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. Share Statud are given below:		
5.01 Dhaka Stock Exchange Ltd.(DSE)			
	Type of Shares	Number of Shares	Number of Shares
	Floated (53.33%)	2,886,042	2,886,042
	Blocked (46.67%)	2,525,287	2,525,287
		5,411,329	5,411,329
6.00 Advance, Deposits and Prepayments			
A. Advance:			
	Office Rent (Head Office)	2,939,129	118,580
	Advance to Archsel against Interior decoration & Furniture Supply	3,220,000	-
	Advance against CDBL DP Renewal fee	150,000	-
		6,309,129	118,580
B. Deposits:			
	Central Depository Bangladesh Ltd (CDBL)	200,000	200,000
	BTCL	4,990	4,990
		204,990	204,990
	Total (A+B) :	6,514,119	323,570
7. Advance income tax			
	Opening balance	53,378,371	47,051,352
	Add: During the period (note 7.1)	5,337,143	6,327,019
		58,715,514	53,378,371
	Less : Adjustment for Assessment	-	-
	Closing Balance	58,715,514	53,378,371
7.1 Advance income tax			
	AIT on Profit earned on Bank Deposits	637,640	161,710
	Advance Corporate Tax	1,787,637	3,298,530
	AIT on dividend	2,911,866	2,866,779
		5,337,143	6,327,019

7.1.1 The above amount represents tax deducted from the transactions of traded securities @0.05% which is the final tax liability of the Company under section 82C of the IT Ordinance 1984.

		Amount (In Taka)	
		31.12.2022	31.12.2021
8. Receivable from DSE			
Stock Broker *		4,060,562	25,582,923
Stock Dealer *		-	-
		4,060,562	25,582,923
Note: 8.01 *			
Receivable against A,B,G & N category		4,060,562	25,582,923
Receivable against Z category		-	-
		4,060,562	25,582,923
9. Other receivable			
Receivable from Clients against CDBL Charges		43,581	3,491
Receivable of Bai Muajjal (Gen) Profit		5,069,584	3,578,170
Dividend on Investment in shares		3,765,000	464,500
		8,878,165	4,046,161
10. Receivable from Margin Clients			
Receivable from Clients having no margin or full erosion of clients equity (e.g. no equity against debit balance)		230,874,689	91,612,562
Receivable from Clients fall under force sale condition (e.g. equity is between 100% and 125% DB)		20,642,491	119,011,795
Receivable from Clients fall under margin call (e.g. equity is >125% of DB but < 150% of DB)		1,727,585	9,193,245
Receivable from regular margin Clients (e.g. equity is >150% of DB)		193,019,449	243,881,558
		446,264,214	463,699,160
The above amount represents investment entitled to clients for trading of shares on the secondary capital market in Bangladesh. Margin investments extended on ratio based on the equity invested by individual customers.			
11. Investment in securities (own portfolio)			
Proprietary Positions I Equity Securities			
Value of "A" Category Instruments		407,018,137	295,162,351
Value of "B/G/N" Category Instruments		93,461,854	88,590,387
Value of "Z" Category Instruments		8,177,703	6,589,122
Value of listed debt instruments		12,521,319	-
Investment in IPO Shares (11.01)		-	22,083,930
		521,179,013	412,425,790
11.01. Investment in IPO Shares			
Union Insurance Co.		-	46,430
BD Thai Food & Beverage Ltd.		-	637,500
Union Bank Ltd.		-	21,400,000
		-	22,083,930
Details are given Annexure-2			
12. Cash and cash equivalents			
Cash in hand		-	-
Bank balances with A/C No.			
Standard Bank Ltd.'00236001852 (Company A/C.)		2,211,172	3,474,633
Standard Bank Ltd.'00236001884 (Customer A/C.)		2,779,007	6,727,818
Al-Arafah Islami Bank Ltd.'0021220004023(Consolidated Customer A/C.)		50,455,122	49,934,455
Al-Arafah Islami Bank Ltd.'0021220004067(Deler A/C.)		6,836,543	13,835,654
Al-Arafah Islami Bank Ltd.'0021220004473(IPO Application A/C.)		390,014	374,884
		62,671,858	74,347,444
		62,671,858	74,347,444

		Amount (In Taka)		
		31.12.2022	31.12.2021	
13. Share capital				
13.1 Authorised				
	200,000,000 ordinary shares of Taka 10 each	<u>2,000,000,000</u>	<u>2,000,000,000</u>	
13.2 Issued, subscribed and paid-up capital		<u>800,000,000</u>	<u>800,000,000</u>	
	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	79,994,500	799,945,000	99.993425
2	Mr. Kazi Akramuddin Ahmed	500	5,000	0.000625
3	Mr. S.A.M Hossain	500	5,000	0.000625
4	Mr. Ashok Kumar Saha	500	5,000	0.000625
5	Mr. Md. Zahedul Hoque	500	5,000	0.000625
6	Ms. Bedowra Ahmed Salam	500	5,000	0.000625
7	Mr. Tanveer Mostafa Chowdhury	500	5,000	0.000625
8	Mr. A.K.M Abdul Alim	500	5,000	0.000625
9	Mr. Azad Ahmed	500	5,000	0.000625
10	Mr. Mohammed Arif Chowdhury	500	5,000	0.000625
11	Mr. Jhahedul Alam	500	5,000	0.000625
12	Investment Corporation of Bangladesh	500	5,000	0.000625
	Total:	80,000,000	800,000,000	100
14. Retained earnings				
	Opening balance	40,959,214	27,518,476	
	Less: Dividend Paid	40,000,000	24,000,000	
		959,214	3,518,476	
	Add: Net comprehensive income	43,047,041	37,440,738	
		44,006,255	40,959,214	
	Less: Transfer to Capital Reserve	3,744,073	-	
	Available for distribution	40,262,182	40,959,214	
	Less: Interim dividend for the year 2022	40,000,000	-	
	Closing Balance	262,182	40,959,214	
15. Payable to Clients				
	Other Clients	23,032,977	24,900,432	
	SBL Capital Management Ltd.	-	92,385	
	IPO Application Account	-	6,970,000	
		23,032,977	31,962,817	
	This represents clients' un-invested amount which is being held for buy of marketable securities or refund to the clients as per their instructions.			
16. Payable to DSE				
	Stock Broker	439,591	13,877,567	
	Stock Dealer	-	-	
		439,591	13,877,567	
17. Bai-Muajjal(gen) from SBL				
	Closing Balance	317,814,180	251,882,624	

Note: The above facility was taken from Standard Bank Limited vide reference No. SBL/PB/Inv/2022/313, Dated March 10, 2022 as Corporate Investment.

		Amount (In Taka)	
		31.12.2022	31.12.2021
18. Others Payable			
	Non Shariah Income	16,142,979	14,277,084
	Profit on Customer's Bank Account	4,364,329	47,825
	Unidentified Amount	845,447	829,305
	Interim dividend payable for the year 2022	40,000,000	-
		61,352,755	15,154,214
19. Provision for expenses			
	CDBL charges	22,058	101,709
	Telephone Bill	3,007	-
	Audit fee	50,000	50,000
	Meeting Fee	80,000	-
	VAT Payable	15,500	7,500
	Link3 Technologies Ltd.	4,600	2,300
	Metronet BD Ltd.	4,000	2,000
	Amber IT Ltd.	4,200	4,200
		183,365	167,709
20. Provision for diminution in value of investment:			
	Opening balance	76,471,194	69,708,619
	Add: Provision made during period	5,670,990	6,762,575
	Closing balance	82,142,184	76,471,194
	*As per BSEC Circular No. BSEC/SRI/NE/2020/606, Dated: December 28, 2022 to maintaining provision on diminution in value of Investment. However the shortfall on such provision can be deferred up to 31 December 2023.		
21. Provision for Clients Margin balance:			
	Opening balance	11,990,604	9,719,036
	Add: Provision made during period	5,050,431	2,271,568
	Closing balance	17,041,035	11,990,604
	*As per BSEC Circular No. BSEC/SRI/NE/2020/606, Dated: December 28, 2022 to maintaining provision on Margin facility to the Clients. However the shortfall on such provision can be deferred up to 31 December 2023.		
22. Provision for income tax:			
	Opening balance	74,848,541	66,197,509
	Add: Provision made during the period	15,539,007	16,729,051
		90,387,548	82,926,560
	Less: Tax Deducted at Source on Turnover U/S 82C	4,832,634	8,078,019
		85,554,914	74,848,541
	Less: Adjustment of Assessment	-	-
	Closing balance	85,554,914	74,848,541

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.

		Amount (In Taka)	
		31.12.2022	31.12.2021
23	Profit earned on Bank Deposits		
	Mudaraba SND Account of Standard Bank Ltd.	96,114	363,241
	Mudaraba SND Account of Al Arafah Islami Bank Ltd.	1,366,201	1,065,600
		1,462,315	1,428,841
	This represents profit on Bank Deposit on Company Bank account, Stock Dealer Bank Account & IPO Application account.		
24	Other operating income		
	BO account fees	39,193	102,807
	Yearly BO maintenance fee	12,000	-
	Others Income	155,350	150,850
	IPO Application fee	9,915	57,060
		216,458	310,717
25	Direct Expenses		
	Laga charges	2,359,223	3,993,306
	Hawla charges	1,950	150
	CDBL Charges	1,037,891	1,604,885
		3,399,064	5,598,341
	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.		
26	Salaries and allowances		
	Basic salary	6,225,651	5,901,942
	House rent allowance	3,112,845	2,950,971
	Conveyance allowance	370,800	316,800
	Medical allowance	562,076	344,839
	House maintenance	138,000	140,484
	Leave fare compensation (LFC)	519,977	443,107
	Car allowance	330,000	-
	Washing allowance	9,600	9,600
	Company's contribution to provident fund	622,574	590,194
	Casual Wages	441,696	156,000
	Bonus	1,803,399	923,280
		14,136,618	11,777,217
27	Rent, taxes, insurance, electricity, etc		
	Office Rent	2,597,150	1,636,404
	Sharing of Infrastructure Charge	120,000	120,000
	Insurance Premium of Motor Vehicle	16,139	-
	WASA Charge	33,636	21,387
	Lift charge	15,000	30,000
	Generator Bill	12,042	-
	Electricity Bill	175,963	171,425
		2,969,930	1,979,216
28	Board Meeting Expenses		
	Board Meeting fees	528,000	440,000
		528,000	440,000
29	Stationery, printing, advertisements, etc		
	Printing and stationery	116,709	157,277
	Cutleries & Cookeries	-	1,200
	Computer Accessories	34,865	18,680
	Advertisement & Publicity	17,250	11,500
		168,824	188,657

	January, 22 to Dec, 22	January, 21 to Dec, 21
30 Audit & Consultancy Fees		
Audit fees	57,500	57,500
Legal & Professional fee	143,750	155,250
	201,250	212,750
31 Postage, stamps, telecommunication, etc		
Wan Connectivity Charge	127,800	102,000
Telephone and fax expenses	106,002	91,878
Wimax Charge	8,100	7,200
Postage & Courier	9,808	5,800
	251,710	206,878
32 Repair and maintenance		
Cleaning expenses	37,050	56,673
Office maintenance	154,445	37,050
	191,495	93,723
33 Registration & Renewal fees		
Stock Broker & Stock Dealer cert. Renewal fee	100,000	20,000
DP Registration Renewal fee	80,000	4,600
Authorized Representative fees	500	1,000
TREC Renewal fee	100,000	65,834
DBA Annual Membership fee	12,500	12,500
Bidding & EII Reg. fees	16,000	30,000
Trade License Renewal fees	20,250	19,250
	329,250	153,184
34 Depreciation on Fixed Assets		
Furniture & Fixture	30,852	59,491
Office equipment	48,600	115,583
Office renovation & Decoration	82,401	164,802
Computer & Server	32,780	505,857
Software	-	169,941
	194,633	1,015,674
35 Other operating expenses		
Traveling & Conveyance	33,690	28,870
DSE Charges	28,852	17,800
Car Expenses	-	285,996
Car Fuel & Lubricants	-	180,000
Legal Charges	17,500	133,425
Newspaper & Periodicals	5,112	4,840
Entertainment	358,700	266,226
Cook & Servant	-	24,390
RJSC Expenses	13,005	98,521
Software Upgradation	-	52,500
Software Annual Maintenance fees	-	118,125
Loss on Sale of Fixed Assets	786,621	-
Uniform & Leverage	15,696	10,320
Security Guard Bill	138,600	173,968
	1,397,776	1,394,981
36 Financial Expenses		
Profit Expenses on Bai-Muajjal(Gen)	24,683,362	20,802,714
Bank Charges & Commission	186,723	161,210
	24,870,085	20,963,924
37 Earning Per Share (EPS):		
This is made up as follows:		
Net profit after tax	43,047,041	37,440,738
Number of Ordinary Share	80,000,000	80,000,000
Earnings Per Share	0.54	0.47

STANDARD BANK SECURITIES LTD.
DETAILS OF PROPERTY, PLANT AND EQUIPMENT AT 31, DECEMBER 2022

Annex I

Particulars	COST			DEPRECIATION				Net book value at 31 Dec, 2022	
	Balance at 01 Jan 2022	Additions	Sale/ disposal	Total at 31 Dec 2022	To 01 Jan 2022	Charge for the Period	Adjustment		Total to 31 Dec 2022
Furniture & Fixture	753,185	-	728,185	25,000	450,477	30,852	465,176	16,153	8,847
Office equipment	1,099,963	972,000	-	2,071,963	1,099,963	48,600	-	1,148,563	923,400
Office renovation & Decoration	2,337,615	-	2,337,615	-	1,513,602	82,401	1,596,003	-	-
Computer & Server	4,813,267	-	-	4,813,267	4,749,606	32,780	-	4,782,386	30,881
Software	930,050	-	-	930,050	930,050	-	-	930,050	-
Balance at 31 December 2022	9,934,080	972,000	3,065,800	7,840,280	8,743,698	194,633	2,061,179	6,877,152	963,128
Balance at 31 December 2021	9,934,080	-	-	9,934,080	7,728,024	1,015,674	-	8,743,698	1,190,382

STANDARD BANK SECURITIES LTD.**INVESTMENT IN SECURITIES AS ON 31 DECEMBER 2022**

Annexure-2

Sl. No.	Name of Securities	Cost Value	Market Price	Un-realized Gain/(Loss)
1	ACFL	2,050,624.46	1,325,000.00	-725,624.46
2	ACI	2,737,864.81	2,732,100.00	-5,764.81
3	ALARABANK	3,185,833.01	2,832,000.00	-353,833.01
4	AMANFEED	4,074,999.41	3,350,000.00	-724,999.41
5	ANWARGALV	6,394,336.60	5,848,312.00	-546,024.60
6	BDLAMPS	5,340,814.96	4,199,322.00	-1,141,492.96
7	BEXGSUKUK	1,516,751.50	1,424,000.00	-92,751.50
8	BEXIMCO	46,303,569.76	36,992,000.00	-9,311,569.76
9	CVOPRL	2,614,862.89	2,455,500.00	-159,362.89
10	DBH	1,551,108.41	1,271,600.00	-279,508.41
11	DESCO	4,369,425.71	3,660,000.00	-709,425.71
12	DHAKABANK	23,580,614.78	18,364,500.00	-5,216,114.78
13	EXIMBANK	11,722,057.04	7,280,000.00	-4,442,057.04
14	FORTUNE	18,264,284.60	11,127,900.00	-7,136,384.60
15	GENEXIL	139,056.51	121,500.00	-17,556.51
16	GP	5,744,466.00	5,732,000.00	-12,466.00
17	HEIDELBCEM	7,529,396.21	2,865,600.00	-4,663,796.21
18	IBBLPBOND	11,004,567.00	10,318,347.00	-686,220.00
19	ICB	674,577.60	459,900.00	-214,677.60
20	IFADAUTOS	12,551,441.36	6,491,961.00	-6,059,480.36
21	ISLAMICFIN	4,228,907.40	3,155,743.00	-1,073,164.40
22	JAMUNAOIL	17,495,212.37	15,057,000.00	-2,438,212.37
23	JMISMDL	773,799.39	766,500.00	-7,299.39
24	KOHINOOR	4,475,446.12	4,078,686.30	-396,759.82
25	LANKABAFIN	4,168,321.68	2,600,000.00	-1,568,321.68
26	LHBL	76,744,825.61	53,784,000.00	-22,960,825.61
27	MERCINS	4,724,212.64	2,662,200.00	-2,062,012.64
28	MJLBD	15,865,720.63	13,005,000.00	-2,860,720.63
29	NAVANACNG	4,915,705.14	2,668,050.00	-2,247,655.14
30	NORTHRNINS	1,690,714.70	1,262,844.00	-427,870.70
31	NRBCBANK	5,098,330.96	4,067,800.00	-1,030,530.96
32	ORIONPHARM	430,317.80	413,500.00	-16,817.80
33	POWERGRID	7,434,038.93	5,764,000.00	-1,670,038.93

34	RENATA	2,639,869.20	2,606,306.00	-33,563.20
35	RINGSHINE	749.08	852.60	103.52
36	RSRMSTEEL	11,797,654.68	2,822,000.00	-8,975,654.68
37	SAIFPOWER	4,403,337.73	4,158,000.00	-245,337.73
38	SANDHANINS	1,263,598.94	807,000.00	-456,598.94
39	SIBL	9,131,273.82	6,396,430.50	-2,734,843.32
40	SINGERBD	1,978,656.36	1,974,700.00	-3,956.36
41	SOUTHEASTB	1,545,220.08	1,291,680.00	-253,540.08
42	SPCL	3,752,991.00	3,746,600.00	-6,391.00
43	SQURPHARMA	6,403,152.04	6,294,000.00	-109,152.04
44	SUMITPOWER	9,358,734.76	7,650,000.00	-1,708,734.76
45	TITASGAS	32,005,991.62	26,176,000.00	-5,829,991.62
46	UCB	11,909,191.94	9,384,375.00	-2,524,816.94
47	UPGDCL	3,952,829.21	3,505,500.00	-447,329.21
48	WMSHIPYARD	4,672,948.91	4,400,000.00	-272,948.91
49	ZAHEENSPIN	1,717,522.56	1,302,000.00	-415,522.56
50	ABBANK	20,592,250.23	11,242,192.50	-9,350,055.97
51	ACTIVEFINE	9,987,942.92	7,720,000.00	-2,267,942.92
52	AFCAGRO	3,752,922.40	2,937,500.00	-815,422.40
53	APOLOISPAT	8,378,899.56	4,100,000.00	-4,278,899.56
54	BBS	1,925,132.73	1,884,643.20	-40,489.53
55	BDTHAI	8,603,442.86	6,847,500.00	-1,755,942.86
56	COPPERTECH	2,071,356.12	1,992,600.00	-78,756.12
57	ICICL	87,980.00	247,223.80	159,243.80
58	NBL	17,575,139.46	15,098,737.50	-2,476,401.96
59	ONEBANKLTD	1,625,349.42	1,071,000.00	-554,349.42
60	PADMALIFE	230,961.79	226,000.00	-4,961.79
61	RUPALIBANK	9,278,092.81	6,307,560.00	-2,970,532.81
62	SPCERAMICS	2,961,912.01	2,580,000.00	-381,912.01
63	BDWELDING	1,588,580.53	1,412,147.10	-176,433.43
64	FAMILYTEX	2,029,089.09	1,543,500.00	-485,589.09
65	FAREASTFIN	4,560,033.28	2,135,000.00	-2,425,033.28
Total Taka (A,B,G,N & Z)		521,179,013.16	387,997,913.50	-133,181,097.87

STANDARD BANK SECURITIES LIMITED

(A Subsidiary of Standard Bank Ltd.)

STATEMENT SHOWING COMPUTATION OF CAPITAL ADEQUACY

As at 31 December 2022

Annexure-3

A. Eligible Capital

Components	B/S Amount	Haircut	Haircut Amount	2022	2021
				Eligible Amount	Eligible Amount
Paid up Capital	800,000,000	0		800,000,000	800,000,000
Capital reserve	3,744,073	0		3,744,073	-
Retained earnings	262,182	0		262,182	40,959,214
Sum of Core capital				804,006,255	840,959,214
General Provision	-	20%		-	-
Specific Provision:					
Margin Investment	17,041,036	30%		5,112,311	3,597,181
Investment in marketable securities	82,142,184	30%		24,642,655	22,941,358
Sum of supplementary capital				29,754,966	26,538,539
Total Capital				833,761,221	867,497,753

B. Total Risk Requirement (TRR)

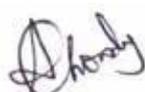
Particulars	Risk factor	Applicable Amount	Applicable Amount
Operation Risk Requirement (ORR):			
Based on average annual gross income (see clause (b) of sub-rule(7.1) of rule7)	5%	3,857,868	3,318,317
Position Risk Requirement (PRR):			
i. Proprietary positions in Equity securities:			
Value of "A" category securities	10%	40,701,814	29,516,235
Value of "B/G/N/." category securities	12%	11,215,422	10,630,846
Value of "Z" category instruments	15%	1,226,655	988,368
ii. Proprietary positions in Debt Instruments & ABSs:	5%	626,066	-
Counterparty Risk Requirement (CPRR):			
i. Exposure of credit facilities to Clients	8%	35,701,137	37,095,933
Liability Risk Requirement (LRR):			
Annual Revenue Reported in last year	0.20%	74,881	69,322
Total Risk Requirement		93,403,844	81,619,022

C. Capital Adequacy Ratio (CAR):

$$\frac{\text{Total Capital}}{\text{Total Risk Requirement}} \times 100$$

**893% Or
8.93 times**

**1,063% Or
10.63 Times**

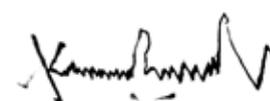


Chief Executive Officer (Acting)

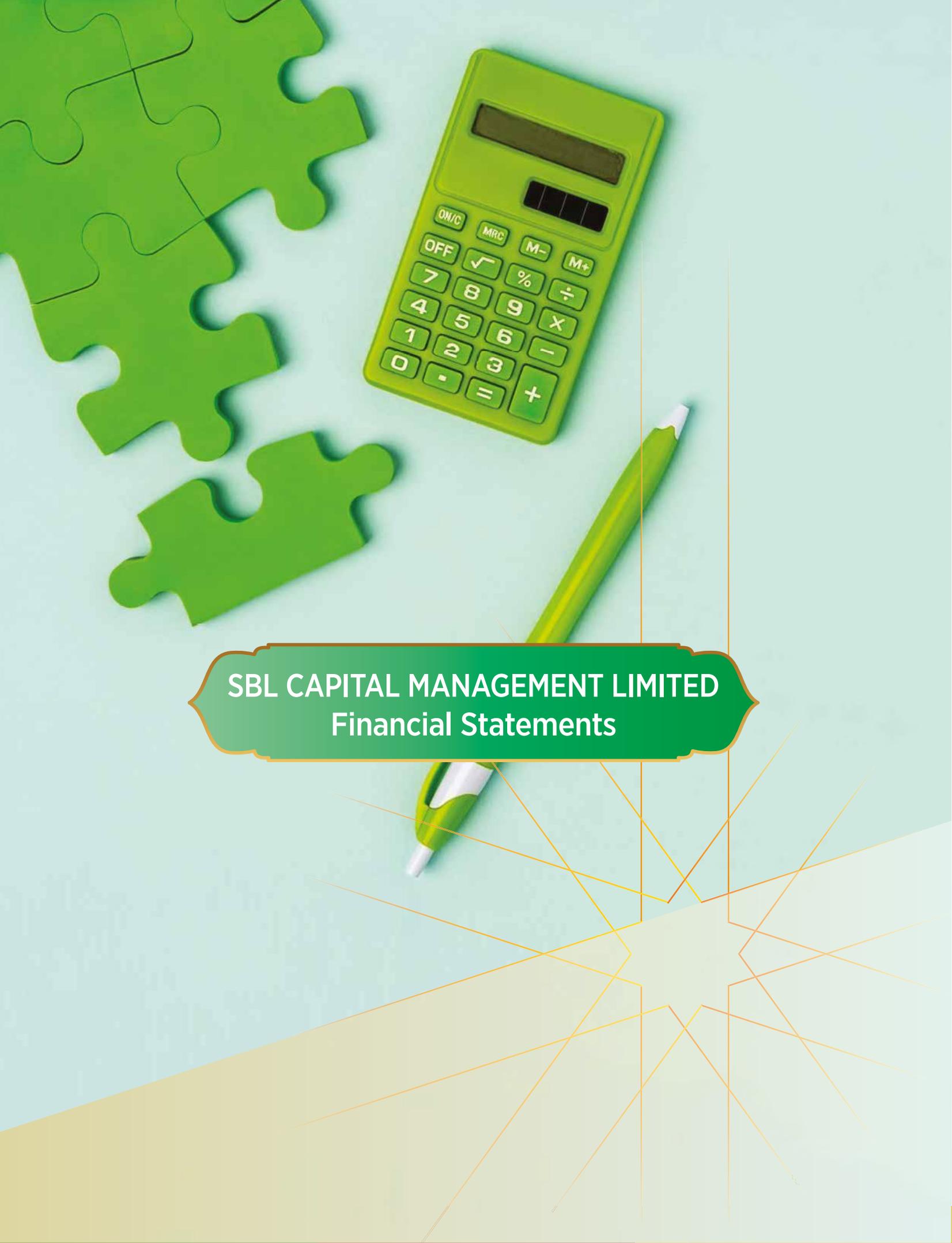
Place: Dhaka, Bangladesh



Director



Chairman



SBL CAPITAL MANAGEMENT LIMITED
Financial Statements

Independent Auditor's Report SBL Capital Management Limited

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 2022, 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 2022, 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 2020 and other applicable laws and regulations except deferred Tax and IFRS 16.

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.

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 2020 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.

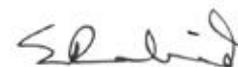
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management but not 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 2020 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.

Dated: April 18, 2023
Dhaka

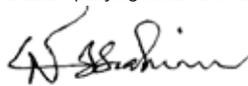


Sheikh Zahidul Islam FCA, MBA.
Enrolment No-1394
Partner, Shafiq Basak & Co.
Chartered Accountants
DVC: 2304201394AS142158

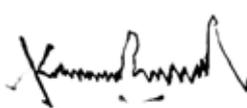
SBL CAPITAL MANAGEMENT LIMITED
(A SUBSIDIARY OF STANDARD BANK LTD.)
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER, 2022

Particulars	Notes	Amount in Taka	
		31.12.2022	31.12.2021
ASSETS:			
Non-Current Assets:			
Property, Plant & Equipment	2.00	2,401,878	1,580,076
		2,401,878	1,580,076
Current Assets:			
Advances, Deposits & Prepayments	3.00	6,425,533,970	5,902,342,186
Investment in Shares	4.00	6,725,861	323,570
Margin Investment to Clients	5.00	1,781,866,144	1,743,307,257
Accounts Receivable	6.00	4,055,793,982	3,668,523,440
Advance Income Tax	7.00	28,089,598	25,619,728
Stock of Stationery	8.00	361,927,143	343,729,624
Other Assets	9.00	69,690	69,690
Cash & Cash Equivalents	10.00	177,488,664	105,324,557
		13,572,888	15,444,320
TOTAL ASSETS		6,427,935,848	5,903,922,262
EQUITY AND LIABILITIES:			
Capital and Reserve:			
Share Capital	11.00	1,501,335,655	1,545,377,609
Retained Earnings	12.00	1,500,000,000	1,500,000,000
		1,335,655	45,377,609
Current Liabilities:			
Bai-Muajjal (General) with SBL	13.00	3,473,811,089	3,041,897,903
Bai-Murabaha with SBL	14.00	2,717,515,363	2,723,615,363
Provision for Expenses	15.00	400,000,000	301,000,000
Sundry Deposit	16.00	2,675,040	520,831
Liability for withholding Tax, VAT, LFC & others	17.00	7,964,068	10,346,682
Accounts Payable	18.00	10,597,140	1,075,648
		335,059,478	5,339,379
Other Liabilities:			
Provision for Taxation	19.00	1,452,789,104	1,316,646,750
Provision for diminution in value of investment	20.00	405,456,443	381,240,804
Provision for Margin Investment	21.00	465,104,994	457,138,564
Provision for Profit waiver to Affected Small Investors	22.00	407,249,938	375,453,762
Profit Suspense Account	23.00	489,064	489,064
		174,488,665	102,324,556
TOTAL EQUITY AND LIABILITIES		6,427,935,848	5,903,922,262
NAV per share (Per share value Tk. 100)	37.00	100.09	103.03

The accompanying notes form an integral part of these financial statements.


Chief Executive Officer


Director


Chairman

Subject to our separate report of even date.

Dhaka
 April 18, 2023


Shafiq Basak & Co.
Chartered Accountants

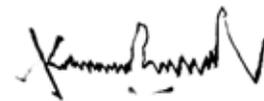
SBL CAPITAL MANAGEMENT LIMITED**(A SUBSIDIARY OF STANDARD BANK LTD.)****STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME****FOR THE YEAR ENDED 31ST DECEMBER, 2022**

Particulars	Notes	Amount in Taka	
		31.12.2022	31.12.2021
INCOME:			
Profit from Investment	24.00	282,474,594	229,747,812
Transaction /Settlement fees		25,374,750	26,810,717
Management Fee		18,153,477	18,416,561
Gain on Sale of Shares		81,789,620	46,002,447
Dividend on Investment in Shares	25.00	41,701,140	31,077,245
Other Income	26.00	1,307,850	5,200,804
Total Income (A)		450,801,431	357,255,586
EXPENDITURE:			
Profit paid for Borrowing	27.00	281,244,877	246,374,630
Salary & Allowances	28.00	15,758,868	11,654,325
Rent, Taxes, Insurance & Electricity	29.00	3,154,890	2,066,224
Postage, Stamp & Telecommunication	30.00	45,297	61,272
Stationery, Printing & Advertisement	31.00	190,701	156,283
Directors' Fee & Other expenses	32.00	538,800	349,600
Audit & Consultancy Fees	33.00	277,975	396,450
Depreciation		800,198	663,748
Other Expenses	34.00	5,103,534	5,242,631
Total Expenditure (B)		307,115,140	266,965,163
Profit before Provision (C=A-B)		143,686,291	90,290,423
Less: Provision for diminution in value of investments	20.00	7,966,430	-
Less: Provision for Margin Investment	21.00	31,796,177	18,784,159
Less: Provision for Profit waiver to A.S.I.	22.00	-	-
Total Provision (D)		39,762,607	18,784,159
Profit/(Loss) before tax (E=C-D)		103,923,684	71,506,264
Less: Provision for Taxation	19.00	24,215,638	36,056,806
Profit/(Loss) after tax		79,708,046	35,449,458
Earnings per share	35.00	5.31	2.36

The accompanying notes form an integral part of these financial statements.


Chief Executive Officer

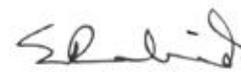

Director


Chairman

Subject to our separate report of even date.

Dhaka

April 18, 2023


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 2022**

Particulars	Share Capital	General Reserve	Retained earnings	Total (Taka)
Balance as on 01.01.2022	1,500,000,000	-	45,377,609	1,545,377,609
Dividend for the year 2021	-	-	(45,000,000)	(45,000,000)
Retained earnings during the Period	-	-	79,708,046	79,708,046
Interim Dividend for the year 2022	-	-	(78,750,000)	(78,750,000)
Balance as on 31.12.2022	1,500,000,000	-	1,335,655	1,501,335,655
Balance as on 31.12.2021	1,500,000,000	-	45,377,609	1,545,377,609

SBL CAPITAL MANAGEMENT LIMITED**(A SUBSIDIARY OF STANDARD BANK LTD.)****STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY****AS AT 31ST DECEMBER 2021**

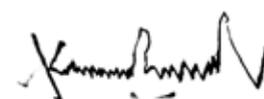
Particulars	Share Capital	General Reserve	Retained earnings	Total (Taka)
Balance as on 01.01.2021	1,500,000,000	-	9,928,151	1,509,928,151
Retained earnings during the Period	-	-	35,449,458	35,449,458
Dividend for the year 2020	-	-	-	-
Balance as on 31.12.2021	1,500,000,000	-	45,377,609	1,545,377,609
Balance as on 31.12.2020	1,500,000,000	-	9,928,151	1,509,928,151



Chief Executive Officer



Director



Chairman

SBL CAPITAL MANAGEMENT LIMITED
(A SUBSIDIARY COMPANY OF STANDARD BANK LTD.)
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31ST DECEMBER, 2022

Particulars	Notes	Amount in Taka	
		31.12.2022	31.12.2021
A. Cash Flow from Operating Activities:			
Net Profit after tax	12.00	79,708,046	35,449,458
Add: Non Cash Transaction		44,657,968	37,329,757
Provision for Expenses	15.00	2,154,209	(255,799)
Liability for withholding LFC & Others	17.00	9,521,493	865,002
Provision for investment in securities	20.00	7,966,430	-
Corporate Income Tax	19.00	24,215,638	36,056,806
Depreciation	2.00	800,198	663,748
		332,063,983	48,608,938
Sundry Deposit	16.00	(2,382,615)	(25,446,638)
Accounts Receivable	6.00	(2,469,871)	69,689,875
Advance Income Tax	7.00	(18,197,518)	(29,675,107)
Account Payable	18.00	329,720,099	5,025,170
Other Assets	9.00	(72,164,107)	(26,290,543)
Provision for Margin Investment	21.00	31,796,177	18,784,159
Profit Suspense Account	23.00	72,164,108	35,810,542
Net Cash flow from Operating Activities		456,429,997	121,388,153
B. Cash flow from Investing Activities :			
Investment in Shares	4.00	(38,558,887)	97,339,045
Purchase of Assets	2.00	(1,622,000)	-
Margin Investment to Client	5.00	(387,270,542)	(822,716,014)
Net cash flow from Investing Activities		(427,451,429)	(725,376,969)
C. Cash Used by Financing Activities:			
Borrowing from SBL-Bai Muajjal	13.00	(6,100,000)	234,977,508
Borrowing from SBL-Bai Murabaha	14.00	99,000,000	301,000,000
Dividend		(123,750,000)	
Net cash flow from financing activities		(30,850,000)	535,977,508
D. Net Increase in cash and cash equivalents D=(A+B+C)		(1,871,432)	(68,011,308)
E. Opening cash and cash equivalents	10.00	15,444,320	83,455,628
Closing cash and cash equivalents (D+E)		13,572,888	15,444,320
Net Operating Cash Flow per share (Note-36)		30.43	8.09



Chief Executive Officer



Director



Chairman

April 18, 2023

SBL CAPITAL MANAGEMENT LIMITED
(A SUBSIDIARY OF STANDARD BANK LTD.)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2022

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 investment 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, 2022 to 31st December, 2022.

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
Office Appliances	10%
Furniture & Fixture	10%
Computer	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 2022 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 Investment:

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 Profit Income:

In terms of the provisions of IFRS-15 "Revenue from Contracts with Customers", Profit 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	
	31.12.2022	31.12.2021
2.00 Property, Plant & Equipments:		
Opening Balance	4,517,933	4,517,933
Add: Addition during the period	1,622,000	-
Less: Adjustment	-	-
Closing Balance (A)	6,139,933	4,517,933
Depreciation:		
Opening Balance	2,937,857	2,274,109
Add: Charge for the period	800,198	663,748
Less: Adjustment	-	-
Closing Balance (B)	3,738,055	2,937,857
Written Down Value (A-B)	2,401,878	1,580,076

Details are shown in **Annexure-1**

3.00 Advance, Deposits & Prepayments:

Advance for Office Rent	3,235,871	118,580
Advance for Office Renovation	3,285,000	-
Advance for Custody DP-CDBL	200,000	200,000
Security deposit	4,990	4,990
Total	6,725,861	323,570

4.00 Investment in Shares:

Total Investments	(Note-4.01)	1,781,866,144	1,743,307,257
Total		1,781,866,144	1,743,307,257

4.01	Ordinary Shares	No. of Company	Cost value 31.12.2022	Cost value 31.12.2021
	Investment in Secondary Share Market (Note: 4.01.01)	76	1,781,866,144	1,720,398,587
	Investment in Primary Share Market	0	-	22,908,670
	Total		1,781,866,144	1,743,307,257

4.01.01 Investment in Secondary Share Market:

Banking Company	259,854,582	294,255,385
Non Banking Financial Institutions	228,546,278	208,771,065
Insurance Company	231,627,702	261,943,287
Investment Company	116,433,622	112,155,580
Fuel and Power	267,170,410	255,980,408
Manufacturing Company and Others	678,233,550	587,292,862
Total	1,781,866,144	1,720,398,587

Investment in shares represents cost price of securities which have been invested by the company in the capital market.

	Amount in Taka	
	31.12.2022	31.12.2021
5.00 Margin Investment to Clients:		
Portfolio Margin Investment	3,907,032,765	3,519,762,223
Profit Free Block Investment	148,761,217	148,761,217
Total	4,055,793,982	3,668,523,440
6.00 Account Receivable:		
Receivable from Brokers against Investors portfolio	1,675,050	2,139,400
Receivable from Brokers against Own Portfolio	4,796,088	664,694
Sharing Infrastructure Charge Receivable	-	-
Dividend Receivable	19,466,710	20,508,884
Underwriting Commission Receivable	1,961,750	1,961,750
Receivable for IBBL 2nd Perpetual Bond	190,000	345,000
Total	28,089,598	25,619,728
7.00 Advance Income Tax		
Opening Balance	343,729,624	314,054,517
Add: Tax deducted at source during the period (Note: 7.01)	10,658,749	6,296,762
Add: Advance Income Tax Paid during the period	7,538,770	23,378,345
Total	361,927,143	343,729,624
Less: Adjustment of Advance Income Tax for the period	-	-
	361,927,143	343,729,624
Less: Adjustment of demand Tax for the period	-	-
Closing Balance	361,927,143	343,729,624
7.01 Tax deducted :		
Tax deducted on Profit from SND Bank Account	65,544	81,313
Tax deducted on Dividend Income & Others	10,593,205	6,215,449
Total	10,658,749	6,296,762
8.00 Stock of Stationery :		
Opening Balance	69,690	69,690
Add: Addition during the period	-	-
	69,690	69,690
Less: Stock consumed during the period	-	-
Closing Balance	69,690	69,690
9.00 Other Assets:		
i) A/c -Sheikh Fazlul Karim Selim, IDA-0087	3,000,000	3,000,000
ii) Profit receivable on Suspense A/c	174,488,664	102,324,557
Closing balance	177,488,664	105,324,557
10.00 Cash & Cash Equivalent		
Cash in hand	-	-
Bank Balances with SBL, Principal Branch (Note-10.01)	13,572,888	15,444,320
FDR with Banks & NBF	-	-
Total	13,572,888	15,444,320
10.01 Bank Balance with SBL, Principal Branch:		
SBL Capital Mgt. Ltd. Investor's (A/C: 00236001807)	13,520,079	17,555,038
SBL Capital Mgt. Ltd. (A/C: 00236001808)	18,024	(2,468,252)
SBL Capital Mgt. Ltd. Own Portfolio (A/C: 00236001810)	27,661	24,660
Public Issue Application (SBL Cap. Mgt.) (A/C:00236001876)	6,946	111,165
SBL Capital Mgt. Ltd.-ICB Fund (A/C: 00236001960)	178	221,709
Closing Balance	13,572,888	15,444,320
11.00 Share Capital:		
11.01 Authorized Capital: Tk. 5,000,000,000		
50,000,000 Ordinary Shares of Tk. 100/- each	5,000,000,000	5,000,000,000

		Amount in Taka	
		31.12.2022	31.12.2021
11.02	Issued, Subscribed and Paid Up Capital: Tk. 1,500,000,000		
	15,000,000 Ordinary Shares of Tk. 100/- each	1,500,000,000	1,500,000,000
	Total	1,500,000,000	1,500,000,000

11.03 Pattern of Shareholdings:

	Name	No. of Shares	Amount (TK.)	% of Share
1	Mr. Kazi Akram Uddin Ahmed	50	5,000	0.0003%
2	Mr. Ferdous Ali Khan		-	0.0000%
3	Mr. S. A. M. Hossain	50	5,000	0.0003%
4	Mr. Mohammed Abdul Aziz	50	5,000	0.0003%
5	Mr. Md. Zahedul Hoque	50	5,000	0.0003%
6	ICB, represented by its Managing Director, Mr. Md. Abul Hossain	50	5,000	0.0003%
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	14,999,400	1,499,940,000	99.9960%
	Total	15,000,000	1,500,000,000	100.000%

		Amount in Taka	
		31.12.2022	31.12.2021
12.00	Retained Earnings		
	Opening Balance	45,377,609	9,928,151
	Add: Profit/(Loss) for the period	79,708,046	35,449,458
		125,085,655	45,377,609
	Less: Dividend for the year 2021	45,000,000	-
	Less: Interim Dividend for the year 2022	78,750,000	-
	Total	1,335,655	45,377,609

13.00 Bai-Muajjal (General) with Standard Bank Ltd.

Opening Balance	2,723,615,363	2,488,637,855
Add: Addition during the period	-	234,977,508
	2,723,615,363	2,723,615,363
Less: Refund during the period	6,100,000	-
Closing Balance	2,717,515,363	2,723,615,363

The above Bai-Muajjal was taken from Standard Bank Limited bearing profit @ 9.00 % per annum on quarterly basis vide reference No. SBL/HO/INV/2022/1084/2113 dated 29.12.2022.

14.00 Bai Murabaha with Standard Bank Ltd.

Opening Balance	301,000,000	-
Add: Addition during the period	231,788,250	312,397,122
	532,788,250	312,397,122
Less: Refund during the period	132,788,250	11,397,122
Closing Balance	400,000,000	301,000,000

The above Bai-Murabaha was taken from Standard Bank Limited bearing profit @ 9.00 % per annum on quarterly basis vide reference No. SBL/HO/INV/2022/535/1546 dated 01.09.2022.

		Amount in Taka	
		31.12.2022	31.12.2021
15.00	Provision for Expenses:		
	Provision for Depreciation	800,198	-
	Accrued Expenses (Note: 15.01)	1,874,842	520,831
	Total	2,675,040	520,831
15.01	Accrued Expenses:		
	Opening Balance	520,831	776,631
	Add: Accrued Exp. during the period (Note: 15.02)	1,764,111	413,191
	Total	2,284,942	1,189,822
	Less: Adjustment during the period	410,100	668,991
	Closing Balance	1,874,842	520,831
15.02	Accrued Expenses during the period:		
	i) CDBL Charges	1,537,200	336,259
	ii) Electricity Expense	14,347	11,232
	iii) Generator Expense	3,500	3,000
	iv) Telephone Bill (T&T)	2,500	2,100
	v) Water & Sewerage Expense	5,064	3,100
	vi) Audit Fees	57,500	57,500
	vii) Legal Fees	144,000	-
	Total	1,764,111	413,191
16.00	Sundry Deposit:		
	Portfolio Deposit Account (Investors)	7,964,068	10,346,682
	Affected Small Investor's Deposit	-	-
	Public Issue Application Deposit	-	-
	Total	7,964,068	10,346,682
17.00	Liability for withholding Tax, VAT & Others:		
	VAT deducted at source payable	420,202	648,389
	Tax deducted at source payable	9,358,283	229,556
	Salary TDS payable	771,720	150,769
	LFC payable (Note-17.01)	46,934	46,934
	Total	10,597,140	1,075,648
17.01	LFC Payable:		
	Opening Balance	46,934	210,646
	Add: Addition during the period	568,330	419,730
	Total	615,264	630,376
	Loss: Disbursement during the period	568,330	583,442
	Closing Balance	46,934	46,934
18.00	Accounts Payable:		
	Payable for Leads Software	-	-
	Meeting Fees Payable	88,000	-
	Non-Shariah Share Income	7,764,851	5,339,379
	Dividend Payable	78,750,000	-
	Profit payable on Bai-Muajjal to SBL	248,456,627	-
	Total	335,059,478	5,339,379
19.00	Provision for Tax:		
	Opening Balance	381,240,804	345,183,998
	Add: Provision for income tax made during the period (19.01)	24,215,638	36,056,806
		405,456,443	381,240,804
	Less: Over Provision of Tax for the Financial year	-	-
		405,456,443	381,240,804
	Less: Adjustment of Advance Income Tax for the Financial year	-	-
	Closing Balance	405,456,443	381,240,804

	Amount in Taka	
	31.12.2022	31.12.2021
19.01 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	8,178,961	4,600,244
Tax on dividend from investment in share	8,340,228	6,215,449
Tax on Business Income	7,696,449	5,241,113
Provision of income tax for Financial year 2022	24,215,638	16,056,806
Add: Provision of income tax for Financial year 2011 & 2012	-	20,000,000
Total Tax Provision	24,215,638	36,056,806
20.00 Provision for diminution in value of Investment:		
Opening Balance	457,138,564	457,138,564
Add: Provision made during the period	7,966,430	-
Closing Balance	465,104,994	457,138,564

Based on market value prevailing on 31st December of 2022, total value of shares in different companies held by SBL Capital Management Ltd. comes to Tk. 1,316,761,149.41 (Cost value was Tk. 1,781,866,143.39). Thus difference between market value and cost value of total shares comes to Tk. 465,104,993.99. This represents diminution in investment value. Shortfall in provision are shown below:

Total diminution in investment value	465,104,994	414,876,158
Less: Provision maintained for diminution in investment value	457,138,564	457,138,564
Total deficit provision against shortfall maintained within 31st December, 2025.	7,966,430	(42,262,406)

Against above, no provision had been remained deficit in accounts which represents (as per BSEC circular No. BSEC/SRI/NE/2020/606 dated, December 28, 2022) in comprehensive income statement for the year under audit. Arises shortfall loss in investment value would be taken into accounts within 2023.

21.00 Provision for Margin Investment:		
Opening Balance	375,453,762	356,669,603
Add: Provision made during the period	31,796,177	18,784,159
Closing Balance	407,249,938	375,453,762

There arises loss/shortfall in Investors portfolio investment (except rescheduling account shortfall Tk. 405,172,956.66) amounting to Tk. 710,150,356.71 representing difference of Margin Investment balance and market value of securities on December 31, 2022 this shortfall/ loss should be provided in account. However, BSEC has given a facilities to the Investors by using a circular on BSEC/SRI/NE/2020/606 dated, December 28, 2022 that loss/shortfall in provision for investment might be amortized within 31 December, 2023. Provision made for Tk. 31,796,177.05 against net shortfall of portfolio investment of Tk. 334,696,596.04 (except rescheduling account shortfall Tk. 405,172,956.66). As such, shortfall in provision stands at Tk. 302,900,418.83 would be taken into accounts within 2023 as per above BSEC circular which is made up as follows:

Provision for Margin Investment:		
Required Provision for Margin Investment	1,115,323,313	1,299,303,136
Less: Rescheduling amount shortfall	405,172,956	316,494,916
Less: Provision maintained previous year	375,453,761	356,669,603
Deficit Provision	334,696,596	626,138,617
Less: Amortized in Income Statement of current period	31,796,177	18,784,159
Net provision shortfall	302,900,419	607,354,458

22.00 Provision for Profit Waiver to Affected Small Investor's (A S I):		
Opening Balance	489,064	489,064
Add: Provision made during the period	-	-
Closing Balance	489,064	489,064

23.00 Profit Suspense:		
Opening Balance	102,324,556	66,514,014
Add: Maintained during the period	72,164,109	35,810,542
Closing Balance	174,488,665	102,324,556

Profit suspense account represents that the total Profit receivable from top forty Margin Investment clients which have not been accounted as profit earn due to negative equity of those clients.

	Amount in Taka	
	31.12.2022	31.12.2021
24.00 Net Profit Earned from Investment:		
Profit from Margin Investment	282,121,430	238,501,290
Less: Charges for Margin Investment	-	9,520,000
Net Profit from Margin Investment	282,121,430	228,981,290
Profit earned on Corporate Mudaraba SND	353,164	766,522
Total	282,474,594	229,747,812
25.00 Dividend on Investment in Shares:		
Gross Dividend on Investment in Shares	49,465,991	36,416,624
Less: Dividend Income from Non-Shariah Shares	7,764,851	5,339,379
Net Dividend on Investment in Shares (Excluding Non-Shariah)	41,701,140	31,077,245
26.00 Other Profit:		
Arranger Fees	-	3,960,000
Issue Management Fees	-	-
Underwriting commission	-	72,500
Documentation Charge	-	36,550
Charge for Investment Certificate	-	35,400
Account Closing Charges	7,850	6,354
Sharing Infrastructure Charge	1,110,000	900,000
Trustee Fees	190,000	190,000
Total	1,307,850	5,200,804
27.00 Profit paid:		
Profit paid to Standard Bank Limited (Note: 27.01)	281,244,877	246,374,630
Total	281,244,877	246,374,630
27.01 Profit paid to Standard Bank Ltd.:		
i) Profit paid to SBL for Bai-Muajjal	248,456,627	234,977,508
ii) Profit paid to SBL for Bai- Murabaha	32,788,250	11,397,122
Total Profit paid to SBL	281,244,877	246,374,630
28.00 Salary & Allowances:		
Salaries (Basic)	6,905,764	5,474,484
Salary for Probationaries	-	-
House Rent Allowance	3,452,886	2,737,242
House Maintenance & Utility	347,710	290,419
Medical Allowance	650,106	405,569
Conveyance Allowance	580,155	425,639
Provident Fund (Company contribution)	690,579	547,448
Leave Fare Compensation (LFC)	568,330	419,730
Festival Bonus	1,867,767	816,220
Washing Allowance	9,600	9,600
Casual Wages & Others	685,971	527,974
Total	15,758,868	11,654,325

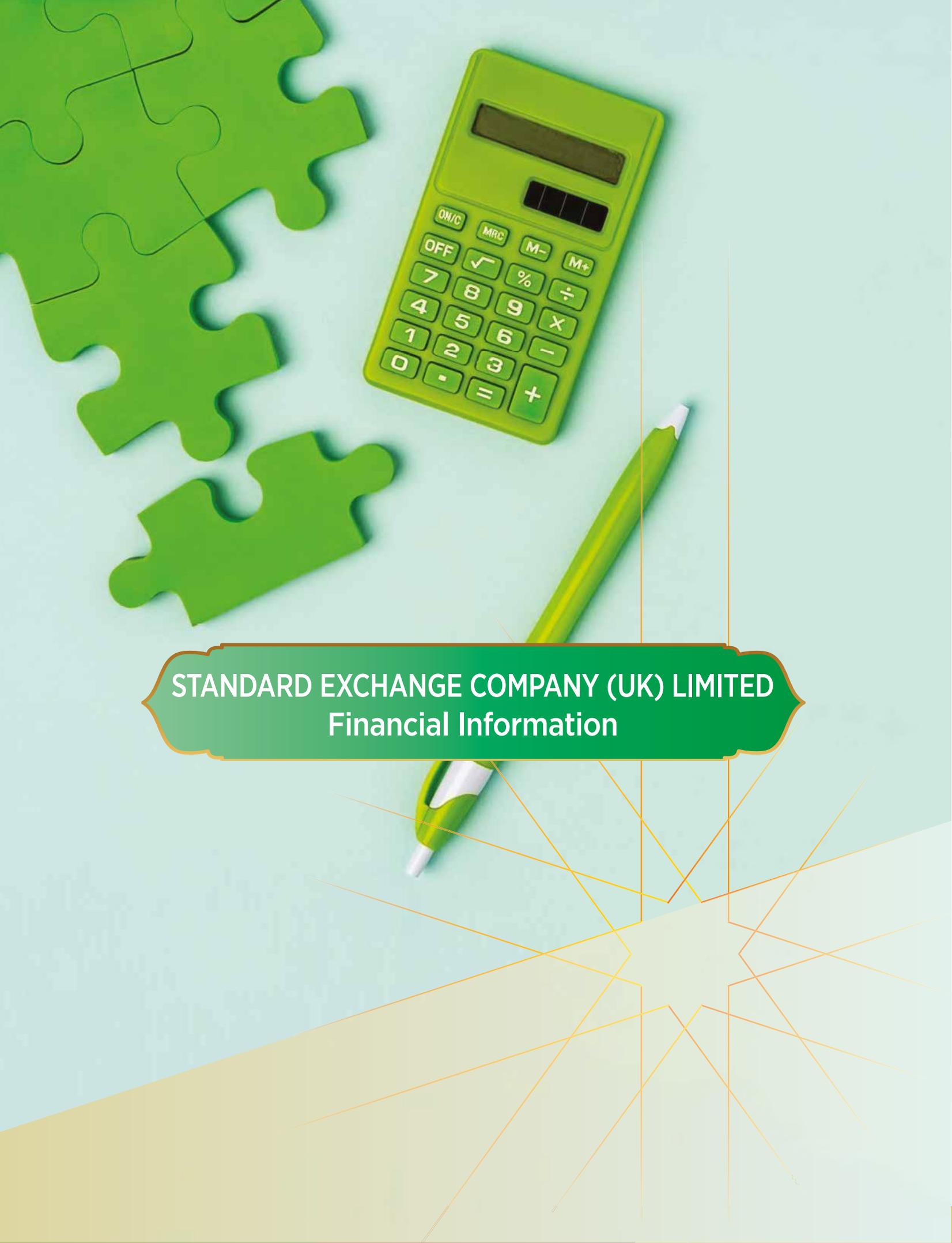
	Amount in Taka	
	31.12.2022	31.12.2021
29.00 Rent, Taxes, Insurance & Electricity:		
Rent for Office Premises	2,776,756	1,636,404
Electricity Expenses	225,789	279,800
Generator Expenses	23,135	32,580
Lift Expenses	15,000	30,000
Water & Sewerage	37,810	35,840
WAN Connectivity Expenses	76,400	51,600
Total	3,154,890	2,066,224
30.00 Postage, Stamp & Telecommunication:		
Postage and Courier	10,565	12,190
Telephone Expenses	10,732	25,082
Mobile Expenses	24,000	24,000
Total	45,297	61,272
31.00 Stationery, Printing & Advertisement :		
Printing & Stationery	99,950	30,745
Computer, Printer & Networking Accessories	90,751	125,538
Total	190,701	156,283
32.00 Director's Fee & Other Expenses:		
Director's Meeting fees	538,800	349,600
Director's haltage expenses	-	-
Director's Traveling Expenses	-	-
Total	538,800	349,600
33.00 Audit & Consultancy:		
Audit Fees	57,500	57,500
Legal Fees	144,000	331,200
Professional Expenses	76,475	7,750
Total	277,975	396,450
34.00 Other Expenses:		
Travelling & Conveyance expenses	60,205	30,710
Entertainment Expenditure (Note-34.01)	514,619	541,449
Photocopy & Photograph	8,148	37,043
Training & Internship	-	20,334
Uniform & Leverage	19,400	27,850
Cleaning Services from Outsourcing	154,110	125,208
Legal Charges	-	17,675
Rate & Taxes	3,310	16,450
Bidding Expenses	12,000	9,000
Public Issue registration charge	50,000	20,000
RJSC Fess & Charges	61,672	108,359
Drinking Water Expenses	4,650	3,050
CDBL Charges (Note-34.02)	2,659,295	3,096,687
Registration & Renewal fees	377,536	105,000
BO Account Maintenance Fee	700	1,050
Miscellaneous expenses for Board Meeting	88,001	30,905
Office Maintenance Expenses	489,496	192,686
Advertisement & Publicity	11,500	-
Business Development	24,750	-
Vehicle Maintenance	-	48,520

	Amount in Taka	
	31.12.2022	31.12.2021
Insurance premium (Motor Vehicle)	8,395	66,926
Car Expenses	249,996	418,231
Petrol, Oil & Lubricants	180,000	263,227
Bank Charges	125,751	62,271
Total	5,103,534	5,242,631
34.01 Entertainment Expenditure:		
Entertainment for the Board Meetings	-	32,000
Entertainment Allowances	477,813	398,777
Entertainment Expenses (Office)	36,806	110,672
Total Entertainment Expenditure	514,619	541,449
34.02 CDBL Charges:		
CDBL Charges	2,659,295	3,096,687
Less: Cash back rebate from CDBL	-	-
Net charges	2,659,295	3,096,687
35.00 Earning Per Share (EPS):		
Net profit after tax	79,708,046	35,449,458
Weighted average outstanding number of shares	15,000,000	15,000,000
Earning Per Share	5.31	2.36
36.00 Net Operating Cash Flow per share (NOPCFPS):		
Net cash flow from operating activities	456,429,997	121,388,153
Number of shares	15,000,000	15,000,000
Net Operating Cash Flow per share	30.43	8.09
37.00 NAV per share:		
Shareholders' equity	1,501,335,655	1,545,377,609
Number of shares	15,000,000	15,000,000
NAV per share	100.09	103.03

SBL CAPITAL MANAGEMENT LIMITED
(A SUBSIDIARY OF STANDARD BANK LTD.)
SCHEDULE OF PROPERTY, PLANT & EQUIPMENTS
AS AT 31ST DECEMBER, 2022

ANNEXURE-1

Particulars	Cost			Dep. Rate	Depreciation			Written Down Value as on 31.12.2022	
	Balance as on 01.01.2022	Addition during the year	Adjus-tment		Balance as on 01.01.2022	Charged during the year	Adjus-tment		Balance as on 31.12.2022
Office Appliances	-	1,032,000	-	10%	-	51,600	-	51,600	980,400
Computer, Printer, UPS, Server etc.	700,963	590,000	-	20%	666,628	225,043	-	891,670	399,293
Office Renovation	1,984,294	-	-	10%	992,147	198,429	-	1,190,577	793,717
Furniture & Fixture	414,092	-	-	10%	182,832	41,409	-	224,241	189,851
Software	1,418,584	-	-	20%	1,096,250	283,717	-	1,379,967	38,617
Total Balance as on 31.12.2022	4,517,933	1,622,000			2,937,857	800,198	-	3,738,055	2,401,878
Total Balance as on 31.12.2021	4,517,933	-	-		2,274,109	663,748	-	2,937,857	1,580,076



STANDARD EXCHANGE COMPANY (UK) LIMITED
Financial Information

STANDARD EXCHANGE COMPANY (UK) LTD

Company Information

For the year ended 31 December 2022

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 2022

The directors present his/her/their annual report and the financial statements for the year ended 31 December 2022.

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 13.02.2023

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.

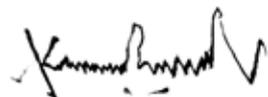
In preparing these financial statements, the directors are required to:

- 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. The directors 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 18 January 2023

Accountants' Report

For the year ended 31 December 2022

In order to assist you to fulfil your duties under Companies Act 2006, we have prepared for your approval the accounts of STANDARD EXCHANGE COMPANY (UK) LTD for the year ended 31 December 2022 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 Profit 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
E1 6TD
18 January 2023

Standard Exchange Company (UK) Ltd

Income Statement

For the year ended 31 December 2022

	Notes	2022 £	2021 £
Turnover		291,224	166,299
Gross profit		291,224	166,299
Selling and distribution costs		(4,030)	(2,600)
Administrative expenses		(230,651)	(176,116)
Other operating income	2	-	12,929
Operating profit/(loss)	3	56,543	512
Interest payable and similar charges	7	(12)	(380)
Profit/(Loss) on ordinary activities before taxation		56,531	132
Tax on profit on ordinary activities		-	-
Profit/(Loss) for the financial year		56,531	132

Standard Exchange Company (UK) Ltd

Statement of Financial Position

For the year ended 31 December 2022

	Notes	2022 £	2021 £
Fixed assets			
Tangible fixed assets	8	8,194	10,812
		8,194	10,812
Current assets			
Debtors: amounts falling due within one year	9	13,482	18,535
Debtors: amounts falling due after one year	10	89,289	108,480
Cash at bank and in hand		31,961	75,637
		134,732	202,652
Creditors: amount falling due within one year	11	(22,728)	(149,797)
Net current assets		112,004	52,855
Total assets less current liabilities		120,198	63,667
Net assets		120,198	63,667
Capital and reserves			
Called up share capital	12	300,000	300,000
Profit and loss account	13	(179,802)	(236,333)
Shareholder's funds		120,198	63,667

For the year ended 31 December 2022 the company was entitled to exemption from audit under section 477 of the companies act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.
- 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 18 January 2023 and were signed on its behalf by:



Kazi Akram Uddin Ahmed
Director



Director



Muhammad Abdul Ahad
Secretary

Standard Exchange Company (UK) Ltd

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2022

	Equity share capital	Retained Earnings	Total
	£	£	£
At 01 January 2021	300,000	(236,465)	63,535
Profit for the year		132	132
Total comprehensive Income for the year	-	132	132
Total investments by and distributions to owners	-	-	-
At 31 December 2021	300,000	(236,333)	63,667
At 01 January 2022	300,000	(236,333)	63,667
Profit for the year		56,531	56,531
Total comprehensive income for the year	-	56,531	56,531
Total investments by and distributions to owners	-	-	-
At 31 December 2022	300,000	(179,802)	120,198

Standard Exchange Company (UK) Ltd

Notes To The Financial Statements

For the year ended 31 December 2022

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 comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

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:

Fixtures and Fittings	20% Reducing Balance
Short Leasehold Properties	15 Years Straight Line
Plant and Machinery	20% Reducing Balance

2. Other operating income

Government Grants

3. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

Depreciation of tangible fixed assets

4. Directors' Emoluments

The directors did not withdraw any salary during the period.

	2022	2021
	£	£
	-	12,929
	-	12,929
	3,099	3,207
	-	-

5. Staff Costs

	2022	2021
Wages and salaries	54,338	51,581
Pension costs, defined contribution plan	2,339	2,396
Other staff costs	429	171
	57,106	54,148

Average number of employees during the year

	Number	Number
Administration	1	1
Sales	2	2
	3	3

6. Average number of employees

Average number of employees during the year was 3 (2020 : 3).

7. Interest payable and similar charges

Other Interest Payable	12	380
	12	380

8. Tangible fixed assets

Cost or valuation	Short Leasehold Properties	Plant and Machinery	Fixtures and Fittings	Total
	£	£	£	£
At 01 January 2022	22,845	24,421	43,796	91,062
Additions	-	479	-	479
Disposals	-	-	-	-
At 31 December 2022	22,845	24,900	43,796	91,541
Depreciation				
At 01 January 2022	19,430	21,536	39,283	80,249
Charge for year	1,523	672	903	3,098
On disposals	-	-	-	-
At 31 December 2022	20,953	22,208	40,186	83,347
Net book values				
Closing balance as at 31 December 2022	1,892	2,692	3,610	8,194
Opening balance as at 01 January 2022	3,415	2,883	4,514	10,812

9. Debtors: amounts falling due within one year

	2022	2021
	£	£
Prepayments & Accrued Income	4,732	5,481
Other Debtors	-	4,304
Rent Deposit	8,750	8,750
	13,482	18,535

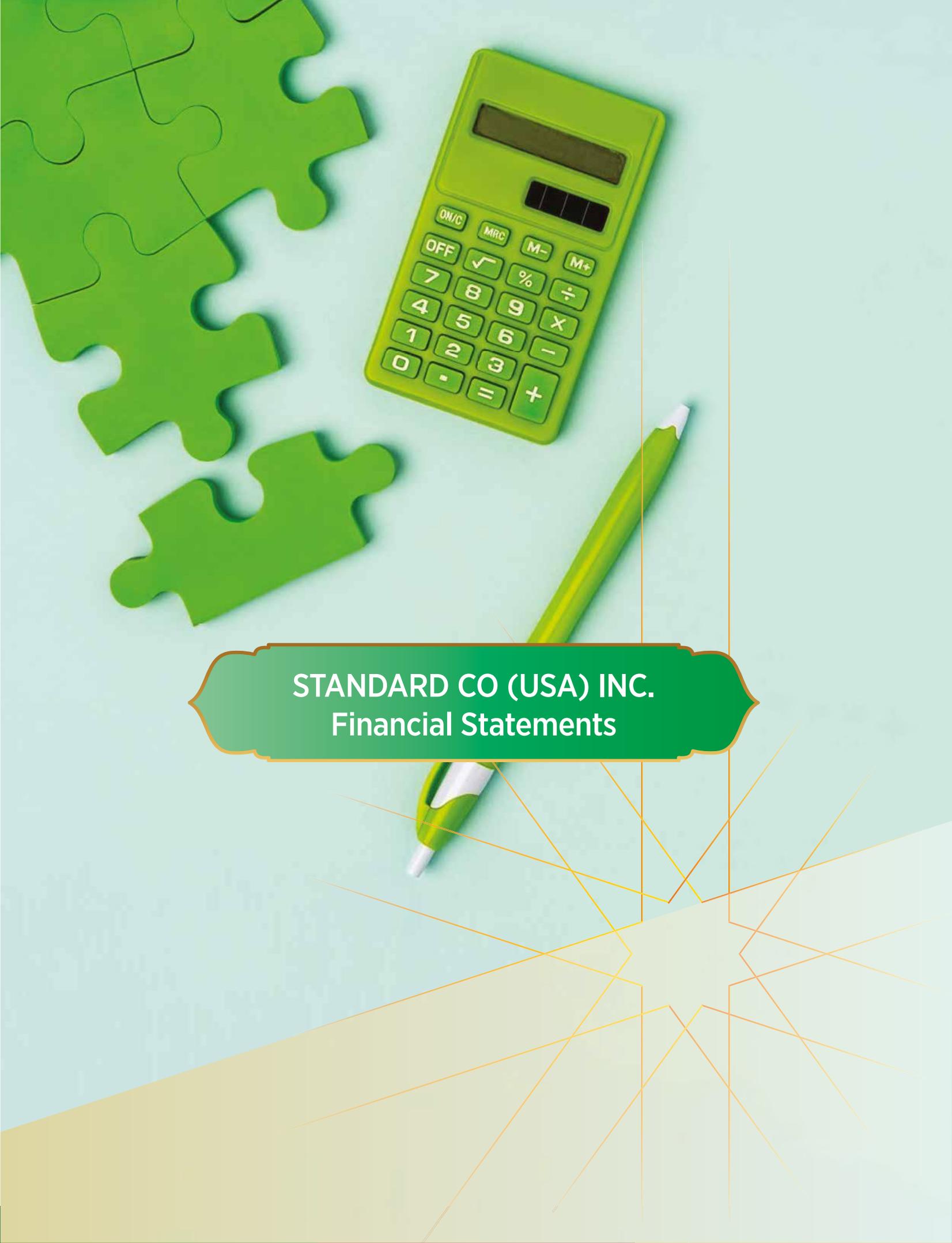
	2022	2021
	£	£
10. Debtors: amounts falling due after one year		
Other Debtors	89,289	108,480
	89,289	108,480
11. Creditors: amount falling due within one year		
PAYE & Social Security	-	1,507
Accrued Expenses	1,500	875
Other Creditors	1	200
Rent Deposit Received	-	1,000
TT Pivable	21,227	146,215
	22,728	149,797
12. Share Capital		
Allotted, called up and fully paid 300,000 Class A shares of E1.00 each	300,000	300,000
	300,000	300,000
13. Profit and loss account		
Balance at 01 January 2022		(236,333)
Profit for the year		56,531
Balance at 31 December 2022		(179,802)

Standard Exchange Company (UK) Ltd

Detailed Income Statement

For the year ended 31 December 2022

	2022	2021
	£	£
Turnover		
Other Trading Income	7,601	6,752
Exchange Rate Gains	165,789	71,146
Remittance Commissions	117,834	88,401
	<u>291,224</u>	<u>166,299</u>
Gross profit	291,224	166,299
Advertising	4,030	2,600
	<u>(4,030)</u>	<u>(2,600)</u>
Administrative expenses		
Wages & Salaries	54,338	51,581
Pension Contributions	2,339	2,396
Staff Welfare	429	171
Accountancy Fees	4,250	3,825
Consultancy Fees	900	350
Light, Heat & Power	5,659	4,143
Property Insurance	-	605
Cleaning of Premises	785	2,205
Rent, Rates & Insurance	54,987	55,817
General Travel Expenses	301	-
Bad Debts Written Off (Specific)	3,303	-
Bank Charges	83,483	35,111
Depreciation Charge: Leasehold Properties	1,523	1,523
Depreciation Charge: Plant & Machinery	673	656
Depreciation Charge: Fixtures & Fittings	903	1,028
Fees & Subscriptions	1,614	1,656
General Insurance	2,366	2,151
Computer Expenses	536	1,070
Repairs & Renewals	1,640	587
Stationery & Postage	1,100	997
Telephone, Fax & Internet	722	644
Business Development Cost	8,800	9,600
	<u>(230,651)</u>	<u>(176,116)</u>
Other operating income		
Government Grants	-	12,929
	<u>-</u>	<u>12,929</u>
Operating profit/(loss)	56,543	512
Interest payable and similar charges		
Other Interest Payable	12	380
	<u>(12)</u>	<u>(380)</u>
Profit/(Loss) on ordinary activities before taxation	56,531	132
Profit/(Loss) for the financial year	56,531	132



STANDARD CO (USA) INC.
Financial Statements

122 East 42nd Street
Suite 2100
New York, NY 10168
Tel. 212 661 2315, Fax 212 983 5276

United Financial CPA PC

Independent Auditor's Report

To the Members of

Standard Co. USA Inc, Jackson Heights, NY.

Opinion

We have audited the accompanying financial statements of Standard Co. USA Inc. (a State of corporation), which comprise the balance sheets as of December 31, 2022, and the related statements of income and other comprehensive income, changes in stockholders' equity, and cash flows for the year then ended, and the related notes to the financial statements.

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, 2022, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Standard Co. USA Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Standard Co. USA Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Standard Co. USA Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Standard Co. USA Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



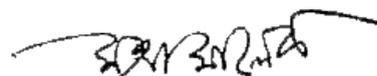
Anowar Hossain, CPA
New York, NY
April 19, 2023

STANDARD CO (USA) INC. BALANCE SHEET

AS OF DECEMBER 31, 2022

	2022	2021
Current Assets		
Cash and Cash equivalent	\$1,105,798	\$1,163,724
Cash - Branch Funds (Unrestricted)	1,379,628	1,310,929
Agent Receivable (Net)	-	152,392
Prepaid Expenses	7,202	6,978
Total Current Assets	2,492,628	2,634,023
Fixed Assets - at cost		
Furniture & Equipment	109,842	109,842
Leasehold Improvements	314,622	314,622
Total Fixed Assets	424,464	424,464
Less: Accumulated Depreciation	(395,384)	(361,602)
Net Fixed Assets	29,080	62,862
Intangible Assets		
Startup Costs <i>(Net of accumulated amortization of \$76,720 and \$69,079 respectively)</i>	37,896	45,537
Total Intangible Assets	37,896	45,537
Other Assets		
Right of Use Assets <i>(net of accumulated amortization of \$860,179 and \$0, respectively)</i>	1,177,995	-
Security Deposit	67,740	67,740
Total Other Assets	1,245,735	67,740
Total Assets	\$3,805,339	\$2,810,162
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current Liabilities		
Accounts Payable	\$17,592	\$18,211
Due to Correspondence - Related Party	288,112	1,001,007
Due to Beneficiaries	643,763	17,008
Security Deposit Payable	9,500	9,500
Operating Lease Liability (Current Portion)	187,881	-
Total Current Liabilities	1,146,848	1,045,726
Long Term Liabilities		
Operating Lease Liability (Net of Current Portion)	990,114	-
Total Long Term Liabilities	990,114	-
Total Liabilities	2,136,962	1,045,726
Stockholders' Equity		
Common Stock <i>(No par value, 20,000 shares authorized, issued and outstanding)</i>	1	1
Paid-In-Capital	1,550,000	1,550,000
Accumulated Other Comprehensive Income	118,376	214,435
Total Stockholders' Equity	1,668,377	1,764,436
Total Liabilities and Stockholders' Equity	\$3,805,339	\$2,810,162


Anwar Hossain, CPA


Mohammad Malek
President & CEO

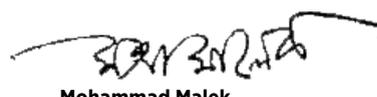
STANDARD CO (USA) INC. STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

FOR THE YEARS ENDING DECEMBER 31, 2022 AND 2021

	2022	2021
Revenue	\$462,865	\$596,562
Operating Expenses		
Payroll Expenses	621,986	581,537
Payroll Taxes	61,042	57,819
Rent	-	361,703
Lease Costs - Amortization of ROU Assets	223,555	-
Bank Service Charges	231,842	273,290
Professional Fees	60,968	49,841
Repairs and Maintenance	49,908	20,437
Armored Service	47,470	39,741
Assessment Fee	45,666	19,252
Depreciation Expense	33,782	36,181
Telephone & Internet Expense	31,505	22,820
Utilities	30,741	33,195
Office Supplies	29,882	41,142
Insurance	28,854	28,371
Festival Bonus	22,000	18,900
Software Lease Equipment	20,625	20,114
Security Expenses	19,245	11,462
Consulting Fees	15,395	18,975
Travel Expense	13,303	3,981
Meals & Entertainment	10,736	10,351
Amortization Expense	7,641	7,641
Property Taxes	5,044	9,119
Office Expense	4,611	3,793
Bond Premium (License)	3,750	3,750
License Fee	2,900	1,330
Miscellaneous Expense	264	216
Total Operating Expenses	1,622,715	1,674,961
(Loss) Before Other Revenue and Provision for Income Taxes	(1,159,850)	(1,078,399)
Other Revenue		
Interest Income (CD account)	2,109	2,884
Rental Income	61,550	87,350
PPP Grants	-	200,106
Other Income	2,246	2,234
Total Other Revenue	65,905	292,574
Provision for Income Taxes	143,414	4,047
Net (Loss)	(1,237,359)	(789,872)
Other Comprehensive Income		
Gain from Translation of Adjustment of Foreign Currency	1,288,439	1,173,099
Other Comprehensive Income	\$51,080	1,173,099
Total Comprehensive Income	\$51,080	\$383,227



Total Comprehensive Income



Mohammad Malek
President & CEO

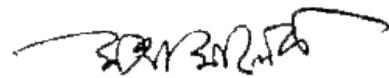
STANDARD CO (USA) INC. STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

FOR THE YEARS ENDING DECEMBER 31, 2022 AND 2021

	2022	2021
Stockholders' Equity - Beginning of Year	\$214,435	\$(168,792)
Net (Loss)	(1,237,359)	(789,872)
Other Comprehensive Income	1,288,439	1,173,099
Prior Period Adjustment Due to ASC 842 Implementation	(147,139)	-
Stockholders' Equity - End of Year	\$118,376	\$ 214,435



Anowar Hossain, CPA



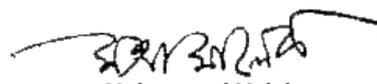
Mohammad Malek
President & CEO

STANDARD CO (USA) INC. STATEMENT OF CASH FLOWS

FOR THE YEARS ENDING DECEMBER 31, 2022 AND 2021

	2022	2021
Cash Flows From Operating Activities		
Net (Loss)	\$ (1,237,359)	\$(789,872)
Adjustments to reconcile net (loss) to net cash (used in) operating activities:		
Depreciation Expense	33,782	36,181
Decrease (Increase) in Agent Receivables	152,392	(152,392)
(Increase) Decrease in Prepaid Expenses	(224)	247
(Increase) in Security Deposits	-	(1,600)
(Decrease) Increase in Accounts Payable	(619)	7,019
(Decrease) in Due to Correspondence - Related Party	(712,895)	(213,531)
(Increase) in ROU Assets	(1,177,995)	-
Increase (Decrease) in Due to Beneficiary	626,755	(3,322)
Payments Arising From Operating Leases	1,177,995	-
Net Cash (Used in) Operating Activities	(1,138,168)	(1,117,270)
Cash Flows From Investing Activities		
Write Off Startup Costs	7,641	7,641
Net Cash Provided By Investing Activities	7,641	7,641
Cash Flows From Financing Activities		
(Decrease) in Loans Payable - PPP	-	(96,190)
Net Cash (Used in) Provided By Financing Activities	-	(96,190)
Gain from Translation of Adjustment of Foreign Currency	1,288,439	1,173,099
Net Increase (Decrease) in Cash and Cash Equivalents	157,912	(32,720)
Cash and Cash Equivalents - Beginning of Year	2,474,653	2,507,373
Prior Period Adjustment Due to ASC 842 Implementation	(147,139)	-
Cash and Cash Equivalents - End of Year	\$ 2,485,426	\$2,474,653
SUPPLEMENTAL DISCLOSURES		
Cash Basis		
Taxes Paid	\$ 143,414	\$4,047
Interest Paid	-	-
Noncash Transactions:		
Lease liabilities resulting from obtaining right to use assets:	1,177,995	-


Anowar Hossain, CPA


Mohammad Malek
President & CEO

STANDARD CO (USA) INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDING DECEMBER 31, 2022 AND 2021

NOTE 1 - BUSINESS OVERVIEW

Standard Co (USA) Inc. (“the Corporation”) is a for-profit corporation based in Queens, New York. The Corporation 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, Corporation registered with the State of California to conduct money transfer business in California. The Corporation received money transfer license to transact the business of receiving money for transmission within this country and abroad 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 Corporation is registered as a Money Service Business (MSB) with the Internal Revenue Service.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles (“GAAP”)

Cash and Cash Equivalents

For the purpose of cash flows, cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Concentration of Credit Risk

Accounts at an institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At times, bank balances might exceed the \$250,000 maximum for FDIC.

Agent Receivables

Agent receivables primarily consist of undeposited funds held by the Corporation's independent agent at December 31, 2021. In the opinion of management, there is no allowance for doubtful accounts since all of the Corporation's agent receivable is derived from one agent with a track record of aging not greater than thirty days old.

Income Taxes

The Corporation had elected to be taxed as a C-Corp under provisions of the Internal Revenue Code. Under these provisions the Corporation and the shareholders is required to pay income taxes based on IRC code. For the years ended December 31, 2022 and 2021, the estimated State and City income tax expenses were \$143,414 and \$4,047 respectively.

As of December 31, 2019, the Corporation had no uncertain tax positions, or interest and penalties, that qualify for either recognition or disclosure in the financial statements. The Corporation's books are open to examination by tax authorities for the prior three years.

Intangibles

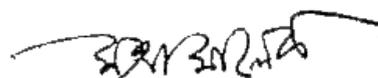
The intangible assets consist of startup costs that amortize over 15 years. The Corporation uses the straight-line method of amortization over its estimated useful lives of the intangible assets. The amortization expense for the years ended December 31, 2022 and 2021 were \$7,641. For the years ended December 31, 2022 and 2021, details of the intangible assets are as follows:

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

	Startup Costs				
	At Cost	Amortization Expense	Accumulated Amortization	Net Intangible Asset	Estimated Useful Lives (years)
12/31/2022	\$ 114,616	\$ 7,641	\$ 76,720	\$ 37,896	15 Years
12/31/2021	114,616	7,641	69,079	45,537	



Anowar Hossain, CPA



Mohammad Malek
President & CEO

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.

Fixed Assets

The Corporation capitalizes all expenditures in excess of \$1,000 for fixed assets at cost. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and the resulting gain or loss is recognized in income for the period. The cost of maintenance and repairs is charged to operations as incurred; significant renewals and betterments are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets.

Revenue Recognition

The Corporation's policy is to prepare its financial statements on the accrual basis. Therefore, revenue and related assets are recognized when earned, rather than when received, and the expenses are recognized when the obligation is incurred rather than when paid.

The Corporation receives fees for arranging the transmission of funds from and to residents in the United States (the "payer or sender") to or from residents in the Foreign Countries (the "payee or beneficiary") or vice-versa. Income is recognized at the time when settlement obligations are settled.

NOTE 3 - REVENUE RECOGNITION

ASU2014-09/ASC 606 Revenue Recognition - Contracts with Customers

The Company adopted ASU 2014-09/ASC 606 Revenue Recognition - Contracts with Customers on January 1, 2020, which requires the recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which a corporation expects to be entitled in exchange for those goods or services.

The revenue recognition guidance does not result in any change to the fund balance as of December 31, 2021, because there were no contracts that were not complete as of December 31, 2021. The Corporation has no customer contract modifications that had an effect on the Corporation's revenue recognition.

The Corporation applied the following five step process to recognize revenue:

Step 1: Identified the contract with a customer.

Step 2: Identified the performance obligations in the contract.

Step 3: Determined the transaction price.

Step 4: Allocated the transaction price to the performance obligations in the contract.

Step 5: Recognized revenue when (or as) the Corporation satisfies a performance obligation.

At December 31, 2022 there were no contract liabilities from contracts with customers. Revenue from contracts with customers for the years ended December 31, 2022 and 2021 was \$0.

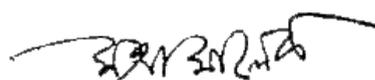
NOTE 4 - FIXED ASSETS - AT COST

Fixed Assets - at cost	12/31/2021	12/31/2020	Estimated Useful Lives
Furniture & Equipment	\$ 109,841	\$ 109,841	5-10 Years
Leasehold Improvements	314,622	314,622	15 Years
Total Fixed Assets	424,464	424,464	
Less: Accumulated Depreciation	(395,384)	(361,602)	
Net Fixed Assets	<u>\$ 29,080</u>	<u>\$ 62,862</u>	

For the years ended December 31, 2022 and 2021, the depreciation expense was \$33,782 and \$36,181 respectively.



Anowar Hossain, CPA



Mohammad Malek
President & CEO

NOTE 5 - NEW ACCOUNTING GUIDELINES IMPLEMENTATION AND PRIOR PERIOD ADJUSTMENT

ASU 2016-02, Leases (Topic 842)

The new standard establishes a right-of-use (ROU) model that requires a lessee to record a ROU asset and a lease liability on the balance sheets for all leases with terms longer than twelve months. Leases will be classified as either finance or operating and equity. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available.

Effective January 1, 2022, the Company adopted the requirements in the Financial Accounting Standards Boards ("FASB") issued Accounting Standard Update ("ASU") 2016-02, Leases. The Company determines if an arrangement contains a lease at inception based on whether the Company has the right to control the asset during the contract period and other facts and circumstances. The Company elected the package using practical expedients permitted under the transition guidance within the new standard, which among other things, allowed it to carry forward the historical lease classification.

The adoption of FASB ASC 842 resulted in the recognition of right-of-use-assets, net of prepaid lease payments and lease incentives, of \$ 1,177,995 and operating lease liabilities of \$ 1,177,995 as of December 31, 2022. Results for periods beginning prior to January 1, 2022 continue to be reported in accordance with our historical accounting treatment. The adoption of FASB ASC 842 had a material effect on the Company's results of operations, cash flows or debt covenants. A summary of the impact is as follows:

	Upon Implementation of ASC 842	Prior to ASC 842
Balance Sheet:		
ROU Assets	\$ 1,177,995	\$0
Net of accumulated amortization of	860,179	0
Operating Lease Liabilities - current portion	187,881	0
Operating Lease Liabilities - net of current portion	990,114	0
Statement of Operations and Equity:	0	370,694
Rent Expense	223,555	0
Lease Costs - Amortization of ROU Assets	147,139	0
Increase in Net Income:	(147,139)	0
Cash Flows:		
Increase in ROU Assets:	(\$ 1,177,995)	0
Payments arising from Operating Leases	1,177,995	0

NOTE 6 - COMMITMENTS

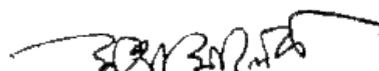
Long-term operating lease expenses:

The Corporation leases offices for their branch fund activities in Brooklyn, Bronx, Buffalo, Jackson Heights, Ozone Park, Jamaica and Los Angeles under no cancelable operating leases. All of the leases provide for minimum lease payments, including utilities and real estate tax expense. The leases contain the following terms and renewal options:

- The lease in Jamaica, Queens (NY) is a 9-year lease that commenced on May 1, 2017 with a minimum monthly payment of \$5,000, with a monthly increase of \$500 every three years. There is no option to extend the lease.
- The first of the two leases in Brooklyn, NY is a 5-year lease that commenced on August 1, 2017 with a minimum monthly payment of \$6,400. The lease expired in August 2022, and it was not renewed.
- The second lease in Brooklyn is a 10-year lease that commenced on April 1, 2022, with a minimum monthly payment of \$4,000 and an annual increase of 3% for the duration of the lease. The option to extend the lease is on a monthly basis.



Anowar Hossain, CPA



Mohammad Malek
President & CEO

NOTE 6 - COMMITMENTS (Continued)

- The lease in Los Angeles, CA is a 5-year lease that renewed on April 1, 2022 with a minimum monthly payment of \$2,406 and an annual increase of 3% for the duration of the lease. The exercise of this renewal option is at the sole discretion of the Company, and only lease options that the Company believes are reasonably certain to exercise are included in the measurement of the lease assets and liabilities. The Corporation is currently in their renewal option.
- The lease in Buffalo, NY commenced on February 1, 2018 and expires on January 31, 2023 with a minimum monthly payment of \$500 and no annual increases. There is no option to extend the lease.
- The lease in Bronx is a 3-year lease that commenced in November 2018 and renewed for an additional three years on December 1, 2021. The exercise of this renewal option is at the sole discretion of the Company, and only lease options that the Company believes are reasonably certain to exercise are included in the measurement of the lease assets and liabilities. The Corporation is currently in their renewal option. The lease includes a minimum monthly payment of \$3,800 with a monthly increase of \$300 in the second year, and an additional monthly increase of \$200 during the third year. There is no option to further extend the lease.
- The lease in Jackson Heights, NY is a 15-year lease that renewed on June 1, 2013 with a minimum monthly payment of \$2,200, and annual increases of 5%. The lease includes an option to renew for an additional five years. The exercise of this renewal option is at the sole discretion of the Company, and only lease options that the Company believes are reasonably certain to exercise are included in the measurement of the lease assets and liabilities. The Corporation is reasonably certain that they will exercise the renewal option.
- The lease in Ozone Park, NY is a 5-year lease that renewed on November 1, 2020 with a minimum monthly payment of \$3,000. The lease includes an annual increase of 5% throughout the duration of the lease. The exercise of this renewal option is at the sole discretion of the Company, and only lease options that the Company believes are reasonably certain to exercise are included in the measurement of the lease assets and liabilities. The Corporation is currently in their renewal option. There is no option to further extend the lease.

For the years ended December 31, 2022 and 2021 the rent expense was \$0 and \$361,703 respectively.

The following is a schedule of future minimum lease payments required under the leases for the next five years. For the year ended December 31,

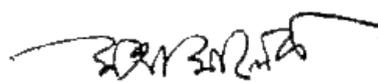
2023	\$	280,676
2024		286,541
2025		238,327
2026		158,686
2027		114,598
Thereafter	\$	578,740

The following is a schedule of future amortization expenses for the next five years. For the year ended December 31,

2023	\$	187,198
2024		182,623
2025		131,259
2026		74,994
2027		40,443
Thereafter	\$	293,202



Anowar Hossain, CPA



Mohammad Malek
President & CEO

NOTE 6 - COMMITMENTS (Continued)

While the agreements provide for minimum lease payments, some may include payments adjusted for inflation or for variable payments based on a percentage of sales over contractual levels. Variable payments are not determinable at the lease commencement and are not included in the measurement of the lease assets and liabilities. The lease agreement does not include any material residual value guarantees or restrictive covenants.

See Note 5, which summarizes the line items in the balance sheet, statement of income and cash flows which include amounts for operating leases as of December 31, 2022.

The components of operating lease expenses that are included in the statement of income for the year ended December 31, 2022 are as follows:

Long term operating lease cost	\$	223,555
Variable lease cost		0
Short-term lease cost		0

The range of weighted average lease terms and discount rates as of December 31, 2022 were as follows:

Weighted average remaining lease term	48 months
Weighted average discount rate	2.80802% to 13.08532%

NOTE 7 - COMPENSATED ABSENCES

Employees of the Corporation may be entitled to paid vacation, paid sick, and personal days off, depending on the job classification, length of services, and other factors. It is impractical to estimate the amount of compensation for future absences, and accordingly, no liability has been recorded in the accompanying financial statements. The Corporation's policy is to recognize the costs of compensated absences when actually paid to employees.

NOTE 8 - RENTAL INCOME

The Corporation subleases some of the branch funds' spaces in the Jackson Heights, Brooklyn, Bronx and Jamaica locations to non-related entities. The leases are on a month-to-month basis. For the years ended December 31, 2022 and 2021 the rental income was \$61,550 and \$87,350 respectively.

NOTE 9 - DUE TO CORRESPONDENCE - RELATED PARTY AND DUE TO BENEFICIARY

Due to Correspondence - related party is a payable that is due to Standard Bank LTD (foreign bank), a related party by common ownership, that transfer the funds to the beneficiaries. Due to Beneficiaries are payables that are due to the people receiving the funds overseas (the beneficiaries). These accounts payables, due within the next three months and are considered part of the usual course of business in this industry. As of December 31, 2022, the balance of due to correspondences - related party was \$288,112 and due to beneficiaries was \$643,763.

NOTE 10 - GAINS ON FOREIGN CURRENCY

The translation risk of gains and losses from exchanges of currency between the U.S. dollar and the Foreign Currency are generally shared by the Corporation and Foreign Correspondences Payers by agreement. Gains from exchanges of currency between the U.S. dollar and the Foreign Currency for the years ended December 31, 2022 and 2021 were \$1,288,439 and \$1,173,099 respectively.

NOTE 11 - SUBSEQUENT EVENTS

The Company has reviewed subsequent events and transactions for potential recognition and disclosure in the financial statements through April 19, 2023, the date the financial statements were available to be issued. No significant subsequent events were identified by management.

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,
East Aganagar, South Keranigonj, Dhaka
Cell: 01701221646
Email: aganagar@standardbankbd.com

Ashkona Branch

247 Dana Plaza (1st Floor), Ashkona
Dakkhinkhan, Uttara, Dhaka 1230.
Cell: 01701221643
Email: ashkona@standardbankbd.com

Ashulia Branch

Bhai Bhai Plaza (1st floor), Bogabari
Baipail, Ashulia, Savar, Dhaka.
Cell: 01701221683
Email: ashulia@standardbankbd.com

Bakshigonj Branch

Sawdagor Shopping Complex (1st floor),
Old Bus Stand Road, Bakshigonj, Jamalpur
Cell: 01701221884
Email: bakshigonj@standardbankbd.com

Banani Branch

Hakam Foundation
Plot # 98, Road-11, Bloc-C, Banani, Dhaka.
Cell: 01701221540
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

806, 807, Ranir Bazar
Bhairab Bazar, Bhairab, Kishorgonj.
Cell: 01701221711
Email: bhairab@standardbankbd.com

Bhojeshwar Branch

Shahnor 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, Rupgonj, Narayanganj
Cell: 01701221693
Email: bhulta@standardbankbd.com

Chashara Branch

Sufia Complex (1st Floor)
34 North Chashara, Fatulla, Narayanganj
Cell: 01701221939
Email: chashara@standardbankbd.com

Dakkhin Khan Branch

Sultan Market
57, Dakkhin Khan Bazar, P.O + P.S- Dakkhin Khan,
Dhaka-1230.
Cell: 01701221625
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: dhakaudyan@standardbankbd.com

Dhanmondi Branch

Sima Blossom
Sheikh Kamal Sarani
House # 03, Road # 27(Old), 16 (New),
Dhanmondi R/A, Dhaka-1209.
Cell: 01701221525
Email: dhanmondi@standardbankbd.com

Ekorla (Keranigonj) Branch

(Near at China BD Friendship Bridge-1)
Hasnabad, Ekorla, South Keranigonj, Dhaka
Cell: 01701221673
Email: ekoria@standardbankbd.com

Faridpur Branch

R.K. Plaza (1st floor), 244 Goalchamot, Hazralota,
Faridpur Sadar, Faridpur
Cell: 01701221757
Email: faridpur@standardbankbd.com

Foreign Exchange Branch

PFI Tower (1st Floor), 56-57 Dilkusha C/A.,
Dhaka-1000.
Cell: 01701221520
Email: foreignexchange@standardbankbd.com

Gazipur SME/Krishi Branch

Sahabuddin Complex (1st floor), 168,
Joydebpur Bazar, Gazipur 1700.
Cell: 01701221689
Email: gazipur@standardbankbd.com

Goalanda Branch

Akbar Plaza (1st Floor),
Ahladipur, Goalanda More,
Rajbari, Faridpur
Cell: 01701221832
Email: goalanda@standardbankbd.com

Gopalgonj Branch

City Square Shopping Mall, College Road,
Gopalgonj
Cell: 01701221784
Email: gopalgonj@standardbankbd.com

Green Road Branch

Castle Green (1st Floor), 142 Green Road, Dhaka.
Cell: 01701221550
Email: greenroad@standardbankbd.com

Gulshan Branch

Shezad Palace (1st & 2nd Floor)
32, Gulshan Avenue, North Commercial Area,
Gulshan-2, Dhaka-1212.
Cell: 01701221510
Email: gulshan@standardbankbd.com

Gulshan-1 Branch

Uday Tower, 57 & 57A, Gulshan Avenue (South),
Circle-1, Gulshan, Dhaka
Cell: 01701221505
Email: gulshan1@standardbankbd.com

Hemayetpur Branch

Maolana Shopping Complex,
Hemayetpur, Savar,
Dhaka
Cell: 01701221705
Email: hemayetpur@standardbankbd.com

Imamgonj Branch

Bellal Market,
79, Moulvibazar, Dhaka-1100.
Cell: 01701221560
Email: imamgonj@standardbankbd.com

Islampur Branch

Textile Center, 12 Islampur Road
Kotowali, Dhaka
Cell: 01701221676
Email: islampur@standardbankbd.com

Kamarpara Branch

A. R. Complex, 75 Kamarpara, Turag
Uttara, Dhaka.
Cell: 01701221696
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
Email: kashiani@standardbankbd.com

Kawran Bazar Branch

Hasney Tower (1st Floor)
3/A, Kawran Bazar C/A, Dhaka-1215
Cell: 01701221649
Email: kawranbazar@standardbankbd.com

Kholamora Branch

Abdul Aziz Super Market (1st Floor),
Kholamora Launch Ghat, Samaruddin Nagor,
Ward- 2, Kholamora, South Keranigonj
Dhaka-1312
Cell: 01701221702
Email: kholamora@standardbankbd.com

Kotalipara Branch, Gopalgonj

K.M. Super Market (1st Floor), Ghagor Bazar,
Kotalipara, Gopalgonj.
Cell: 01701221787
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
Email: malibagh@standardbankbd.com

Matuail Branch

Momenbagh Chowrasta, Paradogair
Konapara, Matuail, Demra, Dhaka-1362
Cell: 01701221628
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
Email: mirpur@standardbankbd.com

Mohakhali Branch, Dhaka

Green Delta Aims Tower (GF), 51-52,
Mohakhali C/A., Mohakhali, Dhaka
Cell: 0 1701221555
Email: mohakhali@standardbankbd.com

Mohammadpur Branch

Manama Turag (1st Floor), 14/23 Shahjahan Road,
Block-A, Mohammadpur, Dhaka-1207.
Cell: 01701221637
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
Email: munshikhola@standardbankbd.com

Mymensingh Branch

Canada Square Shopping Complex
27, Rambabu Road, Mymensingh.
Cell: 01701221793
Email: mymensingh@standardbankbd.com

Narayangonj Branch

Nazrul Super Market, 1st & 2nd Floor,
61/2 (New), 28 (Old), BB Road, DIT
Narayangonj
Cell: 01701221535
Email: narayangonj@standardbankbd.com

Narsingdi Branch

Jewellery potti, Kalibari Road
Narsingdi Sadar, Narsingdi
Cell: 01701221664
Email: narsingdi@standardbankbd.com

Nawabgonj Branch

Nawabgonj Adhunik Biponi, Zilla Parishad Market
(1st Floor), Nawabgonj, Dhaka.
Cell: 01701221640
Email: nawabgonj@standardbankbd.com

Nawabpur Road Branch

Shahi Bhaban (1st floor), 106, BCC Road
Thatari Bazar, Dhaka 1203.
Cell: 01701221634
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
Email: neweskaton@standardbankbd.com

North Brook Hall Road Branch

19 North Brook Hall Road
Bangla Bazar, Sutrapur, Dhaka
Cell: 01701221954
Email: northbrookhall@standardbankbd.com

North South Road Branch

43/44, Malitola Road, Dhaka
Cell: 01701221667
Email: northsouth@standardbankbd.com

Pallabi Branch

Alam Tower, Plot-18, Road-03
Section-07, Pallabi Main Road
1st & 2nd Floor, Mirpur-11, Dhaka
Cell: 01701221957
Email: pallabi@standardbankbd.com

Panthapath Branch

77, Bir Uttam C.R. Dutta Road, Free School Street,
Hatirpool, Dhaka.
Cell: 01701221565
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
Email: progotisharani@standardbankbd.com

Principal Branch

Metropolitan Chamber & Commerce Building
(Mezzanine floor), 122-124, Motijheel C/A.,
Dhaka-1000.
Cell: 01701221500
Email: principal@standardbankbd.com

Ring Road Branch

Probal Tower, 45-49 Ring Road (1st floor), Adabor,
Shamoly, Dhaka.
Cell: 01701221655
Email: ringroad@standardbankbd.com

Savar SME/Krishi Branch

B-66, Bazar Road, Savar, Dhaka-1340
Cell: 01701221682
Email: savar@standardbankbd.com

Shafipur Branch

Shapna Joy Tower (1st Floor), Shafipur Bazar,
Kaliakair, Gazipur.
Cell: 01701221679
Email: shafipur@standardbankbd.com

Shibchar Branch

286 Iman Gomosta Market (1st Floor), Guatola,
Main Road, Shibchar Bazar
Shibchar, Madaripur.
Cell: 01701221796
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
Email: sonargaonjanapath@standardbankbd.com

Tangail Branch

Khan Super Market, Holding -533,
Ward-13, Tangail Pouroshova, Tangail
Cell: 01701221781
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
Email: tongi@standardbankbd.com

Topkhana Road Branch

36, Crescent Center, 1st Floor, Topkhana Road,
Dhaka-1000.
Cell: 01701221515
Email: topkhana@standardbankbd.com

Tungipara Branch (Patgati Br.)

Munshi Super Market (1st Floor)
Patgati Bazar, Tungipara, Gopalgonj
Cell: 01701221763
Email: tungipara@standardbankbd.com

Uttara Model Town Branch

Latif Emporium
Plot # 27, Road- 07, Sector- 03
Uttara Model Town, Uttara, Dhaka 1230.
Cell: 01701221530
Email: uttara@standardbankbd.com

CHITTAGONG ZONE:

Agrabad Branch

World Trade Center Chittagong (2nd Floor), 102-103, Agrabad C/A, Chittagong
Cell: 01701221585
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
Email: bahadderhat@standardbankbd.com

Bakalia Branch

Hossain Tower (1st Floor), 3615/A, Shah Amanat
Bridge Connecting Road, Kalamia Bazar, Bakalia,
Chittagong
Cell: 01701221820
Email: bakalia@standardbankbd.com

Basurhat Branch

Noakhali Rupali Plaza (1st floor), Rupali Chattar,
Bashurhat, Companigonj, Noakhali.
Cell: 01701221799
Email: basurhat@standardbankbd.com

Brahmanbaria Branch

Peara Miah Tower (1st Floor), 1034, Court Road,
Brahmanbaria
Cell: 01701221748
Email: brahmanbaria@standardbankbd.com

CDA Avenue Branch

Mariam Bhavon (1st Floor), 1012/A,
CDA Avenue, East Nasirabad, Chattogram 4000
Cell: 01701221778
Email: cdaavenue@standardbankbd.com

Chaktai Branch

330, Chaulpotti, Natun Chaktai, Bakalia,
Chittagong
Cell: 01701221733
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
Email: cepz@standardbankbd.com

Chittagong University Branch

Abul Hossain Building (1st Floor)
Chittagong University Gate No. 1
Hathazari Road, Chittagong
Cell: 01701221829
Email: ctguni@standardbankbd.com

Chowdhuryhat Branch

Fatehabad, Chikondandi, Hathazari,
Chittagong.
Cell: 01701221739
Email: chowduryhat@standardbankbd.com

Comilla Branch

4/4 Kapariapatti (1st floor), Chawkbazar, Cumilla.
Cell: 01701221852
Email: comilla@standardbankbd.com

Cox's Bazar Branch

Hefazat Market (1st Floor), 103, Main Road,
East Bazar Ghata, Cox's Bazar
Cell: 01701221754
Email: coxsbazar@standardbankbd.com

Feni Branch

Sayed Ambia Tower (1st & 2nd floor), 74-75, Trank
Road, Rajbari Gate, Feni 3900
Cell: 01701221896
Email: feni@standardbankbd.com

Gunagari Branch

S. M. Chowdhury Super Market, Khasmohol,
Gunagari, Kalipur, Baskhali, Chittagong
Cell: 01701221887
Email: gunagari@standardbankbd.com

Jamal Khan Road Branch

370/A-378, Moitree bhaban (1st Floor),
Chittagong
Cell: 01701221736
Email: jamalkhanroad@standardbankbd.com

Jubilee Road Branch

Aziz Chamber (1st Floor), 6 Noor Ahmed Road,
Jubilee Road, Chittagong
Cell: 01701221580
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),
Moizzartek, Chorpathorghata, Karnaphuli,
Chittagong
Cell: 01701221775
Email: karnaphuli@standardbankbd.com

Khatungonj Branch

Khatungonj Trade Centre (1st Floor), Ramjoy
Mohajan Lane (Post Office Goli), Khatungonj,
Chittagong.
Cell: 01701221590
Email: khatungonj@standardbankbd.com

Kumira Branch

SA Tower (1st Floor), Ghatghar, Boro Kumira
Sitakunda, Chittagong
Cell: 01701221899
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
Email: oxyzenmore@standardbankbd.com

Pahartali Branch, Chittagong

Abul Khair Bhaban, 20/44, D.T. Road,
CDA Market, Pahartali, Chittagong
Cell: 01701221924
Email: pahartali@standardbankbd.com

Panchlaish Branch

S.F.A. Tower (Ground Floor), Probortak More, 132
Panchlaish, Chittagong.
Cell: 0170122183
Email: panchlaish@standardbankbd.com

Patherhat Branch

School Market (1st Floor), Noapara, Raozan,
Chittagong.
Cell: 01701221817
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
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
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
Email: alamdanga@standardbankbd.com

Bagerhat Branch

Haider Plaza (1st Floor)
119/2 K, Ali Road (1st floor), Mithapukurpar,
Amlapara, Bagerhat.
Cell: 01701221802
Email: bagerhat@standardbankbd.com

Barisal Branch

Mannan Plaza, 84, Sadar Road, Barisal
Cell: 01701221772
Email: barisal@standardbankbd.com

Benapole Branch

Nahar Tower, 13 Main Road, Benapole Bazar
(Oposit of BDR Camp), Benapole, Jessore
Cell: 01701221805
Email: benapole@standardbankbd.com

Chuadanga Branch

Joarder Tower, (1st Floor),
10, Shahid Abul Kashem Sarok,
Badurtola, Chuadanga
Cell: 01701221870
Email: chuadanga@standardbankbd.com

Jessore Branch

Utshab Bhaban, 6/D, R.N. Road, Katwali, Jessore
Sadar, Jessore
Cell: 01701221715
Email: jessore@standardbankbd.com

Jhenaidah Branch

Mokbul Hossain Plaza (1st Floor)
250 H.S.S. Road, Jhenaidah Sadar
Jhenaidah
Cell: 01701221766
Email: jhenaidah@standardbankbd.com

Khan Jahan Ali Branch

Haji Hanif Complex (2nd & 3rd floor)
12-13, Khan Jahan Ali Road, Khulna
Cell: 01701221724
Email: khanjahan@standardbankbd.com

Khulna Branch

Chamber Building, 5, K.D.A. C/A (Ground Floor),
Khulna-9100.
Cell: 01701221570
Email: khulna@standardbankbd.com

Kumarkhali Branch

Kumarkhali Tower (1st Floor),
Holding No-43-10, Shahid Golam Kibria Sarak,
Kumarkhali, Kushtia.
Cell: 01701221960
Email: kumarkhali@standardbankbd.com

Kushtia Branch

43, N.S. Road (1st floor), Amlapara, Kushtia.
Cell: 01701221745
Email: kushtia@standardbankbd.com

Mathbaria Branch

Haji Adam Ali Khan Super Market (1st & 2nd
Floor),
288 Pharmacy Road, Mathbaria, Pirojpur
Cell: 01701221873
Email: mathbaria@standardbankbd.com

Patuakhali Branch

Gazi Plaza (1st floor),
2, Sadar Road, Patuakhali.
Cell: 01701221877
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
Email: satkhira@standardbankbd.com

RANGPUR ZONE:**Atrai Branch**

Seven stars Mall (1st Floor),
Vortetulia Bhoapara Atrai, Noagaon
Cell: 01701221835
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
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
Email: dinajpur@standardbankbd.com

Fulbari Branch

Mantri Market (1st & 2nd floor)
24/35 Dhaka Dinajpur Highway Road,
Fulbari, Dinajpur
Cell: 01701221912
Email: fulbari@standardbankbd.com

Gobindagonj Branch

Shila Plaza (1st floor), 211/1, Gobindagonj, Dhaka-
Rangpur Highway, Gaibandha
Cell: 01701221881
Email: gobindagonj@standardbankbd.com

Hatikumrul Branch

Sabuj Biplob Super Market (1st floor), Hatikumrul
Goal Chattar, Ullapara, Sirajgonj
Cell: 01701221814
Email: hatikumrul@standardbankbd.com

Hili Branch

Alhaj Shafi Uddin Mondal Tower (1st Floor),
Charmatha More, Bus stand Road, Bangla Hili,
Hakimpur, Dinajpur
Cell: 01701221909
Email: hili@standardbankbd.com

Kansat Branch

Idris Plaza Super Market (1st floor),
Gopalnagar more, 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
Email: mohadevpur@standardbankbd.com

Nilphamari Branch

Nilphamari Chamber of Commerce & Industry
Bhaban (1st floor), Hazi Mohsin Sarak, Nilphamari
Bazar, Nilphamari.
Cell: 01701221849
Email: nilphamari@standardbankbd.com

Pabna Branch

BGC Complex (1st Floor), Opposite to central
Girls High School, Thana Road, Pabna Sadar,
Pabna-6600
Cell: 01701221893
Email: pabna@standardbankbd.com

Pirgonj Branch

Muktijoddha Complex (1st Floor), Projapara,
Thana Road, Pirgonj, Rangpur
Cell: 01701221867
Email: pirgonj@standardbankbd.com

Rajshahi Branch

M K Tower (1st & 2nd Floor), 28 Gonokpara, Ward
No.-12, Ghoramara, Boalia, Rajshahi 6100
Cell: 01701221712
Email: rajshahi@standardbankbd.com

Rangpur Branch

Shah Jamal Market (1st Floor), Station
Road, Rangpur-5400
Cell: 01701221790
Email: rangpur@standardbankbd.com

Rohanpur Branch

Alhaz Abdul Latif Super Market (1st Floor),
Rohanpur Boro Bazar, Rohanpur, Gomostapur,
Chapai Nawabgonj.
Cell: 01701221811
Email: rohanpur@standardbankbd.com

Saidpur SME/Krishi Branch

Khaled Market (1st floor), Shahed Dr. Zhikrul
Haque Road, Saidpur, Nilphamari.
Cell: 01701221848
Email: saidpur@standardbankbd.com

SYLHET ZONE:**Beani Bazar Branch**

Holding no 1803, Word no 03,
Zaman Plaza (1st floor),
Beanibazar Pourashava, Sylhet
Cell: 01701221841
Email: beanibazar@standardbankbd.com

Biswanath SME/Krishi Branch

Aasmot Ali Complex, College Road
Biswanath, Sylhet.
Cell: 01701221905
Email: biswanath@standardbankbd.com

Goalabazar SME/Krishi Branch

Plaza Market (2nd Floor), Sylhet Road
Goalabazar, Osmani Nagar, Sylhet.
Cell: 01701221847
Email: goalabazar@standardbankbd.com

Moulvibazar Branch

Kusumbag Shopping City, Sylhet Road,
Kusumbag, Moulvibazar
Cell: 01701221844
Email: moulvibazar@standardbankbd.com

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
Email: sunamgonj@standardbankbd.com

Sylhet Branch

Thikana Tower (1st Floor), Nayasarak, Sylhet 3100
Cell: 01701221575
Email: sylhet@standardbankbd.com

SUBSIDIARY COMPANY**SBL CAPITAL MANAGEMENT LIMITED**

Miah Aman Ullah Bhaban (5th Floor)
63 Dilkusha, C/A, Dhaka-1000
Cell: 01715 079440
9515627 (Fax)

STANDARD BANK SECURITIES LIMITED

Miah Aman Ullah Bhaban (5th Floor)
63 Dilkusha, C/A, Dhaka-1000
Cell: 01711881516, 01911939495

OVERSEAS EXCHANGE HOUSE**Standard Exchange Co (UK) Ltd.**

101 Whitechapel Rd, London E1 1DT
United Kingdom
Tel: +44(0)2073770009,
Mob: 012447951454395

Standard Express

Corp. Office Cum Main Branch
37-22 73rd Street, Suite#2B Jackson Heights
NY11372, U.S.A.
Tel: +1-347-507-0242, Fax: +1-347-507-0243
Email: ceo@standardmoneytransfer.com
operation@standardmoneytransfer.com

Standard Express

Jackson Heights Branch
37-22 73rd Street, Suite#A2
Jackson Heights
NY11372, U.S.A
Tel: +1-347-507-0242
Fax: +1-347-507-0243
Email: jhts@standardmoneytransfer.com

Standard Express

Jamaica Branch
168-16 Hillside Avenue, Jamaica
NY11432, U.S.A
Tel: +1-718-526-2868
Fax: +1-718-526-2978
Email: jamaica@standardmoneytransfer.com

Standard Express

Ozone Park Branch
75 15 101 Avenue OzonePark
NY11416, U.S.A.
Tel: +1-917-300-6048
Fax: +1-917-300-6049
Email: opark@standardmoneytransfer.com

Standard Express

Brooklyn Branch
487 McDonald Ave, Brooklyn
NY11218, U.S.A.
Tel: +1-347-627-9666
Fax: +1-347-627-9667
Email: bklyn@standardmoneytransfer.com

Standard Express

Bronx Branch
2156 Starling Avenue
Bronx
NY10462, U.S.A
Tel: +1-718-684-3466
Fax: +1-718-684-3467
Email: bronx@standardmoneytransfer.com

Standard Express

Buffalo Branch
1105 Broadway, Suit-8
Buffalo N.Y-14212, USA
Mob:+1-347-335-3617
Tel:+1-716-995-7739
Email: buffalo@standardmoneytransfer.com

Standard Express

Los Angeles Branch
4151 West 3rd Street
Unit #A
Los Angeles, CA-90020
Tel: +1-213-330-1810
Email: la@standardmoneytransfer.com

FOREIGN CURRENCY EXCHANGE BOOTH

Shahajalal International Airport, Dhaka, Bangladesh
Cell: 01717-575020, 01755619112



Head Office

Metropolitan Chamber Building (3rd Floor)
122-124 Motijheel C/A, Dhaka 1000, Bangladesh
Phone: 88-02-223357913, 223385106, 223358385
Fax: 88-02-223390321, SWIFT: SDBLBDDH
Web: www.standardbankbd.com