

Rediscovering the Value of Relationship





Rediscovering the Value of Relationship

Enabling economic growth and contributing in societal progress are the core values that drive us. We believe in impacting lives positively and place our customers at the heart of all our activities. Understanding the rapidly changing needs of our customers is at the top of our business agenda. Over the years the bond that we have with our customers has grown and deepened. And during this most challenging times of Coronavirus pandemic, this bonding has been the source of our strength to deliver performance.

When Coronavirus pandemic put everything on hold, brought everything to a grinding halt, when lockdown made life virtually immobile, we recalibrated our mindset looking for new ways of providing services to customers maintaining distance rules and contact restrictions.

Our immediate response to the crisis was maintaining safety of our people and ensuring safe banking for our customers. During this challenging times we are constantly in touch with our customers through social media channels, providing innovative solutions through our banking App (enriched with augmented reality), banking through chatbot, QR Payment solution to make contactless payments, e-KYC based bank account, EBL Self Service Hub to open FD and DPS from Home, mVISA QR payment, VISA Inward Remittance, balance certificate automation, digital payment, collection gateway through ' EBL Connect' and export factoring solution as part of our efforts to offer customer support in every possible way.

We have also engaged with industry peers and worked closely with related regulators including Bangladesh Bank in shaping policy reforms or responses appropriate with market realities during this pandemic period. EBL is one of the first few banks in channeling government stimulus fund to customers to help minimize damage, restart, and bounce back.

Our synchronized teamwork, good corporate governance, creditworthiness of customers, digital innovation, most up-to-date IT solutions, fast and efficient banking service to clients, innovative products and services and great reach with global network provided us the lifeline to serve our customers better during the crisis.

What is most heartwarming is this crisis reveals our tremendous willingness and ability to help customers and the willingness of our customers to understand us. We are committed to carry on with the value of engagement and understanding beyond pandemic life and continue to impact lives positively.

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Foreword

Sustainability: An overview Sustainability governance Key highlights of 2020 Sustainability at EBL • Economic sustainability • Environmental sustainability • Social sustainability Our move towards SDGs Way forward

Corporate Social Responsibility

Our responsibility to our society Corporate citizenship strategy Education : Key to social and economic development Promoting human welfare Disaster management Contribution to national exchequer Encouraging women empowerment Environment-friendly Bank Healthcare Celebrating Mujib Borsho Launching Mujib Corner at EBL Head Office Way forward

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Letter of Transmittal

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

Dear Sir.

Annual report of Eastern Bank Limited for the year ended 31 December 2020.

We are pleased to present before you the Bank's (EBL) Annual Report 2020 along with the audited Financial Statements (Consolidated and Separate) for the year ended 31 December 2020 and as on that date.

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

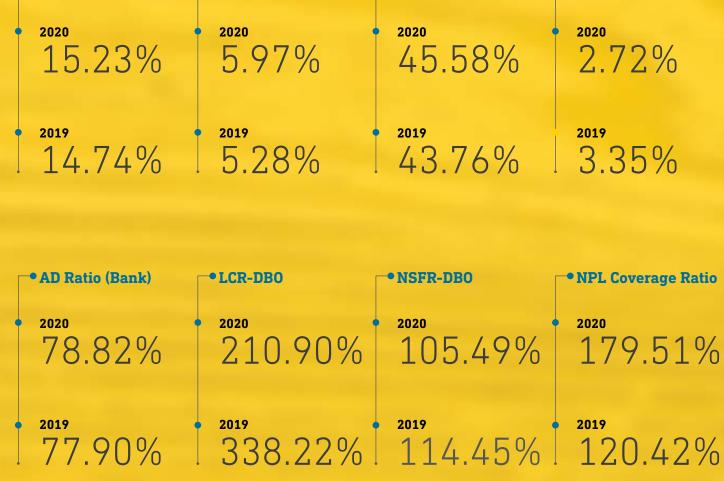
Yours Sincerely,

(Alakanan)

Md. Abdullah Al Mamun, FCS Company Secretary

Key Ratios





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Ratio	• Cost to Income Ratio	• NPL Ratio
%	²⁰²⁰ 45.58%	2020 2.72%
%	²⁰¹⁹ 43.76%	²⁰¹⁹ 3.35%

Core Financials



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Awards and Recognitions

EBL is a trend setter in the fast growing financial sector of Bangladesh. Our success comes from our continuous efforts to innovate products and services, our passion to perform and commitment to offer service excellence. We believe in creating value for our customers and in the process creating value for the society.

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

The Banker Award: EBL has been awarded the prestigious Bank of the Year 2020 for Bangladesh by The Banker. The award is the testimony to the strong management, sound business model, banking innovations and prudent risk approach of EBL.

Euromoney-Asiamoney Trade Finance Survey: EBL has been ranked number 1 in Bangladesh both in the category of Market Leaders and Best services among Asian Banks.

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

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

ICSB National Award for Corporate Governance Excellence: Our system of corporate governance provides the basis for responsible stewardship, simplicity and efficiency of processes and compliance with relevant regulations with a focus on sustainable value creation. Our continuous efforts to adopt and adapt to international best practices in corporate governance has been recognized by the Institute of Chartered Secretaries of Bangladesh (ICSB). Since inception of the award in 2013, EBL is the most awarded financial institution in the general banking category.

ICMAB Best Corporate Award: As a recognition to consistent business and financial performance, EBL has won Silver Award in the ICMAB Best Corporate Award 2019 under Private Commercial Bank Category. EBL has won this award for four consecutive years from 2016.

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

International Finance Award: EBL was awarded the Most Innovative Retail Bank - Bangladesh 2019 from International Finance magazine.

Asiamoney Award: EBL was awarded the Asiamoney Best Corporate and Investment Bank in Bangladesh for four consecutive vears from 2017-2020.

ISO Certification: In 2020, the ISO 27001:2013 certificate has been conferred to EBL by Bureau Veritas (Bangladesh) Private Limited for its compliance with Information Security Management System (ISMS), which is an international risk management framework.

Our relentless effort to upgrade and update on every account of standardization is reflected in our ISO 9001: 2015 certification of operations and human resources division of the Bank.

PCI DSS Certificate: PCI DSS certificate was awarded to EBL in 2016 and reaffirmed consecutively in 2017 & 2018 by NCC Group of UK, global leader in cyber security.

In 2019, EBL was assessed by Network Intelligence (I) Pvt. Ltd. and they have found the Bank compliant with PCI DSS on card security. All these are a testimony to our emphasis on card security.

A Leader in Retail Banking: In retail banking EBL has emerged as an undisputed leader. Eastern Bank Limited has won the prestigious Best Retail Bank in Bangladesh award by Singaporebased The Asian Banker for six consecutive years from 2013-18.

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

Euromoney Award: In 2016, the Jury of Euromoney Awards for Excellence conferred the Best Bank in Bangladesh for its professionalism, prudence and growth. In 2017 and 2018, EBL was adjudged the Best Bank in Bangladesh making the tally to three consecutive years.

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

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

FinanceAsia Award: EBL received Best Investment Bank in Bangladesh award in 2019 by FinanceAsia. The FinanceAsia magazine also awarded EBL the Best Bank in Bangladesh accolade in 2017

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







ORGANIZATIONAL **OVERVIEW**

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



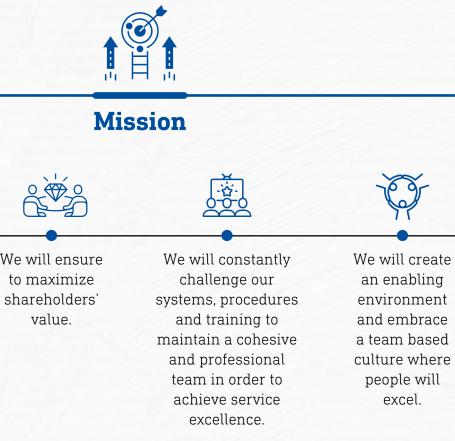
We will deliver service excellence to all our customers, both internal and external.

We will ensure

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Vision





Core Values



Service excellence

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



Openness

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

Trust

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

Ensuring health and safety of all our staffs and customers during the unprecedented health crisis induced by COVID-19.

Focusing on digitization to better connect and provide seamless services to our customers.

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sources and improve

profitability.

Focusing on reduction of concentration risk, diversify revenue

Upholding the culture of compliance and good governance practices that effectively mitigate risks and ensure sustainable banking.



Offering innovative and useful cash management solutions to improve deposit mix of the bank.

Commitment

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

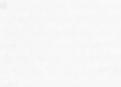


Integrity

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

Responsible corporate citizen

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







Strategic Priorities





Renewed focus on efficient asset-liability management to improve profitability and comply with all the regulatory ratios.

Adopting new technology to enhance reach, improve efficiencies, fight financial crimes and enhance service excellence.





Hiring and retaining of quality people with a focus on reducing gender disparity.

Intensifying cost rationalization in line with the spirit of efficient operations.





Utilizing market intelligence and data analytics for offering unique value propositions to cross section of customers.

Formulating an effective disaster management system to combat unforeseen emergency situations.

Corporate Directory

Name of the company

Eastern Bank Limited

Legal form

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

Composition of the Group EBL

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

Network

Branches	85
ATMs	220
Agent banking outlets	29
Sub-branches	5
Dropbox	67
Priority centers	16
Foreign correspondents	512
Corporate relationship units	8 in Dhaka, 2 in Chattogram
Mobile app	EBL SKYBANKING

Our core business

Corporate

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

Retail & SME

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

Treasury

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

Credit rating

Moody's: EBL is the first company in the country rated by Moody's, a renowned global rating agency. The Bank has been assigned B1 rating in December 2020.

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

Board of Directors

Chairman

Md. Showkat Ali Chowdhury

Directors (Other than Chairman)

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

N.B: Dr. Toufic Ahmad Choudhury was appointed as Independent Director by the Board of Directors on 09 November 2020 subject to approval of Bangladesh Bank and Shareholders in the next Annual General Meeting (AGM).

Company Secretary

Md. Abdullah Al Mamun, FCS

Committees of the Board of Directors

Executive committee

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

Audit committee

Sl.	Name	Status with the Bank	Status with the Committee		
1.	Ashiq Imran	Independent Director	Member		
2.	Mufakkharul Islam Khasru	Director	Member		
3.	3. Gazi Md. Shakhawat Hossain Director Member				
Secretar	Secretary: Md. Abdullah Al Mamun, FCS				

Risk management committee

Sl.	Name	Status with the Bank	Status with the Committee
1	Mir Nasir Hossain	Director	Chairman
2	Mufakkharul Islam Khasru	Director	Member
3	Gazi Md. Shakhawat Hossain	Director	Member
4	Zara Namreen	Director	Member
Secretar	r y: Md. Abdullah Al Mamun, FCS		

Manpower

Employees	2020	2019
Permanent	1,896	1,892
Trainee	1,148	1,237
Total	3,044	3,129

Ownership composition

As on 31 December 2020, shareholding position of EBL by the directors, general public and financial institutions is presented below:

Shareholders' group	No. of shares	% of Share holding	
Directors	245,030,885	30.18%	
General public	479,452,756	59.06%	
Financial institutions	87,315,906	10.76%	
Total	811,799,547	100.00%	

Stock exchange listing

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

Listing year

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

Capital (31 December 2020)

Authorized Capital	BDT 12,000,000,000 (face value per share: BDT 10)
Paid-up Capital	BDT 8,117,995,470 (face value per share: BDT 10)

Accounting year

1 January to 31 December

Auditor

A. Qasem & Co., Chartered Accountants (A member firm of ECOVIS International)

Corporate governance auditor

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

Tax consultant

ACNABIN Chartered Accountants (A network member of bakertilly)

Legal advisor

Sadat Sarwat & Associates

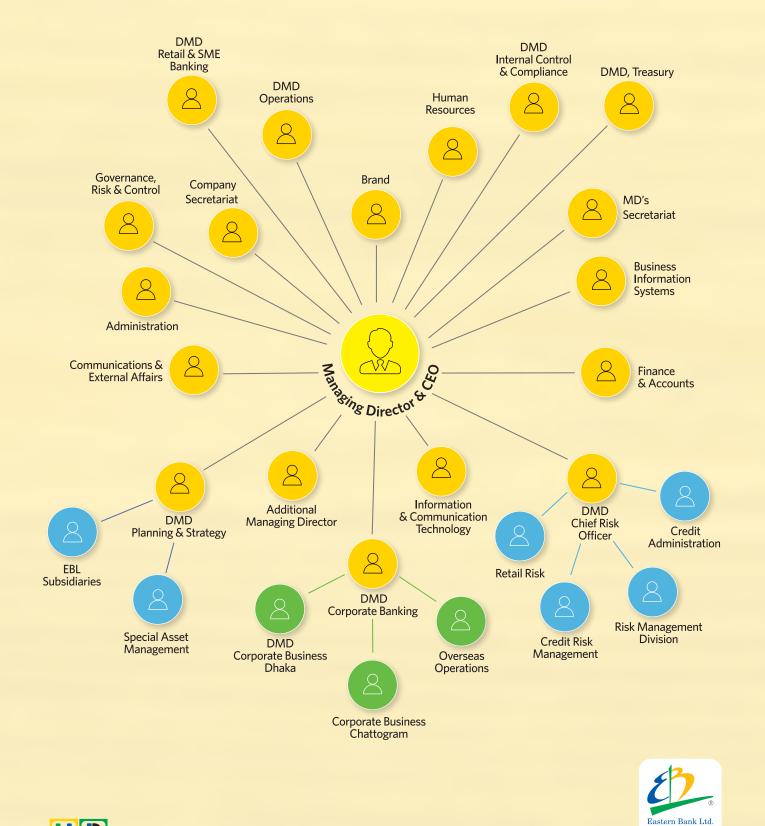
Registered office & Head office

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





Organogram





At EBL we place employee wellbeing at the heart of everything we do. During this difficult and exasperating times of COVID-19 pandemic, we have our utmost attention to the safety of our people, monitoring their mental health and wellbeing on a daily basis since the outbreak of pandemic early 2020. EBL is not only a well-knit family, it is also a home of happiness. ED Ð Eastern Bank Ltd.

Eastern Bank Limited 18

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Profile of Board of Directors



Md. Showkat Ali Chowdhury

Chairman

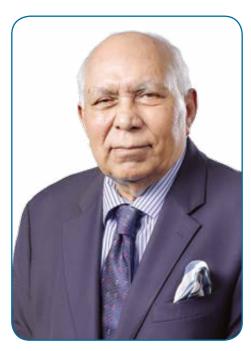
A renowned business leader and philanthropist of the country, Md. Showkat Ali Chowdhury is successfully running a business conglomerate with diverse interests in ship breaking and recycling, tea plantation and production, RMG industries, real estate, agency business and engineering services, inland container depot (ICD), commercial banking, insurance and securities.

He joined the Board of Eastern Bank Limited (EBL) in 1993.

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

He is involved in many social activities and has been widely acclaimed for his philanthropic works.





M. Ghaziul Haque

Director

A respected business leader, M. Ghaziul Haque joined EBL Board in 1993 and is still serving the Board with an interval of about five years between 2006 and 2011.

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

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

Currently, Chairman of MGH Group, he has diverse experience in shipping and forwarding, import, export, marketing, banking, international business relations, collaborations and joint ventures.



Mir Nasir Hossain Director

A leading entrepreneur of the country. Mir Nasir Hossain has a diverse range of business interests including construction, real estate, telecom, ICT, ceramic tiles manufacturing, banking and insurance. He excelled as a student and passed his post-graduation in Accounting from the University of Dhaka with flying colors. He joined EBL Board in 1993. He is also the Chairman of EBL Finance (HK) Ltd, a fully owned Subsidiary of EBL.

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

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

He is also the Chairman of both the Executive Committee (EC) and Risk Management Committee (RMC) of the Board of Directors of EBL.

He is actively engaged in various social works, most notably involved with Bangladesh Red Crescent Society as life member and supports a number of hospitals and orphanages.

Salina Ali Director

A renowned business personality, Salina Ali is the Chairperson of Unique Group, a leading business conglomerate in Bangladesh having business interest in real estate, ceramic industry, hospitality & tourism, manpower export, banking services and human resources development. She is also the Chairperson of Unique Hotel and Resorts Limited and involved with The Westin Dhaka from the beginning of its commercial operation and also the Director of Unique Meghnaghat Power Limited. She is a member of the Executive Committee (EC) of the Board of Directors of Eastern

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

Bank Limited.

She did her Honours and Masters in Sociology from the University of Dhaka.

Anis Ahmed

Director



Anis Ahmed, founder and Group CEO of MGH Group, a Singapore-headquartered conglomerate with business interests in supply chain services for global fast fashion and automotive brands, low-cost airlines GSAs, computer reservation systems, FM radio stations, ride-sharing service, online marketplace for room accommodation, tea and rubber plantations, premium real estate developments, food & beverage and retail & commercial banking. MGH has business operations in two continents and in 18 countries including China, Vietnam, Saudi Arabia, India, Pakistan, Sri Lanka, Nepal, Myanmar, Thailand, Cambodia, Hong Kong, Singapore, UAE, Qatar, Egypt, Mauritius, Nigeria, and Bangladesh.

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

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

Anis is the Co-Founder, Co-Chair and a Trustee member of 'Suhana & Anis Ahmed Foundation' and MGH Foundation, undertaking initiatives to support Bangladesh Eye-Care Hospital's Free Cataract OT program, School for Autistic Students, BSMMU's Children's Leukemia Ward, Bidyanondo Foundation's "Ek Takar Ahar" program and LAUF (Legal Aid for Unfortunate). LAUF provides financial supports to Bangladeshis stranded in various parts of the world, unable to return home due to lack of legal and financial abilities.



Gazi Md. Shakhawat Hossain Director

A noted business executive. Gazi Md. Shakhawat Hossain wears multiple hats. He is the Managing Director of Purnima Construction (Pvt.) Limited and a director of Unique Hotel & Resorts Limited, Bay Hill Hotel & Resorts Limited, General Electric Company (BD) Limited and Unique Meghnaghat Power Limited.



Mufakkharul Islam Khasru

Director

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

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

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

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



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

Born in 1969 in Noakhali, he obtained his Master's degree in Accounting from the University of Dhaka. He is well known for his expertise in the areas of financial reporting and management, insurance, and hospitality industry.

K.J.S Banu

Director

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

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

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

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

Zara Namreen

Director

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

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

She is a member of Chittagong Club Limited and also involved with many charity activities.





Ashiq Imran

Independent Director

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

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

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

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



He is the current Chairman of Association of Bankers, Bangladesh (ABB) for 2020-21. ABB is a forum of managing directors of Bangladesh's scheduled banks. This is his second term as the chairman of ABB. He also served as the chairman of the forum for 2014-2015.

Managing Director & CEO

A visionary banker and a dynamic leader, Ali Reza Iftekhar is an ardent promoter of sustainable growth. As the Managing Director & CEO of EBL, he has successfully introduced international best practices and ethical banking and transformed the organization into the most valuable financial brand in the country. Under his leadership, the bank has achieved many a laurel including the Best Retail Bank in Bangladesh awarded by The Asian Banker for six consecutive years 2013 - 2018; Euromoney Best Bank in Bangladesh for three consecutive years, Asiamoney Best Corporate and Investment Bank of Bangladesh for four consecutive years, FinanceAsia Best Bank of Bangladesh in 2017 and 2019, the IFC Global Award for the Best Partner for Working Capital Systemic Solution; ICSB National Award for Corporate Governance Excellence; the Best Financial Institution 2010 at the DHL-Daily Star Bangladesh Business Award, and Bank of the Year 2020 for Bangladesh by The Banker.

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

Management Committees





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MANCOM







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-18-----

Zahidul Haque SEVP & Chief Technology Officer

-17---

Md. Maskur Reza SVP & Head of Business Information Systems



SEVP & Head of CRM

-18-----

Md. Abdullah Al Mamun VP & Company Secretary Organizational Overview

MANCOM

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

Extended Management Team (EMT)

SL NO	Name	Designation	Status in Committee
1	M. Khurshed Alam	DMD & Head of Planning & Strategy	Chairman
2	Md. Abdus Salam, psc	SEVP & Head of Cash Management, Corporate Banking	Member
3	Md. Obaidul Islam	SEVP & Head of Relationship Unit, Corporate Banking	Member
4	Mahdiar Rahman	SEVP and Head of Relationship Unit, Corporate Banking	Member
5	Md. Mokaddas	SEVP & Head of Trade Operations	Member
6	Syed Zulkar Nayen	SEVP & Head of Liability & Wealth Management	Member
7	Ahsan Ullah Chowdhury	SEVP & Head of Digital Financial Services	Member
8	Hemanta Theotonius Gomes	EVP & Head of Credit Administration	Member
9	Ziaul Karim	EVP & Head of Communications & External Affairs	Member
10	Kamal Mustaba Ali	EVP & Head of Administration	Member
11	Md. Rezaul Karim	EVP & Head of ICT Operations	Member
12	Md. Zahid Hossain	EVP & Head of Service Delivery	Member
13	Rasheedul Huque	EVP & Branch Area Head, Dhaka	Member
14	Sajjad Kabir Md. Shariful Alam	EVP & Head of Core Banking System	Member
15	Mohammed Moinul Islam	EVP & Head of Retail Collection	Member
16	Tasnim Hussain	EVP & Head of Asset, Retail & SME	Member
17	Md. Fazlur Rashid	SVP & Head of Retail Risk	Member
18	Md. Maskur Reza	SVP & Head of Business Information Systems	Member
19	Farzana Ali	SVP & Head of Service & Business Quality and Attrition Management	Member
20	Sarmin Atik	SVP & Head of Priority and Women Banking	Member
21	Bidhan Barua	SVP & Senior Manager, CRM	Member
22	Riyadh Ferdous	VP & Head of Brand	Member
23	Shah Muntasin Mujtaba	VP & Head of Corporate Sales, Treasury	Member
24	Md. Shahjahan Ali	VP & Head of Compliance & Deputy CAMLCO	Member
25	Md. Muyeed Hasnayen	VP & Head of Cards Operations	Member
26	Nahid Farzana	VP & Head of Cards Business	Member
27	Muhammad Shahriar Husain	SAVP & Head of Digital Banking	Member
28	Rajan Kumer Saha	SAVP & Head, Financial Planning, Reporting & Analysis	Member & Secretary Genera
29	M. Shahrvar Faiz	SAVP & Head of Research	Member

Asset Liability Committee (ALCO)

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

Executive Risk Management Committee (ERMC) SL NO Name Designation

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

Purchase Committee (PC)

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

Credit Risk Management Committee (CRMC)

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

Sustainable Finance Committee (SFC)

SL NO	Name	Designation	Status in Committee
1	M. Khurshed Alam	DMD & Head of Planning & Strategy	Chairperson
2	Ahmed Shaheen	DMD & Head of Corporate Banking	Member
3	Muhammad Mustafa Haikal Hashmi	DMD & Head of ICC & CAMLCO	Member
4	Mehdi Zaman	DMD & Head of Treasury, Offshore Banking & FI	Member
5	M. Khorshed Anowar	DMD & Head of Retail & SME Banking	Member
6	Iftekhar Uddin Chowdhury	SEVP & Head of Special Asset Management	Member
7	Masudul Hoque Sardar	SEVP & Chief Financial Officer	Member
8	Zahidul Haque	SEVP & Chief Technology Officer	Member
9	M Latif Hasan	SEVP & Head of CRM	Member Secretary
10	Ahsan Ullah Chowdhury	SEVP & Head of Digital Financial Services	Member
11	Hemanta Theotonius Gomes	EVP & Head of Credit Administration	Member
12	Monjurul Alam	EVP & Head, Human Resources	Member
13	Ziaul Karim	EVP & Head of Communications & External Affairs	Member
14	Kamal Mustaba Ali	EVP & Head of Administration	Member
15	Saiful Islam	SVP & Head of RMD	Member

Member Secretary
Status in Committee
General Secretary
Member
Member
Member

Member

Member

Supervisory Review Process (SRP) Team

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

BASEL Implementation Unit (BIU)

SL NO	Name	Designation	Status in BIU
1	Mahmoodun Nabi Chowdhury	DMD & Chief Risk Officer	Chairman
2	Muhammad Mustafa Haikal Hashmi	DMD & Head of ICC & CAMLCO	Member
3	Mehdi Zaman	DMD & Head of Treasury, Offshore Banking & FI	Member
4	Masudul Hoque Sardar	SEVP & Chief Financial Officer	Member Secretary
5	M Latif Hasan	SEVP & Head of CRM	Member

* It has a working team consisting of three members.

Cost Olympic Committee (COC)

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

Central Compliance Committee (CCC)

SL NO	Name	Designation	Status in Committee
1	M. M. Haikal Hashmi	DMD, Head of ICC & CAMLCO	Chairman
2	Mahmoodun Nabi Chowdhury	DMD & Chief Risk Officer	Member
3	Mahiuddin Ahmed	DMD & Head of Operations	Member
4	M. Khorshed Anowar	DMD & Head of Retail & SME Banking	Member
5	Zahidul Haque	SEVP & Chief Technology Officer	Member
6	Monjurul Alam	EVP & Head, Human Resources	Member
7	Md. Abdul Awal	SVP & Head of Monitoring	Member
8	Md. Shahjahan Ali	VP & Head of Compliance, AMLD & Deputy CAMLCO	Member Secretary
9	Muyeed Hasnayen	VP & Head of Card Operations	Member

Integrity Committee

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

Products and Services



Deposit Products

Retail Accounts

Savings Account	EBL Insta Current
EBL Classic Savings	DPS Account
EBL Power Savings	EBL Confidence
EBL Max Saver	EBL Millionaire Scheme
EBL Premium Savings	EBL Millionaire Women DI
EBL Platinum Plus Savings	EBL Kotipoti
EBL 50+ Savings	EBL Multiplier
EBL Smart Women's Savings	EBL Fixed Deposit
EBL RFCD	EBL Repeat FD
EBL Insta Savings	EBL 50+ FD
Current Account	EBL Fixed Deposit
EBL Current Account	Extra Value Fixed Deposit



Retail Loan Products

EBL Executive Loan	
EBL Women's Loan	
EBL Assure	

EBL Home Loan EBL Home Credit EBL Auto Loan

EBL Current Plus



SME Loan Products

EBL Business Solution	EBL Utkorsho
EBL Cash Credit	EBL Mukti
Stimulus Fund for CMSMEs	EBL Nobodoy
EBL Uddipon	EBL Asha



NRB & Expat Products

NRB Deposit Products
EBL Global
EBL NFCD

NRB Loan Products Personal Secured Loan (Fast Loan) Personal Secured Credit (Fast Cash)

Remittances

EBL Shonchoy

EBL Paribar

Remitted fund can be disbursed through EBL branches, and smart remit card

EBL Earn First FD EBL Super FD EBL Super FD Repeat

Business Accounts

Scheme Women DPS

Current Account Current Deposits

FCY Account Export Retention Quota

SND Account

Short Notice Deposit EBL Shubidha EBL Super HPA

DPS Account

EBL Equity Builder

Fixed Deposit Account

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

EBL Two Wheeler Loan EBL Fast Loan EBL Fast Cash

EBL Education Finance pack

EBL Udoy EBL Utpadon EBL Agrim EBL Projukti

EBL Krishi EBL E-Loan/Cash

EBL Expat

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

Investment

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



EBL Junior EBL Child Future Plan EBL Campus Account

EBL Aspire

EBL Student File Services



Priority Banking Service

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



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EBL INSTA Banking

Supply Chain Finance

First bank to open Instant account using e-KYC from anywhere in the world.

EBL 365



EBL Visa Payroll Card – Smart Expense Card

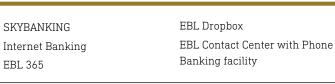
EBL Salary Shield - Employee Insurance Scheme

EBL Connect – Secured Digital Platform for Salary disbursement

Supplier Finance (Overdraft/Short Term	Dealer Finance (Term loan/Overdraft/Short	EBL Shomonnoy (working capital finance
Loan)	Term Loan)	product for suppliers and dealers of large
		corporate houses)

Digital Channels Ŷ

EBL DIA Payment Solution



EBL SMS Banking & SMS Alert Service EBL Web Chat



Agent Banking

Opening of customer account Cash deposit and cash withdrawal

Inward foreign remittance disbursement Payments of bills/utility bills

Transfer of funds Collection of documents in relation to accounts

Cards

EBL Credit Cards

EBL Visa Classic Credit EBL Visa Gold Credit

EBL Visa Platinum Credit EBL Visa Women Platinum

Credit

EBL Visa Signature Lite Credit EBL Visa Signature Acci-Shield

Credit

EBL Visa Infinite Credit EBL Mastercard Titanium

Credit

EBL Mastercard World Credit EBL Diners Club International

Credit EBL UnionPay International

Platinum Credit

EBL Corporate Credit Card

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

Co-branded Cards EBL Visa Robi Platinum

EBL Debit Cards EBL Visa Classic Debit EBL Visa Platinum Debit EBL Visa Women Platinum Debit

Treasury ۲

Money Market Products

- Call money
- Term money Re-purchase agreement
- Reverse repo •
- Commercial paper •
- Foreign exchange swap
- Foreign currency • placement
- Sub-Ordinated Bond • EBL Fixed income

EBL Visa Signature Debit	Platinum Credit
EBL Visa Infinite Debit	EBL Visa Bangladesh Navy
EBL Visa Business Debit	Credit
EBL Visa Global Debit	EBL Visa Meena Bazar Platinum Credit
EBL Visa Payroll Debit	
EBL Visa Junior Debit	EBL Visa BAT Co-brand Corporate Credit
EBL Mastercard Titanium Debit	EBL Visa Bangladesh Foreign
EBL Mastercard World Debit	Service Association Signature
EBL Mastercard Payroll Debit	Credit
EBL Mastercard Women	EBL Visa Oil & Gas Credit
Platinum Debit	EBL Visa Flight Expert Credit
EBL UnionPay Classic Debit	EBL Visa GHC Credit
EBL Prepaid Cards	EBL Visa Wholesale Credit
EBL Visa Lifestyle Prepaid	EBL Visa Marks & Spencer
EBL Visa Payroll Prepaid	Credit
EBL Visa Hajj Prepaid	EBL Visa Bangladesh Communication Satellite
EBL Mastercard Aqua Prepaid	Company Limited Credit
EBL Diners Club International	EBL Visa Unilever Prepaid
Global Prepaid	EBL Visa ACCA Prepaid
EBL UnionPay Dragon Prepaid	EBL Visa Grameenphone
Co-branded Cards	Express Prepaid
EBL Visa Robi Platinum Credit	EBL Visa DPS Prepaid
EBL Visa Bangladesh Army	EBL Visa BATA Prepaid
Platinum Credit	EBL Visa Netizen Prepaid
EBL Visa Bangladesh Air Force	EBL Visa Wholesale Prepaid

EBL Mastercard Shwapno Titanium Credit EBL Mastercard BASIS Titanium Credit EBL Mastercard Rotary Titanium Credit EBL Mastercard JCI Titanium Credit EBL Mastercard Oil & Gas Credit EBL Mastercard BASIS Prepaid EBL Mastercard Robi Smart Prepaid EBL Mastercard Berger Prepaid EBL Mastercard Novo Air Prepaid EBL Mastercard Rotary Prepaid EBL Mastercard DHL One Prepaid EBL Banglalink Payroll Prepaid EBL Diners Club International Vroom Credit Others **Facilities** EBL ZIP (Zero% Installment

Plan) EBL EasyCredit EBL Want2Buy

Fixed Investment Produc

ts	Foreign	Exchange	Products

- Inter-Bank spot in major currency pairs
- Government securities to Customer spot in major • currency pairs
 - Foreign remittance

Derivative Products

- Forward contract
- Interest rate swap (IRS)

• T-Bond to foreign individuals, investors &

Government Securities to

Inter-Bank

customers

institutions

•

₩_€ **Corporate Banking**



Cash Management Solutions

- Nationwide Collection Services (NCS) •
- Payment Transfer Services (PTS) •
- EBL Cheg Pro •
- • Mobile Financial Service (MFS)
- EBL Connect

• EDF Loan

• Sight LC

Non-Funded Facilities

• Usance/ Deferred LC

Structured LC

Letter of Credit (Cash/Back to Back)

- Cash Pick-up & Delivery Service Commercial Payments & Solutions (CPS) •
 - Utility Bills Collection

• Performance Guarantee

Retention Bond

Bid Bond

• Security Bond

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Guarantee (Open ended/Close ended)

Advance Payment Guarantee

EBL SPEED

Working Capital Solutions

Funded Facilities

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

Bridge Financing

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

Long-term Financing		
 Term Loan (Normal/ Amortized/ Capitalized) 	• Term Loan (IPFF)	• Term Loan (LTFF)
Offshore Financing		
Foreign Currency Financing: • Import Loan	Demand LoanBill Discounting/Financing	Term LoanGuarantee
Structured Financing		
 Local and Foreign Currency Syndicated Term Financing Syndicated Working Capital Financing Multilateral Financing 	 Advisory Services Trustee and Agency Services Arranging Debt (Bonds/Commercial Paper) 	 Preference Shares Export Credit Agency (ECA) Backed Financing

• Foreign Documentary Bill Purchased (FDBP)





Eastern Bank Limited 34

Timeline

2019

08 September 201915 IIEBL won the BangladeshEBLBest Employer Brand Award'ICM2019 at the 14th EmployerAwardBranding Awards ceremonyposiby the globally renownedComEmployer Branding Institute.

15 December 2019 EBL won the prestigious 'ICMAB Best Corporate Award 2018' securing first position in the Private Commercial Bank Category. **16 December 2019** EBL won the 'Most Innovative Retail Bank – Bangladesh 2019' by the International Finance Magazine.

2017

28 December 2017

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

2015

• 18 January 2015

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

2012

25 September 2012

EBL CEO awarded 'CEO of The Year' by World HRD Congress and World Brand Congress hosted by Asian Confederation of Businesses in Dubai.

2010

01 March 2010 Acquired 60% shares of a brokerage house 'LRK Securities Limited' (renamed as 'EBL Securities Limited') and the rest in 2012.

04 April 2010

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

2006

09 November 2006

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

2003

17 July 2003 Launched online banking services across all the branches.

1992

08 August 1992 Incorporated. 16 August 1992 Commenced banking operations.

01 April 2020 EBL was awarde Best Corporate an Investment Bank Bangladesh for f consecutive year from 2017-2020 Asiamoney. 22 March 2018 EBL adjudged the 'Best Retail Bank in Bangladesh' award for 2018 consecutively for the sixth time by The Asian Banker. 21 March 2016 EBL as a first Ba term rating Ba3 one of the top in 31 July 2014 EBL received 'G category in reco 09 January 201 Incorporated 'El Management L owned subsidia to do asset man especially mutu 30 December 20 Established 'EB (License receiv

> **19 May 2004** Commenced Off Bangladesh.

20 March 1993 Listed with Dhak



							2020	
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d the	EBL was aw			as awarded			ded 'Bank	
nd	its performa	ance in the	'Leadir	ng SME Trade		ne Year 202	aca Danie	
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'S		e categories		nding contribution				
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	for the year	2019-2020.					0040	
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			28 Se	ptember 2004				
fshore Ba	nking Opera	tions in		l with Chittagong S	Stock I	Exchange	Ltd.	
							1993	
ika Stock	Exchange Lt	d.						

Key Events in 2020

01 January 2020



New Year Celebration at Head Office

11 March 2020



EBL inaugurates Mujib Corner at Head office lobby area



15 October 2020

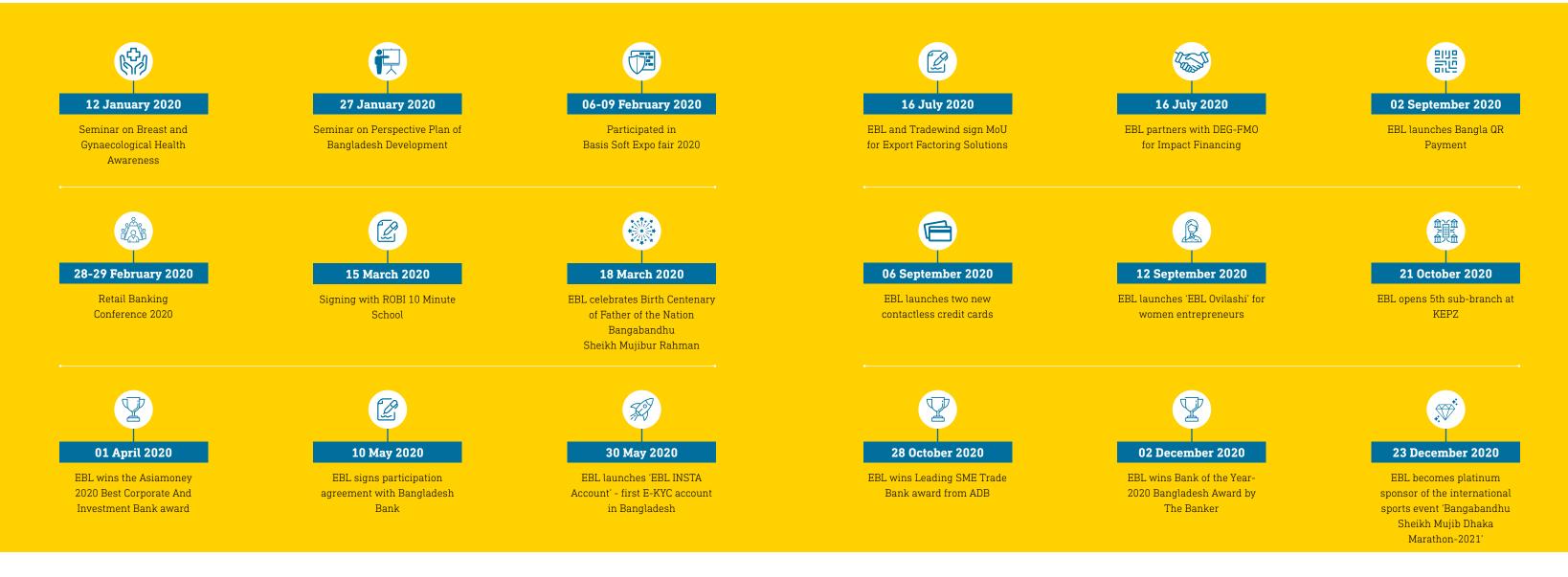
EBL wins three awards for its performance in the product innovation and cards business from VISA

22 October 2020



EBL launches SKYCARE to address all card related customer issues





10 November 2020



EBL partners with Austrian OeEB to support RMGs and SMEs in Bangladesh

22 November 2020



EBL partners with ITFC to support SMEs

STEWARDSHIP



Md. Showkat Ali Chowdhury

We believe in taking actions that best support long term interests of the stakeholders. Good governance, commendable creditworthiness, innovative products and services, digital innovation and, above all, a pool of skilled and motivated people helped us grow sustainably. By responding rightly to the pandemic crisis, we have assisted our customers build financial resilience, which in turn had strengthened our ties with them.



Dear shareholders.

On behalf of Board of Directors of EBL, I welcome you all to the 29th Annual General meeting of the company and have the privilege of presenting before you the Annual Report and audited financial statements of the Bank for the year 2020. As an institution, we had to cope with many a crisis and difficult period over the years, but have always managed to master the challenges and emerge from those situations with renewed strength. The year 2020 has been, unlike anything in the past, a year of uncertainty and despair induced by global Coronavirus pandemic. As the chair of the Board, it gives me immense pleasure to share with you that despite this unprecedented global crisis, we have accomplished a great deal, made excellent progress in many areas and achieved our objectives of delivering well to our valued shareholders.

Economic outlook

2020 was a year that saw both the life and livelihood came to a veritable grinding halt across the globe driven by fearful public health concerns over the outbreak of COVID-19. Being slowed by 3.3% in 2020 (based on IMF report), global economy has slowly started to pick up after facing a crisis far severe than the 2008-09 global financial crisis. Despite facing the pandemic induced challenges in all economic sectors, food production, robust flow of remittance, suitable and timely measures taken by the government and Bangladesh Bank paved the way for the economic recovery of Bangladesh. Country's economy managed to experience a moderate 5.24% GDP growth in FY 2020.

Global economy is expected to grow by 6.0% in 2021 as economic activities in advanced economies are lifting up. However, transition of economy back to pre-pandemic level depends largely on scale and efficacy of vaccination programs across the globe. As most parts of the world is facing a slow rollout of vaccines, the prospects for recovery are diverging across countries and regions.

EBL remains solid amid formidable challenges

This global pandemic has been a litmus test of our preparedness to handle the crisis and our resilience to master the challenges. The lesson we have learned during this pandemic is we are better off if we are connected with our customers and other stakeholders. We now have a clear understanding of what we should value most vis-à-vis what we can do without. Over the past one year we have transitioned to a team better coordinated and coherent than before. Despite unprecedented disruptions caused by the pandemic, we have managed to generate a positive impact for our clients, our people, and our investors with solid financial performance during 2020.

Despite embracing single digit lending rate and uncertainty during corona pandemic, EBL recorded a meaningful growth of 2.36% in profit after tax (PAT) to BDT 4,103 million in 2020 riding on prudent asset-liability management. Ensuring health and safety of our people and customers and building better connections with customers have been the cornerstone of whatever we have done during the year. We remained watchful in maintaining asset quality, recovering classified and written off loans, mobilization of deposits, and rationalizing costs. The Bank has closed the year with 2.72% NPL, way below the industry average of 7.66%. Our sound financial performance has been reflected in the key profitability ratios including ROA and ROE of 1.22% and 15.04% respectively and improved earnings per share (EPS) of BDT 5.05 in 2020 compared to BDT 4.94 in 2019.

Supporting responsible business growth

The board fully supports the Management Team's drive to improve resilience to external shocks, while helping to ensure excellent governance and the highest ethical standards. This drive has helped the Bank to be an efficient organization with higher growth potential. As a result, despite the global and macroeconomic challenges we continued to show resilient performance. We believe in taking actions that best support long term interests of the stakeholders. Good governance, commendable creditworthiness, innovative products and services, digital innovation and, above all, a pool of skilled and motivated people helped us grow sustainably. By responding rightly to the pandemic crisis, we have assisted our customers build financial resilience, which in turn had strengthened our ties with them.

Our resilience to external challenges has once again been reflected through the recognition from The Banker with the coveted Bank of the Year 2020 for Bangladesh award.

Digitization as a new way of banking

We are keenly following the evolving nature of customer expectations which challenge us to think better and work smarter. As we realized that digitization was going to change country's entire banking landscape, we adequately equipped us to emerge among the leaders in digital banking. As the pandemic forced our customers to embrace digital banking over physical one, our expertise and available digital options have enabled us to broaden our digital footprint and provide seamless customer service. Digitization has helped in improving customer experience through better connectivity in a comprehensive manner

The crisis has required us to re-examine our systems and processes and adapt to smarter ways of operations. Our continuous effort to stay relevant and provide useful services has always been recognized. This year EBL has been ranked number one in Bangladesh both in the category of Market Leaders and Best services among Asian Banks by Euromoney-Asiamoney Trade Finance Survey.

Partnering with FIs for financing solution

Customers have witnessed unprecedented disruptions of the business and financing during this pandemic. Most businesses found themselves off-guarded and ill equipped in the face of potential recession. We stood beside our customers with tailor-made solutions and support to help them withstand this unforeseen shock. We worked closely with our industry peers and Bangladesh Bank in shaping policy responses appropriate for the business houses as well as the overall economy

We have partnered with Tradewind GmbH to offer secure and innovative trade finance solutions to our customers who are involved in foreign trade on sales-contract terms. We have also been supporting country's different infrastructure projects at different phases.

We uphold compliance culture and follow good governance practices

We believe good governance promotes long-term interest of shareholders, ensures accountability of Board and management and helps building public trust in the Bank. We uphold strong and effective corporate governance practices to cultivate a culture of integrity, transparency, sound financial management, which ultimately leads to overall sustainable business and financial performance. We have proactively supported establishing simple and efficient processes focusing on compliance with relevant regulations which will help us in sustainable value creation and will provide the basis for responsible stewardship.

At EBL, we have established a goal oriented culture backed by sound ethical and governance practices. These efforts have been recognized by the ICMAB Best Corporate Award and the ICSB National Award for Corporate Governance Excellence.

We care for our employees

We offer a sustainable career path for our people and have over the vears built a brand of great value and rich in tradition. During the troubled times of 2020, we increased employee engagement to keep them assured, motivated and aligned with our goals. We also took allout measures to keep our employees safe, ensured all the WHO and govt. health guidelines to prevent COVID-19 and facilitated remote working as a part of our People's safety policy to ensure maximum care for our employees.

We care for the community we operate in

We would like to play our part in driving economic growth towards social progress. We acknowledge this weighty responsibility and regard ourselves as a good corporate citizen at heart.

We actively support initiatives aimed at making positive changes and impacting lives. We believe, our long-term success depends on the progress of the community and the people we serve. We are engaged in various social activities related to education, healthcare, sports, art, and culture which shows our interest in wider social issues. We have extended our support to fight COVID-19 pandemic and to those who desperately need help. To strengthen youth confidence and help

them to grow as skilled workforce we have been offering scholarship to meritorious and disadvantaged students of University of Dhaka. As a responsible corporate citizen, we have also allocated our CSR expenditure in emergency disaster relief, upgrading facilities to promote education and encouraging women empowerment.

Consistency in dividend payment

In line with relevant BB circulars, the board has proposed 17.5% cash dividend and 17.5% stock dividend for the year 2020. We always give utmost importance to maintain a fine balance between consistency of dividend payment and strengthening the capital base for sustainable business growth. We make our decision to distribute dividend based on in-depth assessment of organization's earning capacity and growth prospects in compliance with various regulatory conditions.

Looking ahead: reaping the benefits of work done in 2020

I take great pride in how we have responded to COVID-19 pandemic and am overwhelmed the way customers and shareholders have rested faith in us. Despite facing the unforeseen shockwaves, we were on track to deliver a solid performance which exhibits the level of our courage, determination, passion and resilience. In 2021, we foresee the global and local economy and business conditions will still remain challenging. Hence, we must continue to remain alert to the situation and respond timely. The Board will continue to oversee management's role in striking the right balance between utilizing growth potentials and the appropriate risk controls. I am convinced that it will further strengthen the foundation of this Bank and will secure better risk-adjusted return.

I would like to thank our people for their great personal dedication and passion to perform as a team and specially the Managing Director & CEO Ali Reza Iftekhar, who led the team to achieve our goals while building a strong foundation for the future. We are grateful to regulators, especially Bangladesh Bank for their constant support and prudent guidance for supporting us in delivering excellence.

Md. Showkat Ali Chowdhury Chairman of the Board of Directors

Managing Director & CEO's Review



In 2020, under extremely challenging conditions, EBL has performed well in key areas of its business activities. Our balanced growth has generated positive returns for the stakeholders. This pandemic has taught us to be resilient, adaptive, innovative and positive in the face of adversity and we are confident to deliver performance in the coming days.

Confronting economic and financial challenges

The COVID-19 pandemic has adversely affected the global economy, resulting in profound impact on business and financial performance, downward credit movement and low demand for lending. One year into the pandemic life, economic recovery suffered a severe blow and millions are facing unemployment following business closures. At home, COVID-19 has also had its share of severity impacting heavily our customers, our investors, our shareholders and the communities we serve. The proactive and timely measures taken by government to revive the economy through debt moratoriums and concessionary loan schemes under stimulus packages for pandemic affected individuals and businesses are laudable. The accommodative monetary policy of Bangladesh Bank was also aimed at stimulating the economy-lowering Bank Rate for the first time in 17 years, reducing CRR & repo rate, relaxing various policies

COVID-19 response

Brave, prompt and coordinated response is the key to handle any crisis. As a bank we are doing our best to ensure safety of our employees and customers and have been following government and WHO Coronavirus safety protocols since the outbreak of the pandemic. We are regularly reaching out to our customers and inspiring them to switch to online banking and also educating

Delivering solid performance

In 2020, under extremely challenging conditions EBL has performed well in key areas of its business activities. Our balanced growth has generated positive returns for the stakeholders. However, due to global pandemic and single digit lending rate cap, our net interest income in 2020 decreased by 27.31%, but we have tried to cover it up with non-interest income supported by investment income growth by 83.48% from 2019 that helped our operating income to reach BDT 14,134 million in 2020, while profit after tax was up by 2.36 % year-on-year reaching BDT 4,103 million backed by less provision charged for loans, investment and other assets. The Board devoted its time and energy providing guidance and direction to the Management to ensure uninterrupted service to our

Taking care of our employees

Capacity building and enhancing skillset of our people is one of our core organizational objectives. Our leadership initiatives are aligned with our strategy and tailored to the individual development. We have tried to keep our employees engaged in learning and development activities through webinars, e-learning

and providing refinancing facilities with timely intervention in the foreign exchange market which helped to maintain normalcy in both the Taka and USD interbank markets. The record-breaking foreign exchange reserve during the lean period of COVID-19 was the upshot of government initiative of 2 percent cash incentive against inward remittances. The government in a prudential move rolled out stimulus packages worth more than one trillion Taka to mitigate the impact of coronavirus pandemic on businesses and bring the economy back on track. The banking industry has been working since the outbreak of the pandemic hand in glove with the government and central bank at helping businesses and individuals through this trying times towards economic recovery and future growth.

them how to use them. We are also engaged with industry peers and working closely with regulators including Bangladesh Bank in policy support appropriate for this difficult times. EBL is one of the first few banks in channeling government stimulus fund to customers to help minimize damage, restart, and bounce back.

customers while maintaining regulatory compliance. We continue to maximize wealth for our shareholders maintaining ROA of 1.22%, ROE of 15.04%, improving EPS to BDT 5.05 from BDT 4.94 and proposing dividend 35% (cash-17.5% & stock-17.5%). Our strong focus on quality of asset has driven the Bank to achieve an enviably low NPL of 2.72% at the end of 2020, which is far below from the industry average. During this difficult times, a host of international and local awards is testimony to our commitment to excellence. For details, please go to the section- Stakeholders' Information, Management Discussion and Analysis, Risk Management Report and Notes to the Financial Statements of this Annual Report.

and self-certification programs during the lockdown. We want to develop simple ways of working and equip our colleagues with the future skills they need. Measures are also taken to ensure the utmost safety of our employees while performing their duties during COVID-19 pandemic.

Instilling a cost-conscious culture

During this pandemic increasing cost awareness level throughout the bank has been crucial as business opportunities were, in many areas, shrinking. A special committee named Cost Olympic Committee (COC) has been entrusted with responsibility to provide strategic direction in instilling cost awareness culture in the company and at the same time come up with recommendation

Our approach to sustainability

We believe that fight against climate change is a collective journey and in the transition to a low-carbon future we would like to take our customers with us. In 2020, we made significant progress towards achieving UN Sustainable Development Goals. We promoted financial inclusion through our agent banking and subbranch outlets, contributed towards women and student banking by arranging a number of webinars on education, gender, health and social issues and developing low cost products for women entrepreneurs, deployment of sustainable energy sources resulting in energy savings, waste disposal systems, reduction of paper

of cost rationalization. We made strong inroads in reducing our operating expenses as a result of a combination of our cost-saving programs and lower discretionary spending, which helped us reduce our operating expenses and get cost-to-income ratio of 45.58% at the end of the year.

use through digitalization of processes, use of solar power, green banking channels and so on. As a leading commercial bank, we are committed to funding projects that are eco-friendly and aspiring to become energy efficient. We have also integrated Environment and Social Risk Management System to analyze the environmental and social risks of projects and promote financing for renewable energy and projects to support the fight against climate change. We are ready to support our clients preparing to change their business models and make that transition.

Bonding with our customers

This pandemic has taught us to be resilient, adaptive, innovative and positive in the face of adversity. We have facilitated customer engagement and ran multiple awareness programs using social media platforms to establish and maintain the banker-customer bonding. We have started offering fully digital onboarding facilities and capitalizing the digital tools for customer acquisition. Our commitment to our customers is to provide more personalized services, create connected experiences through all channels, and deepen relationship with them in the future.

keeping ourselves within regulatory framework. Accordingly, we complied with key regulatory ratios of the Bank (year-end position shown) namely AD ratio-Bank (78.82% ≤ 87%), CRAR (15.23% ≥12.5%), leverage ratio (5.97% ≥ 3%), MCO-DBO (13.51% ≤ 16.5%),

Moving ahead with caution

We are alert to the challenges of the global pandemic situation and the uncertainties of future market environment. We will remain proactive in managing costs and investment for revenue growth where necessary. We are committed to serving our customers well, increasing efficiency of our employees and rewarding our shareholders. Strengthening our digital capabilities will be our key focus area in 2021 and we hope to

Vote of thanks

I extend my sincere gratitude to the Chairman of the Board of Directors for his continuous support and the entire Board for their valuable guidance, direction and patronage. My gratitude also goes out to the Governor and officials of Bangladesh Bank, Chairman and officials of Bangladesh Securities and Exchange Commission and other regulatory bodies for their prudent guidance. I am very thankful to my colleagues for their commitment and dedication towards achieving a common goal even in the difficult times and driving the Bank forward. Last but not the least, my whole-hearted appreciation goes to our valued shareholders, customers, business partners and other stakeholders for keeping faith in us and being

Digitalization in banking

The world around us has changed significantly in 2020. There has been a rapid shift from physical to digital banking. The increasing demand for digital products and services during the pandemic acted as a spur to our digital transformation. Customers are now accustomed to this new normal banking. Our digitalization objective is to provide customer comfort and reliability, create good customer experiences and deliver digital services that are faster, more agile, cost-effective, personalized, and secure. But at the same time we have increased our focus on cyber security issues. We have several preventive controls in place, i.e., Next-

generation Firewall, Network Intrusion Prevention System (NIPS), Adaptive Security Appliance (ASA), Endpoint Security, Intrusion Prevention System (IPS)/ Intrusion Detection System (IDS), etc. Our PCI-DSS certification for consecutive five years is a recognition of our constant effort to minimize vulnerabilities in cardholder data domain, which provides our customers with a peace of mind about using our payment cards. We have also adopted Digital Strategy that prioritizes redesigning conventional banking processes as digital processes, upgrading internal systems to be prepared to capitalize on changes in the regulatory environment.

Good governance and compliance

Good corporate governance provides the foundation for a healthy organization. It sets the tone as to how the organization operates and behaves. Our honorable Board of Directors plays a pivotal role in shaping governance structure and practices to drive the Bank to growth path. Our utmost priority has always been to safeguard the interest of our depositors and shareholders. We continue to work closely with the regulators to ensure compliance in every aspect. Our focus during 2020 was to conduct businesses prudently

capital market exposure (22.03 % ≤ 25%), LCR-DBO (210.90% ≥100%) & NSFR-DBO (105.49%>100%) that clearly shows our commitment to key stakeholders.

complete upgrading our core banking platform to incorporate latest advances in technology. We have a plan to further expand our network as well as reach to unbanked people through agent banking, sub-branches, digital channels etc. We will be putting emphasis on adapting to new customer norms, analyzing customer preferences and changing business models accordingly.

a continuous inspiration to achieve more and deliver excellence. The journey that lies ahead is arduous and challenging, but with our experience, skill, and resourcefulness we are confident to deliver performance.

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Ali Reza Iftekhar Managing Director & CEO

Directors' Report 2020

The Board of Directors is pleased to welcome you all to the 29th Annual General Meeting (AGM) of the Bank and present before you the Annual Report along with the Audited Financial Statements for the year 2020. A review of business and financial performance and the underlying forces affecting these have been briefly pointed out.

Global economic outlook

The COVID-19 pandemic has triggered an unprecedented global economic crisis which is far worse than the 2008-09 global financial meltdown. World economy is estimated to have slowed down by 3.3% in 2020. To protect financial system and economy, policymakers across the globe have taken unprecedented measures to bring it on track. Though recovery in China has been faster than expected, the global economy's rebound to pre-pandemic level of activity remains prone to setbacks. After ease of lockdown global trade started to pick up in June where China was a major contributor. In the second half of 2020 financial condition started to ease for advanced economies and for most emerging market and developing economies. This pandemic has increased inequality globally by pushing more people below poverty line mainly those who live on daily wage and are migrant workers.

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

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

Particulars	2020	2021 p	2022 p
World	-3.3	6.0	4.4
Advanced Economies	-4.7	5.1	3.6
Other Advanced Economies	-2.1	4.4	3.4
USA	-3.5	6.4	3.5
Euro Area	-6.6	4.4	3.8
Emerging Market and Developing Economies	-2.2	6.7	5.0
China	2.3	8.4	5.6
India	-8.0	12.5	6.9

Source: IMF World Economic Outlook Update (April 2021); p for projection.

Bangladesh economy: An overview

Despite facing COVID-19 pandemic induced challenges in all economic sectors, Bangladesh economy managed a 5.24% GDP growth in FY 2020 while growth rates in neighboring countries like India. Pakistan, and Sri-Lanka are expected to be negative in 2020. Being suffered from substantial production loss in large and

medium scale manufacturing output, industry sector growth rate sharply came down to 6.48% in FY 2020. The service sector impact was less severe than the industry sector which grew by 5.32% in FY 2020 against 6.78% in FY 2019 as most of the leading sub-sector activities decreased due to lockdown measures. However, the agriculture sector maintained a solid growth amid this pandemic aided by the timely availability of inputs, favorable weather conditions at the time of cultivation and harvesting and partial use of harvester machine.

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

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

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

Banking industry in 2020

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 other financial soundness indicators (governance, asset guality, capital adequacy etc.). During July-December 2020 banking sector's performance indicators showed resilience which is reflected in fall of non-performing loans (NPLs), a moderation in capital adequacy and profitability, an improvement in liquidity condition, and betterment of provision maintenance. Due to loan moratorium facility provided by Bangladesh Bank, the overall NPL ratio stood at 7.66% (including Offshore Banking Operation) at the end of December 2020. The capital to risk-weighted assets ratio (CRAR) was marginally moderated to 11.64% as of December 2020 compared to 11.94% in September 2020. In 2020, RoA and RoE of the banking sector dropped to 0.25% and 4.28% compared to those of 0.43% and 6.83% respectively in 2019.

Bank deposits grew by 13.1% in December 2020 compared to 12.4% in September 2020 amid the pandemic riding on higher remittance inflows. Loan disbursement from the stimulus packages helped loans and advance of the banking industry to grow marginally by 9.6% in September 2020 compared to 9% in June 2020. However, this growth decelerated to 8.2% in December 2020. Though public sector credit grew due to large flow of foreign loans and selling of national saving certificate, private sector credit demand was slower. Private sector credit grew slowly because of banks' cautiousness towards quality lending as well as investors' stickiness to survival strategies during the COVID-19 period instead of expanding their businesses. As the bank deposits grew faster than bank advances, the overall ADR fell from 74% at the end of September 2020 to 72.7% at the end of December 2020; way below the maximum regulatory ceiling which adversely affected the profitability of the banks.

The liquidity condition of the banking system broadly remained stable and sufficiently adequate. Bangladesh Bank's easing monetary policy stance, higher remittance flow, and government's stimulus packages ensured excess liquidity in the banking system. Due to implementation of lending rate ceiling of 9% from 1 April 2020, weighted average interest rates witnessed a significant decline both in lending and deposit. Moreover, excess liquidity in the banking sector due to pandemic driven weak credit demand led to sharp fall in the interest rate on lending. This induced the banks to lower the interest rate of deposit. Weighted average deposit and lending rates decreased from 5.51% and 9.58% in March 2020 to 4.54% and 7.61% in December 2020, respectively.

The banking sector, as a whole, was able to maintain the required level of Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) and other liquidity ratios i.e. Liquidity Coverage ratio (LCR), Net Stable Funding Ratio (NSFR) as on 30 September 2020.

Some important initiatives taken by Bangladesh Bank in 2020 are as follows:

- Implementation of lending rate cap on 9%.
- Slashing cash reserve ratio (CRR) for both domestic and offshore banking operation.
- Reduction of bank rate and repo rate and increase of the ceiling of ADR.
- Payment by deferral (PBD) facility on loan payments for 2020 without downgrading or classifying the borrowers.

- 360-day special repo facility for bank and financial institutions.
- Instruction on maintaining status quo of loan classification as of 31 December 2019 without downgrading or classifying the borrowers.
- Agricultural credit facility at a concession rate.
- Instruction for waiver of late payment fee/charge/penal interest/additional revenue or any other fee/charge due to delaved credit card bill payment.
- Implementation of government's stimulus packages worth more than BDT 1.21 trillion mainly for export oriented industry. large industries and service sector.
- Refinance Facilities under Stimulus Packages provided to banks for disbursement to target sectors.
- Additional 1% special general provision for COVID-19 on PBD accounts
- Setting cap on distribution of cash and stock dividend.

Banking sector has already been struggling with high volume of NPL, weak corporate governance, major scams and various irregularities. Banks played crucial role in implementing different stimulus packages announced by the government. Managing stressed assets and expediting the recovery process will be high priority for the banking sector in the post-moratorium era. Moreover, constant supervision and vigilance are required for channeling funds of the stimulus packages to the affected large industries, CMSME, and the agriculture sector.

Economy and business outlook 2021

To recover from the ongoing economic challenges caused by COVID-19 pandemic, expansionary monetary policy has been formulated for FY 2021 accommodating supporting needs while staying within targeted inflation rate of 5.5% for GDP growth target of 6.1%. Due to devastating impacts of the second wave of the coronavirus pandemic on the battered economy, government has set an achievable realistic target for FY 2021. Govt.-imposed lockdown and travel restrictions for second wave of the pandemic have impacted economic activities which could adversely affect livelihood and slow down the pace of economic recovery

As global economies are opening up, exports are likely to bounce back in the near term. Likewise. FDI inflows are expected to upturn by resuming the different development projects including continued collaboration with partner countries for investing in Bangladesh's different infrastructure projects. The government's stimulus packages along with the restoration of business confidence is likely to boost up public and private investment. Foreign exchange reserve will continue its uptrend provided that the economy gets support from strong growth of export and inflow of remittance. Recovery of private sector credit growth is expected to grow along with the growth of public sector borrowing mainly for implementing annual development program (ADP) and supporting stimulus packages for the pandemic hit economy.

Although overall NPLs have declined, the bad loans are expected to rise when the moratorium facility will be lifted. Bad loan recovery will be top priority for the banking sector in the post-moratorium era.

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

Financial performance highlights of EBL

Banking industry passed a challenging year in terms of governance, capital adequacy, profitability and soundness in 2020. Despite intensified challenges, EBL managed its portfolio efficiently closing the year 2020 with an NPL of 2.72% (3.35% in 2019) which is lower than that of industry average (7.66% as of December 2020). It is to be mentioned here that, relaxation of classification criteria by Bangladesh Bank helped in reduction of new classification and down-gradation of loans.

The prime focus during the year has been upholding service excellence, maintaining asset guality, recovering classified and written off loans,

mobilization of deposits, and rationalizing costs. A brief review of financial performances of the Bank (solo) are as follows:

- Net interest income (NII) which contributed 42% of total operating income decreased by 27% in 2020 compared to last year (interest income decreased by 15% and interest expense decreased by 8%).
- Non-interest income which contributed rest 58% increased by 27% mainly due to increase of income from investment by 83% and other operating income by 39% in 2020 compared to 2019.
- Compared to last year, operating income decreased by 3% and operating expense increased marginally by only 1%. As a consequence, operating profit of the Bank decreased by 6% and reached at BDT 7,692 million in 2020.
- Total provision decreased by 49% in 2020 compared to last year. General provision deceased mainly due to provision relaxation on consumer finance from 5% to 2%. In addition, we have maintained special general provision of BDT 602 million for COVID-19 to comply with regulatory requirement. Specific provision decreased by 39% due to no new classification and down gradation of loans, and other provision decreased by 114% mainly due to provision released for quoted securities as market price increased. Besides, BDT 77 million have been maintained as other provision for "Start-up Fund".
- Total tax provision increased by 15% in 2020 compared to last year mainly due to decrease of deferred tax income as new classification and down gradation of loans were halted for 2020 as per Bangladesh Bank's instruction.
- Finally Bank's profit after tax (PAT) increased by BDT 94 million or 2.36% in 2020 compared to 2019.

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

					l	3DT in million
Destination	Group			Bank		
Particulars	2020	2019	% Change	2020	2019	% Change
Net interest income (NII)	6,052	8,277	-27%	5,930	8,159	-27%
Non-interest income	8,515	6,743	26%	8,203	6,439	27%
Total operating income	14,567	15,020	-3%	14,134	14,597	-3%
Total operating expense	6,672	6,642	0%	6,441	6,387	1%
Operating profit (Profit before provision and tax)	7,895	8,378	-6%	7,692	8,210	-6%
Specific provision	928	1,255	-26%	765	1,255	-39%
General provision	(274)	56	-585%	(274)	56	-585%
Special general provision for COVID -19	602	-	-	602	-	-
Other provision [charged/(released)]	(101)	723	-114%	(92)	643	-114%
Total provisions	1,155	2,035	-43%	1,001	1,954	-49%
Profit before tax for the year	6,740	6,343	6%	6,691	6,256	7%
Tax provision for the year	2,560	2,353	9%	2,588	2,248	15%
Profit after tax (PAT)	4,180	3,990	5%	4,103	4,008	2%
Earnings per share (EPS)	5.15	4.92	5%	5.05	4.94	2%

ROA and ROE have decreased in 2020 due to higher growth of equity compared to growth of PAT. Cost to income ratio has increased mainly due to decrease of operating income by 3%. The Capital to risk weighted assets ratio (CRAR) has increased to 15.23% in 2020 from 14.74% in 2019. Following table presents some of the key financial ratios:

Destinutors	Ba	nk
Particulars	Year 2020	Yea
Return on average equity (PAT/ Average Equity)	15.04%	
Return on average assets (PAT/ Average Assets)	1.22%	
Cost to income ratio (operating expense/operating income)	45.58%	
Capital to risk weighted assets ratio	15.23%	
NPL ratio	2.72%	
EPS (BDT)	5.05	
Price to book value ratio	100.86%	

History of raising capital

As on the reporting date (31-12-2020), the Bank had paid up capital of BDT 8,117,995,470 of which 84.07% was raised through stock dividend. The history of raising paid up capital to BDT 8,117.99 million as of year-end 2020 is presented below:

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

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

r 2019	,

16.52%	
1.30%	
43.76%	
14.74%	
3.35%	
4.94	
105.41%	

Appropriation of profit

Profit after tax (PAT) of the Bank stands at BDT 4,103 million during the year including net deferred tax income of BDT 52 million out of which BDT 79 million arises on specific provision made against Bad/Loss loans and cannot be distributed as dividend as per BRPD Circular No.11dated 12 December 2011 of BB. As the paid-up capital and statutory reserve of the Bank is equal, no fund is required to transfer to statutory reserve in 2020. Thus, cumulative profit available for distribution stands at BDT 6,520 million out of which the Board of Directors recommended 17.5% cash dividend and 17.5% stock dividend amounting to BDT 2,841 million for the year 2020.

Utilization of proposed stock dividend

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

Capital adequacy status under Basel III

Bank's Capital to Risk Weighted Assets Ratio (CRAR) remains consistently within the comfort zone against the requirement of 12.5% (Minimum total capital ratio plus capital conservation buffer) and ended at 15.23% as on 31 December 2020. For details please see Market Discipline (Basel III) section of this annual report.

Status of asset quality

As on 31 December 2020, NPL ratio of the banking industry stood at 7.66% which was 9.32% (without OBO) in December 2019. The NPL ratio of EBL was 2.72% at the end of 2020 which was 3.35% at the end of 2019. The status of unclassified and classified loan of the Bank is as follows:

BDT in million

Particulars	31-12-2020	31-12-2019	% Change
Unclassified loans:	222,717	224,280	-0.70%
Standard (Including staff loan)	220,984	221,568	-0.26%
Special Mention Accounts (SMA)	1,733	2,712	-36.10%
Classified loans:	6,226	7,771	-19.88%
Sub-standard (SS)	1,033	1,122	-7.98%
Doubtful (DF)	287	372	-22.66%
Bad/loss (BL)	4,906	6,278	-21.84%
Total loans	228,944	232,051	-1.34%
NPL %	2.72%	3.35%	

Management discussion and analysis

A separate section titled 'Management discussion and analysis' has been presented in page no. 155-187. Under this section, a comparative analysis of financial performance (2016-2020) of the Bank has been presented with analytics. A brief highlight of EBL business units namely Corporate Banking, Retail & SME Banking and Treasury has been presented along with strategic outlook. In pursuance of an inorganic growth route and to open up diversified earnings stream, EBL established or acquired four subsidiaries, all of them fully owned, till the reporting date i.e. 31 December 2020. A brief review of subsidiaries business during 2020 also has been presented under this section.

Internal control system

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

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

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

Risk management

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

The risk management system of EBL has been described in "Risk Management Report" section of this annual report. Also the major areas focused by RMC in 2020 have been presented in "Report of the Risk Management Committee of the Board" section of this annual report.

Financial reporting

- Proper books of account as required by law have been maintained by EBL.
- Appropriate accounting policies have been consistently applied in preparation of the financial statements.
- Accounting estimates and underlying assumptions are made on reasonable ground applying prudent judgment, and are reviewed on an ongoing basis.
- The Financial Statements (FS) of the Bank are prepared in accordance with applicable International Financial Reporting Standards (IFRSs) and relevant circulars/instructions issued by Bangladesh Bank (BB) and any departure from IFRS due to BB regulation has been adequately disclosed in the notes to the FS.
- A discussion on related party transactions has been stated in the 'Corporate Governance Report' and a statement with amount of related party transactions has been presented in the Annexure C1 of the FS 2020.
- Being responsible for preparation and fair presentation of the FS, the management of the Bank asserts that the FS prepared by the management as at and for the year ended 31 December 2020 present fairly, in all material respects, its state of affairs, the results of its operations, cash flows and changes in equity.
- There is no significant doubt upon the Bank's ability to continue as a going concern. EBL has neither intention nor the need to liquidate or curtail materially the scale of its operations. Hence, the financial statements of the Bank have been prepared as per going concern basis and the Bank will continue to operate for the foreseeable future.

Compliance with corporate governance guidelines

As a responsible corporate citizen, EBL duly complied with the provisions of corporate governance guidelines issued by Bangladesh Securities and Exchange Commission (BSEC). The compliance status of EBL on the guidelines has been presented in the section of 'Corporate Governance Report'. Also, K.M. HASAN & CO., Chartered Accountants, has certified the compliance status of EBL on the BSEC's corporate governance guidelines during 2020 which is mentioned in page 106 of this annual report.

CSR activities

As a socially responsible corporate, EBL continued to be engaged in a number of CSR activities throughout the year, including a number of donations towards charitable causes.

- We donated BDT 100 million to the Prime Minister's Relief and Welfare Fund for flood affected regions in Bangladesh.
- Donated 75,000 pieces (costing BDT 21.50 million) of blankets to Prime Minister's Relief & Welfare Fund through Bangladesh Association of Banks (BAB) for distribution among cold-hit people. We have also donated another BDT 2.6 million for distribution of 9000 pcs of blankets among cold-hit people.
- . We have given BDT 4.5 million as scholarship to disadvantaged but meritorious students of University of Dhaka through Dhaka University Alumni Association (DUAA).
- We have donated BDT 50 million to Prime Minister's Relief & Welfare Fund for providing PPE/Testing Kits/Respiratory equipment as response to pandemic through BAB.
- Donated BDT 3.75 million to BIBM for construction of proposed 15 storied building of BIBM.

Bangladesh Bank has issued BRPD Circular no. 09 dated 26 April 2021 instructing commercial banks to spend 1% of the net income of 2020 in addition to planned CSR expenditure during 2021 for the people who have been severely affected by the pandemic. EBL will comply with the circular accordingly. However, the said additional expenditure on CSR can be adjusted with the CSR expenditure to be incurred for the period from 2022 to 2024.

Contribution to national exchequer

EBL regularly pays corporate tax on time, sometime even before it falls due if demanded by the tax authority. We also deposit excise duty, withheld tax and VAT to govt. exchequer on time deducted from customers, employees' salary as well as on bills from third parties including vendors. During the calendar year 2020 we contributed BDT 7,462.65 million to national exchequer as tax, VAT and excise duty. We paid advance corporate tax of BDT 3.582.47 million while deposited withheld tax of BDT 2,928.97 million, VAT of BDT 598.80 million and Excise Duty of BDT 352.41 million during the year 2020.

On behalf of the Board of Directors

Md. Showkat Ali Chowdhury Chairman of the Board of Directors

Dhaka, 28 April 2021

STAKEHOLDERS' INFORMATION

Communication with Stakeholders

Stakeholders	Key concerns	Mode of communication	Frequency		
	Sustainable growth	Company website, annual report	Continuous process, annually		
<u>ÅÅÅ</u>	Financial performance	Annual report, financial statements	Quarterly, semi-annually, yearly		
	Corporate governance	Annual report	Annually		
Shareholders/	Risk management	Annual report	Annually		
Investors	Business expansion plan	Board meeting	As required		
mvestors	Relationship	Meetings, periodic visits, mails/ telephonic conversation	As required		
	Company information	Website of EBL, annual report	Continuous process, annually		
	Work life balance	Awareness mail, cultural programs, monitoring	As required		
	Diversity and career progression	Different engagement programs	As required		
	Performance evaluation and rewards	Letters, arranging programs	Quarterly, semi-annually, annually		
Employees	Recruitment and retention	Exams, interview, training programs, financial and non- financial benefits	As required		
	HR information	HR link (Intranet)	Continuous		
	Quality service	Relationship managers	Continuous		
	Privacy and information security	Mails, SMS, newsletter	As required		
	Dispute resolution	Direct customer feedback	On a regular basis		
C ≂i÷	Product information	Website, call center	Continuous		
Customers	Affordability and convenience	Different channels- Branches, sub-branches, agent banking, call center, priority center, ATM, Internet Banking, Skybanking and others	Continuous		
	Relationship with customers	Mails, meet up, arranging different programs for customers	On a regular basis		
<u>~</u>	Compliance with regulations	Submission of returns and reports	Within the prescribed deadline		
	Awareness and knowledge	Training and workshops	As required		
	Communication	Telephonic conversations, emails, visits	On a regular basis		
Regulatory bodies and government	Addressing of key issues	Meeting and discussion with senior management and respective regulators	As required		
<u></u>	Relationship with suppliers	Meetings, telephone/mails/letters conversation, periodic visits	On a regular basis		
Business partners	Networking	Regular communication, periodic visits	On a regular basis		
- aomeso parmers	Future business opportunities	Meetings, on site visits	As required		
	Financial inclusion	Interact through branches, agent banking, sub-branches, internet banking, social media, mail	On a regular basis		
THINK	Ethics and code of conduct	Website, annual report	On a regular basis, annually		
IIIIIIII Society	Sustainability initiatives	Website, social media, annual report	On a regular basis, annually		
	Community investment	Annual report, media advertisement	Annually, on demand		

Financial Highlights

BDT in million

						BDT in millioi
Particulars		Group			Bank	
Faittutais	2020	2019	Change (%)	2020	2019	Change (%)
Performance during the year						
Net interest income	6,052	8,277	-26.88%	5,930	8,159	-27.31%
Non interest income	8,515	6,743	26.28%	8,203	6,439	27.41%
Operating income	14,567	15,020	-3.02%	14,134	14,597	-3.18%
Profit before provisions	7,895	8,378	-5.76%	7,692	8,210	-6.31%
Profit after tax	4,180	3,990	4.76%	4,103	4,008	2.36%
Net operating cash flow	6,025	19,191	-68.60%	977	17,922	-94.55%
Net operating cash flow per share (not restated)	7.42	23.64	-68.60%	1.20	22.08	-94.55%
Year end financial position						
Loans and advances	230,545	239,095	-3.58%	228,944	232,051	-1.34%
Investments	66,016	42,066	56.93%	63,949	39,797	60.69%
Deposits	241,295	239,980	0.55%	242,358	240,164	0.91%
Shareholders' equity	29,449	25,962	13.43%	28,976	25,567	13.33%
Total assets	339,508	338,201	0.39%	336,936	335,163	0.53%
Information per ordinary share						
Earmings per share (BDT) Not restated	5.15	4.92	4.76%	5.05	4.94	2.36%
Price earning ratio (times) Not restated	6.99	6.75	3.51%	7.12	6.72	5.94%
Net asset value per share (BDT) Not restated	36.28	31.98	13.43%	35.69	31.49	13.33%
Market price per share (BDT)	36.00	33.20	8.43%	36.00	33.20	8.43%
Ratios (%)						
Capital to RWA ratio (CRAR) (as per Basel III)	15.03%	14.55%	7.91%	15.23%	14.74%	3.34%
Non performing loans	2.92%	3.36%	-13.19%	2.72%	3.35%	-18.79%
Cost to income ratio	45.80%	44.22%	3.57%	45.58%	43.76%	4.15%

Financial Goals and Performance (Bank)

Financial Goals and Performance (Bank)	Goals 2021	Actual 2020	Actual 2019
Capital to risk weighted assets ratio (CRAR)	15% Plus	15.23%	14.74%
Return on average equity (ROE)	14% Plus	15.04%	16.52%
Return on average assets (ROA)	1% Plus	1.22%	1.30%
Cost to income ratio	Less than 45%	45.58%	43.76%
NPL (%)	Less than 3.70%	2.72%	3.35%
Year-end deposits (BDT in million)	270,858	242,358	240,164
Year-end loans and advances (BDT in million)	255,697	228,944	232,051

Five-Year Progression

Particulars	2020	2019	2018	2017	2016
Balance sheet metrics					
Cash in hand and bank	28,702	48,647	33,297	32,152	25,771
Investment	63,949	39,797	27,720	24,361	21,449
Loans and advances	228,944	232,051	209,306	184,027	152,084
Fixed assets	7,711	7,349	6,637	5,923	5,940
Non-banking assets	106	109	134	134	154
Total assets	336,936	335,163	282,451	253,068	211,185
Borrowing	44,286	50,821	46,732	50,998	39,061
Deposits	242,358	240,164	199,629	167,348	140,284
Other liabilities	21,316	18,611	13,124	13,434	11,268
Shareholders' equity	28,976	25,567	22,966	21,586	20,572
Total Liabilities and Shareholders' Equity	336,936	335,163	282,451	253,068	211,185
Statutory liquidity reserve ratio (SLR) (at close of the year)	21.84%	13.97%	13.79%	14.83%	14.81%
Cash reserve ratio (CRR) (at close of the year)	4.56%	5.63%	5.69%	7.33%	6.70%
Liabilities to shareholders' equity (times)	10.63	12.11	11.30	10.72	9.27
Interest bearing assets	301,684	292,905	247,935	221,798	183,761
Earning assets	307,845	299,607	254,115	227,008	188,681
Earning assets to total assets	91.37%	89.39%	89.97%	89.70%	89.34%
Total off-balance sheet items	104,060	99,781	117,629	101,278	75,576
AD Ratio - DBO	74.13%	77.20%	83.08%	83.06%	80.45%
Income statement metrics					
Net interest income (excluding investment income)	5,930	8.159	7.506	5.745	5.529
Income from investments	5,049	2,752	2,318	3,415	3,315
Fees, commission, brokerage and other operating income	3,155	3,687	3,315	3,241	2,636
Operating income	14,134	14,597	13,139	12,401	11,481
Operating expense	6,441	6,387	5,995	5,605	5,063
Profit before provisions	7,692	8,210	7,144	6,796	6,418
Provision charged for loans, investment and other assets (net off w/off recovery)	1,001	1,954	2,558	2,739	2,019
Profit before tax (PBT)	6,691	6,256	4,586	4,057	4,400
Profit after tax (PAT)	4,103	4,008	3,081	2,405	2,656
Carrital matrice					
Capital metrics Authorised capital	12,000	12,000	12,000	12,000	12,000
Paid up capital			7,380	7,380	7,029
Total Risk weighted assets (RWA)	8,118	8,118		165,435	
			202,655		148,811
Tier-1 Capital	23,467	20,719	18,908 5,740	16,943	16,078 6,394
Tier-2 Capital		9,850		6,358	
Minimum Capital Requirement (MCR)	21,765	20,744	20,266	16,544	14,881
Total Regulatory capital (Tier 1 and Tier 2)	33,144	30,569	24,648	23,302	22,472
Capital to risk weighted assets ratio (CRAR)	15.23%	14.74%	12.16%	14.09%	15.10%
Tier-1 Capital to RWA	10.78%	9.99%	9.33%	10.24%	10.80%
Tier-2 Capital to RWA	4.45%	4.75%	2.83%	3.84%	4.30%
Leverage Ratio	5.97%	5.28%	5.26%	5.59%	6.35%
Liquidity Coverage Ratio (LCR) - DBO	210.90%	338.22%	127.67%	113.35%	103.70%
Net Stable Funding Ratio (NSFR) - DBO	105.49%	114.45%	104.07%	102.82%	102.60%

Particulars	2020	2019	2018	2017	2016
Balance sheet metrics					
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Profit after tax (PAT)	4,103	4,008	3,081	2,405	2,656
Capital metrics	12.000	10.000	10.000	12.000	12.000
Authorised capital		12,000	12,000	12,000	12,000
Paid up capital	8,118	8,118	7,380	7,380	7,029
Total Risk weighted assets (RWA)	217,654	207,437	202,655	165,435	148,811
Tier-1 Capital	23,467	20,719	18,908	16,943	16,078
Tier-2 Capital	9,678	9,850	5,740	6,358	6,394
Minimum Capital Requirement (MCR)	21,765	20,744	20,266	16,544	14,881
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Income from investments	5,049	2,752	2,318	3,415	3,315
Fees, commission, brokerage and other operating income	3,155	3,687	3,315	3,241	2,636
Operating income	14,134	14,597	13,139	12,401	11,481
Operating expense	6,441	6,387	5,995	5,605	5,063
Profit before provisions	7,692	8,210	7,144	6,796	6,418
Provision charged for loans, investment and other assets (net off w/off recovery)	1,001	1,954	2,558	2,739	2,019
Profit before tax (PBT)	6,691	6,256	4,586	4,057	4,400
Profit after tax (PAT)	4,103	4,008	3,081	2,405	2,656
Carrital matrice					
Capital metrics Authorised capital	12,000	12,000	12,000	12,000	12,000
Paid up capital			7,380	7,380	7,029
Total Risk weighted assets (RWA)	8,118	8,118		165,435	
			202,655		148,811
Tier-1 Capital	23,467	20,719	18,908 5,740	16,943	16,078 6,394
Tier-2 Capital		9,850		6,358	
Minimum Capital Requirement (MCR)	21,765	20,744	20,266	16,544	14,881
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Net Stable Funding Ratio (NSFR) - DBO	105.49%	114.45%	104.07%	102.82%	102.60%

BDT in million

BDT in million

Particulars	2020	2019	2018	2017	201
Asset quality metrics					
Non performing/classified loans (NPLs)	6,226	7,771	4,926	4,600	4,09
General provision for loans (cumulative)	3,678	3,350	3,290	2,960	2,54
Specific provision for loans (cumulative)	7,499	6,009	4,118	4,379	3,47
NPL Ratio	2.72%	3.35%	2.35%	2.50%	2.699
NPL coverage ratio (Specific provision + General Provision) / Gross NPL	179.51%	120.42%	150.39%	159.52%	146.99%
Trade business metrics (DBO)					
Export	124,926	137,379	128,235	98,493	91,83
Import (LC)	158,110	160,011	167,218	156,994	121,42
Guarantee	12,601	7,572	17,664	12,609	8,50
Efficiency ratios					
Cost of fund (interest expense / simple average borrowing and deposits)	4.76%	5.58%	5.30%	4.35%	4.75
Return on average equity (ROE)	15.04%	16.52%	13.83%	11.41%	12.94
Return on average assets (ROA)	1.22%	1.30%	1.15%	1.04%	1.33
Weighted average interest rate of loan (year-end) (A)	8.22%	10.83%	10.44%	9.47%	9.98
Weighted average interest rate of deposits (year-end) (B)	3.70%	6.16%	5.54%	5.06%	4.87
Spread (C = A - B)	4.52%	4.67%	4.90%	4.41%	5.11
Cost to income ratio	45.58%	43.76%	45.63%	45.20%	44.10
Share based metrics					
Earnings per share (EPS) in BDT (Not restated)	5.05	4.94	4.17	3.26	3.1
Operating profit per share in BDT (Not restated)	9.48	10.11	9.68	9.21	9.1
Market price per share (BDT) as on close of the year at DSE	36.00	33.20	36.00	51.10	29.0
Price earning ratio (times)	7.12	6.72	8.62	15.68	7.0
NAV (book value) per share in BDT (Not restated)	35.69	31.49	31.12	29.25	29.2
Market capitalization (at close of year)	29,225	26,952	26,568	37,712	20,3
Market price to NAV per share (times)	1.01	1.05	1.16	1.75	0.9
Dividend payment metrics					
Dividend (%)	35	15	30	20	2
-Cash (%)	17.5	15	20	20	4
-Stock (%)	17.5	-	10	-	
Dividend per share (DPS)	3.50	1.50	3.00	2.00	2.5
Dividend Cover (times)	1.44	3.29	1.39	1.63	1.5
Dividend Payout ratio (DPS / EPS) (%)	69.26%	30.38%	71.86%	61.38%	66.14
Dividend Yield (%)	9.72%	4.52%	8.33%	3.91%	8.62
Dividend Unclaimed Amount	83.54	73.41	68.34	57.37	50.
Other information (actual figure)					
Number of branches	85	85	85	84	
Number of sub-branches	5	3	-	-	
Number of agent banking outlet	29	26	2	-	
Number of CDM	67	61	59	54	!
Number of ATM	220	207	200	200	2
No. of ATM Booths	208	198	188	188	1
Number of permanent employees	1,896	1,892	1,715	1,594	1,5
	631,516	620,793	569,552	532,208	426,6
Number of deposit accounts					
Number of deposit accounts Number of loan Accounts	163,913	163,795	180,548	222,986	305,6

Horizontal Analysis

Balance Sheet

 ▲% -20.27% -55.09% -89.90% 60.69% -1.34% 4.92% 12.81% -2.91% 0.53% 	BDT 'M 19,690 28,957 594 39,797 232,051 7,349 6,616 109 335,163	 ▲% 20.52% 70.75% 100.00% 43.57% 10.87% 10.73% 23.50% -18.86% 18.66% 	BDT 'M 16,338 16,959 - 27,720 209,306 6,637 5,357 134 282,451	▲% 14.08% -4.89% 13.79% 13.74% 12.06% -17.21%	BDT 'M 14,321 17,831 - 24,361 184,027 5,923 6,471	▲% 17.40% 31.38% -100.00% 13.58% 21.00% -0.29%	BDT 'M 12,194 13,572 100 21,444 152,084
-55.09% -89.90% 60.69% -1.34% 4.92% 12.81% -2.91%	28,957 594 39,797 232,051 7,349 6,616 109	70.75% 100.00% 43.57% 10.87% 10.73% 23.50% -18.86%	16,959 27,720 209,306 6,637 5,357 134	-4.89% - 13.79% 13.74% 12.06%	17,831 24,361 184,027 5,923	31.38% -100.00% 13.58% 21.00%	13,572 100 21,44 152,084
-55.09% -89.90% 60.69% -1.34% 4.92% 12.81% -2.91%	28,957 594 39,797 232,051 7,349 6,616 109	70.75% 100.00% 43.57% 10.87% 10.73% 23.50% -18.86%	16,959 27,720 209,306 6,637 5,357 134	-4.89% - 13.79% 13.74% 12.06%	17,831 24,361 184,027 5,923	31.38% -100.00% 13.58% 21.00%	13,572 100 21,44 152,084
-89.90% 60.69% -1.34% 4.92% 12.81% -2.91%	594 39,797 232,051 7,349 6,616 109	100.00% 43.57% 10.87% 10.73% 23.50% -18.86%	27,720 209,306 6,637 5,357 134	13.79% 13.74% 12.06%	24,361 184,027 5,923	-100.00% 13.58% 21.00%	10(21,449 152,084
60.69% -1.34% 4.92% 12.81% -2.91%	39,797 232,051 7,349 6,616 109	43.57% 10.87% 10.73% 23.50% -18.86%	209,306 6,637 5,357 134	13.79% 13.74% 12.06%	24,361 184,027 5,923	13.58% 21.00%	21,449 152,084
-1.34% 4.92% 12.81% -2.91%	232,051 7,349 6,616 109	10.87% 10.73% 23.50% -18.86%	209,306 6,637 5,357 134	13.74% 12.06%	184,027 5,923	21.00%	152,084
4.92% 12.81% -2.91%	7,349 6,616 109	10.73% 23.50% -18.86%	6,637 5,357 134	12.06%	5,923		
12.81% -2.91%	6,616 109	23.50% -18.86%	5,357 134			-0.29%	E 0 / /
-2.91%	109	-18.86%	134	-17.21%	6 4 7 1		5,940
	_		-	-	0, 7 / 1	13.77%	5,688
0.53%	335,163	18.66%	282.451		134	-13.00%	154
				11.61%	253,068	19.83%	211,18
-12.86%	50,821	8.75%	46,732	-8.36%	50,998	30.56%	39,063
0.91%	240,164	20.31%	199,629	19.29%	167,348	19.29%	140,284
14.53%	18,611	41.81%	13,124	-0.10%	13,137	16.58%	11,26
-0.53%	309,596	19.31%	259,485	12.10%	231,482	21.44%	190,614
0.00%	8,118	10.00%	7,380	0.00%	7,380	5.00%	7,029
0.00%	8,118	10.00%	7,380	0.00%	7,380	5.55%	6,992
0.00%	603	0.00%	603	364.23%	130	0.00%	130
17.21%	3,031	2.21%	2,965	-19.34%	3,676	0.18%	3,669
50.66%	5,697	22.85%	4,638	53.58%	3,020	9.73%	2,75
13.33%	25,567	11.33%	22,966	6.40%	21,586	4.93%	20,57
0.53%	335.163	18.66%	282.451	11.61%	253.068	19.83%	211,18
	-0.53% 0.00% 0.00% 17.21% 50.66%	-0.53% 309,596 0.00% 8,118 0.00% 8,118 0.00% 603 17.21% 3,031 50.66% 5,697 13.33% 25,567	-0.53% 309,596 19.31% 0.00% 8,118 10.00% 0.00% 8,118 10.00% 0.00% 603 0.00% 17.21% 3,031 2.21% 50.66% 5,697 22.85% 13.33% 25,567 11.33%	-0.53% 309,596 19.31% 259,485 0.00% 8,118 10.00% 7,380 0.00% 8,118 10.00% 7,380 0.00% 603 0.00% 603 17.21% 3,031 2.21% 2,965 50.66% 5,697 22.85% 4,638 13.33% 25,567 11.33% 22,966	-0.53% 309,596 19.31% 259,485 12.10% 0.00% 8,118 10.00% 7,380 0.00% 0.00% 8,118 10.00% 7,380 0.00% 0.00% 603 0.00% 603 364.23% 17.21% 3,031 2.21% 2,965 -19.34% 50.66% 5,697 22.85% 4,638 53.58% 13.33% 25,567 11.33% 22,966 6.40%	-0.53% 309,596 19.31% 259,485 12.10% 231,482 0.00% 8,118 10.00% 7,380 0.00% 7,380 0.00% 8,118 10.00% 7,380 0.00% 7,380 0.00% 8,118 10.00% 7,380 0.00% 7,380 0.00% 603 0.00% 603 364.23% 130 17.21% 3,031 2.21% 2,965 -19.34% 3,676 50.66% 5,697 22.85% 4,638 53.58% 3,020 13.33% 25,567 11.33% 22,966 6.40% 21,586	-0.53% 309,596 19.31% 259,485 12.10% 231,482 21.44% 0.00% 8,118 10.00% 7,380 0.00% 7,380 5.00% 0.00% 8,118 10.00% 7,380 0.00% 7,380 5.55% 0.00% 603 0.00% 603 364.23% 130 0.00% 17.21% 3,031 2.21% 2,965 -19.34% 3,676 0.18% 50.66% 5,697 22.85% 4,638 53.58% 3,020 9.73% 13.33% 25,567 11.33% 22,966 6.40% 21,586 4.93%

	202	20	20:	19	20	18	20	17	2016
Particulars	BDT 'M	Δ%	BDT 'M	Δ%	BDT 'M	Δ%	BDT 'M	Δ%	BDT 'M
Interest Income	19,667	-15.09%	23,164	16.86%	19,821	37.66%	14,399	6.30%	13,546
Interest paid on deposits and borrowings	(13,737)	-8.45%	(15,005)	21.84%	(12,315)	42.30%	(8,654)	7.96%	(8,016)
Net Interest Income	5,930	-27.31%	8,159	8.69%	7,506	30.66%	5,745	3.89%	5,529
Non-interest Income	8,203	27.41%	6,439	14.30%	5,633	-15.37%	6,656	11.83%	5,952
Total operating income	14,134	-3.18%	14,597	11.10%	13,139	5.96%	12,401	8.01%	11,481
Total operating expenses	6,441	0.85%	6,387	6.54%	5,995	6.96%	5,605	10.71%	5,063
Profit before provisions	7,692	-6.31%	8,210	14.92%	7,144	5.13%	6,796	5.88%	6,418
Provision for loans and off- balance sheet exposures	1,170	-10.77%	1,311	-40.06%	2,188	-21.18%	2,775	21.33%	2,288
Other provision	(169)	-126.24%	643	73.43%	370	-1114.64%	(37)	-86.42%	(269)
Total provisions	1,001	-48.74%	1,954	-23.62%	2,558	-6.61%	2,739	35.68%	2,019
Profit before tax for the year	6,691	6.95%	6,256	36.42%	4,586	13.05%	4,057	-7.79%	4,400
Total provision for taxation	2,588	15.13%	2,248	49.36%	1,505	-8.88%	1,652	-5.23%	1,743
Profit after tax for the year	4,103	2.36%	4,008	30.10%	3,081	28.11%	2,405	-9.47%	2,656

Vertical Analysis

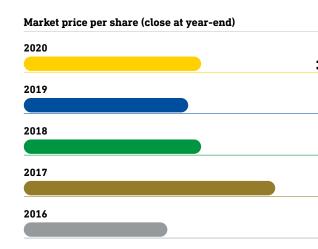
Balance Sheet

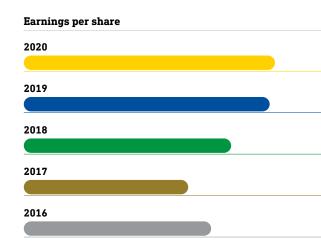
Particulare	202	20	201	.9 2018			201	.7	2016		
Particulars	BDT 'M	Mix (%)									
Property and Assets	·	·							·		
Cash in hand and balances											
with Bangladesh Bank and its	15,699	4.66%	19,690	5.87%	16,338	5.78%	14,321	5.66%	12,199	5.78%	
agent bank(s)											
Balances with other banks and financial institutions	13,003	3.86%	28,957	8.64%	16,959	6.00%	17,831	7.05%	13,572	6.43%	
Money at call and short notice	60	0.02%	594	0.18%	-	-	-	-	100	0.05%	
Investments	63,949	18.98%	39,797	11.87%	27,720	9.81%	24,361	9.63%	21,449	10.16%	
Loans and advances	228,944	67.95%	232,051	69.24%	209,306	74.10%	184,027	72.72%	152,084	72.01%	
Fixed assets	7,711	2.29%	7,349	2.19%	6,637	2.35%	5,923	2.34%	5,940	2.81%	
Other assets	7,464	2.22%	6,616	1.97%	5,357	1.90%	6,471	2.56%	5,688	2.69%	
Non banking assets	106	0.03%	109	0.03%	134	0.05%	134	0.05%	154	0.07%	
Total Assets	336,936	100.00%	335,163	100.00%	282,451	100.00%	253,068	100.00%	211,185	100.00%	
Liabilities and Equity											
Borrowing from banks, financial institutions and agents	44,286	13.14%	50,821	15.16%	46,732	16.55%	50,998	20.15%	39,061	18.50%	
Deposits and other accounts	242,358	71.93%	240,164	71.66%	199,629	70.68%	167,348	66.13%	140,284	66.43%	
Other liabilities	21,316	6.33%	18,611	5.55%	13,124	4.65%	13,137	5.19%	11,268	5.34%	
Total Liabilities	307,960	91.40%	309,596	92.37%	259,485	91.87%	231,482	91.47%	190,614	90.26%	
Shareholders' Equity											
Paid-up capital	8,118	2.41%	8,118	2.42%	7,380	2.61%	7,380	2.92%	7,029	3.33%	
Statutory reserve	8,118	2.41%	8,118	2.42%	7,380	2.61%	7,380	2.92%	6,992	3.31%	
General reserve	603	0.18%	603	0.18%	603	0.21%	130	0.05%	130	0.06%	
Other Reserve	3,552	1.05%	3,031	0.90%	2,965	1.05%	3,676	1.45%	3,669	1.74%	
Surplus in profit and loss account	8,584	2.55%	5,697	1.70%	4,638	1.64%	-	1.19%	2,752	1.30%	
Total Shareholders' Equity	28,976	8.60%	25,567	7.63%	22,966	8.13%	21,586	8.53%	20,572	9.74%	
Total Liabilities and Shareholders' Equity	336,936	100.00%	335,163	100.00%	282,451	100.00%	253,068	100.00%	211,186	100.00%	

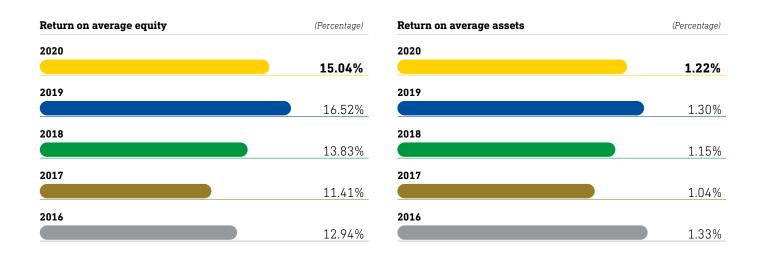
Profit and Loss Account

Particulars	20	20	2019		20	18	20:	17	2016	
T di lioutar5	BDT 'M	Mix (%)	BDT 'M	Mix (%)	BDT 'M	Mix (%)	BDT 'M	Mix (%)	BDT 'M	Mix (%)
Interest Income	19,667	70.57%	23,164	78.25%	19,821	77.87%	14,399	68.39%	13,546	69.47%
Interest paid on deposits and borrowings	(13,737)	-49.29%	(15,005)	-50.69%	(12,315)	-48.38%	(8,654)	-41.10%	(8,016)	-41.11%
Net Interest Income	5,930	21.28%	8,159	27.56%	7,506	29.49%	5,745	27.28%	5,529	28.36%
Non-interest Income	8,203	29.43%	6,439	21.75%	5,633	22.13%	6,656	31.61%	5,952	30.53%
Total operating income	14,134	50.71%	14,597	49.31%	13,139	51.62%	12,401	58.90%	11,481	58.89%
Total operating expenses	6,441	23.11%	6,387	21.58%	5,995	23.55%	5,605	26.62%	5,063	25.97%
Profit before provisions	7,692	27.60%	8,210	27.73%	7,144	28.07%	6,796	32.28%	6,418	32.92%
Provision for loans and off- balance sheet exposures	1,170	4.20%	1,311	4.43%	2,188	8.59%	2,775	13.18%	2,288	11.73%
Other provision	(169)	-0.60%	643	2.17%	370	1.46%	(37)	-0.17%	(269)	-1.38%
Total provisions	1,001	3.59%	1,954	6.60%	2,558	10.05%	2,739	13.01%	2,019	10.35%
Profit before tax for the year	6,691	24.01%	6,256	21.13%	4,586	18.02%	4,057	19.27%	4,400	22.56%
Total provision for taxation	2,588	9.29%	2,248	7.59%	1,505	5.91%	1,652	7.85%	1,743	8.94%
Profit after tax for the year	4,103	14.72%	4,008	13.54%	3,081	12.10%	2,405	11.42%	2,656	13.62%

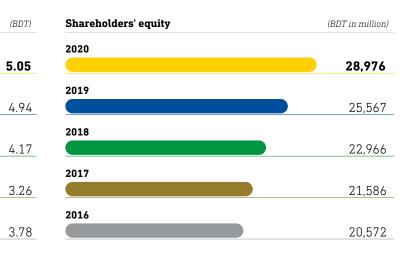
Graphical Presentation

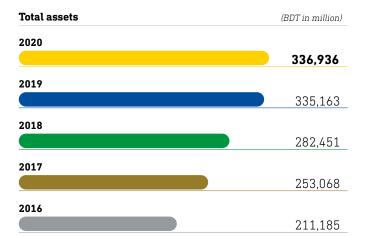












(BDT in million)

6,226

7,771

4,926

4,600

167,348

140,284

Non-performing loan (%)

Non-performing loan (Amount)

2020

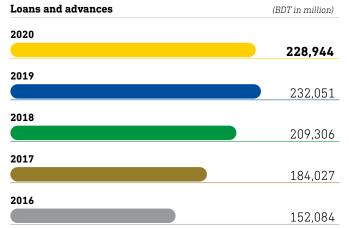
2019

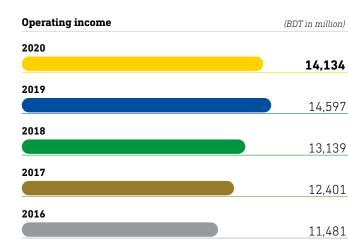
2018

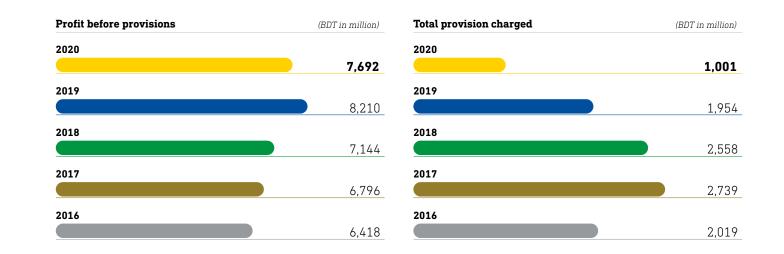
2017

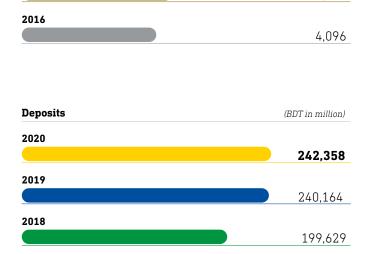
2017

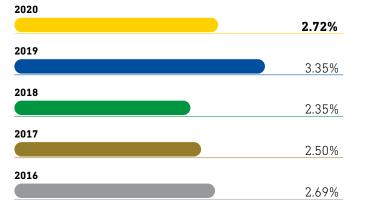
2016

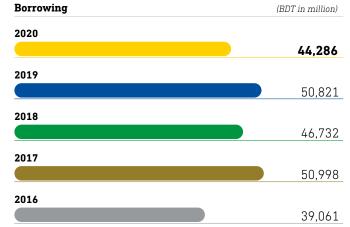


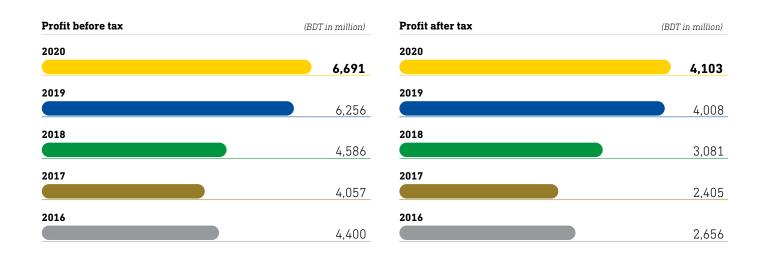




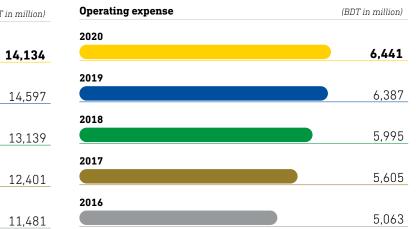








(Percentage)

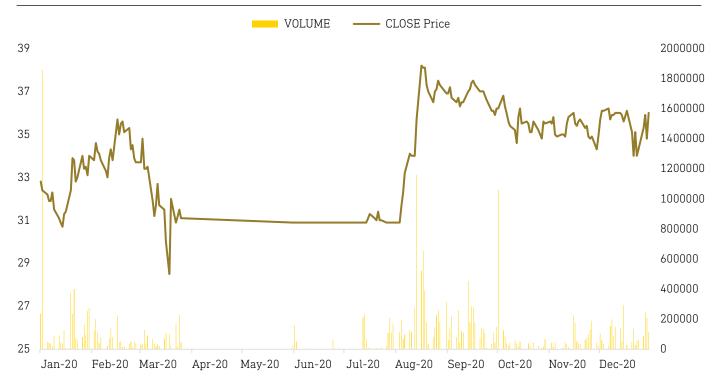


Stakeholders' Information

Stock Performance

Manth	DSE			CSE			Total Volume on DSE
Month	Month High	Month Low	Total Volume (Number)	Month High	Month Low	Total Volume (Number)	& CSE
Jan-20	35.30	30.60	4,657,187	35.00	30.00	29,252	4,686,439
Feb-20	36.00	30.60	1,423,857	37.70	32.00	22,112	1,445,969
Mar-20	35.20	28.00	1,265,377	34.00	30.00	16,974	1,282,351
Apr-20	Market Remained Closed						
May-20	31.10	30.90	24,596	Market Remained Close		24,596	
Jun-20	31.50	30.90	296,465	31.10	31.10	40	296,505
Jul-20	32.80	30.90	1,184,023	32.00	31.10	4,936	1,188,959
Aug-20	40.30	30.90	5,149,069	39.00	31.10	67,111	5,216,180
Sep-20	39.20	35.70	3,208,740	37.60	35.00	10,837	3,219,577
Oct-20	37.00	32.30	1,776,842	37.40	31.50	46,548	1,823,390
Nov-20	37.40	33.20	1,365,301	39.80	34.20	82,201	1,447,502
Dec-20	37.00	34.00	2,322,284	36.90	33.20	33,714	2,355,998

Price-Volume Movement of EBL



Market Value Added (MVA) Statement

Particulars	2020	2019
Face value per share (BDT)	10.00	10.00
Market value per share (BDT)	36.00	33.20
Number of shares outstanding	811,799,547	811,799,547
Market capitalization (BDT in million)	29,225	26,952
Book value of paid up capital (BDT in million)	8,118	8,118
Market value added (BDT in million)	21,107	18,834

Credit Rating of EBL

Local (CRISL)

Date of Rating : June 22, 2020	Valid up to: Jun	e 21, 2021
	Long Term	Short Term
Surveillance Rating	AA+	ST-1
Outlook	Developi	ing

Rationale

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

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

Global (Moody's)

EBL is the first company in the country rated by Moody's, a renowned global rating agency, in March 2016. The Bank has been assigned B1 rating in December 2020 that reflects the Bank's track record of relatively good asset quality, its moderate capitalization, robust earnings that is somewhat constrained by lending interest rate cap; and its modest deposit franchise.

Financial Calendar

Quarterly results

Particulars	Submission Date to BSEC
Un-audited financial statements for the 1 st quarter ended on 31 March 2020	14 May 2020
Un-audited financial statements for the 2 nd quarter ended on 30 June 2020	29 July 2020
Un-audited financial statements for the 3 rd quarter ended on 30 September 2020	19 November 2020

(F) Dividend

28 th Annual General Meeting	Notice date	28 June 2020
Declared 15% Cash Dividend for the year ended 31 December 2019	Record date	03 June 2020
28 th Annual General Meeting	Held on	05 August 2020
Disbursement of Cash Dividend	Date of disbursement	06 August 2020 &
חוזחת היא האמר היא האור היא ה		01 October 2020

Tax on dividend income

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

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

Tax on capital gain R.

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



Charge of tax on stock dividend

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



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

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



Particulars	DSE	CSE
Stock symbol	EBL	EBL
Company code	148	22025
Listing year	1993	2004
Market category	А	А
Electronic share	Yes	Yes
Market Lot (number)	1	1
Face value (taka)	10	10
Total number of securities	811,799,547	811,799,547



Particulars

Corporate disclosure upon approval of annual audited fin dividend, record date for dividend entitlement of the 28th Corporate disclosure of 1st guarter financial information Corporate disclosure of 2nd quarter financial information Corporate Disclosure of 3rd quarter financial information (un



Officials at investors' relation department

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

Md. Joynal Abedin

Share Department Eastern Bank Limited Z Tower (6th Floor) Holding No.04, Road No. 132 Gulshan-1, Dhaka-1212. Fax: 880-2-9892353 E-mail: joynal.abedin@ebl-bd.com Telephone: 9892260 (Direct) Mobile No. 01814-225335

	Date of disclosure	
nancial statements 2019, recommendation of	05 April 2020	
h AGM (05.08.2020) of EBL.	05 April 2020	
(un-audited) of EBL ended on 31 March 2020.	13 May 2020	
(un-audited) of EBL ended on 30 June 2020.	29 July 2020	
n-audited) of EBL ended on 30 September 2020.	19 November 2020	



Accessibility of annual report 2020

Annual Report 2020 and other information about EBL is available on EBL's website. EBL provides copies of Annual Reports to the Bangladesh Securities and Exchange Commission, Bangladesh Bank, Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited for their reference.

Glimpses from the 28th AGM



Chairman of EBL Md. Showkat Ali Chowdhury, other Directors of the Board and Company Secretary of EBL at the 28th AGM held on digital platform due to COVID-19 pandemic



Chairman of EBL Md. Showkat Ali Chowdhury addressing the shareholders through zoom webinar during the $28^{\rm th}\,{\rm AGM}$



MD & CEO of EBL Ali Reza Iftekhar responding to the queries of shareholders at the $28^{\rm th}\,\rm AGM$



A munajat was offered in memory of the deceased Director of EBL, Engr. A.M. Shaukat Ali and other shareholders who passed away in 2020 at the 28th AGM of EBL



Company Secretary of EBL Md. Abdullah Al Mamun giving his welcome speech at the $28^{\rm th}\,{\rm AGM}$



A shareholder giving his views on the performance of EBL



A shareholder presenting his analysis on the performance of the Bank



A shareholder giving a review analysis on overall performance of the Bank

GOVERNANCE REPORTS



Directors' Responsibility Statement

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

In compliance with section 184 of Companies Act 1994, the Annual Report which is presented in the Annual General Meeting (AGM) has a separate section as 'Directors' Report 2020' that contains, among others, a review of the following issues:

- State of the Bank's affairs: A review of financial performance and position has been presented in the Directors' Report 2020 and Management Discussion and Analysis (MD&A) section with relevant analytics.
- Any recommended reserve in the balance sheet: As the 'Statutory Reserve' has already equated with paid up capital of the Bank, no amount was required to transfer to 'Statutory Reserve' as per Section 24 of Bank Company Act 1991.
- **Recommended dividend:** The Board has recommended 17.5% cash dividend and 17.5% stock dividend for the completed vear 2020.
- Any event after balance sheet date which may affect company's financial condition: None.
- Any change in Bank's activities, subsidiaries' activities etc.: No major change in strategy and actions in the Bank and Subsidiaries experienced in 2020.

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

- Industry outlook and possible future developments in the industry: A brief review in this regard has been presented in the Directors' Report 2020.
- Segment-wise or product-wise performance: Business-wise performance has been presented in the MD&A section.
- Risks and concerns: A detailed discussion regarding risks and management of the same has been presented in "Risk Management" section of this Report.
- Discussion on operating performance: A brief description has been presented in "Financial Performance Highlights of EBL" part of the Directors' Report 2020.
- Discussion on continuity of any extra-ordinary gain or loss: In last five years, EBL has not experienced any extraordinary gain or loss. EBL's Five Year Progression presented

in the "Stakeholders' Information" section will provide detailed information to support this.

- Basis for related party transactions and a statement of all related party transactions: The basis for related party transactions has been stated in the "Corporate Governance Report" and a statement of related party transactions has been presented in the Annexure C1 of the Financial Statements 2020.
- Utilization of proceeds from public issues, rights issues and/or through any other instruments: Since taking over the businesses, assets, liabilities and losses of erstwhile Bank of Credit & Commerce International (Overseas) Limited. EBL did not raise any capital through public issues except a Right Issue in 2009. However, the Bank raised BDT 2,500 million and BDT 5,000 million through issuance of 7-year nonconvertible subordinated bonds in 2015 and 2019 respectively. The proceeds were utilized to generate liquidity and provide additional cushion in light of Capital to Risk Weighted Assets Ratio of the Bank.
- Deterioration of financial results after the company goes for IPO. RPO. Rights Offer. Direct Listing. etc.: Refer to the earlier paragraph, the Bank issued Right Share in 2009 but after that financial results of the Bank did not deteriorate.
- Explanation of variances between guarterly and annual financial performance: No major variances have been occurred between quarterly and annual performance.
- Remuneration to directors including independent directors: Remuneration provided to directors has been presented in the Corporate Governance Report and Note 32 and Note 33 to the Financial Statements.
- The financial statements prepared by the management present fairly its state of affairs, the result of its operations, cash flows and changes in equity: The financial statements prepared by the management as at and for the year ended 31 December 2020 present fairly, in all material respects, its state of affairs, the results of its operations, cash flows and changes in equity. The external auditors i.e. A. Qasem & Co., Chartered Accountants also provided their opinion on the same by issuing an unqualified audit report.
- Maintenance of proper books of account: Proper books of account as required by law have been kept by EBL. The external auditors i.e. A. Qasem & Co., Chartered Accountants also provided their opinion on the same in point (IV) of "Report on other legal and regulatory requirements" of their audit report.
- Consistent application of appropriate accounting policies and estimates in preparation of financial statements: Appropriate accounting policies have been consistently applied in preparation of the financial statements of the Bank and the accounting estimates are based on reasonable and prudent judgment. Estimates and underlying assumptions are

reviewed on an ongoing basis and any revision to these are recognized in the period in which the estimate is revised and in any future period affected.

- Following International Accounting Standards (IAS)/ International Financial Reporting Standards (IFRS), as applicable in Bangladesh, in preparation of financial statements and any departure there from has been adequately disclosed: Details description including disclosure of departures has been presented in Note 2.1 to the Financial Statements 2020.
- The system of internal control is sound in design and has been effectively implemented and monitored: A brief description in this regard has been presented in the 'Internal control system' paragraph under Directors' Report 2020.
- Protection of interest of minority shareholders and effective means of redress: The Bank is operated in accordance with the Articles of Association and all applicable laws and regulations of the land to ensure the greater interest of all the shareholders of the Bank. The Bank is committed to sound governance practices based on integrity, openness, fairness, professionalism and accountability in building confidence among stakeholders. However, any complaint, received at AGM or throughout the year, from any shareholders, is resolved lawfully in time.
- Significant doubts upon the Bank's ability to continue as a going concern: Nothing as yet.
- Explanations to significant deviations from the last year's operating results: Significant deviations of operating results in 2020 have been adequately discussed in the Directors' Report 2020 and MD&A section
- Summarization of last five year's key operating and financial data: Please see 'Five-Year Progression of EBL' in the section of Stakeholders' Information
- **Declaration of dividend or not:** Declared 17.5% cash dividend and 17.5% stock dividend for the year 2020.
- Declaration of bonus share or stock dividend as interim **dividend:** No bonus share or stock dividend was declared as interim dividend in 2020.
- No. of Board meetings and directors' attendance in 2020: Please see 'Board meeting and attendance' section under Corporate Governance Report.

- The pattern of shareholdings: Please see Corporate Governance Report and note 14.1 of the Notes to the Financial Statements 2020
- Brief resume of the directors and nature of their expertise in specific functional areas: Brief profile of directors and their representation in other companies have been presented in 'Profile of Board of Directors' section of this report and Annexure C of the Financial Statements 2020.
- Management's discussion and analysis signed by CEO/ MD: Please see 'Managing Director & CEO's Review' and 'Management Discussion and Analysis' section of this annual report
- Certification by the CEO and CFO: The certification of MD & CEO and CFO has been presented at the beginning of Financial Reports section of this annual report.
- Certificate on compliance of corporate governance code: The certificate issued by K.M. HASAN & CO., Chartered Accountants, has been presented at the end of Corporate Governance Report.

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

The Directors, to the best of their knowledge and information, hereby confirm that the Annual Report 2020 together with the Directors' Report and the Financial Statements have been prepared in compliance with applicable governing acts, rules, regulations, guidelines and laws of various regulatory bodies including Bangladesh Bank and BSEC.

On behalf of the Board of Directors

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Md. Showkat Ali Chowdhurv Chairman of the Board of Directors

Report of the Audit Committee

Audit Committee of the Board

The Audit Committee (AC) was formed as a subcommittee of the Board of Directors to protect the interest of stakeholders. The AC undertakes to engage in systematic and continuous review, monitoring and assessment of organizational performance against evolving regulatory requirements. Its roles and responsibilities were defined in line with the Corporate Governance Circulars of Bangladesh Bank (BB) and the Notifications of Bangladesh Securities and Exchange Commission (BSEC). Main objectives of AC are:

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

Composition and gualifications

SL No.	Name	Status with the Bank	Status with the Committee	Educational Qualification	Meeting Attendance	Remarks	
1.	Ashiq Imran	Independent Director	Member	Master of Science in Architecture	2/2	Joined Audit Committee on 20 October 2020	
2.	Mufakkharul Islam Khasru	Director	Member	MBA (IBA)	7/8	-	
3.	Gazi Md. Shakhawat Hossain	Director	Member	M.com (Accounting)	8/8	-	
Expire	Expired Director and Directors resigned from office:						
1.	A.M. Shaukat Ali	Director	Member	B. Sc (Engg.), Civil	5/5	Expired on 30 July 2020	
2.	Meah Mohammed Abdur Rahim	Independent Director	Ex-Chairman	Bachelor of Commerce/ A.I.C.S, B.Sc. in Economics & Finance.	6/6	Resigned from the office of Director on 20 October 2020	
3.	Ormaan Rafay Nizam	Independent Director	Member	Commerce Graduate	6/6	Resigned from the office of Director on 20 October 2020	

N.B: Dr. Toufic Ahmad Choudhury was appointed as Independent Director by the Board of Directors on 09 November 2020 subject to approval of Bangladesh Bank and Shareholders in the next Annual General Meeting (AGM).

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

Roles and responsibilities of Audit Committee

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

Internal control

• Evaluate whether management is adhering to appropriate risk management, compliance and governance practices and have clear understanding of their respective roles and responsibilities.

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

Financial reporting

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

Internal audit

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

External audit

- Make recommendations to the Board, to be put to shareholders for approval in the AGM, in relation to appointment, re-appointment and removal of the Bank's external auditors. The Committee shall oversee the selection process of new auditors and shall investigate any issue that might have led auditors to resign.
- Oversee the relationship with the external auditors including:
 - Approval of their remuneration i.e. fees for audit or nonaudit services.
 - Assessing annually their independence and objectivity taking into account relevant professional and regulatory requirements.
 - Satisfying itself that there are no relationships (such as family, employment, investment, financial or business) between the auditor and the Bank (other than in the ordinary course of business).
- Meet regularly with the external auditor, including once at the planning stage before the audit and once after the audit at the reporting stage. The Committee shall meet the external auditor at least once in a year, without management being present, to discuss their remit and any issues arising from the audit.
- Review the findings and recommendations made by the external auditors for removal of irregularities, if any, detected are duly acted upon by the management.

Compliance with existing laws and regulations

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

Miscellaneous

- The AC submits a 'Compliance Report' on quarterly rest to the Board mentioning any errors and irregularities, fraud and forgery and other anomalies pointed by Internal and External Auditor and Inspection Team from Bangladesh Bank.
- The AC submits an evaluation report relating to internal and external auditor of the Bank to the Board.
- This Committee supervises other assignments delegated by the Board and evaluate its own performance regularly.

Meetings of the Audit Committee

Bangladesh Bank suggested banks to hold at least 4 meetings in a year. The Audit Committee of EBL held 8 (Eight) meetings in 2020 and had detailed discussions and review sessions with the Head of Audit. Head of Internal Control & Compliance. External Auditors regarding their findings and remedial suggestions on various issues that need improvement. The AC instructed management to follow those remedial suggestions and monitored accordingly. Meeting dates are as follows:

SL No.	Meetings	Date of Meeting
01	121 Audit Committee Meeting	27 January 2020
02	122 Audit Committee Meeting	26 February 2020
03	123 Audit Committee Meeting	05 April 2020
04	124 Audit Committee Meeting	13 May 2020
05	125 Audit Committee Meeting	29 July 2020
06	126 Audit Committee Meeting	26 August 2020
07	127 Audit Committee Meeting	19 November 2020
08	128 Audit Committee Meeting	28 December 2020

Major areas dealt with by Audit Committee in 2020

- Reviewed annual financial statements of the Bank for the year 31 December 2019 as certified by the External Auditors before submission to the Board for consideration.
- Reviewed un-audited guarterly (Q1, Q2 and Q3) financial statements of the Bank for the year 2020 before submission to the Board for consideration.
- Reviewed Management Report on the Bank for the year ended 31 December 2019 submitted by the External Auditors, A. Qasem & Co., Chartered Accountants and its subsequent compliance thereof.

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- Reviewed and approved the 'Annual Audit Plan 2021' and 'Risk Based Audit Plan 2021' and 'Audit Plan of Subsidiary Companies' of EBL.
- Reviewed the compliance status of EBL for the half year ended 31 December 2019 as per DOS Circular Letter No. 10 dated 9 May 2017.
- Reviewed the compliance status of core risks of EBL and related risk level of branches, departments and subsidiaries of EBL.
- Reviewed the overdue status of all loans of current and ex-• employees of the Bank.
- Reviewed the Inspection Report (Surprise) on EBL Branches • issued by Bangladesh Bank and subsequent compliance by management thereof.
- Reviewed the appointment of external auditors and corporate governance auditors for the year 2020.
- Reviewed the revised audit plan submitted by Internal Audit • Department of EBL.
- Reviewed the prevention of Trade Based Money Laundering (TBML) • Policy, Asset Liability Management Policy, Foreign Exchange Risk Management Policy and Interest Rate Policy of EBL.

- Reviewed the report to the Shareholders of EBL on compliance of the corporate governance code as submitted by corporate governance auditor for the year ended 31 December 2019.
- Reviewed the directives under BRPD Circular Letter 56/2020 related to apportionment of interest income and loan loss provisioning of 'special general provision - COVID -19' against the loan portfolio which was granted payment deferral under the guidelines of BRPD circular 17/2020.
- Reviewed the Annual Health Report of EBL for the year 2019.
- Reviewed overall effectiveness of control system of EBL.

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

On behalf of the Audit Committee.

Ashiq Imran Independent Director

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

In compliance with BRPD Circular No. 11 dated 27 October 2013, the Board of Directors (BoD) formed the Risk Management Committee (RMC) of the Board on 07 November 2013 which was last reconstituted in Board Meeting held on 09 November 2020. The objective of the committee is to ensure risk governance; overseeing, directing and setting policies and reducing probable risks arising during implementation of policies, procedures and strategies.

Composition and gualifications

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

SL No.	Name	Status with the Bank	Status with the Committee	Educational Qualification	Meeting Attendance	Remarks	
1	Mir Nasir Hossain	Director	Chairman	M.Com (Accounting)	5/5	-	
2	Mufakkharul Islam Khasru	Director	Member	MBA (IBA)	1/2	Joined RMC on 05 August 2020	
3	Gazi Md. Shakhawat Hossain	Director	Member	M.Com (Accounting)	5/5	-	
4	Zara Namreen	Director	Member	Master of Science in Business Finance	1/1	Joined RMC on 09 November 2020	
Directo	Director retired from RMC and resigned from office:						
1	Anis Ahmed	Director	Ex-Chairman	B.Sc. (Finance), MBA	3/3	Served the committee till 05 August 2020	
2	Meah Mohammed Abdur Rahim	Independent Director	Member	Bachelor of Commerce / A.I.C.S, B.Sc. in Economics & Finance	3/4	Resigned from office of the Director on 20 October 2020	

SL No.	Name	Status with the Bank	Status with the Committee	Educational Qualification	Meeting Attendance	Remarks	
1	Mir Nasir Hossain	Director	Chairman	M.Com (Accounting)	5/5	-	
2	Mufakkharul Islam Khasru	Director	Member	MBA (IBA)	1/2	Joined RMC on 05 August 2020	
3	Gazi Md. Shakhawat Hossain	Director	Member	M.Com (Accounting)	5/5	-	
4	Zara Namreen	Director	Member	Master of Science in Business Finance	1/1	Joined RMC on 09 November 2020	
Directo	Director retired from RMC and resigned from office:						
1	Anis Ahmed	Director	Ex-Chairman	B.Sc. (Finance), MBA	3/3	Served the committee till 05 August 2020	
2	Meah Mohammed Abdur Rahim	Independent Director	Member	Bachelor of Commerce / A.I.C.S, B.Sc. in Economics & Finance	3/4	Resigned from office of the Director on 20 October 2020	

N.B: Dr. Toufic Ahmad Choudhury was appointed as Independent Director by the Board of Director on 09 November 2020 subject to approval of Bangladesh Bank and Shareholders in the next Annual General Meeting (AGM).

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

Roles and Responsibilities of RMC

highlighted below:

- RMC has to review the risk management policy and guidelines of the Bank at least once a year. make necessary modifications as per requirement and submit the same to the Board of Directors for consideration. Besides, the committee reviews the loan portfolio and takes necessary initiatives to modify the same as per requirement. guide management to formulate strategies for minimizing/ controlling risks. The committee (RMC) reviews the risk The committee monitors implementation status of risk management policy and modifies the same as required from management policy of the Bank and examines whether time to time. remedial measures have been taken to minimize credit risk, market risk and operational risk. governance structure is in place. Separate management The committee reviews various decisions and recommendations committees have been formed and monitored by RMC to made by different risk committees of management for onward ensure compliance with risk management guidelines related submission to Board of Directors. to credit risk, operational risks, foreign exchange risk, internal The committee complies with different directives/guidelines control and compliance risk, money laundering risk and
- The roles and responsibilities of RMC have been framed in line with the provisions of BRPD Circular No. 11 dated 27 October 2013 and other best practices. Some important roles and responsibilities are • It is the responsibility of RMC to identify and assess risks and • In order to mitigate risks, RMC ensures that a suitable risk information and communication technology risk. as issued by Regulators from time to time.

Meetings of the RMC

Bangladesh Bank advised RMC to hold at least 4 meetings in a year. In line with the same, RMC held 5 (Five) meetings during 2020 and had detailed discussions and review sessions with the management regarding their findings, observations and recommendations on various issues of interest and concern. Meeting dates were as follows:

SL	Meetings	Date of Meeting
01.	RMC Meeting 01	26 February 2020
02.	RMC Meeting 02	01 June 2020
03.	RMC Meeting 03	20 July 2020
04.	RMC Meeting 04	24 September 2020
05.	RMC Meeting 05	21 December 2020

Major areas focused by RMC in 2020

Major issues and areas of interest dealt with by RMC during 2020 are noted below:

- RMC highly focused on collection and recovery from delinquent assets and reviewed implementation status of the strategies adopted in meetings. Throughout the year RMC regularly monitored position of classified, special mention, writtenoff and compromised settlement accounts, recovery status therefrom and progress in the law suits. The highest amount of recovery so far from written off portfolio in a single year reflects on the effectiveness of this drive.
- Reviewed Top 50 credit exposure (Group) of EBL and advised management to closely monitor the account performance and to pay special attention to the vulnerable accounts.
- Reviewed concerning accounts; which may have been classified if payment deferral option/classification pause was not allowed by Bangladesh Bank during this pandemic. Also advised to increase monitoring and supervision for timely collection of scheduled EMIs to prevent forward flow.
- Reviewed monthly Risk Management Reports, half yearly Comprehensive Risk Management Reports (CRMR) and recommendations of ERMC (Executive Risk Management Committee) made during December 2019 to November 2020 and with certain directions endorsed the same for onward submission to Bangladesh Bank (BB).
- Reviewed Stress Test Reports from quarter ending December 2019 to quarter ending September 2020 and endorsed the same for onward submission to BB.
- Reviewed ICAAP (Internal Capital Adequacy Assessment Process) and SRP (Supervisory Review Process) return of EBL for the year 2019 and submitted to Board of Directors for consideration.

- Reviewed Comprehensive Risk Management Ratings of EBL for December 2019 and upon review endorsed the management strategies to mitigate the identified risks as highlighted in that rating report.
- Reviewed risk performance against approved Risk Matrix (Key Risk Indicators) for the year ending December 2019, half year ending June 2020 and month ending position from January to November 2020.
- Reviewed the reports on Risk Management Policies of EBL and effectiveness of risk management functions in the Bank for the year 2019.
- Reviewed and endorsed Bank's risk appetite/internal limits for 2020 on major risk areas to place towards Board of Directors for approval.
- Reviewed and approved Bank's Risk Matrix for the year 2020 and 2021 with appropriate Management Action Triggers (MAT).
- Reviewed liquidity positions and provided strategic directions on booking of low cost deposits with efficient liquidity management to maximize profitability amid pandemic.
- Reviewed report on customers of EBL having backward or forward linkage/dependency on China to assess impact on the Bank due to spread of Novel Coronavirus. Upon review RMC advised mitigation strategies to overcome this fall back situation.
- Reviewed EBL's credit portfolio in spinning sector; with a focus on factories having or not having captive consumption. RMC also reviewed EBL's credit portfolio on Microfinance Institutions (MFI) and NGOs and provided strategic directions for those sectors.
- Reviewed credit/risk evaluation process of Retail loans with a focus on credit scoring criteria i.e. profession, income level, whether EBL's payroll client or not etc. and evaluation process of commercial segments which includes involvement of different teams from credit initiation to post disbursement follow-up, periodical review, early alert mechanism etc. and provided strategic directions.
- Reviewed retail loans to jobholders where there is potential risk of classification due to job cut or salary reduction under pandemic situation and advised reassessment before disbursement for the approvals given before March 2020.
- Reviewed and approved revised Value at Risk (VaR) policy of the Bank.

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

On behalf of RMC,

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

Report of the Asset-Liability Committee

Banks must have Asset-liability Committee (ALCO) comprising of designated senior officials of the Bank to make important decisions regarding issues related to asset-liability management. The committee, typically known as ALCO, should meet at least once in every month to analyze, review and formulate strategy to manage the balance sheet. Details of composition of ALCO are stated in the section of 'Management Committees'.

ALM (Asset-liability management) desk

ALM desk prepares the ALCO pack, ALCO meeting minutes, and circulate the approved minutes. Moreover, monitoring developments of local and international market and updating ALCO about the changes in the market are responsibilities of ALM desk.

Meetings of the ALCO

ALCO meeting, generally, takes place in every month but if required, ALCO chairman may call unscheduled emergency meetings. ALCO's responsibility is defined in the ALM policy of the Bank.

Roles and responsibilities of ALCO

Major areas	Roles and responsibilities
ALCO management &	Holding a formal mee
reporting	Monitoring and discu
	Reviewing the intere
	achieve goals.
	Assessing liquidity ga
	Confirmation of last A
	Reporting ALCO minu
Balance sheet planning	Setting up annual pla
	Decision making on a
	Discussing innovativ
	Reviewing the decisi
	trading desk to captu
Core asset-liability	Reviewing limits on s
management	limits on monthly bas
	Developing parameter
	Net interest margin o
	Interest income proje
	Interest rate sensitivi
	Concentration of diffe
Liquidity risk management	Liquidity management st
	Setting up limits that g
	Dependency on volat
	Managing lending of
	Liquidity management u
	Complying predesign
	Review contingency
	Monitoring liquidity
	contingency funding

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eting (usually once in a month). Informal meetings are held on requirement basis. Issing the status and results of decisions taken in the previous ALCO.

est rate risk and liquidity risk status of the Bank and focusing on action plan to

ap and interest-rate risk.

ALCO Minutes.

utes to the Board along with market commentary and latest ALM indicators.

an and reviewing it on quarterly basis.

choosing ideal yield curve for fund transfer pricing.

ve ideas to boost growth at minimum risk per unit of return.

ions taken by investment committee and actions of money market, fixed income ure the short term trading and interest rate arbitrage opportunities.

structural gap in LCY & FCY on annual basis and ensuring compliance with the usis.

ers for the pricing and maturity distribution of deposits, loans and investments. on current balance sheet and forecasted balance sheet.

ections.

rity analysis.

erent asset classes based on liquidity concern in the balance sheet.

trategy

guide liquidity management of the Banks and ensuring compliance on regular basis. tile liability and ensuring funding diversification.

f funds.

nder stress situation

ned contingency funding plan.

funding plan on regular interval.

ratios and their skewedness towards contingency situation described in the plan.

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

Major areas focused by ALCO in 2020

- Investment in High Quality Liquid Asset (HQLA)
- Investment in other banks Tier-II subordinate bond •
- Balance sheet management
- Taking advantage from money market Liquidity
- Prudently managing bank's deposit rate •

On behalf of the Asset-Liability Committee

(leans)

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

Report of the Executive Risk Management Committee

Eastern Bank Ltd. formed an Executive Risk Management Committee (ERMC) comprising of senior officials of the Bank to supervise proper and timely identification, measurement and mitigation of risks exposed by the Bank in a comprehensive manner and recommend necessary mechanism for proper application and practice of sound risk management. ERMC meets once a month to analyze, review and formulate strategy to manage the risks across the Bank

Composition of the Committee

The committee is functioning under the leadership of Chief Risk Officer (CRO). Head of Risk Management Division (RMD) acts as the Member Secretary of the committee. Other members of this committee are: Head of Corporate Banking, Head of ICC & CAMLCO, Head of CRM, Head of Treasury, Chief Technology Officer, Head of Operations, Chief Financial Officer, Head of Retail & SME Banking, Head of Credit Administration, Head of Special Asset Management and Head of Human Resources. Details of composition of ERMC are stated in the section of 'Management Committees'.

Meetings of ERMC

ERMC meeting, takes place in every month but if required, chairman may call unscheduled emergency meetings. In absence of Chairman; Head of ICC & CAMLCO presides the meeting. ERMC's responsibility is defined in its Terms of Reference approved by Risk Management Committee (RMC) of the Board. Presence of at least two-third members in the meeting is necessary to fulfill the quorum. If any member remains out of office for any pre-set obligations, medical grounds, on leave etc., the member nominates an alternate member as representative. Absence of any member consecutively for the second time or without prior consent from the Chair of ERMC is notified to MD & CEO.

Roles and responsibilities of the Committee

- 1. The Committee reports high-risk issues directly to RMC of the Board, and provides a copy to MD & CEO for acknowledgement.
- 2. The Committee submits risk reports on monthly basis to MD & CEO. However, any exceptional situation is immediately reported to MD & CEO after detection of such events.
- 3. ERMC picks key risk issues from meetings and escalates those to MANCOM for necessary resolutions if not resolved in ERMC.
- 4. ERMC takes resolution on the risk issues as discussed in the meeting with specific deadline for execution. Failure to meet the deadline also escalated to MD & CEO for appropriate direction.

- 5. The Committee ensures submission of Risk Appetites to Department of Off-site Supervision of Bangladesh Bank by end of February of every year and supervises whether the Bank's risk exposures stays within acceptable level.
- 6. RMD presents to the Committee Stress test results along with Comprehensive Risk Management Report (CRMR) to appraise and measure the shock resilience capacity of the Bank.
- 7. The Committee oversees the timely submission of Stress test results, CRMR and meeting minutes of ERMC to Bangladesh Bank within the stipulated timeframe as prescribed by Bangladesh Bank.
- 8 ERMC devises mechanism to entrust any individual/ department to raise any material risk issues to ERMC through Head of RMD. In this regard, periodic self-declaration from divisional heads is an option. Head of RMD is to assess the extent of risk of those issues, investigate further (if required) on those and place the issue as agenda to ERMC.

Major areas focused by ERMC in 2020

- Supervised implementation of newly introduced OBO Guideline of Bangladesh Bank.
- Reviewed policies and endorsed for submission to the Audit Committee/RMC of the Board.
- Reviewed all risk related reports throughout the year and adopted suitable mitigating measures.
- Analyzed impact of interest rate capping on the bank and suggested probable way forward to ALCO.
- Analyzed impact of payment pause and freezing of classification status on Bank's profitability.
- Kept an eye on the mitigation measures taken by the Bank to shield from Beagleboyz malware attack.
- Overseeing the progress of utilizing stimulus package fund formed by Bangladesh Government for COVID affected businesses.

On behalf of the Executive Risk Management Committee

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

Dividend Distribution Policy of EBL

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

Major highlights of the Dividend Distribution Policy are as follows:

Procedure for payment of dividends

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

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

Interim dividend

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

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

Final dividend

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

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

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

Entitlement to dividend

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

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

Payment of dividend

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

Cash dividend

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

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

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

Stock dividend

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

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

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

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

Payment of unclaimed or unpaid cash dividend and stock dividend

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

Submission of dividend distribution compliance report

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

Corporate Governance Report

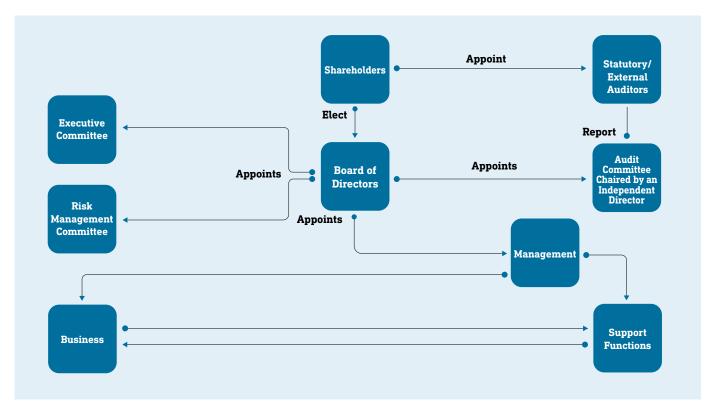
Corporate governance

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

Governance structure of the Bank

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

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



Guiding philosophy of governance practices

Principles of good governance are embedded in the core values of EBL, a Bank that strongly believes in inclusive and sustainable growth. As a locally incorporated bank, two key regulators-Bangladesh Bank (Central Bank of Bangladesh) and Bangladesh Securities and Exchange Commission (BSEC) played a major role in shaping governance structure and practices of the Bank.

However, the Bank's corporate governance philosophy encompasses not only regulatory and legal requirements but also various internal rules, policies, procedures and best practices of local and global banks. As a responsible corporate citizen, the Bank is committed to sound governance practices based on integrity, openness, fairness, professionalism and accountability in building confidence among stakeholders.

The corporate governance philosophy of the Bank is based on the following principles:

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

Structure of the Board

According to Clauses 94 of the Articles of Association of EBL, the Board of Directors (BoD) currently comprises 11 directors among whom 10 (ten) are Non-executive directors including the Chairman and 1 (one) is the Managing Director (Ex-Officio). The Board of Directors of the Bank appointed 2 (two) Independent Directors as prescribed in the BSEC Corporate Governance Guidelines (No. 1.2), and Section 15 of Bank Company Act 1991.

Policy on appointment of Directors

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

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

Board meeting and attendance

The Board of Directors holds meetings on regular basis: usually twice in a month but emergency meetings are called as and when reguired. Management provides information, references and detailed working papers for each item of agenda to all the Directors well ahead of time fixed for the BoD meeting for consideration. In the meeting, the Chairman of the BoD allocates sufficient time for the Directors to consider each item of the agenda and allow them to discuss, inquire, and express opinions freely on the items of interest so that they can fulfill their duties to the best of their abilities. During the year 2020, a total 20 Board Meetings were held; the attendance records are as follows:

SL. No.	Name	Position	No. of meetings attended	Remarks
1.	Md. Showkat Ali Chowdhury	Chairman	19/20	-
2.	M. Ghaziul Haque	Director	15/20	-
3.	Mir Nasir Hossain	Director	18/20	-
4.	Salina Ali	Director	18/20	-
5.	Anis Ahmed	Director	15/20	-

Reports Governance

Retirement and election of Directors

According to Clauses 105 & 106 of the Articles of Association of EBL, following Directors retired and being eligible were re-elected in the 28th Annual General Meeting (AGM) held on 5 August 2020.

SL. No.	Name of Director	Mode of change
1.	Md. Showkat Ali Chowdhury (Representing Namreen Enterprise Ltd.)	Re-elected
2.	Mir Nasir Hossain (Representing Mir Holdings Ltd.)	Re-elected

NB: One of the retired directors (by rotation) Mr. A. M. Shaukat Ali expired on 30 July 2020 during the interim period after declaration of Schedule for Election of Directors of EBL.

As per Clauses 105 & 106 of the Articles of Association of the Bank, 3 (three) Directors shall retire by rotation from the office of the BoD in the 29th AGM and all of them are eligible for re-election.

Non-Executive Director

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

Independent Directors

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

SL. No.	Name	Position	No. of meetings attended	Remarks
6.	Mufakkharul Islam Khasru	Director	16/20	
7.	Gazi Md. Shakhawat Hossain	Director	18/20	
8.	K.J.S Banu	Director	06/06	Appointed on 23 September 2020
9.	Zara Namreen	Director	05/06	Appointed on 23 September 2020
10.	Ashiq Imran	Independent Director	02/03	Appointed on 20 October 2020
11.	Ali Reza Iftekhar	Managing Director & CEO	19/20	-
Expired	Director and Directors resigned from office:			
1.	A. M. Shaukat Ali	Director	09/11	Expired on 30 July 2020
2.	Meah Mohammed Abdur Rahim	Independent Director	12/14	Resigned from office of the Director on 20 October 2020
3.	Ormaan Rafay Nizam	Independent Director	13/14	Resigned from office of the Director on 20 October 2020

N.B: Dr. Toufic Ahmad Choudhury was appointed as Independent Director by the Board of Directors on 09 November 2020 subject to approval of Bangladesh Bank and Shareholders in the next Annual General Meeting (AGM).

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

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

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

Ownership Composition

As on 31 December 2020 the Directors of EBL held 30.18% of total shares whereas Financial Institutions and General Public held 10.76% and 59.06% respectively:

SL. No.	Commonitien	31-12-	-2020	31-12-2019		
	Composition	No of Shares Held	% of total shares	No of Shares Held	% of total shares	
1	Directors	245,030,885	30.18%	256,202,162	31.56%	
2	General Public	479,452,756	59.06%	467,477,192	57.59%	
3	Financial Institutions	87,315,906	10.76%	88,120,193	10.85%	
		811,799,547	100.00%	811,799,547	100.00%	

Directors' shareholding status

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

Shareholding structure of directors is as follows:

ຣເ.	Name	Position	31-12-2020		
ວເ.	Name		No of Shares Held	% of total shares	
1	Namreen Enterprise Ltd.	Chairman	32,181,422	3.97%	
1.	(Represented by Md. Showkat Ali Chowdhury)				
2.	M. Ghaziul Haque	Director	26,067,699	3.21%	
3.	Mir Holdings Ltd.	Director	40.480.059	4.99%	
з.	(Represented by Mir Nasir Hossain)	Director	40,460,059	4.99%	
1.	Borak Real Estate Ltd.	Director	20 020 075	4.79%	
4.	(Represented by Salina Ali)	Director	38,938,875	4.79%	

C1	Nama	Desilier	31-12-2	020
Sl.	Name	Position	No of Shares Held	% of total shares
5.	MGH Healthcare Limited (Represented by Anis Ahmed)	Director	16,559,020	2.04%
6.	ZS Holding Ltd. (Represented by Mufakkharul Islam Khasru)	Director	16,240,000	2.00%
7.	Purnima Construction (Pvt.) Ltd. (Represented by Gazi Md. Shakhawat Hossain)	Director	36,627,403	4.51%
8.	K. J. S. Banu	Director	21,696,407	2.67%
9.	Namreen Power Limited (Represented by Zara Namreen)	Director	16,240,000	2.00%
10.	Ashiq Imran	Independent Director	-	-
11.	Ali Reza Iftekhar	Managing Director & CEO	-	-
	Total		245,030,885	30.18%

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

Please refer to Note 14.1 to the Financial Statements of 2020.

Separation of Chairman and Chief Executive Officer Roles

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

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

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

Major roles and responsibilities	Brie	f Particulars
Work planning and strategic	•	Determine the o
management	•	Making strategie efficiency and of
	•	Analyze/ monito
	•	Set the Key Perf CEO, and have it

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

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

Roles and responsibilities of the Board of Directors

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

objectives and goals and chalk out strategies and work plans.

ies relating to structural change and reformation for enhancement of institutional other relevant policy matters.

tor the development of implementation of the work plans.

rformance Indicators (KPIs) for the CEO & officers immediate two tiers below the t evaluated from time to time.

Major roles and responsibilities	Brief Particulars
Credit and risk management	• Formulate policies, strategies, procedures etc. in respect of appraisal of loan proposal, sanction, disbursement, recovery, reschedule and write-off under the purview of the existing laws, rules and regulations.
	Distribute the power of sanction of loan among the CEO and his subordinate executives as much as possible.
	Frame policies for risk management and monitor the compliance of the guidelines of Bangladesh Bank regarding key risk management.
Internal control management	• To be vigilant on the internal control system of the bank in order to attain and maintain satisfactory qualitative standard of its loan portfolio.
	• Establish such an internal control system so that the internal audit process can be conducted independently from the management.
	• Review the reports submitted by its audit regarding compliance of recommendations made in internal and external audit reports and the Bangladesh Bank inspection reports.
Human resources management and development	• Framing policies relating to recruitment, promotion, transfer, disciplinary measures, human resources development etc. and service rules.
	• In no way involve themselves or interfere into or influence over any administrative affairs including recruitment, promotion, transfer and disciplinary measures as executed under the set service rules.
	• Carrying out recruitment, promotion, transfer and punishment of the officers' immediate two tiers below the CEO in complying with the service rules.
	• Attention to the development of skills of bank's staff in different fields of its business activities including prudent appraisal of loan proposals, and adoption of modern electronic and information technologies and introduction of effective Management Information System (MIS).
	Compose Code of Ethics for every tier and promote healthy code of conducts for developing a compliance culture.
Financial management	Finalize and approve annual budget and statutory financial statements.
	Review/monitor the positions in respect of bank's income, expenditure, liquidity, non-performing asset, capital base and adequacy, maintenance of loan loss provision and steps taken for recovery of defaulted loans including legal measures.
	• Frame policies and procedures for bank's purchase and procurement activities and accordingly approve the distribution of power for making such expenditures. Decision on matters relating to infrastructure development and purchase of land, building, vehicles etc. for the purpose of bank's business to be adopted with the approval of the Board.
	Review whether an Asset-Liability Committee (ALCO) has been formed and is working as per Bangladesh Bank guidelines.
Appointment of Chief Executive Officer (CEO)	Appoint an honest, efficient, experienced and suitable CEO or Managing Director with the approval of Bangladesh Bank.
Formation of supporting committees	• Form an executive committee, an audit committee and a risk management committee with the directors. Board can't form any other permanent, temporary or sub- committee except the mentioned three committees.

Responsibilities of the Chairman of the Board

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

The overall responsibilities of the Chairman are to:

- Ensure that the Board sets and implements the Bank's direction and strategy effectively.
- Act as the Bank's lead representative, explaining aims and policies to the shareholders.

• Ensure no participation in or interference into the administrative or operational and routine affairs of the Bank.

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

- Provide overall leadership to the Board, setting vision and driving innovation, working closely with the CEO.
- Take a leading role in determining the composition and structure of the Board which will involve regular assessment of the
 - size of the Board.
 - quality of interaction, harmony and involvement of the Directors.
- Set the Board's Agenda and plan Board Meetings.
- Chair all Board Meetings, directing debate towards consensus
- Ensure that the Board receives appropriate, accurate, timely and clear information.
- Chair the AGM and other Shareholders' Meetings to foster effective dialogue with shareholders.
- Ensure that the views of shareholders are communicated to the Board as a whole.
- Work with Chairman of Board Committees.
- · Conduct (if required) on-site inspection of any branch or financing activities under the purview of the oversight responsibilities of the Board.

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

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

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

- In terms of financial, business and administrative authorities vested upon him by the BoD, the CEO shall discharge his own responsibilities. He shall remain accountable for achievement of financial and business targets by means of business plan, efficient implementation thereof and prudent administrative and financial management.
- The CEO shall ensure compliance of the Bank Company Act 1991 and other relevant laws and regulations in discharging routine functions of the Bank.
- At the time of presenting any memorandum in the Board Meeting or Board Committee Meeting, the CEO shall point out if there is any deviation from the Bank Company Act 1991 and other relevant laws and regulations.
- The CEO shall report to Bangladesh Bank of issues in violation of the Bank Company Act 1991 or of other laws/regulations.

- The recruitment and promotion of all staffs of the Bank except those in the two tiers below him shall rest on the CEO. He shall act in such cases in accordance with the approved 'EBL people management policy'.
- The authority relating to transfer and disciplinary measures against the staff, except those at two tiers below the CEO, shall rest on him. Besides, under the purview of the 'EBL people management policy' approved by the BoD, he shall nominate officers for training and other related issues.

Appointment of CFO, Head of ICC and CS

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

Independence of Non-Executive Directors

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

Annual appraisal of the Board's performance

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

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

Annual evaluation of MD & CEO by the Board

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

- Compliance status of various assignments given by the Board to CEO and his team from time to time.
- Variance analysis of Budget vs. Actual result and steps taken by CEO to achieve the budgeted target.
- Among the financial parameters, NPL ratio, Growth of Loan & Deposit, Cost to Income Ratio, Loans write off and its recovery, Capital to Risk Weighted Assets Ratio, Credit to Deposit Ratio etc. are the common ones.

Training of Directors

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

Directors' knowledge and expertise in Finance and Accounting

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

Compliance with corporate governance guidelines

The status of compliance of Corporate Governance Code issued by BSEC have been presented in page no. 94-105. K.M. HASAN & CO. Chartered Accountants, duly certified the compliance status of corporate governance code and issued a report which is presented in page no. 106.

Vision, Mission and Strategy of the Bank

- The vision and mission statement of the Bank approved by the Board of Directors is presented in page no. 11 of this report. The said statements are also disclosed in Bank's website and other related publications.
- Strategic priorities which are time to time directed by the Board have been presented in page no. 13 of this annual report
- Our sector wise business objectives, strategies, priorities and future business outlooks have been elaborately described in "Management Discussion and Analysis" section of this report.

Board Committees and their Responsibilities

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

To ensure proper accountability and transparency, EBL has three Board committees namely Executive Committee, Audit Committee and Risk Management Committee to oversee and direct the operations, performance and strategic direction of the Bank. The composition of the said Board Committees is presented in the page no. 15.

Executive Committee (EC)

• Appointment and composition: In Compliance with Section 15 Kha (2) of Bank Company Act 1991 and BRPD Circular No. 11 dated 27 October 2013, the Board of Directors of EBL has re-constituted the Executive Committee (EC) of the Board in 2020 with four members (maximum limit is seven members). None of them are the members of Audit Committee of the Board. The Company Secretary acts as the secretary of the committee

The EC is comprised of 3 (three) Non–Executive Directors and Managing Director & CEO of the Bank. Details of EC members are stated in page no. 15.

Meeting and responsibilities of EC: The EC of a larger sized BoD usually acts as a proxy for full BoD; attends a meeting with short notice and takes decisions to ensure smooth flow of banking businesses. However, any decision taken by the committee has to be subsequently ratified by the full Board. There were 4 (four) EC meetings held in 2020.

Audit Committee (AC)

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

- Appointment and composition: In compliance with Bangladesh Bank BRPD Circular No.11 dated 27 October 2013 and BSEC's Corporate Governance Code dated 03 June 2018. Audit Committee (AC) of EBL Board has been re-constituted by the BoD from time to time to review and oversee company's financial reporting, non-financial corporate disclosures, internal control systems and compliance to governing laws, rules and regulations etc. independently. Details of AC members are stated in page no. 15.
- Chairman of the AC: Chairman of the AC is an Independent Director who performs his duties with full freedom.
- Members are Non-Executive Directors: All members of the AC are Non-executive Directors. No Executive of the Bank is eligible to become a member of the AC. Also, no member of EC is nominated as the member of the AC.
- Qualification of members of AC: All members of the AC are financially literate and two members have post-graduation degree in Accounting and Business Administration. Moreover, all members of the AC have reasonable knowledge on banking business, its operations, and risks involved in it.
- Terms of Reference (ToR) of AC: The ToR of the AC has been framed in line with the provisions of BRPD Circular No. 11

dated 27 October 2013. Corporate Governance Code issued by BSEC on 03 June 2018, and other best practice corporate governance guidelines and standards. Some important roles and responsibilities of AC as per ToR have been described in "Report of the Audit Committee" section of this report.

- Internal Control & Compliance Division's Access to AC: Heads of Internal Control & Compliance (ICC) and Internal Audit have direct access to the AC as and when required. In addition, the AC meets the Head of ICC and the Head of Internal Audit at least once in a year, without management being present, to discuss their remit and any issues arising from the internal audits carried out
- Objectives and activities of the AC: The AC regularly reviews • the internal control system of the Bank and the quarterly, half yearly and annual financial statements of the Bank before submission to the Board for consideration. The objectives and activities of the AC have been described in "Report of the Audit Committee" section of this annual report.
- Meeting of the Audit Committee: The Audit Committee of EBL held 8 (eight) meetings in 2020 and had detailed discussions and review sessions with the Head of ICC, Head of Internal Audit, External Auditors regarding their findings, observations and suggestions with corrective measures. The AC instructed the management to follow those suggestions and monitored accordingly from time to time.

The Minutes of the Audit Committee Meetings containing various suggestions and recommendations to the Management and the Board are placed to the Board for ratification on a regular basis. The major areas focused by the AC during the year 2020 have been presented in "Report of the Audit **Committee**" section of this annual report.

Risk Management Committee (RMC)

• Appointment and composition: In Compliance with BRPD Circular No. 11 dated 27 October 2013. the Board of Directors of EBL has formed a three-member Risk Management Committee (RMC) of the BoD on 07 November 2013 and was last reconstituted with five members in November 2020 (maximum limit is five members). The RMC has been formed to minimize probable risks arisen during implementation of Board approved policies, procedures and strategies. The RMC is entrusted to examine and review whether management is properly working on identification, management and mitigation of credit risk, foreign exchange risk, internal control and compliance risk, money laundering risk, information and communication technology risk, operational risk, interest rate risk and liquidity risk and keeping adequate provision and capital against the said risks.

All five members of this RMC are Non-Executive Directors: details of RMC members are stated in page no. 15.

• Roles and responsibilities of RMC: It is the responsibility of RMC to identify and assess risk and guide management to formulate action plans for minimizing/controlling of risk. The committee reviews the risk management policy and modify

the same as per requirement. Some important roles and responsibilities of RMC have been described in **"Report of the** Risk Management Committee of the Board" section of this report.

- Activities of RMC: Major activities of RMC in 2020 have been described in "Report of the Risk Management Committee of the Board" section of this report.
- Meeting of the RMC: The committee is required to conduct at least four meetings in a year although it can be more as per requirement. The committee may call the CEO, Chief Risk Officer (CRO) or any executive to attend the committee meeting. The RMC held 5 (five) meetings during 2020 and had detailed discussions and review sessions with the CRO regarding their findings, observations and recommendations on issues of Bank affairs that need improvement. The major areas focused by the RMC during 2020 have been presented in "Report of the Risk Management Committee of the Board" section of this report.

Benefits provided to Directors and Managing Director

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

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

EBL has fully complied with Bangladesh Bank Circulars and Guidelines.

Establishment and review of internal control system

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

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

Risk management

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

The risk management system of EBL has been described in "Risk Management" section of this report. Also the roles and responsibilities of RMC and major areas focused by RMC in 2020 have been presented in "Report of the Risk Management Committee of the Board" section of this report.

Appointment of external auditors

The shareholders of EBL in the 28th AGM held on 5 August 2020 appointed A. Qasem & Co., Chartered Accountants, as the statutory auditors for the year 2020.

Services not provided by external auditors

In compliance with the provision 7 of BSEC Corporate Governance Code, we declare that A. Qasem & Co., Chartered Accountants, was not engaged in any of the following services during 2020 while conducting statutory audit:

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

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

Highlights on Central Bank inspections

The role of central bank inspection has been pivotal to ensure that banks are compliant to relevant laws and regulations. Bangladesh Bank conducted a comprehensive inspection in 2020 covering Head Office, some branches, core risks and departments of EBL like every year and issued 14 inspection reports during 2020. Our compliance status was very good regarding observations of inspection reports. Response on major issues had been provided in timely manner. The Board instructed management to comply with Bangladesh Bank's recommendations meticulously.

Related party transactions

The Bank in its ordinary course of business undertook financial transactions with some entities or persons that fall within the definition of 'Related Party' as contained in IAS 24 (Related Party Disclosures) and relevant provisions of Bank Company Act 1991 and

Bangladesh Bank BRPD Circular No. 14 dated 25 June 2003. As on the reporting date, the Bank had funded and non-funded exposures with its subsidiaries, non-funded exposures to some current and ex-directors and credit card limit to some of its Directors. Besides, the Bank had procured some goods and services from the entities of related parties during 2020. Please refer to Annexure C1 of financial statements for details of related party transactions.

Code of Conduct and Ethical Guidelines

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

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

confidentiality. All employees of EBL shall take reasonable precautions to keep their user ID(s) and password(s) secure.

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

Compliance of Code of Conduct and Ethical Guidelines

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

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

Effective Anti-Money Laundering and Anti-terrorism Whistleblowing and Anti-Fraud Program Program

EBL has set tone at the top to combat money laundering and terrorist financing. The Board has given utmost priority to Anti-Money Laundering and Anti-Terrorism Program. To build a vigorous anti-money laundering and anti-terrorism program, EBL has ensured participation and contribution of senior management in AML & CFT activities.

As per BFIU Circular No. 26 dated 16 June 2020, EBL has formed a Central Compliance Committee (Triple C) comprising of Chief Anti Money Laundering Compliance Officer (CAMLCO), Head of Retail & SME Banking, Head of Operations, Chief Risk Officer (CRO), Chief Technology Officer (CTO), Head of Human Resources, Head of Cards Operations, Deputy CAMLCO, and Head of Monitoring. Triple C is chaired by CAMLCO who is responsible for overall AML & CFT Compliance of the Bank. A dedicated department "Anti-Money Laundering Department (AMLD)", headed by Deputy CAMLCO, acts as executive arm of Triple C.

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

Specialized trainings have been arranged for BAMLCOs/ DAMLCOs for AML/CFT measures.

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

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

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

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

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

Compliance with Secretarial Standards

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

The Board of Directors of EBL in the Board Meeting held on 27 December 2017 discussed and accorded approval to the

Management's proposal for adopting the Bangladesh Secretarial Standards (BSS) of ICSB.

Governance of Board of Directors of Subsidiary Companies

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

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

Human capital

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

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

Communication with stakeholders

- Communication with shareholders: The assigned desk under Company Secretariat plays an important role to make effective communication with its shareholders and other stakeholders. Shareholders and other stakeholders of the Bank may contact to this Department during office hour for any sort of information and queries. Common services include but not limited to allow or rejection of transfer or transmission of shares, issue of duplicate certificates, allotment of shares issued from time to time, opening and operation of bank accounts for payment of dividend, redemption of paper shares and the listing of securities on stock exchanges etc. Furthermore, EBL provides updated information in its website from time to time for the shareholders and other stakeholders of the Bank.
- Policy on ensuring participation of shareholders at AGM: To ensure effective participation of shareholders in AGM, EBL publishes notice of AGM in daily newspapers with necessary details within reasonable time-frame. The AGM normally takes place in a well-known place and at a convenient time. Annual Reports are circulated as per the provision of Companies Act 1994 and related Notification issued by BSEC, so that shareholders get

sufficient time to go through the report and freely provide their valuable comments and suggestions in the AGM.

The Glimpses of the 28th AGM have been presented in "Stakeholders Information" section of this annual report.

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

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

Environmental and social obligations

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

Internal Controls: the watchdog of transparency and accountability

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

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

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

Despite of tireless effort, ICCD can provide only reasonable assurance - not absolute assurance regarding the achievement of objectives. Collective effort of the Bank can corroborate compliance culture, drive toward its objectives and the achievement of its mission, and minimizes surprises along the way.

Structure of ICCD: As per the 'Guidelines on Internal Control & Compliance in Banks' issued by Bangladesh Bank vide BRPD Circular No. 06 dated 04 September 2016, the Head of ICCD is reporting to the Managing Director & CEO. However, the Head of Audit, despite being a part of ICCD, is reporting directly to and is responsible to the Audit Committee of the Board.

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



Audit department: Audit Department of EBL is applying risk based internal audit methodology for carrying out audits. Under risk-based internal audit, the focus shifts from the full-scale transaction testing to risk identification, prioritization of audit areas and allocation of audit resources in accordance with the risk assessment. Audit department of EBL functions based on Annual Audit Plan approved by the Audit Committee of the Board to provide vital information about risks and controls and to assist the management in the following ways:

- Identification of gap in policy and procedures with the business and its operation.
- · Identification of breach in policy and procedures against internal and regulatory policies & procedures.
- Assessment of gualitative and guantitative risk of the business.
- Recommending remedial course of actions, where necessary.

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

Results and status of internal audit in 2020: In 2020, annual

audit plan was revised in consideration of pandemic and the audit department conducted audit of 45 branches, 31 divisions/ departments and 2 subsidiaries of the Bank as per revised audit plan. After finalization of audit report, audit rating is calculated based on audit findings as well as EBL Audit Policy & Guidelines. Those Audit ratings are informed to the related management with audit report.

Major audit findings include, but not limited to, different types of operational lapses due to human error, non-compliance of internal policies or circulars, lack of thorough knowledge about relevant laws and regulations etc. The deficiencies identified during the

audits are notified to the appropriate level (business/support heads) and significant audit findings are reported to the Managing Director & CEO and to the Audit Committee of the Board.

In 2020, most of the Branches/Divisions/Departments got satisfactory audit rating. Followings are the highlights of 2020 and projection for 2021:

Year	No. of Branches	No. of divisions/ departments	No. of subsidiaries
2020 (Revised Plan)	45	31	2
2020 (Actual)	45	31	2
2021 (Planned)	85	44	4

Monitoring department: The monitoring department ensures overall efficacy of EBL's internal control on a perpetual basis. Monitoring of key risks is a part of the daily activities of the Bank as well as periodic evaluations of the business lines and support units. The frequency of monitoring diverse activities of our Bank is determined by considering the associated risks and the frequency and nature of deviations occurring in the operating environment.

Monitoring consists of the following interrelated elements:

- Establishing a better control and compliance culture;
- Risk recognition and assessment;
- Control activities and segregation of duties;
- Information and communication; and
- Operational activities and correcting deficiencies.

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

- Off-site Supervision through system generated reports and archives.
- Departmental Control Function Checklists (DCFCL) for department/branch.
- Quarterly Operations Report (QOR) monitoring.
- Prime Risk Indicator (PRI).
- Branch/department spot check/ surprise check etc.
- Counterparty limit (Banks and NBFIs) and Dealers' Limits.
- Value at risk (VaR), exchange position limit, forward swap gap limit CRR & SI R
- Self-assessment of anti-fraud internal controls on half yearly basis as per DOS circular letter no. 10 dated 09 May 2017 and reporting to DOS after getting compliance certification from respective areas of the Bank.

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

Compliance department: Compliance department is entrusted with the responsibility of upholding compliance culture throughout the Bank by following certain rules, regulations, guidelines and policies

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issued by regulators and formulated by the Bank itself. This department ensures compliance of obligatory laws, rules, and guidelines in every units of the Bank and provide necessary guidance. This department maintains liaison with regulators at all levels and notify the concerned units/departments regarding the regulatory changes.

Some major functions of this department are as follows:

- Work as contact point of Bangladesh Bank and other regulators.
- Ensure proper implementation of all regulatory policies of Bangladesh Bank.
- Respond to queries of Bangladesh Bank and ensure meticulous compliance of their recommendations.
- Ensure compliance of internal and external audit observations and follow-up, if necessary.
- Ensure compliance of various queries of regulatory body's like- Tax Authority, Anti-Corruption Commission, Ministry of

Finance, Law enforcing agencies and other regulators.

- Advice and guide departments and branches in resolving various compliance issues.
- Checking whether the appropriate policies include (a) top level review, (b) appropriate activity controls for different departments and divisions, (c) system of approval and authorizations, (d) appropriate segregation of duties and personnel are not assigned with conflicting responsibilities.

Legal department: Legal department of ICCD safeguards the Bank by ensuring legal support to all of its branches and departments. It performs drafting, vetting and streamlining of various agreements and contracts for all business and support functions of the Bank. It supervises and monitors the legal issues/cases by and against the Bank and ensures appropriate legal assistance on a diverse range of substantive and procedural questions of law.

BSEC Code of Corporate Governance: Our Compliance Status

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

Report under Condition No. 9.00:

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks
		Complied	Not complied	
1.	Board of Directors		·	
1(1)	Size of the Board of Directors	\checkmark		
	The total number of members of the Company's Board of Directors shall not be less than 5 (five) and more than 20 (twenty).			
1(2)	Independent Directors			
1(2) (a)	At least one-fifth (1/5) of the total number of Directors in the Company's Board shall be Independent Directors.	\checkmark		
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:	J		

Condition No.	Title	(Put √ in the	nce Status e appropriate umn)	Remarks
NO.		Complied	Not complied	Remarks
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		
1(2)(b)(ix)	Who has not been convicted by a Court of competent jurisdiction as a defaulter in payment of any loan or any advance to a Bank or a Non-Bank Financial Institution (NBFI).	\checkmark		
1(2) (b) (x)	Who has not been convicted for a Criminal Offence involving moral turpitude.	\checkmark		
1(2) (c)	The Independent Director (s) shall be appointed by the Board and approved by the Shareholders in the Annual General Meeting (AGM);	\checkmark		
1(2) (d)	The post of Independent Director (s) cannot remain vacant for more than 90 (ninety) days; and	\checkmark		
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.	\checkmark		
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.	\checkmark		
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	\checkmark		
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted Company having minimum paid up capital of Tk.100.00 million or of a listed Company; or			N/A

Condition No.	Title	(Put√in the	ce Status e appropriate Imn)	Remarks
		Complied	Not complied	N/A N/A N/A
1(3)(b)(iii)	Former official of the Government or Statutory or Autonomous or Regulatory Body in the position not below 5th Grade of the National Pay 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	\checkmark		
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst 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);	\checkmark		
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 Dir	ector or Chief	Executive Offic	er
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;	\checkmark		
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;	\checkmark		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive Directors of the Company;	\checkmark		
1(4)(d)	The Board shall clearly define respective Roles and Responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	\checkmark		
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.	\checkmark		
1(5)	The Directors' Report to Shareholders			
1(5)(i)	An industry outlook and possible future developments in the industry;	\checkmark		
1(5)(ii)	The segment-wise or product-wise performance;	\checkmark		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;	\checkmark		
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	\checkmark		Discussion on interest income expense, operating and net profit provided.
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);			N/A

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks	
		Complied	Not complied		
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;	\checkmark		Please refer to Annexure C & C	
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;	\checkmark			
1(5)(x)	A statement of remuneration paid to the Directors including Independent Directors;	\checkmark		Please refer to Note 33 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;	\checkmark			
1(5)(xii)	A statement that proper books of account of the issuer Company have been maintained;	\checkmark			
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;	\checkmark			
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;	\checkmark		Departure has been adequate explained in Note 2.1 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;	\checkmark			
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;	\checkmark		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;	\checkmark		No doubts upon EBL's ability t 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;	\checkmark			
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	\checkmark			
1(5)(xx)	An explanation on the reasons if the issuer Company has not declared dividend (cash or stock) for the year;			N/A	

Governance Reports

Condition	Title	Compliance Status (Put √ in the appropriate column)		Remarks	
No.		Complied	Not complied		
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;	\checkmark			
1(5)(xxiii)	A Report on the pattern of Shareholding disclosing the aggregate number of Shares (along with name-wise details				
1(5)(xxiii)(a)	where stated below) held by: Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	\checkmark			
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);	\checkmark		Please refer to Note 14.1 of the FS.	
1(5)(xxiii)(c)	Executives; and	\checkmark		Please refer to Note 14.1 of the FS.	
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the Company (name-wise details);	\checkmark		Please refer to Note 14.1 of the FS.	
1(5)(xxiv)(a)	A brief Resume of the Director;	\checkmark			
1(5)(xxiv)(b)	Nature of his or her expertise in specific functional areas; and	\checkmark			
1(5)(xxiv)(c)	Names of companies in which the person also holds the Directorship and the membership of committees of the Board;	\checkmark		Please refer to Annexure C of the FS.	
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the Company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:	\checkmark		Please refer to Managing Director & CEO's Review in MD & A Section.	
1(5)(xxv)(a)	Accounting Policies and estimation for preparation of Financial Statements;	\checkmark			
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;				
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	\checkmark			
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	\checkmark			
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	\checkmark			
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the Company; and	\checkmark			
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;	\checkmark			

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks
		Complied	Not complied	
1(5)(xxvi)	Declaration or Certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A ;	\checkmark		
1(5)(xxvii)	The Report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C .	\checkmark		
1(6)	Meetings of the Board of Directors		1	1
1(6)	The Company shall conduct the Board Meetings and record the Minutes of the Meetings as well as keep required Books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	V		
1(7)	Code of Conduct for the Chairperson, other Board members and Ch	ief Executive	Officer	1
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;	-		Please refer to the Condition
1(7)(b)	The Code of Conduct as determined by the NRC shall be posted on the website of the Company.	-		No. 6
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;	\checkmark		EBL Finance (HK) Limited [Reg Hong Kong] complied with the same as per their respective
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;	\checkmark		Rules & Regulations.
2(c)	The Minutes of the Board meeting of the subsidiary Company shall be placed for review at the following Board meeting of the Holding Company;	\checkmark		
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;	\checkmark		
2(e)	The Audit Committee of the holding Company shall also review the Financial Statements, in particular the investments made by the subsidiary Company.	\checkmark		
3.	Managing Director (MD) or Chief Executive Officer (CEO), C Compliance (HIAC) and Company Secretary (CS)	hief Financia	l Officer (CF	0), Head of Internal Audit and
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);	\checkmark		
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;	\checkmark		

Condition No.	Title	(Put√in the	ace Status e appropriate umn)	Remarks
No.		Complied	Not complied	
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed Company shall not hold any executive position in any other Company at the same time;	\checkmark		
3(1)(d)	The Board shall clearly define respective Roles, Responsibilities and Duties of the CFO, the HIAC and the CS;	\checkmark		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and Stock Exchange (s).	\checkmark		
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.	\checkmark		
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) a	and Chief Fina	ncial Officer (0	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	\checkmark		Please refer to the Statement on Integrity of FS by MD & CEO and CFO
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;	\checkmark		
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;	\checkmark		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	\checkmark		
4.	Board of Directors' Committee		,	
4(i)	Audit Committee; and	\checkmark		
4(ii)	Nomination and Remuneration Committee.	-		Please refer to the Condition No. 6
5.	Audit Committee		,	
5(1)	Responsibility to the Board of Directors			
5(1)(a)	The Company shall have an Audit Committee as a Sub-Committee of the Board;	\checkmark		
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the Financial Statements reflect true and fair view of the state of affairs of the Company and in ensuring a good monitoring system within the business;	\checkmark		
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.	\checkmark		
5(2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	\checkmark		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks
		Complied	Not complied	
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;	\checkmark		
5(2)(c)	All members of the Audit Committee should be 'Financially Literate' and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	\checkmark		
5(2)(d)	When the term of service of any Committee member expires or there is 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;	\checkmark		No such instance
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.	\checkmark		
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;	\checkmark		
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.	V		
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM):	\checkmark		
5(4)	Meeting of the Audit Committee		· · ·	
5(4)(a)	The Audit Committee shall conduct at least four meetings in a financial year:	\checkmark		
5(4)(b)	The Quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an Independent Director is a must.	\checkmark		
5(5)	Role of Audit Committee			
5(5)(a)	Oversee the financial reporting process;	\checkmark		
5(5)(b)	Monitor choice of accounting policies and principles;	\checkmark		
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	\checkmark		
5(5)(d)	Oversee hiring and performance of external auditors;	\checkmark		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks
		Complied	Not complied	
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;	\checkmark		
5(5)(f)	Review along with the management, the annual financial statements before submission to the Board for approval;	\checkmark		
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	\checkmark		
5(5)(h)	Review the adequacy of internal audit function;	\checkmark		
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	\checkmark		
5(5)(j)	Review statement of all related party transactions submitted by the management;	\checkmark		
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	\checkmark		
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	\checkmark		
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.	\checkmark		
5(6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors		1	
5(6)(a)(i)	The Audit Committee shall Report on its activities to the Board.	\checkmark		
5 (6)(a) (ii)	The Audit Committee shall immediately Report to the Board on the following findings, if any:	\checkmark		
5(6)(a)(ii)(a)	Report on Conflicts of Interests;	-		No such instance
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;	-		No such instance
5(6)(a)(ii)(c)	Suspected infringement of Laws, Regulatory compliances including Securities related Laws, Rules and Regulations; and	-		No such instance
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	-		No such instance
5(6)(b)	Reporting to the Authorities	-		No such instance
	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	(Put √ in th	nce Status e appropriate 1mn)	Remarks
NO.		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 is		comply due to Bangladesh Bank's idelines)
6(1)(a)	The Company shall have a Nomination and Remuneration Committee (NRC) as a sub- committee of the Board;	-		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of Directors and top level executive as well as a policy for formal process of considering remuneration of Directors, top level executive;	-		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the Condition No. 6(5) (b).	-		
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	-		
6(2)(b)	All members of the Committee shall be non-executive Directors;	-		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	-		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	-		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	-		
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	-		
6(2)(g)	The Company secretary shall act as the secretary of the Committee;	-		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	-		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the Company.	-		
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	-		
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;	-		

Governance Reports

Condition	Title	Compliance Status (Put √ in the appropriate column)		Remarks
No.		Complied	Not complied	
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the Shareholders:	-		
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	-		
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	-		
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	-		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	-		
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the Shareholders	-		
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:			
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a Director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering following:			
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable Directors to run the Company successfully;	-		
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks;	-		
6(5)(b)(i)(c)	Remuneration to Directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;	-		
6(5)(b)(ii)	Devising a Policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	-		
6(5)(b)(iii)	Identifying persons who are qualified to become Directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	-		
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of Independent Directors and the Board;	-		
6(5)(b)(v)	Identifying the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	-		
6(5)(b)(vi)	Developing, recommending and reviewing annually the Company's human resources and training policies;	-		

Condition	Title	Compliance Status (Put √ in the appropriate column)		Remarks
No.		Complied	Not complied	
6(5)(c)	The Company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	-		
7.	External or Statutory Auditors			
7 (1)	The issuer Company shall not engage its external or statutory auditors to perform the following services of the Company, namely:			
7(1)(i)	Appraisal or valuation services or fairness opinions;	\checkmark		
7(1)(ii)	Financial Information Systems design and implementation;	\checkmark		
7(1)(iii)	Book-Keeping or other services related to the accounting records or financial statements;	\checkmark		
7(1)(iv)	Broker-Dealer Services;	\checkmark		
7(1)(v)	Actuarial Services;	\checkmark		
7(1)(vi)	Internal Audit services or special audit services;	\checkmark		
7(1)(vii)	Any service that the Audit Committee determines;	\checkmark		
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	\checkmark		
7(1)(ix)	Any other service that creates conflict of interest.	\checkmark		
7(2)	No partner or employees of the external audit firms shall possess any share of the Company they audit at least during the tenure of their audit assignment of that Company; his or her family members also shall not hold any shares in the said Company.	\checkmark		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the Shareholders.	\checkmark		
8.	Maintaining website by the Company		· · · · · ·	
8(1)	The Company shall have an Official Website linked with the website of the Stock Exchanges.	\checkmark		
8(2)	The Company shall keep the website functional from the date of listing.	\checkmark		
8(3)	The Company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	\checkmark		
9.	Reporting and Compliance of Corporate Governance			
9(1)	The Company shall obtain a Certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	\checkmark		
9 (2)	The Professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the Shareholders in the Annual General Meeting.	\checkmark		
9 (3)	The Directors of the Company shall state, in accordance with the Annexure-C attached, in the Directors' report whether the Company has complied with these conditions or not.	\checkmark		

Governance Reports



কে. এম. হাসান এন্ড কেং Hometown Apartments (8th & 9th Floor) 87, New Eskaton Road, Dhaka-1000 Phone: 58311559, 9351564, 9351457, Fax: 88-02-9345792 E-mail: info@kmhasan.com.bd website: www.kmhasan.com.bd



McMillan Woods International Professionalism at the forefront

Report to the Shareholders of Eastern Bank Limited (EBL) On compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Eastern Bank Limited (EBL) for the year ended on 31st December 2020. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

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

Place: Dhaka Dated: 19 April 2021



For K. M. HASAN & CO. Chartered Accountants

Partner Md. Shahidul Islam FCA

From the Desk of Chief Risk Officer

It is often said that profit is a reward for risk-taking in business. No businesses will be willing to undertake risks if they get only the normal return. Therefore the reward for risk-taking must be higher than the actual value of the risk. EBL is no exception here. Minimization of risk entails correctly identifying the risk at the onset, then finding out the causes of risks emanating from and assessing the risk impact thereof. Certain inherent risks have to be accepted while counter measures can be put in place to address risks that can be avoided. Major risks for EBL include credit, operational, market, reputational and liquidity risk. Since EBL is exposed to a variety of risks, we have well-constructed risk management mechanisms, and we meticulously follow government regulations to achieve our objectives.

EBL rigorously follows a robust risk management framework. We follow the three lines of defense model. In our model, management control is the first line of defense in risk management, the various risk control and compliance oversight functions established by management are the second line of defense and independent assurance is the third one of defense. Each of these three "lines" plays a distinct role within the organization's wider governance framework. 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 tools. All these tools are vital for our risk management framework.

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

EBL also follows a risk culture that emphasizes on the accountability, governance and transparency. Subsequently, Risk management tools such as policies, guidelines, measurement, monitoring and reporting are there to mitigate the risks. We also look after the risks through our measurement methods such as Value at Risk (VaR), Gap analysis, Duration analysis etc. We measure the risks and take necessary steps accordingly. These tools help EBL mitigate risk and boost its profit.

As I said earlier, Risk management can help profitability in a number of calculated ways. Risk management is proactively helping EBL identify the possible events that could impact our business. It also increases the likelihood of successfully achieving our business objectives. So our ultimate objective is to be a successful brand with a sustainable growth while minimizing risk.

Mahmoodun Nabi Chowdhury DMD & Chief Risk Officer

Risk Management Report

Risk management in banking is treated as a mechanism to identify material risks and execution of a plan to deal with potential losses. Here securing the bank's asset and reputation is indispensable for ensuring financial and organizational sustainability. Hence, we practice a robust, methodical and transparent risk management culture where all the employees of the bank share this responsibility and value it.

•

Key initiatives in 2020

- We have taken several initiatives to support our clients. Extension of maturity of loans, extension of credit limits, extension of documentation deferral, payment pause of installment are such initiatives among others. All these steps were taken for the survival of the clients' business and hence it has reduced credit risk.
- Ensured fast tracking of approval process for CMSMEs with consciously taken credit policy exceptions for the greater

Risk management framework:

t framework: Risk Governance Risk Appetite Risk Capacity Risk Appetite Statement Key Risk Appetite Measures Risk Management Tools Policy & Limits Guidelines, Processes & Standards Measuring,Monitoring, Reporting Stress Testing Market, Liquidity, Operational, Reputational, Environmental, Strategic

Eastern Bank has an effective risk management framework. This framework is designed to protect capital base, reputation, revenue and earnings of the bank without hindering growth. In the three lines of defense model of EBL, management control is the first line of defense in risk management, the risk control and compliance oversight functions established by EBL management are the second line of defense and independent assurance is the third line of defense. Each of these three "lines" plays a distinct role within Eastern Bank's wider governance framework.

good. It supports business during COVID-19 pandemic and

EBL achieved target of implementing stimulus package for the

Initiated process of developing automated resources for

Identifying, assessing and controlling the environmental risk.

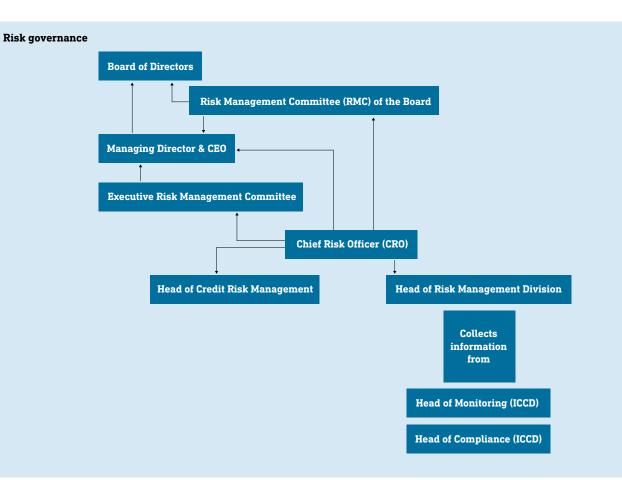
CMSMEs allocated by the central bank.

calculating different risk indicators.



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 tools.



Risk Management Committees

Committees	Key objectives	Represented by
Risk Management Committee	To ensure that the Bank wide risks are managed within	Anis Ahmed, Director and Chairman of the committee
(RMC) of the Board	the risk strategy and appetite established by the Board	up to August, 2020 and then succeeded by Mir Nasir
	of Directors.	Hossain, Director.
		Gazi Md. Shakhawat Hossain, Director, Mufakkharul
		Islam Khasru, Director and Zara Namreen, Director are
		members of the committee.
Executive Risk Management	To monitor activities of the risk management division	Chaired by DMD & Chief Risk Officer.
Committee (ERMC)	responsible for integrated risk management across the	
	Bank.	Planning & strategy, Risk Management, Treasury,
		Business Heads, Operations, CRM, HR, IT, Finance,
		Internal Control & Compliance are members.
ICT Steering Committee	Provide guidance related to risks, funding or sourcing	Risk Management, HR, Credit Administration, Operations,
	to achieve ICT strategic goals, monitor and evaluate ICT	IT, Finance and Internal Control & Compliance are
	projects implementation and achievements against ICT	members.
	strategic plan.	
Asset Liability Committee	To optimize Bank's financial goals retaining liquidity	Chaired by Managing Director & CEO.
(ALCO)	risk and interest rate risk of the Bank at desired level.	Deputy Managing Director, Business Heads, Risk
		Management, Treasury, Finance are members.

Committees	Key objectives	Represented by
Supervisory Review Process	Implementation of Pillar-II of BASEL accord as	Chaired by Managing Director & CEO.
(SRP) Team	per requirement of Bangladesh Bank. Regulatory	DMD & CRO, Operations, IT, Treasury, Finance, Risk
	requirements to be the minimum standards to establish.	Management are members.
Credit Risk Management	Review of Bank's credit risk appetite, tolerance	Chaired by DMD & Chief Risk Officer.
Committee	and strategy considering current and prospective	Business Heads, Risk Management, Finance and Credit
	macroeconomic and financial environment.	Risk Management are members.
Sustainable Finance	Formulate, review and update all policies and guidelines	Chaired by Deputy Managing Director - Planning & strategy.
Committee	relating to sustainable finance.	Business Heads, Risk Management, Finance and Credit
		Risk Management are members.

Role of Board

Role of the Board of EBL is immensely significant in establishing the overall strategies and policies relating to the management of all risks associated with the organization. Risk Management Committee (RMC) of the Board is the ultimate policy making platform for Bank's risk management.

- Implementation of effective risk governance culture.
- Periodic review and approval of Bank's risk management policy.
- Implementation of risk management policy.
- Bank's environmental & social risk management.

Risk Management Committee (RMC) of the Board supervises:

• Identification and assessment of Bank's risks and guide management to formulate the strategies.

Risk culture of EBL

The Bank's risk governance structure, risk appetite, and risk management tools are influenced by risk culture of the Bank. The risk culture is built upon:

Tone from the top: Clear and consistent communication from leaders on risk behavior expectations and the importance of EBL's values.

Accountability: All EBL employees in every business function are held accountable for risk ownership and their actions in accordance with the three lines of defense model.

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

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



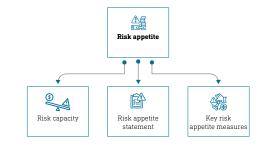
Risk culture of EBL

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

Centralized Decision-making: The membership of senior and executive management committees responsible for the review, approval and monitoring of transactions and the related risk exposures (whether global or local) include business line heads and senior risk officers.

Risk appetite

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



Risk appetite criteria

Non-Performing Loans (NPL)

Aggregate on and off balance sheet exposure on customers int (CRGM) between 1-5

Exposure to obligor/s exceeding single borrower exposure lim

Large loan concentration

Loan concentration on top 20 borrowers

Off balance sheet exposure as percentage of total assets

Percentage of portfolio with credit rating

Impact on net interest income due to change in interest rate

Value at Risk (VAR)

Concentration on top 10 depositors

Capital Market exposure

Advance to Deposit Ratio (AD)-Bank

Liquidity Coverage Ratio (LCR)-DBO

Net Stable Funding Ratio (NSFR)-DBO

Maximum Cumulative Outflow (MCO)-DBO

Internal fraud

External fraud

Employment practice and workplace safety

Clients, products, and business practice

Damage to physical assets

Business disruption and system failure

Execution, delivery and process management

Overall operational risk

Capital to risk weighted assets (RWA) ratio (CRAR)

Leverage ratio

Tier 1 Capital ratio (including Capital Conservation Buffer)

Stress test (Impact on capital under combined minor shock)

		EBL's p	osition	
	Appetite	2020	2019	
Credit	risk			
	Less than 3.75%	2.72%	3.35%	
nternally rated	More than 50%	85.47%	89.31%	
mit	Less than 15%	0.00%	0.00%	
	Less than 56%	32.10%	45.56%	
	Less than 25%	25.83%	27.45%	
	Less than 45%	30.90%	29.83%	
	More than 65%	78.42%	83.55%	
Market	risk		1	
2	Less than 10%	2.77%	6.09%	
	Less than Tk. 10 million	0.2	0.2	
	Less than 25%	7.15%	9.32%	
	Less than 25%	22.03%	22.63%	
Liquidit	y risk	1	1	
	Less than 87%	78.82%	77.90%	
	100% or more	210.90%	338.22%	
	More than 100%	105.49%	114.45%	
	Less than 16.5%	13.51%	15.27%	
Operation	al risk			
	0.20% of last 3 years' avg. operating profit	0.00%	1.44%	
	0.80% of last 3 years' avg. operating profit	0.00%	0.00%	
	0.10% of last 3 years' avg. operating profit	0.00%	0.00%	
	0.10% of last 3 years' avg. operating profit	0.00%	0.00%	
	0.20% of last 3 years' avg. operating profit	0.00%	0.00%	
	0.15% of last 3 years' avg. operating profit	0.00%	0.00%	
	0.45% of last 3 years' avg. operating profit	0.00%	0.00%	
	2% of last 3 years' avg. operating profit	0.00%	0.00%	
Capital man	agement			
	More than 12.50%	15.23%	14.74%	
	More than 3%	5.97%	5.28%	
	More than 8.5%	10.78%	9.99%	
	More than 10.0%	11.88%	11.91%	
		1	I	

Risk management tools



Policies and limits

Policies

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

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

Limits

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

Processes

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

Standards

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

Stress testing

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

Measurement, monitoring and reporting

Risk measurement

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

Regular monitoring

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

Risk reports

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

Risk measurement methods

Value at Risk (VaR)

VaR is a statistical method of measuring potential loss due to market risk based upon a common confidence interval and time horizon. The Bank calculates VaR daily using a 99% confidence level, and a oneday holding period for its trading portfolios. This means that once in every 100 days, the trading positions are expected to lose more than the VaR estimate. The Bank calculates general market risk VaR using historical simulation based on 6 months market data.

BDT in million	
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Particulars	2020	2019	2018
Approved VaR limit	10	10	10
Actual VaR	0.2	0.2	0.8

Foreign exchange VaR remains well within the approved VaR limit.

Gap analysis

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

Duration analysis

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

Control of foreign exchange activities

(a) Organizational controls to ensure that there exists a clear and effective segregation of duties among those persons who initiate foreign exchange transactions and those persons who are responsible for operational functions.

Analysis of stress testing results

Particulars		2020			2019			
Particulars	Minor	Moderate	Major	Minor	Moderate	Major		
Shock applied by the bank	1%	2%	3%	1%	2%	3%		
Interest rate	(0.65)	(1.30)	(1.95)	(0.09)	(0.17)	(0.26)		
CRAR after interest rate shock	14.58%	13.92%	13.27%	14.65%	14.57%	14.48%		
Shock applied by the bank	5%	10%	15%	5%	10%	15%		
Currency depreciation	(0.01)	(0.02)	(0.03)	(0.01)	(0.01)	(0.02)		
CRAR after exchange rate shock	15.22%	15.21%	15.20%	14.73%	14.72%	14.72%		
Shock applied by the bank	10%	20%	40%	10%	20%	40%		
Equity shock	(0.49)	(0.99)	(2.01)	(0.27)	(0.54)	(1.09)		
CRAR after equity shock	14.73%	14.23%	13.22%	14.47%	14.20%	13.65%		

Risk mitigation approaches

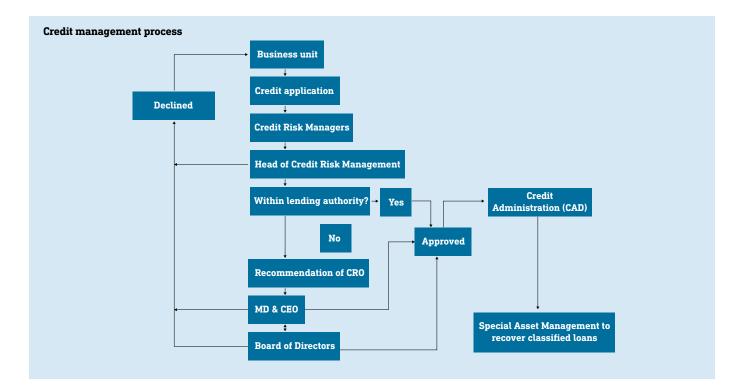
Principal risk types at a glance

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

Credit risk

Credit risk arises from the Bank's direct lending operations, and in its funding, investment and trading activities where counterparties have repayment or other obligations to the Bank. Credit risk includes settlement risk, suitability risk and wrong way risk.

- (b) Procedural controls to ensure that:
 - Transactions are fully recorded in the records and accounts of the Bank;
 - ii. Transactions are promptly and correctly settled; and
 - iii. Unauthorized dealing is promptly identified and reported to management;



Portfolio Concentration

Credit risk management

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

The objectives of the credit risk appetite are to ensure that:

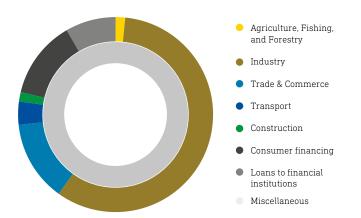
- Target markets and product offerings are well defined at both _ the enterprise-wide and business line levels;
- _ Risk parameters for new underwritings and for the portfolios as a whole are clearly specified.

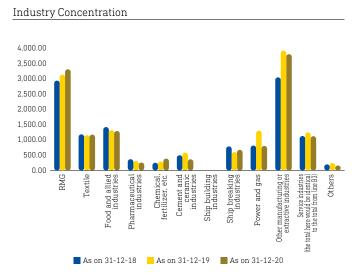
Credit risk policy articulates the credit risk management framework, including:

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

Industry and sector concentration scenario of the loan portfolio:

Industrial sector concentration is moderate and sectors remained within the set internal limit as approved by the board of directors.

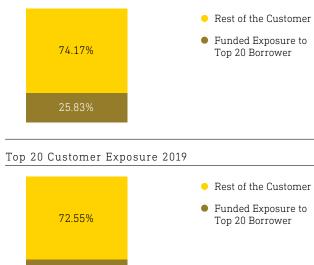




Concentration among top borrowers:

Bank's fund based exposure to top 20 customers is about 25.83 percent of total loans and advances. Average corporate loan size is about BDT 32 crore (± 350 customers), while average funded exposure on top 20 customers is around BDT 318 crore.





NPL

Both gross NPL and net NPL (excluding SMA) shows a fall in 2020 and provide a positive picture of the loan portfolio in comparison to overall industry position.

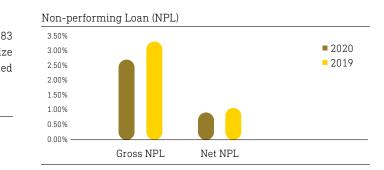
Loan portfolio under stressed scenario

Destiguiare	2020			2019		
Particulars		Moderate	Major	Minor	Moderate	Major
Shock applied by the bank	3%	9%	15%	3%	9%	15%
CRAR due to Increase in NPL	13.28%	9.01%	3.78%	11.07%	7.09%	4.49%
Shock applied by the bank	10%	20%	40%	10%	20%	40%
CRAR due to Decrease in value of collateral taken against loans and advances	15.14%	15.05%	14.88%	14.60%	14.47%	14.21%
Shock applied by the bank	5%	10%	15%	5%	10%	15%
CRAR due to Negative Shifting of NPL	15.07%	13.91%	13.72%	14.53%	12.99%	12.70%
Shock applied by the bank	3%	9%	15%	3%	9%	15%
CRAR due to If some sectors become classified	14.63%	13.43%	12.22%	14.10%	12.80%	11.48%
Shock applied by the bank	3	7	10	3	7	10
CRAR due to If some large borrowers become classified	10.58%	6.10%	3.96%	11.07%	7.09%	4.49%
Combined credit risk result (after shock)						
CRAR after combined credit shock	13.03%	7.51%	1.92%	11.91%	9.53%	(1.64%)

Credit risk mitigation – collateral/security

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

Reports Governance



Composition of RWA of loan portfolio:

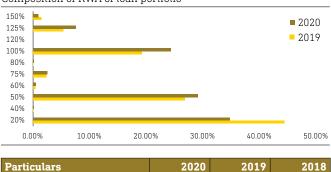
Capital to Risk Weighted Assets Ratio increased year on year by 49 basis points. This slight increase is driven by retention of profit in 2020 due to BB circular regarding dividend distribution among shareholders. 67.20 percent of the portfolio belongs to 20 percent to 80 percent range which was 73.98 percent a year ago.

150% 125% 120% 100% 80% 75% 60%

Composition of RWA of loan portfolio

Percentage of rated loans to

total eligible loans for rating



78.42%

83.55%

86.14%

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

Liquidity risk

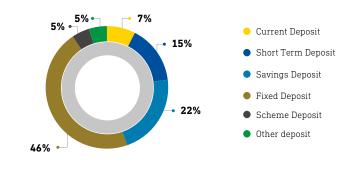
Liquidity risk is the potential for loss to a bank arising from either its inability to meet its obligations as they fall due or to fund growth of assets without incurring unacceptable cost or losses.

Liquidity risk measurement

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

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



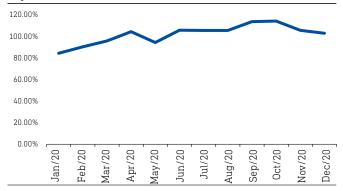


Although entire banking industry faced many challenges in 2020 like decrease in deposit rate, global pandemic situation leading to pay cut & job cut, EBL managed to marginally increase total deposit

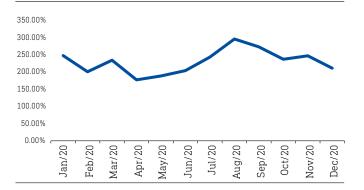
Liquid assets to short term liabilities

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

Liquid assets to short term liabilities

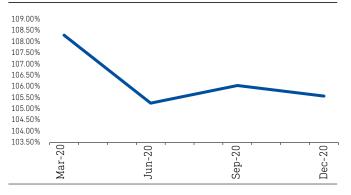






Liquidity Coverage ratio is calculated as per format provided by Bangladesh Bank. Average LCR for 2020 is 229.99 percent.

Net Stable Funding Ratio (NSFR)



Net stable funding ratio is calculated as per format provided by Bangladesh Bank. Average NSFR for 2020 is 106.28 percent.

Liquidity risk management and mitigation

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

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

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

Market risk

Market risk is the risk of loss from changes in market prices and rates (including interest rates, credit spreads, equity prices, foreign exchange rates and commodity prices), the correlations between them, and their levels of volatility.

Market risk governance

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

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

Market risk factors

Interest rate risk

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

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

Exchange rate risk

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

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

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

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

Investment portfolio risk

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

Other risks

Operational risk

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

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

Reputational risk

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

Environmental risk

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

Strategic risk

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

Money laundering & terrorist financing risk

Financial institutions all over the world are facing blazing heat of Money Laundering and Terrorist Financing. Perpetrators are adopting modern techniques to use financial institutions as conduit of money laundering and terrorist financing. The intention of wrongdoers to conceal the true source of fund or purpose can

expose bank to great risk. Failure to safeguard our bank from such perpetrators can result in violation of Money Laundering Prevention Act (MLPA) 2012 & Anti-Terrorism Act (ATA) 2009, and BFIU guidelines which can lead to financial penalties, reputational damage as far as license cancellation.

With a view to safeguarding EBL form money laundering and terrorist financing risk, senior management has set the tone at the top. AML/CFT compliance program has been laid throughout the bank where multiple control measures has been deployed. Central Compliance Committee (Triple C) has been formed with crucial department heads who are responsible to set and review AML/CFT strategies and implementation. In this regard, last year 4 Triple C meetings were conducted. Branch Anti Money Laundering Compliance Officer (BAMLCO) and Department Anti Money Laundering Compliance Officer (DAMLCO) nomination and responsibilities were reviewed and updated as well. To corroborate monitoring and compliance culture, EBL has implemented an automated sanction screening and transaction monitoring software. In addition to conducting online & offline training programs, EBL has also introduced an e-Certification program on AML/CFT to increase awareness.

Information and communication technology (ICT) risk

To manage ICT risk is to provide round-the-clock commitment for EBL's information system security, precisely on integrity. confidentiality and availability of information by making sure suitable security controls are in place. EBL has taken adequate information security initiatives to ensure the security of its processed information. The Bank is committed to protecting customer information and assets from any type of unauthorized use and/or fraud. Following tasks are carried out to manage ICT risk of the Bank

- This year EBL successfully obtained ISO 27001:2013 ISMS for consecutive 2nd year and PCI-DSS certification for consecutive 5th year being the first bank ever to achieve this. These certifications have been awarded as a token of recognition of EBL's effort to continuously improve security measures to protect information asset of EBL.
- All the IT representatives have received IT Security Awareness Training in the year 2020 to assure employees are aware of the latest cybersecurity risks.
- Checklist for security pre-assessment is used by IT to ensure project go live in with lesser cybersecurity risks.
- Core Banking System Upgrade Project (Project Rupantor) has been kicked off which will drastically improve the risk factors regarding the core banking system.

• To address the risk factor and enhance the performance of the Card Management System, relevant hardware has been upgraded.

- Vulnerability Assessment and remediation have been done for Upgraded Call Center, Skybanking web, E-KYC etc.
- Security patches and software versions of all applications have been updated to mitigate the risk of vulnerabilities in OS and Software level
- To prevent the risk of misuse of user access privileges in business-critical applications, employee user access were reviewed at periodic interval.
- Design, plan, schedule and coordinate IT Disaster Recovery Plan (DRP) tests (primarily focused on testing the correct operation of the DR technologies) and exercise (primarily focused on training people in IT about DR-related procedures and activities), evaluating their effectiveness and promoting any improvement activities that are considered necessary to meet the business objectives.
- IT has Business Continuity Management (BCM) to support and handle any human-made or natural incident/disaster. Moreover, scheduled backup minimizes the risk of data loss based on the criticality of the system. All incidents and failure logs are investigated and brought to resolution.
- Monitor access to all systems and maintain access control in end-user devices. network devices and servers.
- Development and implementation of appropriate and effective controls to mitigate identified threats and risks.
- Review of system logs for the Bank's infrastructure to identify trends and investigate abnormalities and anomalies have been carried out.
- Vulnerability assessment, Penetration testing and IT audit have been carried out and findings are sufficiently addressed.

Risk Reporting

Risk Management Report is prepared on monthly interval to record 81 risks related issues of credit, market and operational risk across the Bank during the month and submitted towards Bangladesh Bank for all months other than June and December within 30 days following the month end. In addition, Comprehensive Risk Management Report (CRMR) is submitted to Bangladesh Bank by July 31 (based on June 30 data) and January 31 (based on December 31 data). Executive Risk Management Committee (ERMC) reviews these papers on monthly interval; recommends action plans to the concerned department for mitigating identified risk areas and follows-up the implementation of previous recommendations. 12 ERMC meetings were held during 2020.

Way forward

- Review the performance of recovering the non-performing assets and update the status to management and RMC of the Board.
- Ensure monitoring of risk performance aligned with the risk appetite of the Bank and escalate the breaches to the Senior Officials of the Bank.
- Contribute towards Bank's profitability by providing analysis on risk adjusted results; facilitating for informed decision making.
- Ensure Bank's risk management framework is going as per the goal, mission and vision of the Bank

Disclosures on Risk Based Capital (Basel III)

Background

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

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

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

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

Consistency and validation

The quantitative disclosures are made on the basis of consolidated audited financial statements of EBL and its subsidiaries as at and for the year ended 31 December 2020. Those are prepared under relevant International Accounting and Financial Reporting Standards and related circulars/ instructions issued by Bangladesh Bank from time to time. The assets, liabilities, revenues and expenses of the subsidiaries are combined with those of the parent company (EBL), eliminating intercompany transactions. Assets of the subsidiaries are risk weighted and equities of subsidiaries are crossed out with the investment of EBL while consolidating. So, information presented in the 'Quantitative Disclosures' section can easily be verified and validated with corresponding information presented in the consolidated and separate audited financial statements of EBL (Group and Bank) available on the website of the Bank (www.ebl. com.bd). The report is prepared once a year and is available in the website.

A. Scope of application

Qualitative disclosures

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

The framework applies to Eastern Bank Limited (EBL) on 'Consolidated Basis' as there were four subsidiaries of the Bank as on the reporting date i.e. 31 December 2020. However, 'Solo Basis' information has been presented beside those of 'Consolidated Basis' to facilitate comparison.

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

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

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

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

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

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

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

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

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

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

Quantitative disclosures

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

Not Applicable.

B. Capital structure

Qualitative disclosures+

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

Regulatory capital base is quite different from accounting capital. As per Basel III guidelines, regulatory capital consists of Tier-1 (Common Equity Tier 1 and Additional Tier 1) and Tier 2 capital. Tier I Capital is known as going concern capital and Tier II Capital also known as gone concern capital.

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

BDT in million

Quantitative disclosures

Particulars	Solo (Bank)	Consolidated
Common Equity Tier-1 (CET-1) Capital	25,779	26,165
Regulatory adjustments	(2,313)	(2,395)
Total Common Equity Tier -1	23.466	23.769
Capital	23,400	23,707
Additional Tier 1 Capital	-	-
Tier-2 Capital	9,678	9,678
Total Regulatory Capital	33,144	33,447

C. Capital adequacy

Qualitative disclosures

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

Assessing regulatory capital in relation to overall risk exposures of a bank is an integrated and comprehensive process. EBL follows the 'asset based' rather than 'capital based' approach in assessing the adequacy of capital to support current and projected business activities. The Bank focuses on strengthening risk management and control environment rather than increasing capital to cover up weak risk management and control practices. EBL has been generating most of its incremental capital from retained profit (stock dividend and statutory reserve transfer etc.) and occasional issue of subordinated debt and right shares to support incremental growth of Risk Weighted Assets (RWA). Besides meeting regulatory capital requirement, the Bank maintains adequate capital to absorb material risks foreseen. Therefore, the Bank's Capital to Risk Weighted Assets Ratio (CRAR) remains consistently within regulatory limit during 2020 (14% plus). The surplus capital maintained by EBL will act as buffer to absorb all material risks and to support the future activities. To ensure the adequacy of capital to support the future activities, the bank assesses capital requirements periodically considering future business growth. Risk Management Division (RMD) under guidance of the SRP team/ ERMC (Executive Risk Management Committee), is taking active measures to identify, guantify, manage and monitor all risks to which the Bank is exposed to.

Quantitative disclosures

		BDT in million
Particulars	Solo (Bank)	Consolidated
Capital requirement for Credit Risk	18,613	18,732
Capital requirement for Market Risk	911	1,209
Capital requirement for Operational Risk	2,241	2,312
Minimum capital requirement (MCR)	21,765	22,254
Total regulatory capital	33,144	33,447
Risk weighted assets	217,654	222,540
Capital to Risk Weighted Assets Ratio	15.23%	15.03%
Common Equity Tier-1 (CET-1) Capital Ratio	10.78%	10.68%
Tier-2 Capital Ratio	4.45%	4.35%
Capital Conservation Buffer (CCB): 2.50% of RWA	5,441	5,564
Capital Conservation Buffer (%) maintained	4.78%	4.68%
Available Capital under Pillar II requirement*	5,937	5,629

*Total regulatory capital less MCR less CCB

D. Credit risk

Qualitative disclosures

(a) General Disclosure

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

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

The Board of Directors (BoD) sets credit policies and delegates authority to the management for setting procedures, which

Type of Facility	Sub Standard (Overdue Period)	Doubtful (Overdue Period)	Bad & Loss (Overdue Period)
Continuous Loan & Demand Loan	Other than CMS *: 3 months or more but less than 9 months.	Other than CMS: 9 months or more but less than 12 months.	Other than CMS: 12 months or more.
	CMS: 6 months or more but less than 18 months.	CMS: 18 months or more but less than 30 months.	CMS: 30 months or more.
Fixed Term Loan ^[1]	Other than CMS: 3 months or more but less than 9 months.	Other than CMS: 9 months or more but less than 12 months.	Other than CMS: 12 months or more
	CMS: 6 months or more but less than 18 months.	CMS: 18 months or more but less than 30 months.	CMS: 30 months or more.
Short Term Agricultural & Micro Credit	12 months or more but less than 36 months	36 months or more but less than 60 months	60 months or more

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

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

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

Definitions of past due and impaired credit

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

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

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

Quantitative disclosures

(b) Total gross credit risk exposures (by major types) of 31-12-20:

	BDT in million
Particulars	Amount
Inside Bangladesh	
Continuous loan (CL-2)	
Consumer Financing (CF)	5,693
Small & Medium Enterprise (SME)	6,615
Loans to BHs/MBs/SDs against Shares	1,300
Other than SMEF, CF, BHs/MBs/SDs	20,482
	34,090
Demand loan (CL-3)	
Small & Medium Enterprise (SME)	7,512
Other than SMEF, CF, BHs/MBs/SDs	81,775
	89,287
Term loan (CL-4)	
Consumer Financing (including staff, other than HF)	11,928
Housing Financing (HF)	3,680
Small & Medium Enterprise	17,979
Other than SMEF, CF, BHs/MBs/SDs	65,554
	99,141
Short term agri credit and microcredit (CL-5)	
Short term agri credit	2,440
	2,440

Particulars	Amount
Outside Bangladesh	
Loans, cash credits, overdrafts etc.	3,986
Total	228,944

(C) Geographical distribution of exposures (31-12-20):

	BDT in million
Division	Total
Inside Bangladesh	
Dhaka Division	163,883
Chattogram Division	50,343
Sylhet Division	1,607
Rajshahi Division	3,575
Khulna Division	3,939
Rangpur Division	729
Barishal Division	390
Mymensingh Division	492
	224,958
Outside Bangladesh	
Bills financed & UPAS (by EBL Finance HK Ltd)	3,986
Total	228,944

(d) Sector wise exposure of Total loan (31-12-20):

BDT in million

Amount

17,895 8,440 30,284

85,402

70,885 16,038 228,944

Particulars	31-12-2020	Mix (%)
Agri and micro credit through	1/ 210	6.21%
NGO	14,219	6.21%
Commercial and trading	30,670	13.40%
Construction	8,789	3.84%
Cement and ceramic industries	3,667	1.60%
Chemical and fertilizer	3,825	1.67%
Crops, fisheries and livestock	1,224	0.53%
Electronics and electrical goods	3,757	1.64%
Food and allied industries	10,873	4.75%
Consumer finance	29,629	12.94%
Metal and steel products	17,487	7.64%
Pharmaceutical industries	2,704	1.18%
Power and fuel	8,058	3.52%
Rubber and plastic industries	2,799	1.22%
Readymade garments industry	33,141	14.48%
Ship building & breaking	(710	2.93%
industry	6,710	2.93%
Sugar and edible oil refinery	4,873	2.13%
Transport and		2.43%
e-communication	5,559	2.43%
Textile mills	11,713	5.12%
Other manufacturing or	10 770	5.58%
extractive industries	12,778	5.58%
Others	16,468	7.19%
Total	228,944	100.00%

(e) Residual contractual maturity of credit exposure (31-12-20):

BDT in million

Particulars	
On demand	
In not more than one month	
In more than one month but not more	
than three months	
In more than three months but not more	
than one year	
In more than one year but not more than	
five years	
In more than five years	
Total	

(f) Sector wise exposure of classified loans (31-12-20):

BDT in million

Destinutore	31-12-2020		
Particulars	Amount		
Commercial and trading	2,683		
Crops, fisheries & livestock	5		
Electronics & electrical goods	21		
Individuals	418		

BDT in million

31-12	-2020
Amount	Mix (%)
153	2.46%
328	5.27%
1,856	29.81%
102	1.63%
96	1.54%
1	0.02%
564	9.06%
6,226	100.00%
	Amount 153 328 1,856 102 96 1 1 564

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

On the reporting date i.e. 31 December 2020, Gross Non-Performing Assets/classified loans stood at BDT 6,226 million.

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

On the reporting date i.e. 31 December 2020, Non-Performing Assets (classified loans) to outstanding loans & advances was 2.72%.

Movement of Non-Performing Assets (classified loans)

		BDT in million
Particulars	2020	2019
Opening balance	7,771	4,926
Additions during the year	29	4,139
Reductions during the year	(1,575)	(1,294)
Closing balance	6,226	7,771

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

Particulars	2020	2019
Opening balance	6,009	4,118
On fully provided debt written off during the year	-	-
On recovery from loans written off earlier	726	636
Specific provision charged (net of recovery) for the year	765	1,255
Provision held at the end of the year	7,499	6,009

E. Equities: Disclosures for banking book positions

Qualitative disclosures

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

Investment in equity securities by EBL is broadly categorized into two types: Quoted securities (Ordinary shares, Mutual Funds) and Un-quoted securities (including preference share and subscription

M:.. (0/)

Mix (%)
43.09%
0.07%
0.33%
6.71%

for private placement). Unquoted securities are categorized as banking book exposures which are further subdivided into two groups: unquoted securities which are invested without any expectation that these will be quoted in near future (i.e. held to maturity) and securities that are acquired under private placement or IPO and are going to be traded in the secondary market after completing required formalities. Usually these securities are held for trading or investment for making capital gains.

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

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

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

Quantitative disclosures

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

		BDT in million
Particulars	Solo (Bank)	Consolidated
The cumulative realized gains (losses) arising from sale and liquidation in the reporting period/Net gain/(loss) on sale of quoted securities	39	77
Total unrealized gains (losses)/ Provision for revaluation of shares (net)	687	843
Total latent revaluation gains (losses)	-	-
Any amount of the above included in Tier 2 capital	-	-
Capital charge required for quoted securities:	548	846
Specific risk	274	423
General market risk	274	423

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

Qualitative disclosures

(a) General Disclosure

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

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

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

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

Assumptions: For Gap analysis, bank considers the following:

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

Also, following assumptions are met:

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

Quantitative disclosures:

Funding Gap Analysis:

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

Result of Funding Gap analysis as on December 31, 2020:

Particulars	3 months	6 m
For 1% increase/decrease in interest rate, impact on NII	BDT ± 13.00 Million	BDT ± Mil
For 2% increase/decrease in interest rate, impact on NII	BDT ± 26.00 Million	BDT ± Mil

Duration GAP Analysis:

The focus of the Duration GAP Analysis is to measure the level of a Market Risk Management System: To manage the interest rate bank's exposure to interest rate risk in terms of sensitivity of Market risk, ALCO regularly monitors various ratios and parameters. Of

ths

± 43.80 illion ± 87.70

illion

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

Particulars	Dec-31, 2020	Dec-31, 2019
Duration of Asset	1.71	1.25
Duration of Liabilities	1.56	1.37
Duration Gap	0.30	-0.00349

Changes in Market value of Equity due to an increase in interest Rates as of 31st December, 2020

1%	2%	3%
BDT 912.94 Million	BDT 1,825.89 Million	BDT 2,738.83 Million

G. Market risk

Qualitative Disclosures

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

Interest rate risk: Arising from changes in yield curves, credit spreads and implied volatilities on interest rate options.

Currency exchange rate risk: Arising from changes in exchange rates and implied volatilities on foreign exchange options.

Equity price risk: Arising from changes in the prices of equities, equity indices, equity baskets and implied volatilities on related options.

Bank has a comprehensive Treasury Trading Policy, Asset-Liability Management Policy, Investment Policy approved by the BoD to assess, monitor and manage all the above market risks. Various internal limits have been set to monitor market risk and capital requirement is assessed as per standardized approach of Basel III.

Methods used to measure Market Risk: Bank applies maturity method in measuring interest rate risk in respect of securities in trading book. The capital charge for entire market risk exposure is computed under the standardized approach using the maturity method and in accordance with the guideline issued by Bangladesh Bank.

the ratios, the key ratios that ALCO regularly monitors are Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR), and Maximum Cumulative Outflow (MCO), Liquid asset to total assets, Volatile liability dependency ratio, Snap liquidity ratio and Short term borrowing to Liquid assets ratio. ALCO also regularly monitors the interest rate sensitive gap and duration gap of total portfolio.

To manage foreign exchange risk of the bank, the bank has adopted the limit set by central bank to monitor foreign exchange open positions. Foreign exchange risk is computed on the sum of net short positions or net long positions, whichever is higher. FX VaR of December 2020 end are as follows:

Figures in BDT

ıe-at-Risk (Loss in percent of j	present value)				
			Time horizon		
Confidence level	1 day	2 days	3 days	4 days	5 days
90%	190,211	243,127	352,471	407,976	465,422
95%	236,455	364,589	497,677	577,713	618,186
99%	2,251,125	2,250,996	2,292,337	2,459,908	2,291,734

To manage equity risk, the Investment Committee of the bank takes prudent decisions complying sectoral preferences as per investment policy of the bank and capital market investment limit set by BB.

Quantitative disclosures:

Capital charge required (Solo basis) for market risk on the reporting date 31-12-20:

BDT in million

	Particulars	Amount
а	Interest rate risk	317
b	Equities	548
С	Foreign exchange risk	46
d	Commodity risk	
	Total	911

H. Operational risk

Qualitative Disclosures

Operational Risk: Operational risk is the risk of loss arising from fraud, unauthorized activities, error, omission, inefficiency, systems failure or external events. It is inherent in every business organization and covers a wide spectrum of issues. We seek to minimize exposure to operational risk, subject to cost benefit trade-offs.

Views of Board on system to reduce Operational Risk: The policy for measuring and managing operational risks is approved by the Board in line with the relevant guidelines of Bangladesh Bank. Audit Committee of the Board directly oversees the activities of Internal Control and Compliance Division to protect against all operational risks. As a part of continued surveillance, the management committee (MANCOM), Executive Risk Management Committee (ERMC) and Risk Management Division (RMD) regularly review different aspects of operational risks and escalate the findings to appropriate authority while internal audit suggests formulating appropriate policies, tools & techniques for mitigation of operational risk of the bank.

Policies and processes to mitigate operational risk: The bank captures some identified risk events associated with all functional departments of the bank through standard reporting format, Departmental Control Function Check List (DCFCL), Quarterly Operation Report (QOR), Key Risk Indicator (KRI), internal audit, monitoring, and system check etc. Internal Control and Compliance Division (ICCD) is detecting 'High' Risk areas and finding mitigation of those risks. ERMC also oversees the operational risk issues. ERMC analyzes 'high' and 'moderate' risk indicators and sets responsibility for specific people to resolve the issues.

Performance gap of executives and staffs: EBL is an equal opportunity employer. It recognizes the importance of having the right people in right positions to achieve organizational goals. Our recruitment and selection is governed by the philosophy of fairness. transparency and diversity. Understanding what is working well and what requires further improvement is essential to our performance management system. The performance management process aims to clarify what is expected from employees as well as how it is to be achieved.

Our learning and development strategy puts special focus on continuous professional development to strengthen individuals' skill set by removing weaknesses to perform the assigned job with perfection. We have a wide range of internal and external training programs to enhance capabilities as well as minimize performance gap that will contribute more to bottom line.

Peoples' performance is assessed on the bases of performance objectives and key performance indicators (KPI) set at the beginning of each year. Decisions related to rewards and recognitions for the employees are taken on the bases of how well the assigned KPIs are met by the employee.

Potential external events: The overall environment within which a bank operates creates certain externalities which could affect business performance directly such as:

Fraud Risk is the risk of incurring losses as a result of an intentional act or omission by a third party involving dishonesty, for personal and/or business gain, to avoid personal and/or business loss, or to conceal improper or unauthorized activity. This includes facilitation, misrepresentation, money laundering, terrorist financing, theft, forgery and cyber-crime.

Business Continuity Risk is the risk of incurring losses resulting from the interruption of normal business activities, i.e. interruptions to our infrastructure as well as to the infrastructure that supports our businesses.

Information Security Risk is the risk of an event which could result in the compromise of organizational assets, including, but not limited to, unauthorized use, loss, damage, disclosure or modification of organization assets. It includes the risk of cyber threats on the organization.

Regulatory Compliance Risk is the risk of incurring regulatory sanctions (including restrictions on business activities, fines or enhanced reporting requirements), financial and/or reputational damage arising from our failure to comply with applicable laws, rules and regulations.

Vendor Risk arises from adverse events and risk concentrations due to failures in vendor selection, insufficient controls and oversight over a vendor and/or services provided by a vendor and other impacts to the vendor itself.

Approach for calculating capital charge for operational risk: The

bank applies 'Basic Indicator Approach' of Basel III as prescribed by BB in revised RBCA guidelines. Under this approach, banks have to calculate average annual gross income (GI) of last three years and multiply the result by 15% to determine required capital charge. Gross Income is the sum of 'Net Interest Income' and 'Net noninterest income' of a year or 'Total Operating Income' of the bank with some adjustments as noted below. GI shall:

- Be gross of any provision (e.g. for unpaid interest).
- Be gross of operating expenses, including fees paid to outsourcing service providers,
- Include lost interest i.e. interest suspense on classified loans (SS, DF, BL).

Quantitative disclosures:

Particulars	Solo (Bank)	Consolidated
Capital charge for operational risk	2,241	2,312

I. Liquidity ratio

Qualitative Disclosures

Views of BoD on System to reduce liquidity risk

Liquidity Risk is the risk of bank's inability to repay its obligations as they fall due or incurring excessive cost while mobilizing fund due to scarcity of cash fund at a certain period of time. The risk

BDT in million

arises from mismatch in the expected level of cash flows from maturing assets and liabilities. The intensity and sophistication of liquidity risk management system depends on the nature, size and complexity of a bank's activities. Sound methods in measuring, monitoring and controlling liquidity risk is critical to sustainability of the bank. Therefore. The Board of Directors of the bank sets policy, different liquidity ratio limits, and risk appetite for liquidity risk management.

Methods used to measure liquidity risk

The tools and procedures deployed by EBL to manage liquidity risk are comprehensive. The measurement tools used to assess liquidity risks are:

- Statutory Liquidity Requirement (SLR)
- Cash Reserve Ratio (CRR)
- Asset to Deposit Ratio (ADR)
- Structural Liquidity Profile (SLP)
- Maximum Cumulative Outflow (MCO)
- Liquidity Coverage Ratio (LCR)
- Net Stable Funding Ratio (NSFR)
- Volatile Liability Dependency Ratio
- Liquid Asset to Total Deposit Ratio
- Liquid Asset to Short Term Liabilities

Liquidity risk management system

Responsibility of managing liquidity lies with Asset Liability Committee (ALCO) of the bank which meets at least once in every month. Asset and Liability Management (ALM) desk closely monitors and controls liquidity requirements on a daily basis by proper coordination of funding activities. A monthly projection of fund flows is reviewed in ALCO meeting regularly.

Policies and processes for mitigating liquidity risk

In order to develop comprehensive liquidity risk management framework, EBL has constructed Contingency Funding Plan (CFP) to manage liquidity in both normal and stressed conditions. CFP includes a set of policies and procedures that serves as a blueprint for the bank to meet its funding needs in a timely manner and at a reasonable cost. CFP is an extension of ongoing liquidity management while ensuring:

- Reasonable liquid assets are maintained;
- Measurement and projection of funding requirements in . different scenarios; and
- Management of access to funding sources.

Maturity bucket of cash inflows and outflows is an effective tool to determine bank's cash position; that estimates cash inflows and outflows with net deficit or surplus (GAP) both on a day to day basis and over a series of specified time periods. A bucket wise (e.g. call, 2-7 days. 8 days-1 month. 1-3 months. 3-12 months. 1-5 years. over 5 years) maturity profile of the assets and liabilities is prepared to understand mismatch in every bucket. A structural maturity ladder or profile is prepared periodically following guidelines of the Bangladesh Bank.

Quantitative disclosures:

Liquidity Coverage Ratio and Net Stable Funding Ratio as on 31 December 2020 are given below: BDT in million

	221
Particulars	Amount
Stock of High quality liquid assets	66,510.32
Total net cash outflows over the next 30 calendar days	31,535.92
Liquidity Coverage Ratio (%)	210.90%
Available amount of stable funding	257,567.16
Required amount of stable funding	244,162.68
Net Stable Funding Ratio (%)	105.49%

J. Leverage ratio

Qualitative Disclosures

Views of BoD on System to reduce excessive leverage

Leverage ratio is the ratio of Tier 1 capital to total on and off-balance sheet exposures. It was introduced into the Basel III framework as a non-risk based backstop limit, to supplement risk-based capital requirements. EBL has embraced this ratio along with Basel III guideline as a credible supplementary measure to risk based capital requirement and assess the ratio periodically.

Policies and processes for managing excessive on and offbalance sheet leverage

Revised guideline of RBCA based on Basel III as provided by BRPD of Bangladesh Bank is followed by EBL while managing excessive on and off-balance sheet leverage of the bank. As per RBCA guideline, leverage ratio indicates Tier I Capital divided by Total Exposure after related deductions.

Approach for calculating exposure

The Bank has calculated the regulatory leverage ratio as per the guideline of Basel III. The numerator, capital measure, is calculated using the new definition of Tier I capital applicable from 01 January 2015. The denominator, exposure measure, is calculated on the basis of the Basel III leverage ratio framework as adopted by Bangladesh Bank.

Quantitative Disclosure:

Leverage Ratio (Solo Basis) on 31 December 2020 is given below:

Particulars	Amount
On balance sheet exposure (A)	329,436
Off balance sheet exposure (B)	65,669
Regulatory Adjustments (C)	2,313
Total exposure (A+B-C)	392,793
	1
Leverage Ratio	5.97%

K. Remuneration

Qualitative Disclosures

EBL wants to attract, retain and motivate top talents to meet its sustainable growth. The bank offers a competitive pay and benefits package to create an exemplary team for this sustainable growth. Our compensation and benefits strategy combines the need to maintain a high performance culture along with market competitiveness. A bi-annual benchmarking exercise makes sure that employees' pay is competitive. Moving between pay scales depends on the individuals' performance and we reward employees accordingly.

a) Information relating to the bodies that oversee remuneration.

Name, composition and mandate of the main body overseeing remuneration.

EBL has a Board approved People Management Policy that outlines the rules relating to compensation structure and the benefits package for its people and gives detailed procedures for exercising those.

External consultants whose advice has been sought, the body by which they were commissioned, and in what areas of the remuneration process.

Presently EBL does not have any separate body or external party to oversee remuneration.

A description of the scope of the bank's remuneration policy (e.g. by regions, business lines), including the extent to which it is applicable to foreign subsidiaries and branches.

The said policy applies to all the employees of the bank. Local and foreign subsidiaries of EBL are governed by their policies. If they don't have such policies, EBL policy will be applicable.

A description of the types of employees considered as material risk takers and as senior managers, including the number of employees in each group.

All of the Management Committee (MANCOM) members are considered as material risk takers and are mostly Senior Managers. MANCOM is the highest decision and policy making authority of the management comprising of MD & CEO and different business and support unit heads.

b) Information relating to the design and structure of remuneration processes.

An overview of the key features and objectives of remuneration policy

Remuneration policy of the bank has been framed to maintain a performance based reward policy which recognizes the contribution of each of the employees of the bank.

EBL's reward package consists of the following key elements:

Fixed pay:

BDT in million

The purpose of fixed pay is to attract and retain employees by paying competitive pay for the role, skills and experience required for the business. This includes salary, fixed pay allowance, and other cash allowances. These payments are fixed and do not vary with performance.

Renefits.

EBL provides benefits in accordance with local market practice. This includes subsidized loans (car. house building), hospital bill reimbursement, TA/DA etc.

Annual Incentives:

EBL provides annual incentives to drive and reward performance based on annual financial and non-financial measures consistent with the medium to long-term strategy, shareholder interest and adherence to EBL values

Regulations of Pay and Allowances

- Salaries are confidential between the concerned employees and Human Resources Division.
- The grade-wise scale of pay and other allowances of employees are determined by the competent authority from time to time.
- Salary revision is decided by the Managing Director & CEO with the approval of the Board of Directors based on: a. Individual Performance
- b. Market movement
- c. The Bank's affordability
- d. Individual's relative position in a particular salary range e. COLA (Cost Of Living Adjustment)

Any request for information relating to salary should be directed to the Human Resources Division by appropriate authority.

Whether the remuneration committee reviewed the firm's remuneration policy during the past year, and if so, an overview of any changes that were made.

Remuneration structure of the bank is reviewed as and when management deem appropriate to allow for adjustments in the cost of living and market forces pertaining to the banking industry. HR Division initiates the process, makes proposal to Board for approval.

A discussion of how the bank ensures that risk and compliance employees are remunerated independently of the businesses they oversee.

EBL ensures that Risk and Compliance employees are remunerated independently as the remuneration package is set by the management and applicable for all employees irrespective of profession or area.

C) Description of the ways in which current and future risks are taken into account in the remuneration processes.

An overview of the key risks that the bank takes into account when implementing remuneration measures.

In a highly competitive financial sector like banking, remuneration system is mostly dictated by market forces. Demands for efficient

and skilled employees tend to increase as disproportionate number of financial institutions chase them. As a result, compensation package for skilled resources is relatively high and salary revision takes place more frequently than other industries. Excessive turnover of human resources, skill shortage, inability to attract and retain good people are some of the risks banks have to consider with. However, EBL designed its remuneration package as per market driven strategy to ensure right package for the right people. On top of it, in designing remuneration package, EBL ensures fair treatment, internal equity and external competitiveness to retain good resources

An overview of the nature and type of the key measures used to take account of these risks; including risks difficult to measure (values need not be disclosed).

Market survey is conducted periodically to compensate employees for their expertise, time, mental and social engagement with the organization.

A discussion of the ways in which these measures affect remuneration.

These measures ensure that the remuneration process of EBL is:

- Right employees are getting right package as per their performance, quality of experience, training received and special expertise.
- Ensure internal & external equity
- A discussion of how the nature and type of these measures has changed over the past year and reasons for the change, as well as the impact of changes on remuneration.
- No changes took place.

(d) Description of the ways in which the bank seeks to link performance during a performance measurement period with different levels of remuneration.

An overview of main performance metrics for bank, top-level business lines and individuals.

At EBL, salary increment and promotion is purely linked with performance. As per policy, performance evaluation is done for all permanent employees. In addition to yearly review of performance, a quarterly review is also carried out. Performance evaluation is done on the below parameter:

- Business Objectives
- Personal Development Objective
- Management Objectives
- Operational and compliance objective
- Behavioral competency

A discussion of how amounts of individual remuneration are linked to bank-wide and individual performance.

Overall performance is evaluated as per above mentioned parameters and individuals are rated accordingly from 1 (highest) to 6 (lowest). Increment is linked with the rating employees receive during the performance evaluation process.

A discussion of the measures the bank will, in general, implement to adjust remuneration in the event that performance metrics are weak.

No adjustment took place as EBL maintains a standard performance evaluation process.

(e) Description of the ways in which the bank seek to adjust remuneration to take account of longer-term performance.

A discussion of the bank's policy on deferral and vesting of variable remuneration and, if the fraction of variable remuneration that is deferred differs across employees or groups of employees, a description of the factors that determine the fraction and their relative importance.

Not applicable.

A discussion of the bank's policy and criteria for adjusting deferred remuneration before vesting and (if permitted by national law) after vesting through claw back arrangements.

Not applicable.

(f) Description of the different forms of variable remuneration that the bank utilizes and the rationale for using these different forms.

An overview of the forms of variable remuneration offered (i.e. cash. shares and share-linked instruments and other forms)

EBL recognizes the effort and performance of its employees based on its People Management Policy which consists of base salary and different benefit packages mentioned earlier. Therefore, EBL does not use any form of variable remuneration in its remuneration process. However, EBL practice sales commission based remuneration process for contractual staffs.

Quantitative disclosures:

Number of meetings held by the main body overseeing remuneration during the financial year and remuneration paid to its member:

No such meeting as there is no designated remuneration committee. HR Division is assigned to initiate any change proposal on remuneration as per the People Management Policy of the bank and get necessary approval from BoD.

Number of employees having received a variable remuneration award during the financial year:

Not applicable

Number and total amount of guaranteed bonuses awarded during the financial year:

Two basics as two festival bonuses.

Number and total amount of sign-on awards made during the financial vear. Not applicable

Number and total amount of severance payments made during the financial year. Not applicable

Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms. Not applicable

Total amount of deferred remuneration paid out in the financial year. Not applicable.

Breakdown of amount of remuneration awards for the financial year to show:

- fixed and variable.
- deferred and non-deferred.
- different forms used (cash, shares and share linked instruments, other forme)

Not applicable

Quantitative information about employees' exposure to implicit (e.g. fluctuations in the value of shares or performance units) and explicit adjustments (e.g. claw-backs or similar reversals or downward revaluations of awards) of deferred remuneration and retained remuneration.

- Total amount of outstanding deferred remuneration and retained remuneration exposed to ex-post explicit and/or implicit adiustments.
- Total amount of reductions during the financial year due to e post explicit adjustments
- Total amount of reductions during the financial year due to ex post implicit adjustments.

Not applicable.

Note: Till 2020, People management Policy of EBL does not have provision of any kind of variable remuneration, deferred remuneration, severance payment, sign-on awards or other forms of remuneration as mentioned above for its permanent staff

Management of Non-performing Loan (NPL)

NPL is a typical by-product of weak underwriting and governance practices and sometimes fueled by adverse externalities. It is a common phenomenon in the lending business which, if not checked, can very well disrupt the financial system and macroeconomic stability. Managing NPL has become one of the toughest things under ongoing corona pandemic. In 2020 NPLs were mostly shielded off by BB's forbearance to downgrade the classification status of any loan and payment pause facility. These initiatives have given a much needed breathing space for the borrowers battered by the unprecedented crisis and allowed the financial sectors to absorb the shock gradually. Nonetheless some of the businesses were impacted permanently and this will impact NPL management of financial institutions, regardless of their size and prudence in risk management.



In anticipation of probable deterioration in asset quality once all these facilities will be withdrawn during 2021 and onwards, we have maintained an excess amount of provision of BDT 1,768.33 million at the end of 2020.

Initiatives taken in channeling government stimulus packages

In 2020 due to coronavirus pandemic customers experienced unprecedented challenges which hampered their business severely. Government announced a series of timely and crucial economic policies and stimulus packages through Bangladesh Bank to mitigate the disastrous fallout of COVID-19. As the pandemic-induced shutdown paralyzed the economy impacting all businesses and livelihood, EBL was one of the very first few banks in channeling government stimulus funds to customers. This stimulus fund helped our customers to get back to business promptly to limit damages and stopped good loans turning into bad.

We participated in the following stimulus packages and refinance schemes:

Stimulus Package	EE	3]
Worker's Salary Payment of Export Oriented Customers	•	
Working Capital Loan to Corporate Borrowers	•	
Working Capital Loan to CMSME Borrowers	•	
EDF Refinance to Export Oriented Customers	•	,

NPL, being a double-edged sword, erodes interest income as well as eats up profit in the form of provision. Timely and efficient management of NPL is crucial for the sustenance and consistence performance of a bank. Effective NPL management should lead to:

- Avoiding probable decrease in net interest income
- Reduction in impairment costs
- Savings for capital requirements for high-risk weighted assets.
- Enhanced risk appetite for new lending.
- Higher rating and lower cost of funding increasing equity valuations
- Savings of management time and servicing costs to resolve the problem.



Restriction against down gradation of classification status of loans till 31 December 2020

Suspension to the loan borrowers on their loan repayments during 2020.

Maintaining 1% additional provision against all regular loans which enjoyed payment deferral facility in the name of "Special General Provision: COVID-19".

L's Contribution

EBL disbursed BDT 2,706.61 million to about 53,290 workers of 35 Export Oriented Concerns.

BB allowed total BDT 9,784.00 million for EBL Clients' under the package.

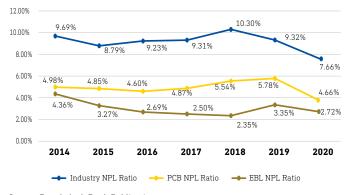
Up to December 2020, we have disbursed BDT 8,820.39 million to 84 Customers.

BB allowed total BDT 3,951.70 million for EBL Clients' under the package.

Up to December 2020, we have disbursed BDT 3.062.90 million to 489 Customers.

Total Disbursement up to December 2020 was BDT 27,874.59 million.

NPL ratio movement: EBL vs. Industry & PCBs



Source: Bangladesh Bank Publications

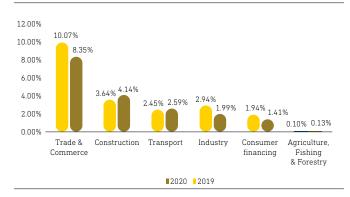
Note: For industry NPL ratio and PCB NPL ratio data prior to December 2020 contains information without OBO



At EBL, we believe in "quality first, revenue will follow". The intense focus on quality of asset drove the Bank to achieve NPL ratio of 2.72% at the end of 2020: which is far below the industry average NPL of 7.66% as well as much lower than average NPL of 4.66% in Private Commercial Banks (PCBs). EBL experienced a decrease in NPL ratio owing to the relaxation of NPL policy during 2020. This demonstrates the excellent stewardship in risk management of the Bank.

EBL has been on an improvement track since 2014 in terms of NPL ratio. A concerted effort of the Business units, Credit Risk Management, Special Asset Management and Senior Management to keep the loan portfolio healthy and with the effective oversight of the Honorable Board of Directors towards sustainable growth helped EBL to accomplish such a feat. Moody's, in their recent review report of EBL has also acknowledged EBL's track record of good asset quality, superior underwriting process with a focus on high-quality corporates.

Economic Sector wise NPL





Our approach towards NPL management

- Practicing good governance: To ensure that a loan does not go bad and NPL does not accumulate in the first place, good corporate governance and careful due diligence is followed in lending decisions.
- Robust credit culture: Our sound risk management culture backed by prudent underwriting standards, policies and procedures helped us bring down the surge of new nonperforming loans. Policies, guidelines, strategies and procedures are kept updated with frequent assessment in accordance with actual performance and industry best practices.
- Constant monitoring and regular follow-up: Early risk recognition, prompt reporting and proactive risk management of individual position in the portfolio is performed for immediate attention and remediation. Foresighted strategic action plans on vulnerable and concerning accounts help us guard against conversion of performing loans into NPLs.
- Strong recovery system: We give utmost importance to problem loan recovery. Special Asset Management Division puts all-out efforts to maximize recovery of the problem loans including written off loans. Consistent follow-up along with vigorous monitoring through numerous client visits is crucial for our efficient and effective recovery system. Where appropriate we reschedule classified accounts maintaining regulatory guidelines. We frequently communicate with customers who are experiencing financial distress. Further, financial and advisory assistance is provided as per requirement.

Way forward

- "No compromise on quality" has been and will continue to be the guiding principle for management of credit portfolio of the Bank in 2021.
- Management is committed to excel in NPL management by way of -
 - Arresting new NPL flow
 - Reducing NPL to acceptable level
- Aligning underwriting criteria with the economy and industry position, enhancing credit principles and bringing in innovation in recovery shall be the key priorities for NPL management.
- Combating NPL is a continuous process and there is no room for complacence in improving portfolio health. It is the Bank's strategic intent to uphold its downward trend of NPL ratio in the coming years.

Recovery of Classified and Written-off Loans

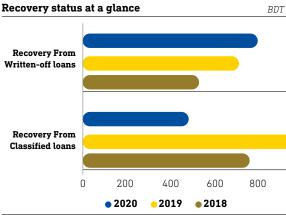


Industry overview and status of EBL

Default loan has dogged into the country's banking sector that deprives good borrowers to collect required funds at reasonable price and halts the overall economy to grow. Banks are losing out revenues and making hefty amount of provision against classified loans. However, there was a regulatory forbearance allowed by BB not to downgrade classification status of any loan during 2020 due to the apprehended severity of impact of COVID-19 pandemic on the economy. In a commendable continuity of maintaining one of the lowest NPL in the industry, EBL's NPL ratio stood at 2.72% at the end of 2020 compared to 3.35% in 2019.



- · Successfully sold mortgaged properties amounting to BDT 419.87 million by publishing auction notice.
- Disposed of 80 number of cases in favor of Bank at High Court Division and Appellate Division of the Supreme Court of Bangladesh.
- Obtained 415 number of judgment in favor of the Bank in Judge Court against the defaulter borrower of the Bank.
- Issued 721 warrant of arrest against defaulting borrowers out of which we have executed 199 convictional warrant of arrest and recovered BDT 31.6 million.
- We have obtained Certificate under section 33(5) of ARA against 04 (four) Corporate and 1(one) BCCI accounts.
- We have obtained certificate under section 33(7) of ARA against 03 (three) Corporate accounts.
- Regular meetings with the Bank's enlisted panel lawyers/ retainer to know the progress of cases for its speedy disposal.



Special Asset Management team of the Bank played contributory role to achieve that feat with their all-out effort for recovery of classified and written-off loans. Proper follow-up and frequent monitoring along with visits are the keys to an effective recovery system. Payment deferral facility for borrowers allowed by Bangladesh Bank has barred bank to collect cash from delinguent clients during 2020. Economic downturn and payment deferral facility due to pandemic caused slower recovery from classified loans during 2020.



Status of legal proceedings

BDT in million

We are now looking after 7,624 suits/cases filed against defaulting borrowers involving an amount of BDT 25,624 million. 18 dedicated law officers are monitoring the above suit cases as plaintiffs and complainants on behalf of the Bank. The above mentioned suits/ cases are filed and conducted by panel lawyers of the Bank. Legal unit obtained 415 number of judgments in Artha Rin Suit & Case filed under Negotiable Instruments Act. 371 number of Cases have been withdrawn after settlement of the account. Moreover, 259 writ petitions/criminal misc. cases/appeals are pending before the Supreme Court of Bangladesh whereas 80 cases were disposed in favor of the Bank during 2020.

Way forward

- Continuing regular portfolio analysis meeting with Business and CRM on monthly basis for improving quality of asset portfolio.
- Maintain strong liaison/relation with court officials for speedy disposal of suits/cases filed against defaulting borrowers.
- Speedy action for vacating stay order from higher court for large accounts.
- Arranging legal workshop for knowledge sharing.
- Prompt settlement of large accounts by setting
- Special follow up of accounts having good collaterals for faster decree from court in favor of Bank towards faster recovery.

Going Concern and Viability

Key financial indicators

Particulars	2020	2019	2018	2017	2016
Return on average assets	1.22%	1.30%	1.15%	1.04%	1.33%
Return on average equity	15.04%	16.52%	13.83%	11.41%	12.94%
Cost to income ratio	45.58%	43.76%	45.63%	45.20%	44.10%
Capital to risk weighted assets ratio	15.23%	14.74%	12.16%	14.09%	15.10%
NPL ratio	2.72%	3.35%	2.35%	2.50%	2.69%
EPS (BDT)	5.05	4.94	4.17	3.26	3.78

Consistency in higher dividend payment

Particulars	2020	2019	2018	2017	2016
Dividends:					
Cash dividend (%)	17.5	15	20	20	20
Stock dividend (%)	17.5	-	10	-	5
Total (%)	35	15	30	20	25

Protecting interest of the shareholders is the topmost priority of EBL. Therefore, EBL has been quite consistent in terms of paying dividends complying necessary rules and regulations that shows EBL's long-term vision and firm commitment to its shareholders.

Regulatory compliance

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

Ratios	Regulatory limit	2020	Status
AD ratio-Bank	≤87%	78.82 %	Complied
MCO-DBO	≤16.5%	13.51%	Complied
LCR-DB0	≥100%	210.90%	Complied
NSFR-DBO	>100%	105.49%	Complied
Capital market exposure (Solo)	≤25%	22.03%	Complied
CRAR (Solo)	≥12.5%	15.23%	Complied
Leverage ratio (Solo)	≥3%	5.97%	Complied

Good governance

Board of Directors remain at the heart of the governance structure of the company which is the key to sustainable growth. Hence, Board of Directors of EBL plays a pivotal role in shaping governance structure and practices through their choice of strategy and leadership to drive the Bank to growth path. The management of EBL as an extended wing of the Board executes policies and procedures set by the Board for the greater interest of shareholders and other stakeholders. Our well-functioning Board of Directors provides appropriate support to our CEO and his team with the foresight and seasoned judgments to carry the business on the right track even in a pandemic situation. Hence, our continuous effort to adopt and adapt to international best practices in corporate governance has been recognized by Institute of Chartered Secretaries of Bangladesh (ICSB) based on Board effectiveness, governance

structure, governance practices, reporting and compliance of corporate governance, communication with stakeholders. Since inception of the award in 2013, EBL is one of the most awarded financial institutions in the category.

Data security

To protect valuable data from external threats, we have put several preventive controls in place. Besides, we have achieved PCI-DSS certification for consecutive five years in recognition of our constant effort to minimize vulnerabilities in cardholder data domain, which provides our customers with a peace of mind reliability for using our payment cards. Our achievement of ISO/IEC 27001:2013 certification for the second time in a row recognizes our compliance with Information Security Management Systems (ISMS), a risk management framework developed jointly by ISO and IEC.

Capital management

Particulars	
Minimum capital requirement	
Maintenance of capital	
Surplus	
CRAR	

The Bank has been maintaining adequate capital above its regulatory requirement. Minimum capital requirement of the Bank as of 31 December 2020 is BDT 21,765 million whereas EBL maintained BDT 33,144 million that led to CRAR 15.23% of which core capital to RWA is 10.78% and supplementary capital to RWA is 4.45% that indicates how efficiently EBL manages its capital and constantly works on it to create strong capital base and meet up regulatory requirements.

Strong brand image

Banking business purely depends on trust. People have entrusted us with so many responsibilities. In reciprocity, we have always put our best efforts to meet diverse stakeholders' expectations that's what made us a strong financial service brand in the market. Our long list of awards and recognitions is a testimony of our performance and we have received so many awards and accolades both from local and international bodies. To name a few. Bank of the Year 2020 for Bangladesh by The Banker, Leading SME Trade Bank by ADB, Excellence in Product Innovation, Excellence in E-commerce Acquiring Business and Excellence in Cross-Border Business from VISA, Best Corporate Award from ICMAB, the most Innovative Retail Bank in Bangladesh by International Finance magazine etc. Besides, EBL has been awarded as a 'Superbrand' of the country for the year 2018-2020 by the Superbrands Bangladesh for its outstanding contribution in the banking sector. And, EBL is also well-accepted by the multi-lateral Institutions such as- DEG. FMO, ADB, IFC, PROPERCO etc. for its proven track record.

We care for our people

Employees who are satisfied at work come up with higher productivity and provide better customer service. EBL always cares for its employees and creates good work environment so that they remain highly satisfied. EBL ensures equal opportunity, work life balance, employee engagement, personal development,

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

BDT in million 2020 2019 21.765 20.744 33,144 30,569 11,379 9.825 15.23% 14.74%

health and safety for its employees which in return increases Bank's productivity and reduces conflict between employees and management. Our people truly hold the flagship of the Bank and they try to provide finest service to our customers that has created long lasting bondage. As a part of recognition, EBL has received Bangladesh Best Employer Brand Award by the globally renowned Employer Branding Institute.

Credit rating

CRISL has reaffirmed long term rating "AA+" and short-term rating to "ST-1" to EBL which is valid up to June 21, 2021. The rating indicates fundamentals of the Bank such as good profitability, good liquidity, Basel-III compliant capital adequacy (with strong core capital), diversified business portfolio, good non-funded business, good market image, sound IT infrastructure, experienced top management etc. Even during the pandemic, the Bank showed its resilient performance.

Excellence in customer service

EBL always thrives for easy going strategies that enable the Bank to unlock the best ideas. Our priority is to bring digital perspective at process level so that customers can feel more comfortable when dealing with the Bank. We take feedback from our customers positively with high importance and start working on them so that customers experience better service. This always helps us create and maintain strong bonding with our customers.

SUSTAINABILITY REPORT

Sustainability Report

Foreword

Banking has experienced a phenomenal shift from its traditional form of operation to a completely new strategic dimension referred to as Sustainable Banking which means integration of environmental, social and governance criteria into the business or investment decisions for continuing benefits of both clients and the society as a whole.

EBL has always been a pioneer in adopting the best practices to set examples among other banks and financial institutes of the country. At EBL, sustainability means more than just operating responsibly or complying with regulatory requirements. It means having a positive and long lasting impact on the surrounding community and to all the stakeholders. For over 29 years, EBL has striven to strengthen the country's financial eco system and is strongly interlinked with Bangladesh's growth story. Bangladesh is included among 25 countries in the world that have launched national policies, guidelines, principles, or roadmaps focused on sustainable banking.

Since inception as a scheduled private commercial bank in 1992, Eastern Bank Limited has been creating opportunities for individuals, businesses and contributed for the sustainability of the society of which it is a part. EBL aims to go beyond profitability. EBL believes every business must have a social purpose along with a commercial one. We cannot make profit ignoring economic, social and environmental aspects of the society where we operate. We aspire to promote ethical businesses to help people and the society as a part of our corporate social responsibility and a platform toward attaining sustainable development of the economy.

Today, technology is enabling us to fulfill our purpose at ever greater scale. The adoption of smartphones and digital platforms are driving changes in customer's preferences. Every day, we are discovering new ways to engage with each other and with businesses.

As 2020 was not normal by any means, we tried our best to protect our employees and customers against COVID-19 pandemic. EBL took some strict precautionary initiatives and followed the instructions given by Government and World Health Organization. Maintaining social distancing at work place, working from home, reduced office hour, use of hand sanitizer, temperature monitoring, use of gloves and masks, disinfecting office premises are some of the steps taken by EBL throughout the year.

EBL has also engaged with industry peers and worked closely with related regulators including Bangladesh Bank in shaping policy reforms/responses appropriate with market realities and difficulties during the COVID-19 period. EBL is one of the first few

banks in channeling government stimulus fund to customers to help restart, minimize impairment and bounce back.

Financial results are a function of commercial success, and commercial success depends on delivering superior value to customers, being an attractive workplace and contributing to societal progress. To ensure that we keep this balanced focus, we have concrete ambitions and focus areas. These ambitions cover customer satisfaction, digital advancement, product innovation, employee engagement and financial results etc.

In 2020, EBL made significant progress towards achieving UN Sustainable Development Goals. We promoted financial inclusions through 29 agent and 5 sub-branch outlets, and contributed towards women and student banking by arranging a number of webinars on education, gender equality, health and social issues and developing low cost products for women entrepreneurs. We also have 4 designated student centers to provide customized banking solutions for students pursuing higher education abroad.

In addition to our investment in higher education, EBL also contributes to a wide range of local initiatives in areas such as early childhood education, entrepreneurship, financial literacy, art and culture in the communities where we operate. EBL's small credit program supports some of the most underprivileged social groups by doing what banks do best: funding businesses, no matter how small they might be. Our endeavor to finance agricultural and rural developments, micro and small enterprises and women empowerment will continue with priority.

Again as a leading commercial bank, EBL is continuously funding projects that are eco-friendly and have desire to become energy efficient. We have integrated Environment and Social Risk Management System to analyze the environmental and social risks of projects and promote financing for renewable energy and projects to support the fight against climate change.

At EBL, we want to be profitable as well as sustainable. This way we can help more people and businesses can prosper. We will continue to work every day to make EBL the best retail and commercial bank for our employees, customers, shareholders and communities.

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M. Khurshed Alam Chairperson Sustainable Finance Committee



Sustainable Banking means providing socially and environmentally responsible products and services that will have long term positive impact to financial organizations and community as a whole. Financial institutions unwilling to follow the path towards sustainability will lose competitiveness.

A financial institute involves in environmental and social issues of a community from the moment it acts as financial intermediary and

gets involved in financing projects. As a leading commercial bank in Bangladesh, EBL has made sustainability as its integral part of day-to-day work, and is continuously improving the environmental and social performance of operations, which we commonly refer to as our corporate footprint. The sustainability strategy articulates EBL's strategic commitment to sustainable development which we consider one of the vital parts towards risk management.

EBL focuses on long term	Quality over Quantity	Inclusion of Env. & Social risk	analysis
investment rather than short term profit. That includes financial inclusion, digital advancement and service excellence.	Sustainable development is a projection into the future and EBL focuses on increasing the value of good portfolio.	In short term inclusion of environmental and social risk analysis will lead to increase costs but in the long run these eco-efficient portfolio will bring sustainability.	Sustainability Sustainability is a process that EBL is following for years. EBL is committed towards the economy, environment and society. As a financial institute
			EBL is determined to become example of sustainability for other financial institutes.

At EBL we believe that any growth should meet the requirement of today's generation, without hampering future generations' ability to meet their own necessities. We are committed to ensure ethical, social and environmental criteria that are diligently followed when conducting business and making business decisions.



EBL is one of the pioneers in the banking sector in Bangladesh to adopt international best practices in corporate social responsibility and good governance. Our aim is to take a leadership position in sustainable finance. The rules and regulations of the Board of Directors are stipulated in relation to sustainability which are:

- The Board of Directors; on all matters except those reserved for the annual general meeting, is the only body authorized to approve general policies and strategies, especially those relating to sustainability.
- The Board of Directors also oversees the corporate social responsibility policy, ensuring its compliance and its aim to create value for the Bank.

EBL has a Sustainable Finance Committee (SFC) chaired by a Deputy Managing Director (DMD) and comprises the heads of different divisions and corporate areas of the Bank concerned with sustainability. This Committee meets at least once a quarter and proposes, coordinates and promotes the Bank's sustainability initiatives. Credit Risk Management (CRM) team also assesses the reputational risk stemming from any financial transaction with a social or environmental impact, which issues nonbinding recommendations to the relevant decision-making body. Subsequent to business units and credit risks as a third line of defense, internal audit team performs regular evaluations of the implementation of Environmental & Social Risk Management (ESRM) system, sustainable banking and green office guideline. Our corporate culture includes six core values which creates an essence of corporate governance and sustainable development.



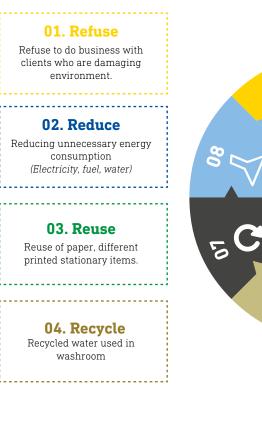
Sustainable banking policy defines the Bank's general sustainable banking principles, and its voluntary commitments to its main stakeholders, through principles and commitments focused on creation of lasting value. This policy also refers to social and



EBL's COVID-19 response

2020 was the year of COVID pandemic. The whole world has suffered of this virus and continues to do so. In order to protect the people, the government of Bangladesh declared "lockdown" in a form of general public holiday across the nation from 23 March to 30 May and prepared some necessary steps to spread awareness of COVID-19 pandemic. As a bank we also did our best to ensure our employees and customers stay safe and healthy. EBL took some strict precautionary initiatives to ensure social distancing. We strictly followed the instructions given by the Government and world health organization. Majority of us were working from home from April to July. Only few branches and departments were open. Office hours was reduced as per Bangladesh Bank guideline and employees were working on rotation.

Sufficient safety measures were taken for employees. Use of sanitizer has been made mandatory. Hand sanitizers have been placed in numerous corners of the Bank. Body temperature of employees are screened every day to make sure no one enters office with fever or other symptoms. Use of gloves and masks is must for most employees based on their operation type. Bank is running regular disinfection process in all its offices in regular intervals. Any sort of foreign tour, training, conference, meeting



environmental risk management for the Bank's lending activities involving sensitive sectors and business activities. Green office guideline explains the Bank's commitment to, and action in, combating climate change.

with correspondent banks, customers within and outside country were temporarily suspended in 2020. We reached them through phone and video calls.

We encouraged our customers to use our digital platforms to meet their daily financial needs without physically visiting any branch. Our internet based products are much more active now. We are regularly reaching our customers to use these online products and also educating them about their usages on regular basis.

We have also engaged with industry peers and worked closely with related regulators including Bangladesh Bank in shaping policy reforms/responses appropriate with market realities and difficulties during the COVID period. EBL was one of the few initial banks in channeling government stimulus funds to customers to help minimize damage, restart, and bounce back.

8R approach to sustainability

In this constantly changing business environment, we pursue efficient cost management, promote consistent productivity gains through seamless coordination between business functions, and focus our attention on widening our banking horizon to deliver sustainable growth. We followed 8R approach also in 2020 as we did in 2019 in terms of sustainability and will continue in the future.



05. Responsibility

Selecting good borrower & empowering employees.

06. Respond

Brought down our response time from 0-5 days to 0-4 days.

07. Renew

Use of renewable energy in HO.

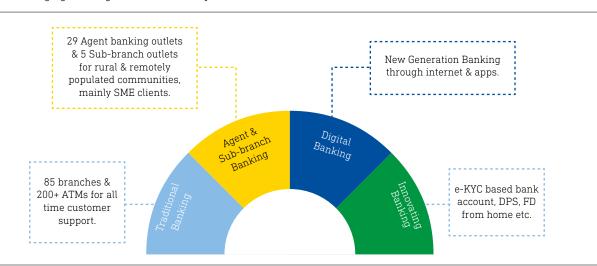
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08. Refine

Refining Processes to increase efficiency & productivity

Financial inclusion and diversity

We empowered local people through SME loans, agricultural and rural credits and women banking where maximum customer facility is provided through knowledge development, customized products and arranging training for women entrepreneurs. We have been providing best banking services and solutions in the urban section; now looking for development of the rural and underdeveloped people of the country.



Digital banking and automation to save time and resources



From EBL 365 to DROPBOX to SKYBANKING to EBL DIA to EBL SKYPAY, EBL has been able to adopt the digital transformation of the banking industry. EBL has been the pioneer for providing unique digital services for its customers. EBL is determined to engage its customers more in digital channels by offering unique services and increasing customer convenience. In 2020, EBL has done outstanding work in digital banking to introduce EBL Self Service Hub to open FD and DPS from Home. During this challenging times we are constantly in touch with our customers through social media channels, providing innovative solutions through our banking app, banking through Chabot, introducing QR Payment solution to make contactless payments, e-KYC based bank account, VISA Inward Remittance, balance certificate automation, collection gateway through 'EBL Connect' and providing export factoring solution as part of our efforts to offer customer support in every possible way.

EBL started its e-KYC based Insta account project in 2020, which has been introduced in January 2021. Now customers can easily open their account from their home without coming to branches.







Economic Sustainability





Employee remuneration	
BDT 3,949.92 million in staff costs	EBL has 18 years, 15.5
Loans granted (net) to SME- Small businesses	
BDT 10,739.80 million in loans provided at year-end	The Bank h million is d
Shareholders	
BDT 2,841 million recommended as dividend	Recommer
Taxes withheld and paid	
BDT 3,880 million in taxes and other levies withheld and paid	EBL contril other levies
Social investment in the community	
BDT 183.22 million in social investment in the community	BDT 183.22 agricultura

Financial inclusion & indirect economic impact	2020	2019
Cumulative agricultural and rural credit extended through MFIs (BDT in million)	5,294.40	4,328.91
Cumulative agricultural credit extended through own network (BDT in million)	10.80	16.80
Cumulative agricultural and rural credit extended from ADB fund (BDT in million)	2064.12	1,685
Total number of individuals impacted through agricultural and rural credit	115,270	111,265
Total number of MFIs partnered for agricultural and rural credit disbursement		13

Environmental Sustainability

Social Sustainability





.896 permanent employees; 48.3% are with EBL for less than 5 years, 28% are for 5 -10 5% are for 10-15 years and 8.2% are for over 15 years.

has disbursed BDT 10,739.80 million loans to Small businesses in which BDT 1,577.60 disbursed in rural area.

nded 17.5% cash dividend and 17.5% stock dividend per share.

ibutes both economically and socially to the country by paying withholding taxes and es from third parties.

22 million in community support program. 13 MFIs are linked with EBL to mobilize al loan.

Promoting sustainable finance	2020	2019
Financed for installation of ETP to plants in operations (BDT in million)	-	-
Financed in plants having ETP (loan disbursed to projects having ETP) (BDT in million)	36.63	769.46
Financed to solar panel/ renewable energy plants (BDT in million)	-	-
Financed to Bio-fertilizer plants (BDT in million)	-	-
Financed to brick kilns adopted cleaner technology (BDT in million)	186.44	129.12
Financed to other green projects (BDT in million)	1,011.27	1,458.49
Total sustainable finance (BDT in million)	1,234.34	2,357.07
Number of employees trained in sustainable finance	217	209

BDT in million

DDT in millior

Financial assistance received from government	2020	2019
Borrowing from Bangladesh Bank under different Refinance programs (as of 31 December)	18,523.72	16,752.10
Interest loss compensation received from Bangladesh Bank against disbursements in specified agricultural products @ 4%	0.00	0.03

		BD1 In million
Contribution to national exchequer	2020	2019
Income Tax	6,511	4,365
VAT	599	597
Other duties & Taxes	352	234

Environmental sustainability

To achieve long-term sustainable development, we must responsibly manage environmental and social (E&S) risks. Rapid urbanization and industrialization help to improve the livelihood of the human beings. Simultaneously, it creates strain on natural resources, such as energy, water and food supplies. Our planet's ability to meet the growing demand of urbanites may be depleted if we don't become environment-conscious. In 2013, we introduced certain procedures and templates to assess our E&S Risk which has been further improved in 2018. As a continuous process, E&S structure being updated to cope with different problems and get the best output in terms of good lending.

- All our lending proposals are factored against E&S risks where appropriate.
- All lending proposals take into account relevant local laws and regulations and internationally acceptable environmental and social standards whichever is more stringent.
- Risks associated with both environmental and social issues are being properly recognized, evaluated and where appropriate mitigated.
- Business ensures that appropriate procedures are designed to meet these policy requirements e.g. project finance proposals are assessed in accordance with the IFC performance Standard.

Protecting environment	2020	2019
Number of customers eligible for Environmental Due Diligence	179	194
Number of customers appraised for Environmental Risk Rating	179	194
Low	143	143
Moderate	29	45
High	7	6
Installed capacity of solar energy to run bank premises and ATMs (in Kilowatt)	16	16
Percentage of Bank branches connected online	100%	100%

Power, water and other resources consumption management

EBL believes that every small 'GREEN' step taken today would go a long way in building a greener future and that each one of us can work towards a better global environment. Through proper planning and management, EBL has ensured minimal wastage of natural resource. Whether we finance business that invests in renewable energy or simply suggests our employees switch their lights off after office hours, use daylight instead of electrical lights, turn off all air-conditioned after 7 pm, turn off half of AC after 4 pm (transaction hour) going towards paperless office work, managing water consumption, planting trees and encouraging green

practices –all these have been mainstay of our banking endeavors. From 2020, EBL has decided to minimize the use of plastic. The initial action for making plastic free EBL was to discourage all EBL

Resource utilization	2020	2019
Cost of water consumed by the bank (BDT in million)	2.98	4.38
Cost of paper consumed by the bank (BDT in million)	1.95	2.38
Cost of energy (electricity, fuel, and gas) consumed by the bank (BDT in Million)	102.68	142

Climate change & carbon footprint

Climate change has become a global concern as it has direct impact on biodiversity, agriculture, forestry, dry land, water resources and human health. People across the world now admit that Bangladesh is one of the major victims of climate change. Banks, like all other companies, produce greenhouse gases (GHG) directly or indirectly (through financing of clients and projects that generate GHG gases) from their activities.

As a corporate citizen and environmentally-responsible financier, EBL provides green loan not only to help to save the environment but also for a sustainable economic growth.



Women and student banking to promote gender equality and education

EBL Women Banking is EBL's courtesy towards all its women customers with a bundle of women specific products, services and proposition. EBL introduced "EBL Ovilashi" account for women entrepreneurs which is a non-individual interest bearing current account, simply a one stop solution to fulfill the dreams of entrepreneurs. It empowers an aspiring female leader to turn her dream into reality. EBL Women Banking provides competitive installment options to country's highest collateral free business loan, EBL has designed and promoted everything for women centric business transformation.

In 2020, EBL Women Banking also arranged webinar on 'One Stop Solution for Fulfilling the Dreams of Women Entrepreneurs' and 'Combating Cyberbullying against Women' to create social awareness and build women leaders.



employees to use plastic water bottles. We are not using any plastic bottles at any official program. Also we are now using paper folders instead of plastic folder for documentation purpose.



Green finance loan outstanding (as on 31.12.2020) BDT 3.025.6 million

CIVE Session

EBL Women Banking

INGA Y

Time: 7:30 pm

COMBATING CYBERBULLYING

AGAINST WOMEN

Date: Saturday, December 26, 2020

EBLWOMEN \$ 16230 For promoting education, EBL has taken numerous initiatives such

as providing account facility to school, college and university-going students. EBL has Child Future Plan which is a unique recurring deposit protection scheme (DPS) which helps parents to save for their child's future. This savings can be used for higher education, marriage or meeting any special needs of children in the future.

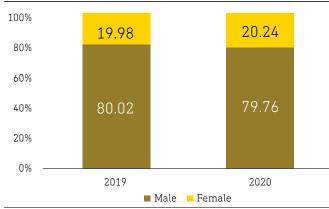
EBL Student File Service is aimed at providing customized banking solutions to students going abroad for higher education. Any student pursuing higher studies needs to legally send fund abroad for tuition fees and living expenses. EBL Student File makes it very convenient for them to send fund abroad as we maintain separate files for each student while keeping record of all the information till completion of the course.

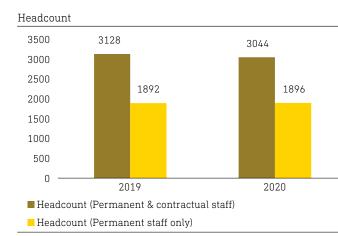
Women empowerment & student loans	2020	2019
Women Loans disbursed (BDT in Million)	59 0.66	962.47
(Small Segment only)	57 0.00	702.47
No. of women entrepreneur received	370	201
loans (Small Segment only)	370	201
Student Loans disbursed (BDT in Million)	4.28	11.81
No. of student received loans	3	5

Employees

Quality of working relationships, healthy work life balance, recognition of the performers, and continuous investment in people differentiates EBL as an 'Employer of Choice'. If employees feel proud of belonging to EBL and are more committed, they will be able to earn the lasting loyalty of our customers.

Employee by Gender(%)





Years of service with EBL



Less than 5 years ■ 5 - 10 years ■ 10 - 15 years ■ Over 15 years

Employer of choice	2020	2019
Percentage of voluntary attrition	9.20%	11%
Percentage of growth in total headcounts	-2.69%	-0.16%
Number of fresh graduates recruited as Management Trainee	-	46
Number of fresh graduates recruited as Probationary Officer	-	27
Number of fresh graduates recruited in other positions	20	12
No. of Fire wardens	143	193

Training and education

Green Banking training is mandatory for all newly joined staffs in EBL. For our corporate relationship managers to have in-depth understanding on Green Finance, we have introduced 'Sustainable Finance Training' since 2013. In 2020, a total of 217 staffs have attended these trainings which was 209 in 2019.

Training & development	2020	2019
Permanent staffs received training (Employee*number of training)	4,078	11,352
Total number of training days	6,539	14,327
Average training days per employee	2	6
Number of employees trained in sustainable finance	217	209



In 2020 EBL arranged several FB Live learning sessions for general public on 'How Parents Can Support Their Child's Learning', 'Language Skills for Students' and 'How to Improve Your IELTS Band Score' in collaboration with British Council.

Employee benefits & remuneration policies

We have a comprehensive remuneration system based on our HR policy. It combines a fixed salary that reflects the individual's role and level of responsibility along with other benefits. In addition, the Bank also offers provident fund, gratuity, staff loan and other benefits such as banking products and services and medical benefits for employees and dependents.

Diversity and equal opportunity

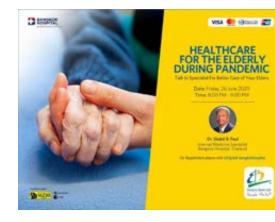
Diversity and equal opportunity are the key driving force in terms of employment. People with diversified knowledge help the Bank to do sustainable banking and create an atmosphere which promotes innovation. EBL is also women friendly Bank for employees as well as for its customers. Many women are leading different departments and creating long lasting values. EBL employees share the corporate culture focusing on fulfillment of its purpose, helping people and businesses prosper, and consistently doing things in a simple, personal and fair way.

Community investment

EBL also contributes to economic and social development through initiatives and programs that support the community. At EBL, we believe that the most rewarding investment is investing for the society. We believe in creating long-lasting value for our clientele, shareholders, and employees and above all for the community we operate in. A detailed report on CSR has been presented separately in the annual report.

BDT 141.32 million in CSR in 2019 **BDT 183.22 million in CSR in 2020**

Throughout the pandemic year, EBL has taken numerous online initiatives to create awareness, provide guidance on number of social and healthcare issues. We believe it's our moral responsibility to give social support and create awareness. In 2020, EBL arranged FB live session on 'Online Health Talk on Breast cancer Awareness' and 'EBL Talk: Healthcare for the Elderly during Pandemic'.









Combating money laundering and countering terrorism financing

EBL has a system to prevent money laundering and the financing of terrorism. The system is kept constantly in line with the latest international regulations and is able to adapt to new techniques used by APG (Asia Pacific Group on Money Laundering). It has also a corporate framework in place for this purpose, establishing the basic guiding principles and policies concerning this matter.

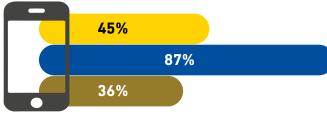
Combating money laundering and countering terrorism financing	2020	2019
Number of Suspicious Transactions reported to Bangladesh Financial Intelligence Unit (BFIU)	103	66
Number of accounts closed for unsatisfactory KYC	12	103
No. of Incidents of non-compliance with regulations resulting in fine or penalty	-	-
Number of staffs completed training on AML	1,541	1,852

How we value our customers

To the EBL crew, customers are the cause of existence, never just a queue in the bank counter. Recognizing 'customer satisfaction' as a journey not destination, EBL is determined to serve its customers' needs by offering innovative but useful financial products and services, while maintaining good relationships with them as trusted partner. To do so, the Bank has developed working systems, applied modern technology, and made available knowledgeable and skilled people so as to ensure that customers receive the best possible service. The Bank continually expands its network of branches, ATMs, Dropbox, Cash Recycling Machine (CRM) and business centers nationwide, protects confidentiality of customer's information, and manages and duly rectifies complaints.

Digital transformation

In Bangladesh, EBL is one of the leading benefactors of digital banking services to its customers. The Bank had started its digital services back in 2007 through internet banking. In last 14 years, we have developed fast and user friendly digital services for customers such as EBL 365, DROPBOX, SKYBANKING app, EBL DIA, EBL SKYPAY etc.



- % of total customers using Internet & SkyBanking
- % of total customers using SMS banking
- % of total accounts statements delivered through email

Financial system of the entire world is changing very quickly. This is also true for Bangladesh's banking industry as most of the financial transactions will take place digitally in near future. EBL is ready for the transformation.

Service excellence & customer satisfaction

EBL has a system to prevent money laundering and the financing of terrorism. The system is kept constantly in line with the latest international regulations and is able to adapt to new techniques used by APG (Asia Pacific Group on Money Laundering). It has also a corporate framework in place for this purpose, establishing the basic guiding principles and policies concerning this matter.

ZERO Hunger

8 DECENT WORK AND ECONOMIC GROWTH

14 LIFE BELOW WATER



POVERTY

AFFORDABLE AND CLEAN ENERGY

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13 CLIMATE ACTION

Our move towards SDGs

Excellence in customer service	2020	2019
Number of average customers*	671,987	609,367
Number of complaints received through all channels	1,897	803
Number of complaints resolved (in percentage)	100%	100%
Complaints per 1000 customers	2.82	1.32
Usual turnaround time to resolve any complaint	0-3 days	0-3 days
Total number of complaints regarding breaches of customer privacy and losses of customer data	0	0

*Simple average of number of customers at the beginning and end of the year

EBL is improving its customer relationship model every year with the aim of offering the finest products and services as and when they need them, while enhancing the customer experience with the Bank. EBL is following the "Segment of One" approach for its customers by treating every customer as an individual segment and providing him/her customized and personalized services according to the need.

17 PARTNERSHIPS FOR THE GOALS

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EBL collaborates with many social institutions to create awareness and provide guidance regarding different health issues for improving the quality of life of people.



SUSTAINABLE CITIE 11 SUSTAINABLE OF AND COMMUNITIES

4 QUALITY EDUCATION

EBL promotes financial inclusion within communities and drives training, enterprise and job creation.

Way forward

EBL helps people and businesses to prosper in order to support the sustainable growth of communities.

6 CLEAN WATER AND SANITATION 5 GENDER EQUALITY GENDER USTAINABLE CITIE AND COMMUNITIES CONSUMPTIO AND PRODUCT

Redeploy and reskill the institution's workforce. • Learning and sharing knowledge across the Bank to grow together.

rebuild are key to success in this pandemic time.

Inclusion and diversify principles to have a holistic business mindset and aptitude.

The UN Sustainable Development Goals, adhered by more than 190 countries, identified 17 key global issues. Bangladesh is one of the signatories of this. EBL is in a process of managing relationships with stakeholders in the context of the world's foremost sustainability challenges and committed towards these goals and is helping to achieve them through its business activities and community investment program.

3 GOOD HEALTH AND WELL-BEIN

9 INDUSTRY, INNOVATIO AND INFRASTRUCTUR

15 LIFE ON LAND

QUALITY

10 REDUCED INEQUALITIES

Ξ

6 PEACE, JUSTICE AND STRONG

INSTITUTION

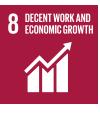
EDUCATION

SUSTAINABLE

DEVELOPMENT GÖAI S







Promotes higher education to help prosper the communities in which it is present.

EBL promotes an open attitude towards diversity, as a basic principle of its actions to ensure non-discrimination.

EBL endeavors to attract and retain the best talent and wants its professionals to be motivated, committed and rewarded.







EBL promotes sustainable lifestyle to preserve country's natural resources

EBL analyses the social and environmental risks in its transactions and promotes financing for renewable energy and projects to support the fight against climate change.

• Adapt to increased digital banking demands, the need for faster decision making and a constant requirement to break up and

CORPORATE SOCIAL RESPONSIBILITY





Corporate Social Responsibility

Our responsibility to our Society

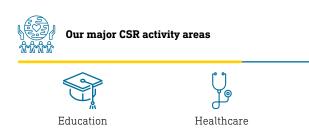
As a responsible corporate citizen, we understand the need to invest in the society we operate in for bringing about changes and impacting lives positively. Our corporate social responsibility (CSR) is a reflection of our commitment to our society and we put in our best efforts in living according to the values we wholeheartedly believe in. Our attempt has always been to make a positive impact in everything that we do.

We always strive to live up to the principles of the United Nations Global Compact as this is globally recognized cornerstones of corporate social responsibility. We also firmly believe that without a principled approach to business, sustainability cannot be ensured.

Corporate citizenship strategy

We apply the same corporate governance standards to our corporate citizenship programs as we do to our business dealings. For us, good governance is a basis of our strategy.

All project proposals relating to CSR are evaluated based on a standardized governance framework and scorecard. We have a Board approved CSR policy framework and we do everything



Education: Key to social and economic development

We believe education is a great leveler and also a great way to raise aspirations in the society and instil inspiration to achieve greater heights in life. In this globalized and knowledge-based world, education is a key to address humanity's major challenges. Our major CSR activity involves in tertiary education because we believe that it is where youths are prepared for entering into the job market. For the economic development, our society needs skilled workforce and people who embrace critical thinking. Education is also crucial to social cohesion, because it enables people from a disadvantaged background to earn an income that can provide a better quality of life and inspire future generation.

As a responsive corporate citizen, we have anchored our CSR initiatives on education. Our initiative is based on two pillars: strengthening youth confidence by raising aspirations and providing pathways to education and employment opportunities.



necessary to ensure transparency of our investments. Our CSR policy clearly outlines our engagement strategy.

- We take utmost care to ensure that the CSR allocations do not end up financing militancy and terrorism.
- Our CSR engagement programs are mostly in the area of disaster management, emergency relief, education and healthcare.
- Our aim is to spend 40% of our fund for awarding scholarships for underprivileged but meritorious students from renowned educational institutions and 25% to healthcare for underprivileged population of the society.
- We strongly feel that sports, arts and culture are key components for a healthy and sustainable society. We, therefore, have committed 10% of our CSR allocations to the development of sports and arts and culture of the country.
- The remainder 25% of the CSR budgetary allocation is for emergency disaster relief, upgrading facilities and lifesaving equipment in emergency rescue services like the fire brigades etc., infrastructure improvement for disadvantaged communities of far-flung areas.



Scholarship for students of University of Dhaka

Art and culture

To reach out to meritorious and disadvantaged students of the University of Dhaka, we began a fruitful partnership with Dhaka University Alumni Association (DUAA) in 2007. We are proud of this collaboration. We began by offering a minimum of four scholarships to each of the 74 departments of University of Dhaka helping the meritorious but disadvantaged young people to pursue higher education and grow as skilled workforce.

On the 10th year of our scholarship program, we almost doubled the scholarship amount from BDT 2.30 million to BDT 4.5 million. In 2020 we continued giving this BDT 4.5 million to 150 deserving students and each to get BDT 30,000. DUAA works closely with all the departments of University of Dhaka for the selection of the scholarship award.

20'-'-20'-

Emergency Disaster relief

Promoting education and research on banking

Like previous year, we have donated BDT 3.75 million to BIBM for the development of proposed 15-story RCC Building of BIBM in the year of 2020 to promote education, training, research and consultancy on banking and finance.

Contribution to Proyash for supporting special child student

We believe in holistic development of the society. Education will favor the integration of a special child into society. Provash is a specialized organization that helps all children with special educational needs through multidimensional programs. As part of our commitment towards the society the Bank has contributed to Proyash for bearing the expense of a special child student.

Promoting human welfare

We always feel that our responsibility towards the society is not limited to banking only. As a responsible corporate citizen, we set up a team from our colleagues to visit and understand the need of the moment of the cold affected victims to different districts of the country.

Donating blankets to Prime Minister's Relief fund

We were quick to respond to the need of the sufferings of humanity and donate 75,000 pieces of blankets to the Prime Minister's Relief and Welfare Fund as part of CSR activities.



Md. Showkat Ali Chowdhury, Chairman of EBL hands over blankets to the Prime Minister's Relief and Welfare Fund.

Providing warmth to cold-hit people

For providing comfort to the disadvantaged people of the society EBL donated 9,000 pieces of blankets among cold-hit people in Bogura. EBL employees contributed 1,000 pieces of blankets to the cold-hit people of Chuadanga.



Ali Reza Iftekhar, MD & CEO of EBL handing over blankets to Md. Shafiqul Islam, Commissioner of Dhaka Metropolitan Police (DMP) for the cold-hit people of Chuadanga.

Other social affiliations

In 2020 EBL donated in Care In Need Foundation which provides home care service to assist senior individuals and families, Bangladesh Disabled Development Trust, Omar Ekushe Boimela at Chattogram City Corporation as part of social engagement activities.

Disaster management

Our corporate values tell us to stand by the people in need and reaching out to them in crisis. The society we belong to and operate is the place where all our responsibilities lie. We have always come forward with support.

Emergency relief for flood affected people

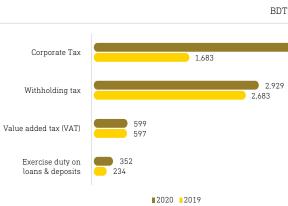
As part of emergency response, EBL donated BDT 10 crore to the Prime Minister's Relief and Welfare Fund for flood affected regions in Bangladesh.



Md. Showkat Ali Chowdhury, Chairman of EBL hands over a cheque to the Prime Minister's Relief and Welfare Fund for the flood affected regions in Bangladesh.

Contribution to national exchequer

Being a responsible and tax abiding corporate citizen, EBL regularly pays corporate tax on time, sometimes even before it falls due. We also deposit withheld tax and VAT to govt. exchequer on time deducted from employees' salary as well as payment to customers and vendors. Following graph shows our contribution:



Encouraging women empowerment

As a great believer of women empowerment, we have designed some special products for women entrepreneurs at special discounted loan pricing to provide growth support. Women clients can avail EBL Mukti loan up to BDT 25 Lac without any collateral and up to BDT 50 lac with collateral. EBL also guides women clients on various business issues such as financial record keeping/accounting, sales routing through bank account, trade license, taxation, marketing, insurance etc. Moreover every year we celebrate International Women's Day to celebrate womanhood while calling for greater equality.



FRI Celebrates Womanhood at Head Office on 8th March 2020

To make our women cardholders' journey more fascinating EBL Women Banking successfully completed four MoU signing with Tactical Krav Maga. Meeha.com.bd. Travel Art and Gala Makeover Studio & Salon.

- Discounts on different specially designed self-defense courses at Tactical Krav Maga
- Exclusive EMI or Cash Based Installment service in different reliable and renowned scooter brands at Meeha.com.bd

- Various bundler offers discount to make women's travelling more exciting and secured at Travel Art
- BDT in million
- 3 582

Exclusive Discount at Gala Makeover Studio & Salon's Gulshan-1 outlet



Signing with Meeha.com.bd

Publishing entrepreneurial booklet for women entrepreneurs

EBL Women Banking has introduced an entrepreneurial booklet exclusively covering different day to day business management issues in detail for entrepreneurs. It also covers issues like inventory management, addressing online customer's need, keeping transaction details, preparing a business loan request etc.



EBL Women Banking entrepreneurial booklet আমি নারী . আমি সফল

Partnering with Robi 10 Minute School to create training platform for women entrepreneurs

As a part of EBL Women Banking's plan to four dimensional effective training platform, Robi 10 Minute School has been on board to introduce first of its kind, EBL Women Banking Entrepreneurship Series with a purpose to promote entrepreneurship exclusively.

Its 3 segments will make sure entrepreneur's zeal, find less barrier when they come to business management and digital promotion.

- Business management, • Entrepreneurship know-how and
- Digital marketing



Signing with Robi 10 Minute School

Introducing Digital Banking Coach-Women entrepreneurship

EBL Women Banking introduced Digital Business Coach-Women Entrepreneurship for aspiring women entrepreneurs. Comprehensive and concise, the Digital Business Coach is a first in Bangladesh. The 18-part two-hour video series is for women who wants to build their own business and also for aspiring women entrepreneurs who would like to build a better future. This comprehensive digital training focuses on three broad areas:

- Business management,
- The art of entrepreneurship and
- Digital marketing



Digital Business Coach-Women Entrepreneurship

"EBL Ovilashi": a special business account for women entrepreneurs

EBL Women Banking for the first time in Bangladesh has introduced EBL Ovilashi. This is an interest bearing business current account featuring all-inclusive product suite with 360 banking services for women entrepreneurs.

Affiliating with HerStory for creating public awareness for violence against women

To eliminate violence against women and empower them, EBL Women Banking has joined hands with HerStory Foundation for the AMIO campaign, a chronicles of readings and dialogues to create discourse as part of the global 16 Days of Activism against Genderbased Violence campaign. AMIOBOLI.COM is a digital safe space to share stories of gender-based violence. Anonymous testimonies are gathered on the LOUD WALL - an uproar against the violence and the culture of shame that keeps victims quiet and perpetrators safe. This platform aims to bring organizations, organizers and activists together to create dialogue around the issue.

Environment friendly bank

Go Green

We believe that every small 'GREEN' step taken today would go a long way in building a greener future. As an environmentresponsive bank, we initiated Go Green campaign in our Bank. After reducing the use of electricity and paper at the office, EBL is now gearing up for carbon trading to show its commitment to environment-friendly funding. Some of our branches and ATMs of the Bank are now running with solar power.

Collaboration with CGS for tree plantation

As part of our environment-friendly initiatives we have collaborated with Chittagong Grammar School (CGS) where we have donated trees for building greener future.

Sustainable energy finance loan

EBL is the first bank in Bangladesh to offer sustainable energy finance loan product with assistance from the South Asia Enterprise Development Facility (SEDF), managed by IFC in partnership with the UK Department for International Development and the Norwegian Agency for Development Cooperation to help companies implement energy-saving measures and boosting the competitiveness of private enterprises.

The Bank also ensures that customers having production facilities susceptible to damage environment has due environmental clearance certificate from the concerned ministry while granting or renewing credit facilities.

Healthcare

Coronavirus infection is a major threat to the global community. World Health Organization (WHO) has declared COVID-19 as a pandemic because of its significant spread throughout the world. Due to its high density of population Bangladesh is more vulnerable to the spread of the virus. The government timely implemented several measures and steps to limit the new cases as well as minimize the death rates.

Donation to Prime Minister's Relief and Welfare Fund to fight COVID-19 epidemic

We have extended our support to combat the coronavirus pandemic in Bangladesh by donating BDT 5 crore to the Prime Minister's Relief and Welfare Fund. EBL handed over the money through Bangladesh Association of Banks (BAB). This donation helped to provide PPE, testing Kits, respiratory equipment etc. to needy people for combating the Corona Virus Outbreak in Bangladesh.

Celebrating Mujib Borsho



To pay rich tributes and to celebrate the birth centenary of father of the nation Bangabandhu Sheikh Mujibur Rahman, government declared the year 2020-21 as the Mujib Year. The celebrations of 'Mujib Borsho' kicked off in a

subdued tone because the COVID-19 pandemic, but there was no dearth of emotional tributes to the father of the nation of Bangladesh. On the 100th birth anniversary on 17 March 2020, nation remembered the architect of independent Bangladesh with solemn respect and watched the roll out of year-long program nationally and globally.



Md. Showkat Ali Chowdhury, Chairman of EBL hands over a cheque for BDT 100 million to Prime Minister Sheikh Hasina for observing the 'Mujib Borsho'



An assembly of EBL family members in front of Gulshan head office was led by Chairman of EBL Md. Showkat Ali Chowdhury to observe Muiib Borsho



As the nation joined the celebration with verve and energy, we as a development growth partner of the country paid our respect and expressed our love for our father of the nation by donating BDT 100 million to Bangabandhu Memorial Trust to be a part of this grand celebration.

In 2020, government initiated various programs to be held during Mujib Borsho starting from 17 March 2020 to 26 March 2021. Later, government extended Mujib Borsho till 16 December 2021 due to the ongoing COVID-19 pandemic. The countdown for the celebrations started on 10 January, coinciding with Bangabandhu's homecoming in 1972 from a Pakistan jail after the 1971 Liberation War. The year-long countrywide celebrations went off on 17 March through stunning fireworks display at the Suhrawardy Udyan in Dhaka. However, the programs planned on this occasion was first scaled down and gradually postponed, owing to the worsening coronavirus crisis.

On 18 March 2020 employees and directors of EBL joined other banks and financial institutions to observe the birth centenary of father of the nation Bangabandhu Sheikh Mujibur Rahman by assembling in front of the bank's head office at 10 am for ten minutes donned in T-Shirts and holding placards with Mujib Year logo and cutting cakes. Employees and directors of all the banks and financial institutions of the country gathered in front of their offices to their homage to father of the nation. Chairman of EBL Md. Showkat Ali Chowdhury led the event along with directors Mufakkarul Islam Khasru, Gazi Md. Shakhawat Hossain, MD & CEO Ali Reza Iftekhar and EBL employees.

EBL Board of Directors and MANCOM members donned in Mujib Borsho T-shirt cut a cake to observe Birth Centenary of Father of the Nation

Launching Mujib Corner at EBL Head Office



Inauguration of 'Mujib Corner' at the lobby area of EBL Head Office

To remember our hero of independence, we established a 'Mujib Corner' at our head office in Gulshan on 11 March 2020. This was a very small gesture from our part to make Mujib Borsho special to us. Our Chairman Md. Showkat Ali Chowdhury inaugurated the Mujib Corner as chief guest along with Chairman of EBL Securities Ltd. and EBL Investments Ltd. Mohd. Noor Ali and other members of EBL Board Salina Ali, Mufakkharul Islam Khasru, and Gazi Md. Shakhawat Hossain. Among others, Managing Director & CEO of EBL Ali Reza Iftekhar and senior members of the bank were present during the inauguration ceremony.

One side of the corner features a bust and a portrait of Bangabandhu and on other side features photos on the life and works of the father of the nation. Mujib Corner at EBL head office is rich in books, pictures and documents on the life and works and ideals of the architect of our independence. The customers and the employees of EBL can spend time at the corner to read books and journals to learn about the life, struggle and ideals of Bangabandhu.



A photo collage on Bangabandhu's life and works



Well-organized bookshelf of Mujib Corner

All in all, a principled, socially responsive and ethical banking is what we aspire to achieve in all our deeds and banking activities and by doing so impact our society positively and sustainably.



A bust and portrait of Bangabandhu displayed at Mujib Corner



The Mujib Corner at EBL head office lobby, endowed with a rich collection of books and journals on life and works of Father of the Nation Bangabandhu Sheikh Mujibur Rahman, is drawing attention of readers and visitors.

Way forward

- We will act to bring positive changes through our activities in the areas of educational development, healthcare, sports, women empowerment, art, culture and so on.
- In emergency situation of the country, we will try our best to extend our support.
- We will keep our engagement in development of our country.
- We will continue our lending through sustainable financing.

MANAGEMENT DISCUSSION & ANALYSIS



Comparative analysis of financial performance (2016 - 2020)

The passion to deliver consistent business and financial performance has made EBL one of the most valuable financial institutions in Bangladesh. At the end of 2020, EBL market capitalization was BDT 29 billion, with asset size of BDT 337 billion and shareholders' equity of BDT 29 billion.

Bangladesh has made spectacular economic and social progress over the last five decades. On an average, the GDP of Bangladesh has risen from about 3 percent in the 1970s to about 7 percent in the 2010s, and has crossed 8 percent just before the COVID-19 pandemic came in. Though the pandemic has slowed Bangladesh's growth, its GDP growth is projected to rise faster than that of peer countries

Although our national economy has been growing consistently, banking sector has been exhibiting some signs of weaknesses characterized by increasing default loans and weak governance which, if not mitigated, might jeopardize the growth momentum of the economy as a whole. Despite facing numerous challenges, EBL has grown sustainably year on year navigating through difficult times and delivered consistent financial performance.

- EBL recorded highest profit after tax (PAT) of BDT 4,103 million in 2020 which was BDT 2,656 million in 2016 registering 54% growth. Despite managing a moderate sized balance sheet. our efficiency in ALM practice has always been producing tangible results over the years.
- Our continuous efforts to diversify revenue sources enhanced our shock absorption capacity to sail through both good and bad times. Whenever our NII growth fell short of expectation.

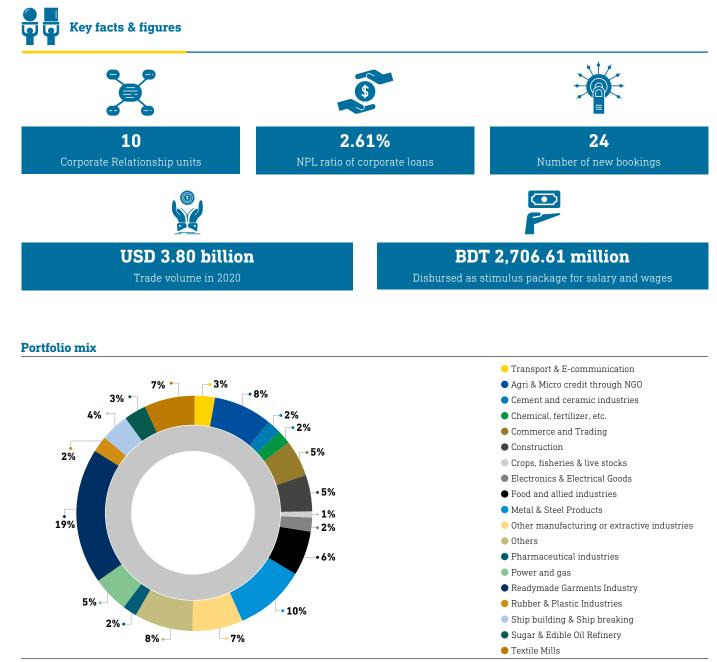
investment income from capital market or dividend income from subsidiaries or income/gain from treasury securities compensated the shortfall and vice versa.

- In 2020, NII growth was negative by 27%, compared to 2019, due to capping of interest rates of all loans (except credit cards) to 9% with effect from 01 April 2020. On the other hand, non-interest income growth in 2020 was positive by 27%, compared to 2019, due to increase of investment in Treasury Bills and Bonds during this period. Here lies the key to deliver consistent financial performance.
- Compared to year end 2016, our loan portfolio grew by 51% or BDT 76,860 million and reached to BDT 228,944 million on 31 December 2020.
- We could not keep the NPL ratio where we would have liked to but 2.72% in 2020 (2.69% in 2016) is still way below the industry average of over 7.66%.
- Compared to year end 2016, deposit base also grew by 73% or BDT 102,074 million and reached to BDT 242,358 million on 31 December 2020 with strong focus to increase the low cost CASA deposit base.
- In 2020, Capital to risk weighted assets ratio (CRAR) was 15.23% (solo basis), well above the requirement of 12.50%, and over the years we have been able to maintain CRAR above the regulatory requirement.
- From the shareholders' point of view, EBL's return on equity also increased from 12.94% in 2016 to 15.04% in 2020.



Bangladesh has shown its resilient performance in spite of significant impact of COVID-19 pandemic by securing GDP growth of 5.24% in FY 2020 which is one of the highest in Asia. The robust flow of remittance lifted the country's foreign exchange reserves to record high and put the country on a firm footing. And, fast roll out of govt. stimulus package, stable food production and continuous public sector spending were the most significant role players during the epidemic to keep the economy on track.

EBL is a trendsetter in many areas of Bangladesh financial industry. It is known for its sustainable growth over the past 29 years and always thrives on its rich legacy of sustainable progress.





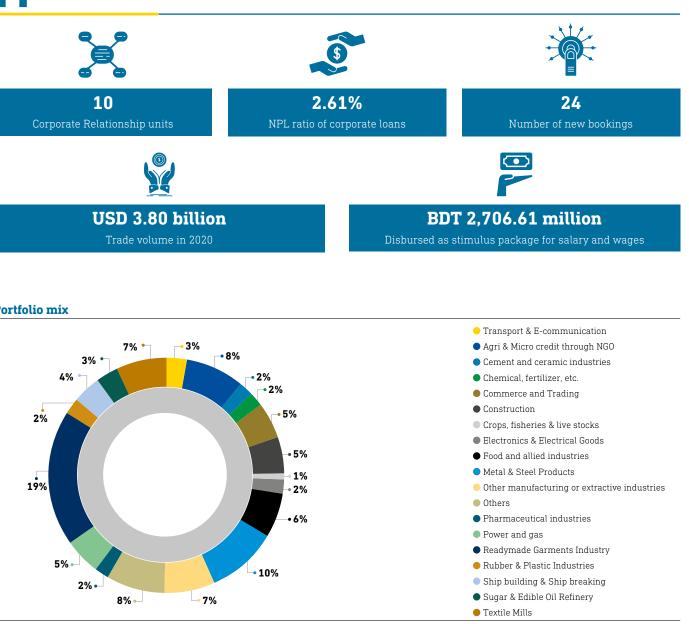
Compliance and good governance practices Consistent credit rating by rating agencies

In the last five years, EBL performed very well in the field of business growth and compliance, reaching customer digitally and delivering consistent financial performance. We expect to exceed our track record in coming days through smart and responsible banking

A review of the last five year financial progression is presented in the Stakeholder's Information section of this report where comparative analysis of financial performance is presented with different ratios and graphs.

long-term value





country

Corporate Banking of EBL has performed well which endorsed its inner strengths, resilience and compatibility. Our team is always connected with customers over phone, email and social media. They have communicated and executed transactions through digital platform. As a result, asset portfolio has reached to BDT 170.401 million with low NPL ratio of corporate loans 2.61% which is one of the lowest in the industry. And we have achieved milestone trade volume of USD 3.80 billion despite the pandemic. Apart from these, 24 noteworthy new bookings were made by the business which includes multinationals, public sector entities and large local corporates. We have played a vital role for recovery of economy by disbursing of govt. stimulus package in different corporate entities.



Brave, prompt and coordinated response is the base stone of success during any crisis. Hence, the Bank started responding properly to COVID-19 immediately after its outbreak in China. We have introduced and offered digital payment and collection gateway 'EBL Connect' so that corporate customers could get necessary banking support. We have also covered almost all its corporate customers providing stimulus loans so that our customers can get back to business promptly to limit damages. The team engaged with industry peers and worked closely with Bangladesh Bank in shaping policy responses appropriate with market realities and difficulties. During Pandemic, through loans and guarantees, EBL successfully

Successful closure of structured deal

amounting to BDT 5,467.08 million for

113MW Power Plant of Confidence Power

Rangpur Limited whereby EBL acted as the

account Bank for the said transaction.

supported the country's infrastructure development projects in power, roads and communications, gas and mineral resources, water and sewerage, defense purchases etc. at possible level.



Synchronized strong team and quality corporate governance, commendable creditworthiness, digital innovation and most upto-date IT solutions, fast and efficient banking service to clients, innovation in products and services and great reach with global network helped EBL grow sustainably in the COVID situation. Responding rightly to the pandemic crisis, EBL has become strong enough to support the indomitable growth of Bangladesh economy.



Structured Finance



Deal closing of USD 38.45 million for 35MW (AC) Grid Tied Solar Power Plant of Spectra Solar Park Limited in Paturia, Manikgonj whereby EBL played the role of Intercreditor Agent, Security Agent and Account Bank.

International Business & Off-Shore Banking

- Received award of Leading SME Trade Bank 2020 ADF from Asian Development Bank (ADB) and Best Partner for equipment trade in South Asia from International Finance Corporation (IFC). Entered into term loan agreement with OeEB-OeEB[•] Austrian DFI. Took drawdown of USD 20 million from OeEB.
- FMO DEG Term Loan Agreement signed with DEG- FMO; Took drawdown of USD 40 million from DEG- FMO.
- MUFG Sourced USD 318 million FCY fund in the year 2020 from foreign banks & DFIs for off-shore banking. 🖒 rtfc Master Trade Loan Agreement signed with MUFG, Abu Dhabi Islamic Bank (ADIB), and ITFC - sister concern of IDB. State Bank of India.
- (\$) Arranged confirmation, LC structuring & refinancing for 1,775 LCs for USD 612.44 million.
 - Signed participation agreement with Bangladesh Bank for green transformation fund for Euro 200 million for facilitation access to financing in foreign exchange for all manufacturer exporters irrespective of sectors against import of capital machineries and accessories relevant to environment-friendly/green attributes specified by Bangladesh Bank.

UNITED FINANCE

Successful closure of non-convertible zero coupon bond of BDT 1,000 million for United Finance Limited

- Private Finance Initiative (PFI) agreements signed with Bangladesh Bank under Bangladesh Bank's 這 Refinance Scheme including working capital loan in large industry, pre-shipment credit, loans to NGOs. Became an Associate Member of Factor Chain © FCI International (FCI), global platform & network of factoring business.
- Issued Bank Guarantee of USD 33.5 million for AFCONS Afcons Infrastructure Ltd. favoring roads & highways against counter guarantee of Export-Import Bank of India for the project of Construction of four lane national highway.
- Agreement signed with German-headquartered Tradewind trade finance provider Tradewind to offer secure and innovative trade finance solutions to Bangladeshi manufacturers and traders involved in foreign trade on sales-contract terms.



Fintech Initiatives: Connected to Interbank Information Network (IIN), block chain platform with JP Morgan.

During the pandemic lockdown, arrangements with correspondents for making Local LC payments through foreign nostro account with rebate earnings.



Cash management solutions

WASA Deep Sea Port Consultant

Disaster Management, Govt. of Bangladesh

0

New relationships



021 OE

New Business Sector- Shipping Line (Delta Shipyard Ltd.) & Food Sector- Edible Oil (Rupsha Edible Oil Refinery Ltd.)

Digitalization



Epay

Inclusion of EBL in National E-VAT Project Platform

Epay- Card Based **Collection Solution**

Way forward

Bangladesh economy has started to show positive sign of pandemic recovery which is demonstrated through acceleration of export, public sector spending, inward remittance flow, positive momentum in capital market and private sector credit growth. Government is pursuing new policies and incentives for RMG sector to face the challenges of Pandemic fall out. To attract Foreign Direct Investment (FDI) and boost up the economic activities, Government wants to set up 100 new economic zones by 2030 which will certainly vibrate the economic activities of the land. The growth possibilities of the economy will certainly continue in 2021 counting the positivity emerging from implementation of mega projects, inclusion of young work force and gradual advancement in ICT sector. Private sector credit growth is also expected to bounce back with improved credit monitoring practices in general. We are ready to take the growing challenges in the post pandemic business environment by placing better offer for foreign currency financing, Export Credit Agency (ECA) backed financing for raising debt and equity products for our customers who seek innovative and creative packages bundled with customized products and services.



Collection Account of Pragoti Industries Limited



Mother A/C of Khulna Development Authority



Bangladesh Satellite Company Limited (Bangabandhu Satellite)



Marico Bangladesh



A2i & ICT Ministry

HI-TECH PARK

Bangladesh Hi-Tech Park Authority (BHTPA)



EBL Connect- Utility Bill Collection



Padma Oil Dealer's Payment Collection



DESCO-BPO-NAGAD-EBL for bill collection where EBL is the lead Banking Partner

Corporate Banking Event Highlights





EBL Partners with DEG-FMO for Impact Financing

EBL & Tradewind sign MOU for Export Factoring Solutions



EBL Head of Corporate Banking & EBL Head of International Business and Offshore Banking meeting with IFC at Mumbai (Prior COVID-19)



EBL signing PFI agreement with Bangladesh Bank as BB's refinance scheme for Pre-shipment Credit during COVID-19



JICA Team visited EBL Head Office (Pre COVID-19)



IFC Team at EBL Head Office (Pre COVID-19)



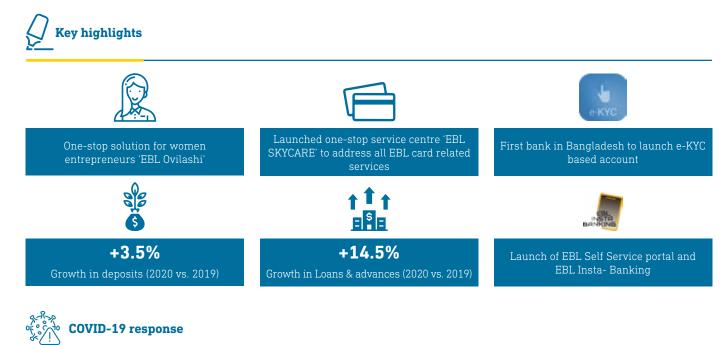
EBL Team with Chinese Ambassador H.E. Li Jiming at Chinese Food Festival (Pre COVID-19)



Singing ceremony with Chattogram WASA of the project account of establishment of sewerage system in Chattogram Metropolitan (phase-1)

Retail & SME Banking

Year-2020 will be marked as a year of COVID-19 that made the whole world come to a standstill. With the world economy coming to a grinding halt, especially in the second and third quarter of the year, it was guite challenging for the Bank to ride out this wave



2020 was a year of concern, perseverance and adaptation. COVID-19 pandemic created havoc and damaged economies across the world, including financial markets and institutions in all possible dimensions. But our branches facilitated customer engagement and ran multiple awareness programs using social media platforms to establish and maintain the banker-customer bonding.

EBL ensured that ATMs were available and maintained social distancing and hygiene norms at all branches while taking care of all the financial needs of the customers. Besides, respective



Retail & SME deposits

Our deposit mobilization strategy was adjusted to prepare for the next normal, which was to be very different from that of the previous years. We started with a straightforward exercise of mapping money movement trends between various deposit accounts that gave us a clear view of evolving bank customer behaviors. This increased emphasis on CASA has been a key driver of the deposit growth of the Bank. Our Retail & SME CASA deposit grew by 29.14% alone in 2020 compared to last year.

In line with our digital initiatives of inclusive banking, we were the first bank in Bangladesh to launch e-KYC based account, where

and post strong financial numbers on the board. However, we ensured a steady flow of small ticket deposits that not only played a significant role in facilitating seamless lending but also worked as bank's strength of managing core deposits.

relationship managers and branch managers were in constant touch with the clients during and after lockdown to remain vigilant of their wellbeing as well as financial needs. We relentlessly fought against all odds and became that friend of many that enabled lending money in need. We have ensured that one can get physical cash day and night from any EBL 365. We have started offering fully digital onboarding facilities and capitalizing the digital tools for customer acquisition. We thus hope to provide more personalized and intuitive relationship and create connected experiences through all channels in the future.

we used state-of-the-art facial matching technology with Election Commission Database to open customers' account instantly. We followed it up by facilitating the customers a complete eco-system of Banking from home. We launched EBL Self Service portal and EBL Insta Banking – tools through which customers can open a current/savings account, or an EBL Fixed Deposit and EBL DPS - from the comfort of their home. In the midst of the pandemic, we hope this brought a much needed relief to our base of around 6 Lac happy customers, with many more to join the EBL family.

Retail loans

Due to lockdown and pandemic situation, the Retail asset business was hampered from March to July. Still Retail assets ended up with 8.30 % year on year growth. There was a paradigm shift to mortgage based home loans in 2020 which resulted in an incredible 60.4% growth in home loan in comparison to previous year, the highest since its inception 12 years ago. Apart from home loan, personal loan also grew by 3.53% from 2019.

While keeping pace with business, asset guality was never compromised. Consequently the classified Loan percentage of retail loan is guite low. Another important task of executing payment deferral as per Bangladesh Bank circular was accomplished against the large number of accounts successfully.

SME loans

Amidst the looming impediments, challenges, threats and uncertainties of the ongoing pandemic, we remained resolute. And our unvielding effort and perseverance has made 2020 a year to be proud of. Small business registered portfolio growth of 23 % in 2020 compared to previous year. Within a short span of 3 years, the team was able to double the size of the portfolio. Keeping in mind the adversity being faced by the borrowers, EBL was one of the first Financial Institutions to roll out pay by deferral facilities in the early stage of the lockdown, allowing respite of loan repayment during the lockdown period. Even during the country wide lockdown the team ensured implementation of 9% interest rate on all SME loans.

Riding on the uncompromising endeavor of SME team, EBL successfully achieved CMSMEs stimulus disbursement target, including sector wise disbursement criteria set by Bangladesh Bank. In terms of asset guality, maintenance of guality portfolio was always on our focus. As a result, asset guality was more than impressive even in the face of the pandemic.

Supply chain finance

Supply chain finance started its operation in 2018 and it grew its book by more than 69% in 2020 compared to previous year, despite pandemic situation. The key driver to growth is the Anchor led approach. The products were tailored to specific corporate client's needs. In many cases, the Anchors took the risk mitigation responsibilities, by providing corporate guarantee, or undertaking, or account debit authority. Electronic disbursement channel is used. Transactions were also controlled by the Anchor in many instances. We also launched a number of products e.g. corporate guarantee backed dealer finance, regular dealer finance, bank statement based dealer finance, and reverse factoring.

Cards business

EBL remained one of the top cards business generating banks in Bangladesh in 2020, despite the COVID-19 specific challenges. Furthermore, EBL was acknowledged by our payment network partners with prestigious awards including Excellence in Mastercard Prepaid Card Business 2019-2020, Excellence in Cross Border Business 2019-2020 (Visa) and Excellence in Product Innovation 2019-2020 (Visa).

EBL SKYCOINS, a first of its kind Reward Program in Bangladesh, was launched for EBL premium segment credit cardholders. The reward program offers cardholders to earn SKYCOINS through retail purchases and later redeem the points for shopping vouchers, flights & hotel booking, car rental booking and many more exciting rewards. In 2020, EBL became one of the leading banks in Bangladesh to introduce Inward Remittance Services in collaboration with Visa - a complete end to end Digital solution. Using the service. Bangladeshi residents living in Malaysia and Singapore will now be able to instantly send money to their relatives and loved ones in Bangladesh. In addition, we have launched UnionPay Classic Debit Card, UnionPay Dragon Prepaid Card, Mastercard Contactless Titanium Credit Card, Mastercard Contactless World Credit Card, Diners Club International E-commerce Issuing & Acquiring (DCI ProtectBuy) and so on in 2020. All in all, we have launched a host of innovative products and projects amidst the pandemic.

Retail propositions

Through Retail Propositions we ensure that EBL clients can enjoy great lifestyle and travel benefits on EBL Cards round the year. We promote the finest lifestyle privileges, arrange events and value added services as well as maintain EBL Sky lounge for consumers to enhance their banking experience to the fullest. In total, we have around 250 alliance partners out of which many are top-line, renowned companies/brands.

Digital health talk in collaboration with the most trusted International and local brands in health sector i.e. Mount Elizabeth Hospitals-Singapore, Bangkok Hospital, Evercare, GD Assist Ltd. etc., Online doctor consultation in collaboration with Popular Diagnostic Ltd., United Hospital Limited etc. and several awareness post was very engaging and appeasing to the clients to face the tensed time of the pandemic. Likewise, arranging several engagement events from time to time like Chobir Golpe Eid, EBL Privo Baba etc. was the 'new normal' way for Retail propositions to keep EBL clients delighted and connected.

Women banking

EBL Women Banking has brought all unique comprehensive and time sensitive plans as the key to ignite the best re-start for a better and more balanced tomorrow. EBL Women Banking for the first time in Bangladesh has introduced an interest bearing business current account, EBL Ovilashi. It is simply an all-inclusive product suite with 360 degree banking services for women entrepreneurs. Through a digital seminar, EBL Ovilashi was officially launched by Ali Reza Iftekhar, Managing Director & CEO of EBL along with other esteemed guests Selima Ahmad, MP, President, BWCCI and Lila Rashid, Executive Director, Bangladesh Bank. In response to entrepreneurs' demand for guidance on how they should manage their businesses, adopt different digital initiatives and enhance customer experience, we have introduced an entrepreneurial booklet exclusively covering different day-to-day business management issues in detail. Our product suite also caters different training and membership facilities with country renowned women associations followed by exclusive digital promotional services for EBL Ovilashi customers.

Pavroll banking

We adapted to the new normal through increased focus on digitalizing our services for the convenience of our payroll clients. We have automated many of our manual salary disbursement process via our digital payment portal, EBLConnect. There has been a 48% growth in digital transactions via EBLConnect for salary disbursements from 2019. We on boarded many reputed companies even during the pandemic. There has been a 21% increase in the number of payroll accounts and 18% increase in the number of payroll cards in 2020 compared to last year. The numbers indicate how efficiently our dedicated business and support teams worked together, ensuring continuous growth in business despite facing all the challenges of a global pandemic.

Strengthening digital capabilities

2020 was a different year in terms of how customer availed banking services. With services at branch being limited due to pandemic, customers had to opt in for digital channels- such as EBL SKYBANKING, EBL 365 and DROPBOX etc. Customers adapted themselves with the digital channels and transformed the way they used to perform transactions.

EBL SKYBANKING

2020 was a game changing year for EBL SKYBANKING. Owing to the pandemic, customer had to adapt to the new normal of bankingdigital banking. SKYBANKING played a crucial role in EBL's digital transformation in 2020 as over 2.5 million of transactions worth well over BDT 2 billion took place, breaking all previous records. As a result, App downloads increased significantly making SKYBANKING a platform having more than 250,000 users. Compared to 2019, total number of transactions has grown by 109%, while the total volume of transactions increased by 160%. In 2020, EBL became the first ever bank in Bangladesh that launched the contactless payment method on SKYBANKING app using the platform of Visaone of the global leaders in digital payments technology. Certain other features were added in SKYBANKING during 2020 such as positive pay instruction, Link3 and Carnival Internet bill payment, Card Protection Plan Subscription.

EBL Digital Interactive Agent (DIA)

EBL DIA, the first ever social media banking chatbot of Bangladesh, has reduced significant traffic from EBL contact center and branches in 2020. Given the situation in pandemic, DIA played an important role as customers preferred using EBL DIA for availing certain services, such as, checking account/card information, searching EBL product and contact information, recharging mobile, etc. In 2020, the total number of service requests in EBL DIA was almost 367,000. Moreover, around 125,000 mobile recharges took place in EBL DIA in 2020, making life easier for our customers.

EBL 365 and DROPBOX

Fully equipped with latest advanced level anti-skimming and EMV technologies, all EBL ATMs are PCI DSS compliant. Due to limited services being offered through branches during pandemic, customer

Student banking

EBL Student Banking serves the students with a variety of banking products and services tailor-made for this segment of clients. Collaborating with Bangladesh Bank's financial literacy and financial inclusion agenda in 2020 we have organized school banking roadshows covering different areas of the country and also arranged School Banking Conference in Tangail district with participants more than 300 people. We also cater to student file service for the students going abroad for higher studies through dedicated student centers along with a specially designated student desk.

availed the benefits of performing transactions through ATM, CRM and DROPBOX. Over 5 million transactions worth over BDT 5 billion took place via all EBL 365 across the country. Despite all the challenges in 2020, EBL ATMs reached a service uptime of close to 100%.

E-commerce

It has been a record-breaking year for e-commerce team as EBL SKYPAY, the online payment gateway of EBL, has surpassed BDT 22.22 billion in 2020 making it the first and only bank in Bangladesh to cross this coveted threshold. We have seen a year-on-year increment of more than 650% in terms of transaction volume Moreover, 8 million online transactions have been processed in 2020 by EBL SKYPAY making it the most frequently used payment gateway and as a result the year-on-year increment in terms of number of transactions processed is 213%. With all the big numbers reflecting to a huge 74% market share in online payment gateway providers, both Visa and Mastercard have awarded EBL as the "Best E-Commerce Acquiring Bank" for 2019-2020. The relentless effort to push volumes through online campaigns and some big names. such as bKash, Nagad, Daraz partnering up with EBL SKYPAY, has made it possible to achieve all these milestones even amidst this dreadful pandemic.

M-commerce

In the year of adopting 'new normal', we leveraged social media to reach users with 100+ COVID-19 awareness campaigns. With 400+ campaigns launched in 2020 we amassed 13 million+ views, 18 million+ impressions, 3 million+ engagements, and 5.6 million+ organic reach. Through other social media platforms, our interaction with valued and potential customers has increased significantly: engagement of 266,000+ via Instagram; 571,229 push messages via Viber, and the number of LinkedIn followers crossed 90,000. Through google ad campaigns, 5 million+ impressions were created across the internet. We have also launched mVisa Bangla QR payment, a zero contact payment system on par with changing banking habits. The implementation of Visa CyberSource within EBL SKYPAY, which facilitated cash-in project with country's largest MFS operator bKash, ensured 99%+ service uptime and complete merchant support. Diners Club International card acquiring has

also been enabled this year via EBL SKYPAY. bKash- CCBP (credit card bill payment) project using Visa OCT (original credit transfer) has generated more than BDT 4 billion in transaction amount. We look forward to catering digital financial needs of newer times passionately with innovative strategies.

QQ Reaching diverse customer groups

It is pertinent to mention that our retail banking services are no longer restricted to branches and ATMs but has been made available through mobile apps and the internet. To deliver an Omni-channel outstanding customer experience, the Bank has developed a wider network of fully interconnected retail branches, ATMs, a 24X7 contact center, an Internet banking channel and Smart App for banking on the Go. Even though the COVID-19 pandemic, we maintained our focus on customer centricity with deep understanding of the financial needs.

Challenges and our approach

⊢• Challenges

- → Our approach
- COVID-19 situation created unprecedented challenges to work with customers
- Stress on net interest income owing to skewed interest expense and a decrease in overall transaction volume
- Exponential increase in the number of customers' dispute and queries
- Hardest hit faced by SMEs due to pandemic and lockdown

our approach

 We adapted to the new normal through increased focus on digitalizing our services and tailoring our products for the convenience of our customers. We built resilience in processes to ensure smooth services for customers across touch points, branches, ATMs, call centres, digital assets and support operations.

We have taken a number of cost minimization initiatives throughout the year, without any counterproductive effects on growth.

Dedicated team provided seamless customer support, leading to customer delights. Keeping service excellence locked in the heart of the bank, EBL shifted heavily towards using digital platforms as the key to maintaining its service health as a strategy which also targeted maximizing social distancing.

Keeping in mind the adversity being faced by the borrowers, EBL was among the first to roll out 'pay by deferral' facilities and mobilize stimulus loans to SMEs from the Government's stimulus package.

Way forward

- Putting emphasis on adapting to new customer norms and analyzing customer preferences towards channels, products or financial needs, and changing business models accordingly.
- Intensifying the pursuit of low cost deposits to fuel growth.
- Accelerating cost reduction efforts to improve our cost efficiency ratios through projects that will minimize cost-to-serve against key products, services and channels.
- To capitalize on digital adoption of customers, following the significant digital migration during COVID-19, by introducing a plethora of new and revamped digital products and services.

- Putting our efforts on building an exemplary brand image to earn and retain customer loyalty.
- To revisit the strategy for capturing new, unexplored market from SME segments to ensure asset growth.
- To evaluate intra-industry partnerships for sales and services.
- Staying one step ahead of rapidly evolving customer needs, faster leveling of competitive advantage, greater regulation, ever-changing nature of technology, and unqualified risks.
- Regular communication and robust screening and monitoring to curb non-performing loans.

Retail & SME Banking Event Highlights



EBL Launches inward remittance services for cardholders



Payroll signing with BEOL



Payroll Signing with ACE Autos



Retail Banking Conference 2020





EBL and Unilever sign supply chain financing deal





EBL participated in Basis Soft Expo fair 2020

Launch of EBL SkyCare

Treasurv

The banking sector of Bangladesh faced several challenges in the year 2020 due to COVID-19 pandemic and implementation of the single-digit lending rate. Despite the unprecedented pandemic, the increased amount of remittance inflow and the govt. stimulus packages amplified the overall deposit growth and liquidity condition in the banking sector. Private sector credit growth dropped significantly throughout the year amid economic uncertainties,

which put the banks to face an excess liquidity condition. Besides, the foreign exchange reserve of the country hit USD 42 billion during the year-2020, while Bangladeshi Taka appreciated against US Dollar by 0.12 percent during the pandemic period.

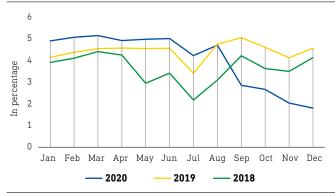
Despite facing several challenges, we have been able to make a significant contribution to the Bank's profitability, risk mitigation, and liquidity management in the year 2020.

Key facts & figures (2020 vs.2019) ↓)) 1 2 3 (4) Secured fourth position in terms of +95.88% +14.88%total secondary government securities Investment income growth Treasury income growth transaction volume in FY 2020 Market share of EBL SWAP Spot Forward **Govt. Securities** 9.91% 15.21% 9.43% 6.77% Market performance in 2020

Money market

High remittance inflow, injection of stimulus funds to the economy and downward credit growth boosted the liquidity in the market. To overcome the fallout of the economy caused by the COVID-19 pandemic, Bangladesh Bank eased the regulatory requirements of maintaining the cash reserve ratio (CRR) as well as increased the advance-to-deposit ratio (ADR) to 87% from 85% for conventional banks. Except for the first few months, the money market was mostly liquid throughout the year. Hence, from January 2020 to December 2020, the average call money rate dropped from 4.90% to 1.80%, mainly because of excess liquidity in the market. Throughout the year, average call money rates hovered around 4.02%. At the end, we have managed money market liquidity efficiently throughout the year despite the pandemic situation.

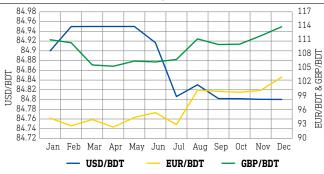
Average call money rate



Foreign exchange market

In 2020, the Foreign exchange reserves of the country crossed USD 42 billion for the very first time in the history of Bangladesh despite COVID-19 crisis. The existing foreign exchange reserve is capable enough to upkeep the country's strength to external shocks, as well as to conserve macroeconomic stability in light of the ongoing COVID-19 pandemic. In addition, existing level of foreign exchange reserve can support import bills payment up to ten months' time period. Throughout the year, total imports of the country took a nosedive due to the economic slowdown caused by depressed demand and consumption. Although the country's Balance of Payment (BoP) is showing a significant increase along with the foreign exchange reserves. The Central Bank of Bangladesh intervened to stabilize the market by buying dollars. However, in that situation, EBL was able to manage its foreign exchange liquidity position efficiently and the regulatory net open position.

Cross rate of major currencies against BDT in 2020

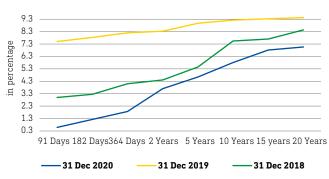


Fixed income securities market

From the beginning of the second half of the year, the yield on government securities started to fall rapidly. The excessive liquidity caused by heavy remittance inflow, stimulus fund disbursement. and downward credit growth somewhat forced the banks to invest in government securities at a lower yield.

According to Bangladesh Bank statistics, the trading turnover volume of tradable government securities jumped by 143.85 % in 2020. Total Treasury bill and Treasury bond trading turnover volume was BDT 1.127.96 billion in 2020, which was BDT 462.56 billion in 2019. As an opportunity for investment shrinks alongside the credit growth, bank's demand for government securities increased significantly and impacted the yield curve negatively. However, in 2020, EBL did exceptionally well in both investing and trading of government securities, and we were able to generate 95.88% more income in comparison to the previous year.

Yield Curve Comparision of Govt. Securities



NRB business

In 2020, EBL sourced inward remittance of USD 95.04 million through NRB business which was 25.26 % of Bank's total inward remittance. In 2020, EBL started making foreign remittance transactions with Transfast-USA.

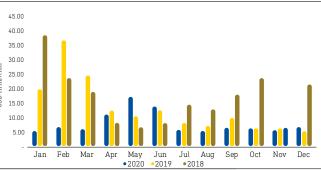
Way forward

- Focusing on product and service digitalization.
- Ensuring appropriate fund mobilization through effective asset-liability pricing.
- Customization of derivative products.
- Focusing on fixed income securities market to explore more trading opportunities.

Inward remittance-NRB



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Asset-liability management (ALM)

Asset Liability Committee (ALCO) is one of the core decision making committees of the Bank and primarily focused on positioning the Bank's overall asset and liability. In 2020, EBL was able to maintain its asset-liability position swiftly to conserve a healthy balance sheet and helped to generate a noticeable amount of revenue. During the crisis of excess liquidity, ALCO's decision to invest in government securities and shed off high-cost deposits was the most impactful decision during the year. Apart from these, the committee regularly monitored various regulatory requirements such as Maximum Cumulative Outflow (MCO), Liquidity Coverage Ratio (LCR), and Net Stable Funding Ratio (NSFR) etc. to ensure the overall financial stability of the Bank.

Challenges & our stance

Year 2020 was guite challenging for the banking sector of Bangladesh. The impact of COVID-19 fallout might cause a greater extent of economic turbulence in the coming days. Regardless of these, we have been able to continue the growth trend and increase total treasury profitability. Our presence in the market during the lockdown period was noticeable. A dynamic approach to the money market and foreign exchange market helped to generate significant revenue for the Bank. Along with that, continuous monitoring of asset-liability management helped the Bank maintain favourable regulatory liquidity ratios throughout the year.

Performance Review of EBL Subsidiaries

Operating environment

2020 ended on a positive note as we got a medical solution to the worst health crisis the world has seen in a century. Contrary to common belief. Bangladesh has done remarkably well in handling both health and economic impact of the pandemic. Compared to other developing countries, the country has fared well and has one of the lowest per capita COVID-19 cases and deaths in the world. Though early lockdowns did help in keeping infections low, a younger population appears to the critical factor in the fight against the pandemic in Bangladesh.

Post-pandemic, DSEX gained a whopping 33.04% in just seven months as the index moved from 4,060.44 in May, 2020 to 5,402.06 in December, 2020. Market capitalization of DSE also increased by 41.77% from BDT 3,161 billion to BDT 4,482 billion during the same period. Average daily turnover in DSE has also witnessed a remarkable 35.18% growth in 2020 compared to the average daily turnover in 2019.

Key factors

- Success in containing the outbreak of pandemic
- Swift economic recovery
- Favorable regulatory environment
- Cap on interest rate of Banks
- Growing investor confidence

Particulars	2020	2019	2018	2017	2016
Market Cap (BDT in billion)	4,482	3,396	3,873	4,229	3,412
DSEX Index	5,402	4,453	5,386	6,245	5,036
Avg. daily turnover (BDT in million)	6,489	4,803	5,510	8,748	4,944
Market P/E	16.5	11.8	15.19	17.3	14.3

Source: dsebd.org & EBLSL

The expansionary monetary policy of Bangladesh Bank coupled with the implementation of the government's stimulus packages aimed at accelerating economic revival have pushed up the liquidity in the banking system.

On the other hand, introduction of single digit interest rate has helped in lowering the cost of fund for the borrowers and which, in turn, improved profitability for majority of the corporates in

Bangladesh. As industry-wide deposit rate has fallen sharply, keeping money in banks has become less attractive to investors. As a result, fund has been flowing to alternative investment channels such as National Savings Certificates (NSC), Stock Market or Real Estate. All these initiatives may have a far reaching impact on the overall economy and specifically on the development of a vibrant capital market in Bangladesh.

Capital market outlook 2021

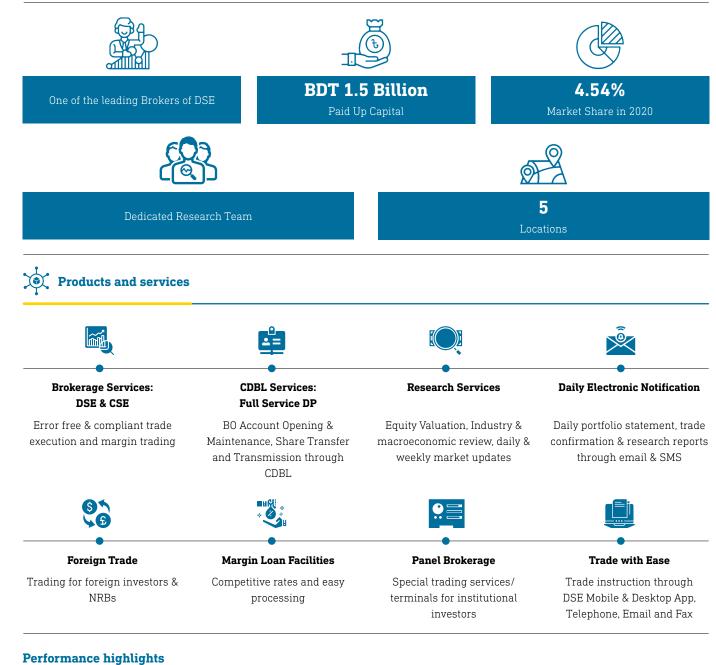
Bullish trend in the market may continue in 2021 and the year may turn out to be full of opportunities for market participants because of the rising investor confidence, monetary easing by the central bank and pragmatic policies by the securities regulator to establish a vibrant capital market. Moreover, a number of renowned companies are in listing pipelines and initiatives for listing SOE (State-Owned Enterprise), MNCs are in process which will enhance market depth. BSEC and Bangladesh Bank are working tirelessly to form special funds to increase the capability of market makers and to arrange low cost funds for the market intermediaries. Market development and reform initiatives by BSEC are expected to continue which in turn may translate into notable turnaround of the stock market in the following years as well.

However, investors should be very careful in making investment decisions and shall avoid herd mentality as the market has witnessed a sharp rise in last few months and some sectors and

stocks have already become overvalued and may experience correction if the market momentum slows down. BSEC has also been vigilant in thwarting all market manipulation attempts and has already taken strict measures against few wrongdoers.







Particulars	2020	2019
Total operating income	248.87	194.03
Net operating profit	113.16	32.13
Net profit/(loss)	18.31	(90.80)
Operating profit margin (%)	45.47%	16.56%
Total assets	6,502.68	6,516.86

EBL Securities Limited (EBLSL) is one of the fastest growing full-service brokerage houses in Bangladesh and one of the leading stock

BDT in million

During the year, EBLSL has focused on effective dealer portfolio and negative equity management and has significantly improved portfolio performance and lowered clients' negative equity. As a part of its business expansion effort, EBLSL has research distribution agreements with several global platforms such as Bloomberg, Refinitiv, FactSet etc.

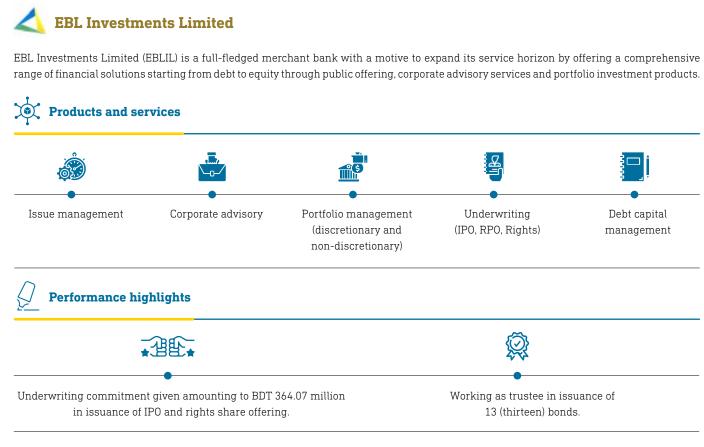


In 2020, EBLSL received "Most Innovative Brokerage House" award from International Finance Magazine, UK for product and service innovation.

Way forward

- Ensuring service excellence throughout the organization by engaging all employees in product and service innovation process, offering new-to-the-industry products and services, arranging training programs and encouraging job rotation within the organization.
- Increasing offline and online reach by opening up new branches/booths at key locations, conducting customer outreach programs and connecting customers through online media.
- Identifying cross-selling opportunities by working together with Eastern Bank Limited, EBL Investments Limited and EBL Asset Management Limited.

- Enhancing capacity of equity research team and increasing its equity & industry coverage to attract more institutional and foreign clients.
- Digitalization of BO account opening, maintenance and service delivery process to ensure maximum customer
- Negative equity portfolio management and margin loan monitoring to ensure better profitability.



Key financials

Particulars	2020	2019
Operating income	44.99	27.54
Operating profit	19.76	3.22
(Loss)/ profit before tax	(11.98)	1.00
Net loss after tax	(3.15)	(10.79)
Total assets	468.09	417.61

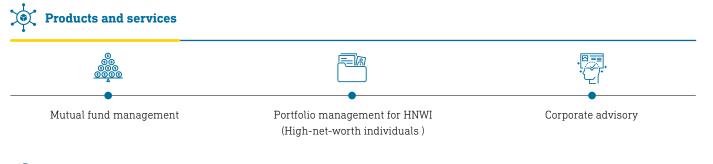
Way forward

- Strengthening corporate advisory services.
- Strengthening debt issue service through private placement.
- Keeping focus to enhance trustee services activities.
- Discretionary and non-discretionary portfolio management service.

BDT in million



EBL Asset Management Limited (EBLAML) was awarded license from Bangladesh Securities & Exchange Commission (BSEC) on 25 May 2017 for full-fledged asset management operation. The main objective of EBLAML is to carry out the business of asset management, portfolio management, fund management, capital market operation, other financial services including corporate advisory services, merger & acquisition, equity investment, corporate restructuring, financial & socio-economic consultancy, corporate research & project studies, privatization other related services in Bangladesh and overseas.



Key initiatives D

EBLAML has launched its first open end mutual fund "EBL AML 1st Unit Fund" in 2020 and the fund has started its operation since 14

August 2020. Initial size of the fund is BDT 300 million and till 31 December 2020 it has subscribed amount of BDT 165 million.

Key financials

	BDT in mi		
Particulars	2020	2019	
Operating income	15.56	26.82	
Operating profit	4.92	17.42	
Net profit	17.68	0.604	
Total assets	293.10	295.14	

Way forward

There is a huge potential of growth in capital market and mutual fund industry. In 2021, we are hopeful to subscribe more fund.



EBL Finance (HK) Limited, a wholly owned subsidiary of EBL, has been successfully operating in Hong Kong since 2013. Tuning with EBL's strategy of diversifying sources of revenues and spreading wings in foreign markets, EBL Finance (HK) Limited is steadily expanding its business base in Hong Kong. Operating under money lending license the subsidiary has been offering an extensive range of trade based products and services for both Bangladesh and Hong Kong based customers and has been able to successfully penetrate in both the markets.



The general competitiveness has increased in Hong Kong amid COVID-19 pandemic due to dwindling economy and increase in the number of Bangladesh based financial service providers. Despite the sharp upsurge of market challenges, EBL Finance (HK) Limited has been able to keep its position as the largest Bangladeshi

Key financials

Particulars	
Net assets	
Revenue	
Operating profit	
Profit after tax	
Bills financed	

Way forward

EBL Finance (HK) Limited, with its diverse range of services and innovative customer solutions will continue to grow its customer base. With transformation of retained earnings to core-capital, EBL Finance (HK) Limited has also stepped up the ladder to becoming a deposit taking company soon.

financial institution operating in Hong Kong in terms of business volume and customer base. EBL Finance (HK) Limited is also underway extending its customer base to China through Eastern Bank Limited's representative office in Guangzhou.

2020 2019 30.66 26.54 26.42 41.35 9.34 19.22 7.95 16.26 333.21 506.69

HKD in million

HR: Treating People with Care

As a caring business partner, the role of HR is to make sure the people management policy and procedure are aligned with the needs, goals, and aspirations of the organization. Hence, eblHR planned at the beginning of 2020 on its usual strategic activities, i.e. employer and employee branding, increasing employee value proposition, finding high-quality talent and developing the next generation of leaders, creating learning opportunities, workforce development and achieving diversity with inclusion.

However, we have never thought of the challenges that year 2020 would bring. The uncertainty has troubled the world economy, and people have been put in stressful situation. eblHR tried its best to keep everything in perspective and aligned. The top priority for eblHR in 2020 was correct response to the crisis, keeping the employees engaged, providing the right communication for mental health and well-being, and managing their work.



- Sharing updates with our stakeholders regarding measures • adopted by EBL to handle COVID-19 crisis.
 - Arranging health talk and different awareness sessions. •
- Communicating messages from Senior Management using digital channels.
- Tried to be outstandingly caring for all the people of EBL.

Communicating EBL policies related to the pandemic.



Our HR strategy in 2020

- More focus on people's wellbeing. Shifting focus from "People • First" to "People's safety first".
- Focusing on people's behavior and evaluating their impact.
- Digitalization for process simplification and cost-saving.
- Taking extra care for better employee experience.
- Improved emphasis on productivity through quarterly appraisal.



Our strategy was to connect people to create loyalty, employee engagement and motivation leading to strong corporate culture.

Priorities in 2021

- eblHR ISO recertification
- Integration of Digital Quality Management System
- 360 degree feedback on employee behavior

1 Role of HR during COVID-19 pandemic



নিজে কিংবা পরিবারের কেউ অসস্থ জের, কাশি, গলা ব্যথা, শ্বাস কন্ট) হলে ৰাডিতে থাকবো। প্রতিদিন ই বি এল এর COVID 19

We have been very proactive during the pandemic. Right from the very beginning, we started collecting health-related information of our colleagues and their family members using a google based digital tool. We have taken all the measures to protect our people according to WHO guidelines. We facilitated work from home for our people and created a communication channel for all the col-



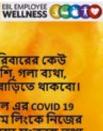


We have continued our efforts to bring efficiency in HR processes such as cost of new hire, time to hire, learning and development budget etc.



We have worked on creating effective employee engagement, reducing employee turnover, reducing the absence rate, and improving the quality of hiring.

- E-certification module on employee self-certification
- Rollout of EBL employees mentoring policy
- Employee benefits survey



HR

leagues to keep them motivated during the pandemic. Our training continued on the digital platform. We have never stopped working, and we were never disconnected. People's safety was our number one priority, and we ensured maximum care for our people.



Every day we try to stay connected with our colleagues who are not well, and COVID infected. We have sent greetings (get well soon card and fruits basket) to the COVID infected colleagues. Besides, we have given them physicians' advice, medicine, dry food, financial support, as applicable.

we do care for you we spoke to 2625 colleagues we made 3500 plus phone calls we are connecting EBL everyday we will talk to you soon, because we care



Our well-written code of conduct clarifies our mission, vision and values, linking them with standards of professional conduct. The code articulates the values, the organization wishes to foster in leaders and employees and, in doing so, defines desired behavior. Our code of conduct sets the benchmarks against which individual and Bank's performance can be measured.

Additionally, our code of conduct is the central guide and reference for employees to support day-to-day decision making. Our code of conduct encourages discussions of ethics and compliance, empowering employees to handle ethical dilemmas they encounter in everyday work. It also serves as a valuable reference, helping employees locate relevant documents, services and other resources related to ethics within the organization.

Our approach towards

-Creating internal and external equity

-Employee engagement

-Organizational change management -Digitizing the workforce

Creating internal and external equity: Prioritizing fair pay and closing the pay gap are two of the biggest continuous initiatives of eblHR. Implementing processes to sustain fair pay throughout the employee's journey from hiring to promotion is crucial for EBL. We are using industry and specific market data to establish appropriate salary ranges for each position. And, we believe in equal pay for equal work within the Bank. Jobs of comparable value are assigned to the same grade range, and the range of pay is the same for those jobs, which promotes equity. This assures that employees within EBL are paid fairly.

Employee engagement: We have tried to keep our employees engaged through learning and development activities during the lockdown. We have arranged webinars, e-learning and selfcertification programs. Moreover, we have arranged weekly alignment session, team meet-ups, entire team gathering over video conference, short online game session, virtual challenges and competitions, five minutes of informal talk, online courses, brainstorming, apology and appreciation session, communication exercise etc. for employee engagement and motivation. We have tried to understand the stress level of personnel during this difficult time; we established an open

environment and proper communication channels for our people to discuss the issues they are dealing with. That is why we have been regularly examining our employees' well-being and offered solutions that support a healthy work-life balance.

Organizational change management: In 2020, our focus was connecting people. We have helped our employees manage their challenges and adopt a new way of working to enable them to stay productive. We have tried to help them address social distancing challenges, working in a remote environment, or managing virtual meetings and conference calls.

Digitizing the workforce: The year 2020 made us think deeply whether our workforce is future-ready. Therefore we have identified competencies such as agility, problem-solving, adaptability, creativity, and collaboration to ensure we have a digitally enabled workforce. We have been partnering with our people leaders to create effective learning and development programs that help employees clearly understand the benefits of digital technologies and learn how to use them to improve their workflow. This training focuses not only on the technical aspects but also on soft skills such as innovation, creativity, and agility.

Talent attraction

Our employer branding strategy in 2020

- Increased presence in digital space (webinar, facebook live • etc.) to keep the future candidate assured about the mental, physical and emotional health support which are being given at EBL for its employees during the pandemic.
- Re-designed job postings to reflect our COVID-19 action plan.
- We have been highlighting the long-term career growth opportunities in EBL.
- We have good number of career related roadshows for the leading universities in Bangladesh.

Criteria for selecting new employee

- Attitude is more important than skill
- Ability to handle digital communication platform
- What value the individual may bring to the organization
- Culturally fit

Talent development

2020 was a tough year for arranging in-person training due to COVID-19. In 2020, we have arranged 128 learning and development programs where 10,998 participants were trained to upgrade their knowledge in the necessary field. Most of the trainings were conducted through digital platform. In 2020, our



Our objective is to enhance the capacity of our people to be effective in leadership roles. Our leadership development initiatives are aligned with our strategy and we offer development opportunities that are tailored to the individual employee. Our leadership development approach consists of the following steps:

- Identification of potential leaders
- Future leader development program

Performance management

Our employer branding strategy in 2020

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Performance appraisal: Our performance appraisal method is participative, where line managers and job holders together identify, plan, organize, and communicate objectives to focus on during a specific appraisal period. After setting clear goals, line managers and job holders quarterly evaluate and discuss the progress made. We help our employees to identify their contribution towards the growth of the Bank. This year, we have introduced behavioral rating to identify people's needs to improve behavioral competencies and soft skills.

Remuneration policy: Our remuneration policy is formal and transparent, helping us determine the remuneration packages of individual. Our objective is to ensure the ability to attract and retain talents. EBL remuneration policy is built upon the principles of providing equitable and market-competitive remuneration package that supports the performance culture and enables the achievement of strategic business goals. Our remuneration policy is, therefore, aiming at being competitive but not excessive.

Rewards & benefits: Our reward policy is competencybased and performance-driven. No matter where they are – a top performer will be rewarded from any corner of the Bank. We reward for both financial and non-financial achievements. And our reward scheme consists of both monetary and non-monetary awards. Our benefits are a

people have received 52,319 man-hour training that is 18 man-hour (2 days) training per person in 2020. This year, EBL has introduced e-certification course and around 700 people have certified in AML & IT courses. Apart from the above, 3,141 employees participated in the e-learning evaluation.

- Behavioral feedback
- Work experience and rotational assignments
- Develop executive skill sets
- Provide one another with high-value constructive feedback
- Enhance interpersonal communication
- Break down functional silos
- Tackle real-world challenges in real time

good blend of both short term and long term benefits. We take good care of our new hires and motivate them to stay with the Bank for a longer time.

End service benefits: We provide competitive end service benefits including provident fund, gratuity, superannuation and leave encashment.

Subsidized loan benefits: We provide employee car loan at zero percent interest rate. Our salary loan, provident fund loan and housing loan are given at a subsidized rate.

Reimbursable expenses: Our reimbursable expenses are two types in general. First of those are business characters that are employees incurring expenses for business needs such as travel expenses, customer entertainment, mobile phone bills, etc. The second type is mostly reimbursing employees learning initiatives that will help them deliver the job better.

Professional and club subscriptions: eblHR policy supports professional membership and club subscriptions. Professional memberships are provided to attract and retain people with professional qualifications and help them maintain their network with the people in the same profession. Club memberships are more of a business nature; the objective is to provide club membership facilities to remain connected with the business community.









At EBL-equity in the workplace is characterized by



Equal employment opportunity

We provide equal employment opportunity, which means our employment practices ensure non-discrimination irrespective of race, color, national origin, sex, sexual orientation, gender identity, physical or mental ability, religion, marital status, or age. The principle lies that everyone should have the same access to opportunities in the workplace.

Career progression

We have set a career path for all the jobs. A jobholder performing at the benchmark level is expected to have a fast track career at EBL. Our approach to employees' career progression is totally performance-based. We evaluate both financial and non-financial contributions and value both business and non-business contributions of the employee.

Diversity

We embrace diversity, which means we have a comprehensive organizational and managerial process for developing an environment that maximizes all employees' potential by valuing



Our succession planning is a focused process for keeping talent in the pipeline. Effective job design, varied internal development opportunities and smart organizational structure are the important features we practice to support succession planning process. Our approach towards well-designed succession planning is as follows:

•

- Adapting to demographic changes. •
- Identifying skill gaps and training needs. •
- Retaining institutional knowledge in a knowledge-based economy. •

Retention strategy

Our people retention strategy is very simple. We are hiring the right people and shaping their growth and development. We have developed a good orientation program and encouraged open communication. We have excellent reward package and we

maintain good work-life balance. We believe in "speak-up" policy and provide excellent leadership opportunities. We have a strong performance driven culture. We also look after employees' wellness and ensure better 'end service benefits' for long time employees.

Boosting morale and retention by investing in employees.

• Replacing unique or highly specialized competencies.

diversity. Our diversity dimensions include but are not limited

to age, ethnicity, gender, physical abilities/qualities, race, sexual

orientation, educational background, geographic location, income,

marital status, military experience, parental status, religious

We took following steps to ensure our employees maintain good

• Our people set their daily priorities in the morning huddle to

We trained our people on effective time management and

We have employee wellness program for the well-being of our

We facilitate job rotation and recognize our employees'

• We encourage our people to speak up, and we value their

beliefs, work experience and job classification.

finish the day's job on time.

Work-life balance

work-life balance.

prioritization.

achievements.

people.

opinion



We have a well-written grievance management policy. We also have speak up policy and harassment committee. By combining all these, we try to protect employee rights backed by our code of conduct and service excellence quidelines. Our grievance management approaches are as follows:



Quick action

As soon as the grievance arises, we try to identify and resolve the grievance.

We acknowledge the grievance immediately to create a conducive work environment with instances of grievance reduced.

Examining the causes of grievance

We try to identify the actual cause of the grievance. Accordingly, remedial actions are taken to prevent the repetition of the grievance.

Way forward

- Ensure the workforce has the skills needed for the future.
- Equip leaders for success with ever-expanding demands.
- Organizational design for top performance and cost rationalization.

• Blending the learning experience with virtual reality.

178 Eastern Bank Limited



Acknowledging grievance



Gathering facts

We gather appropriate and sufficient facts explaining the grievance's nature. A record of such facts is maintained so that these can be used in later stage of grievance handling procedure.



Decision making

After identifying the causes of grievance, we decide on the course of action in compliance with the Bank's policy.



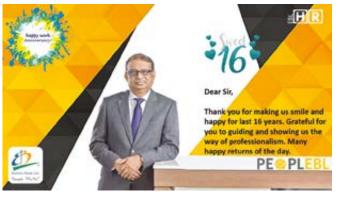
Execution and review

Then we execute the decision quickly. After implementing the decision, we conduct a follow-up to ensure that the grievance has been resolved completely.

Employee Engagement Programs During COVID 19



Our Managing Director & CEO addressed People Management and COVID awareness issues during the session.



Celebrating 16th work anniversary of our Managing Director & CEO.



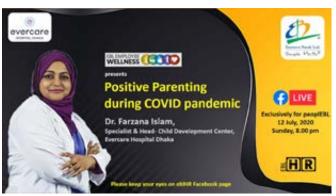
Celebrating 28th anniversary of EBL on 16 August 2020.



ehIHR thanks heroes of the nandemic



"EBL Foundation Training" arranged for our new joiners on digital platform.



Wellness session on "Positive Parenting during COVID pandemic" by Dr Farzana Islam, Specialist & Head, Child Development Centre, Evercare Hospital, Dhaka.



Congratulating the longest-serving MD & CEO of the Bank, Ali Reza Iftekhar.

ICT: The Enabler of Accelerated Digital Transformation

Technological innovations are growing exponentially. As a visionary Bank, EBL continuously looks out for technological innovations that act as enablers to increase revenue by ensuring customer delight, improving operational efficiency and reducing service time. Being heavily defined by COVID-19 pandemic, the year 2020 has radically changed the way people think and act, resulting in a sudden aversion amongst customers to visit branches and develop inclination



- Skybanking Web version
- Home-office facility for every EBL staff •
- PCI DSS recertification for the year 2020 •
- ISO 27001 recertification •
- UnionPay debit and prepaid issuing •
- Contact Center migration •
- FD/DPS opening through EBL Self Service

i I I Our approach towards managing ICT risk

As the usage of digital touch-points shot up during COVID-19 pandemic, so did the number of cyber-attacks and threats. We remained particularly vigilant while we launched diverse projects to accommodate both the emerging needs of customers and the mandates of regulatory authorities. Every hardware device that has been brought in, has been hardened. Vulnerability Assessment and Penetration Testing (VAPT) has been done thoroughly to determine flaws and exploitable weakness before every release of a software solution. To protect the information assets of EBL from external threats, we have put several preventive controls in place, i.e., Nextgeneration Firewall, Network Intrusion Prevention System (NIPS), Adaptive Security Appliance (ASA), Endpoint Security, Intrusion Prevention System (IPS)/ Intrusion Detection System (IDS), etc.

Wav forward

COVID-19 crisis will continue to be on top of the list of challenges of the banking business strategy for the year 2021. Keeping that in mind, we will focus on technology maneuvers concerning revenue-generation to minimize customer foot-prints in branches and prioritizing cybersecurity at the same time since experts say we are still few more years away from going back to normal life from this on-going pandemic. Our endeavour to achieve inter-organization process improvement by using Robotic Process Automation (RPA), Application Programming Interfaces (API), and accelerating the trend from manual to digital will also continue.



Facebook live "ঈদ আড্ডা" with the winners of different programs of EBL.

towards using digital channels. ICT Team has meaningfully reflected customer expectations about how they want to interact with the Bank. Additionally, to provide customers with the comfort and reliability to use digital channels for transactions, our all-out effort to maintain transactional security was undefeated. It is because of timely adoption of technological solutions to work from home, employees at EBL were less exposed to coronavirus contractions.

- Virtual Annual General Meeting
- Development of IT security & risk dashboard
- e-KYC
- CTR, STR, Name Screening and TP through AML Solution
- Virtual Account Solution
- Global Payment Initiative (GPI) implementation in SWIFT
- Robotic Process Automation of EoD Processes

Several detective controls, i.e., Security Information and Event Management (SIEM), Privilege Access Management (PAM) are working together to aggregate network traffic logs and we monitor them to keep an eye on communication channels, applications, databases and systems.

We have achieved PCI-DSS certification for consecutive five years in recognition of our constant effort to minimize vulnerabilities in cardholder data domain, which provides our customers with a peace of mind reliability for using our payment cards. Our achievement of ISO/IEC 27001:2013 certification for the second time in a row recognizes our compliance with Information Security Management Systems (ISMS), a risk management framework developed jointly by ISO and IEC.

A Digital Journey to Service Excellence

The year 2020 taught us to be resilient, adaptive, innovative and positive in the face of adversity. Keeping service excellence locked in the heart of the bank, EBL geared heavily towards deploying digital platforms to remain connected with customers maintaining social distancing.



Customer feedback

Nothing inspires better than a delighted customer's appreciation - the primary goal of any business entity. Despite all odds, EBL has bagged few invaluable responses from its customers in the year 2020 which is worth mentioning.



⁶ I would like to give a huge commendation to my Relationship Manager at branch. He empathized and resolved my issue in the first place which is a great deal in customer service. He did what he promised which is a significant part of customer service. I would recommend his service as world class and this is a role model in customer service which should be followed by others rather than get away from the customers.

⁶ I received a call about half an hour back from EBL Call Centre to inform me that my card has been activated. I was very impressed by her professionalism, clarity of expression and pleasant personality.



() Uninterrupted customer support

Ensured customers' voices were heard 24/7 by keeping EBL Contact Center awake at all times even during strictest lockdown period.

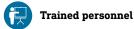


Customer on-boarding to digital banking platform

Encouraged customers to use wide range of digital platforms to meet their daily financial needs without physical visit.

Remote access

Ensured email access and server connectivity for all employees in order to respond to clients' queries and resolve grievances (if any). As a result, not a single client suffered from unmet issues.



Provided training to employees for building awareness on relevant regulatory requirements, circulars and guidelines published during pandemic, making them aware of internal processes and product knowledge for ensuring accurate and timely service, mentoring customers doing banking maintaining proper health codes and social distancing.

	New
	E-

initiatives taken to maintain service excellence

Shahriar Ahmed

A client of EBL

-KYC based account opening first in the banking $\otimes \equiv$ industry

> Self Service Hub for opening DPS & Fixed Deposit Schemes online



Insta-Banking for opening accounts digitally

Routes to reach EBL for sharing customers' feedback or lodging grievances

Channels	Customers' preferred actions
24X7 Contact Center	Contact Center: 16230 Contact Center: 028332232
Branch	Visiting branch or giving a call
Website	Access website: https://www.ebl.com.bd/regulatory/ complaintcell
E-mail	ccs.cmc@ebl-bd.com info@ebl-bd.com info@ebl.com.bd cardsteam@ebl.com.bd
Mobile application	Through EBL SKYBANKING app complain can be raised or feedback can be given.
Letter	Sending letter to: branch/Head office



In the year 2020, that was extraordinarily challenging in terms of ensuring service excellence, a total of 1,897 complaints were received directly from customers and regulatory bodies; all were successfully resolved.

EBL has a well-structured Central Customer Service & Complaint Management Cell (CCS & CMC) in place, the functionality of which is approved by the Board of Directors and consists of high officials with necessary authority to take speedy actions for bringing prompt resolution to the customer complaints.



Customers' feedback survey for EBL Skybanking app

- To assess overall satisfaction and safety related to the usage of EBL Skybanking application
- 320 clients were reached to conduct digital survey
- Received positive response from majority customers with recommendations for improvement

Complainants' feedback survey

- To receive customer's feedback on bank's grievance management process.
- To assess the efficiency level of complaint management process
- To identify any lapses still prevailing in any of the existing products and processes.
- 75 complainants/customers have been surveyed under this study.

Way forward

2020 provided us a stark reminder of the importance of adopting new technologies and called for process re-engineering and digitalization of our existing products and services. As we enter 2021 we will prioritize to fine tune our processes to further enhance our customer satisfaction and intend to come up with new avenues for digitalization in order to remain competitive in the market.





In 2020, resolved all complaints that we received

Strengthening ties with our customers

non-productive accounts through reaching out

Revival of

virtually

were taken through social media platforms

119 awareness initiatives

Strengthening ties with our customers

Monitoring credit cards attrition through creating awareness at branches

Relationship managers

always stayed connected with

the clients looking after their

well-being as well as financial

needs during the pandemic.

Operational Excellence

Amid global crisis, EBL left a footprint of innovation and brilliance in serving external and internal customers while ensuring compliance with internal and regulatory guidelines. EBL Operations remained resilient while staying at the heart of all processes and service deliveries throughout 2020. Despite

numerous disruptions, EBL remained vigilant in delivering essential banking services. Operating models were re-engineered using smart technologies as well as digital platforms were adopted to address shifting consumer habits and reduce the need for physical interaction.





The year started with goals to improve customer experience, streamline processes, and reduce costs in all areas of operations through digitization and process simplification. The Bank's priorities shifted when the country plunged into a global crisis during Q2 of 2020. Formal crisis management team was established with clear action plan for guickly adapting to the changing socio economic climate. With a combination of rotational work plan and work from home, EBL ensured operational delivery amidst disruption. Close liaison with regulatory authorities were maintained to ensure compliance of ad-hoc directives related



- Trade volume worth USD\$3.80b processed in 2020.
- Cumulative volume of LCs valued at or over US\$1m pr throughout 2020 stood at US\$644.70m which is 3.95% than previous year.
- Good number of Bank Guarantees valued at or over US processed for a total volume of US\$111.23m
- Processed 173k Wage earners' remittance of US\$106m
- Cash incentive (2%) payment of BDT 186m against el wage earners' remittances.

Other notable accomplishments

- Collaborated execution of export factoring solution in partnership with Tradewind GmbH
- Customers with valid email addresses are now in rece e-statements for credit cards instead of hardcopy
- Introduction of pre-renewal SMS alert to debit and created by the second s cardholders
- Implementation of Government Securities windows at branches
- Development of first of its kind e-KYC based account opening



EBL Operations continued to work relentlessly to streamline operational delivery for superior customer experience. The first step was to reduce the need for physical interaction and digitization. The Bank introduced FD/DPS opening through EBL Self Service Portal. Staffs from other work areas were directed and engaged to help process a mounting influx of customer requests for subscription to internet and mobile banking facility. The number of onboarding requests was 437% higher than previous year. Focus was also given in facilitating e-commerce and card acquiring transactions which grew by 220% and 123%

to pandemic. At the end of general holidays, the Bank sustained operational resilience by remodeling operational workflows to suit pandemic style socio-economic climate. In Q3 of 2020, full scale operations resumed; workaround strategies were implemented to deal with increased number of operational deliveries. Meanwhile, EBL facilitated delivery of stimulus packages announced by Bangladesh Government to support export oriented firms and other industries. In Q4 of 2020, the Bank worked relentlessly for adapting to the "new normal" and worked towards business recovery amidst this economic downtrend.

processed % higher JS\$1m 1 in 2020. ligible	 10k commercial remittances processed in 2020 which adds up to US\$271m Processed Government Stimulus payroll payment of BDT 1.75b Business Partner Identification (BP ID) in favor of individual/ institutional customers in Government Security Market Module of Bangladesh Bank increased by 269% Money market and security transaction counts increased by 39% from previous year Number of reconciliation of FCY and LCY NOSTRO account increased by 34% compared to 2019
1	 Benchmark compliance of core security controls under SWIFT Customer Securities Program (CSP)
ceipt of	• Adoption of trade based money laundering (TBML) policies in compliance of BB guidelines
redit	• Implementation of "Velocity" – sanction screening application for trade and remittance transactions
at	 ISO 9001:2015 re-certification with no non-conformity - demonstration of continued effectiveness of operational
opening	management systems

respectively compared to 2019. First of its kind e-KYC based account opening and EBL Insta-Banking - a self-serviced customer on-boarding system was introduced where customers can open a Bank Account immediately at anytime from anywhere, by themselves, simply with their NID and photo taken using smart phone or other digital devices. Some other process simplifications were brought in to reduce turnaround time (TAT) for a number of services including automated solution (SMS notification) for static data change, enhancement of applications to enable bulk processing.

Automations and system enhancements for faster operational delivery

In order to improve delivery lead time, a host of automation projects were implemented in all operational areas to reduce manual intervention, so that additional staff resources could be deployed in supporting business needs.

Automated tracking of customer records update requests • Automated and real-time journal entries against ATM • withdrawals • SMS notification after execution of customer record update requests • Enhancement of card systems to enable bulk processing of new card enrollments • Automated service requests for card cheque requisition and supplementary cards • Automated VAT collection against specific types of cross-Implementation of SWIFT GPI basic tracker facility • border online transactions Automated single fund pull through electronic fund transfer • New card enrollment process automated for prepaid and network under Bangladesh Automated Clearing House (BACH II) debit cards • Automation of inward remittance intimation and reminder letter Customers with valid email addresses are now in receipt of e-statements for credit cards instead of hard copy • Automation of issuance of encashment certificate against inward remittance statements. Reduced non-value added steps Increased processing speed • Reduced processing complexity Improved processing standard Reduced delivery lead time • Improved turnaround time (TAT) Efficient and clean record keeping

Managing operational risks in 2020

Operational risks became an area of crucial interest during pandemic. Failures in internal controls, lapses in operational processes, limitations in systems, errors, breaches, and interruption or damages were carefully managed by focusing on four broad aspects:

- **People:** Regular knowledge sharing sessions with stakeholders and periodic meetings with cross-functional departments were conducted to identify and mitigate risk triggers.
- **Process:** Operational controls were revisited and strengthened where appropriate to strengthen overall risk resilience of the Bank.
- **Systems and tools:** The Bank continued to take steps to prevent losses arising from system hacks and data losses.

Attainment of benchmark compliance to core security controls of SWIFT Customer Securities Program (CSP) and successful PCI-DSS (Payment Card Industry Data Security Standard) recertification were instances of those measures.

• **Regulation:** With the rise in number and complexity of policies and rules that Banks must comply, EBL continued to invest in trainings and embrace policies, procedures and systems that foster compliance. Among many other tools, AML velocity was adapted to combat AML & CFT risks.



The Bank put rigorous efforts to sustain quality in all deliveries throughout 2020. Surveillance audit of ISO 9001:2015 persistently exhibits continued effectiveness of EBL's operational management systems. Regular knowledge sharing sessions with stakeholders and monthly meeting with crossfunctional departments were held to improve service quality and reduce operational shortcomings. 58 branch feedback sessions covering 34 branches were also conducted to build up rapport, improve delivery standards and ensure processing efficiency.



We look forward to adding more value in 2021. Optimizing costs, improving quality of operational deliveries, enhancing customer experience, establishing stringent controls and improving readiness to crisis scenarios will take priorities in 2021.

Cost rationalization

Elimination of nonvalue added steps and overlapping processes Resource optimization and cost controls

> Electronic channels for operational deliveries

Risk mitigation

Implement technologyenabled risk mitigation tools and strategies

Efficient and clean record keeping

Readiness to handle crisis

FINANCIAL REPORTS

Statement on Integrity of Financial Statements by MD & **CEO and CFO**

11 April 2021

The Board of Directors Eastern Bank Limited 100 Gulshan Avenue Dhaka -1212.

Subject: Declaration on Financial Statements for the year ended on 31 December 2020

Dear Sirs.

June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Eastern Bank Limited for the year ended on 31 December 2020 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements:
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- i. We have reviewed the financial statements for the year ended on 31 December 2020 and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- ii. There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,

Ali Reza Iftekhar Managing Director & CEO

Pursuant to the condition No. 1(5) (xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03

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Masudul Hoque Sardar Chief Financial Officer



Gulshan Pink City Suites# 01-03, Level : 7 Plot#15, Road#103 Gulshan Avenue Dhaka-1212, Bangladesh Phone : 880-2-8881824-6 E-mail : agasem@agcbd.com

Independent auditor's report

to the shareholders of Eastern Bank Limited

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated financial statements of Eastern Bank Limited and its subsidiaries (the "Group") as well as the separate financial statements of Eastern Bank Limited (the "Bank"), which comprise the consolidated and separate balance sheet as at 31 December 2020, and the consolidated and separate profit and loss account, consolidated and separate statement of changes in equity and consolidated and separate cash flow statement for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and separate financial statements of the Bank (the "financial statements") give a true and fair view of the consolidated balance sheet of the Group and the separate balance sheet of the Bank as at 31 December 2020, and of its consolidated and separate profit and loss accounts, consolidated and separate statement of changes in equity and its consolidated and separate cash flow statement for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note # 2 and comply with the Banking Companies Act, 1991 (as amended up to date), the Companies Act, 1994, the rules and regulations issued by the Bangladesh Bank, the rules and regulations issued by the Bangladesh Securities & Exchange Commission (BSEC) and other applicable laws and regulations.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the consolidated and separate financial statements section of our report. We are independent of the Group and the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), rules & regulations issued by Bangladesh Bank and Bangladesh Securities and Exchange Commission (BSEC), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements for the financial year 2020. These matters were addressed in the context of the audit of the financial statements, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters. For each matter described below our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of the financial statements. These results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.



Key audit matter

Measurement of provision for loans and advances

With reference to Note 13.4 to the financial statements, the for calculating the provision for loans and advance associated with credit risk is significant and complex. calculates provision for loans and advances by co various factors such as rate of provision, loan category, e outstanding balance, interest suspense amount, value collateral as per BRPD circular no. 14 dated 23 Septembe its subsequent amendments.

To minimize covid 19 impact. Bangladesh Bank iss Circular Letter No. 56 and 117 dated 10 December 20 January 2021. According to the circular, commercial keep an extra 1% (percent) provision for those borrowers availed payment by deferral (PBD) facilities. The calcula new provisioning rule will have to be implemented bas outstanding (deferral payment) loans as of 31 December Bank has kept this special provision of BDT 602.39 mil the circular.

In Bangladesh, non-performing loans have been incre by day. Banks need to maintain provision for addit performing loans in line with guidelines of the central Bank identifies impaired loan accounts and calculate provision manually. Furthermore, management has in maintain lower provision for loan and advances to overst

Considering these factors, we have considered measu provision for loans and advances as significant risk as w audit matter.

At year end of 2020 the Group reported total gross advances of BDT 230.54 billion (2019: BDT 239.09 billi 2020 the Bank reported total gross loans and advance 228.94 billion (2019: BDT 232.05 billion) whereas at the of 2020 the Group reported total provision for loans and of BDT 11.42 billion (2019: BDT 9.44 billion) and the Ban total provision for loans and advances of BDT 11.18 bil BDT 9.36 billion).

02. Measurement of deferred tax assets

At the year ended 2020 the Group reported total deferred of BDT 2.150 billion (2019: BDT 1.875 billion) and de income of BDT 149.58 million (2019: BDT 664.46 millio Bank reported total deferred tax assets of BDT 2.053 bil BDT 1.875 billion) and deferred tax income of BDT 52 (2019: BDT 664.46 million).

Significant judgment is required in relation to deferred ta their recoverability is dependent on forecasts of future p over a number of years.

How our audit addressed the key audit matter

the process	We tested the design and operating effectiveness of key controls
es portfolio	focusing on the following:
. The bank	
considering	Tested the credit appraisal, loan disbursement procedures,
expiry date,	monitoring and provisioning process;
e of eligible	 Tested the controls related to provision for loans and advances;
er 2012 and	
	Our substantive procedures in relation to the provision for loans and
	advances portfolio comprised the following:
sued BRPD	
2020 and 5	Tested the Group and the Bank's general and specific provisions;
bank must	Assessed guarterly classification ledger of loans and advances (CL);
rs who have	
ation of the	Assessed the methodologies on which the provision amounts
ased on the	based, recalculated the provisions and tested the completeness
er 2020. The	and accuracy of the underlying information;
llion as per	
	Assessed covid provision according to BRPD circular.
easing day	Assessed the presentation of disclosures against relevant accounting
tional non-	standards and Bangladesh Bank guidelines.
l bank. The	
es required	
ncentive to	
state profit.	
urement of	
vell as a key	
loans and	
ion) and in	
ces of BDT	
ne year end	
d advances	
nk reported	
illion (2019:	

d tax assets	We obtained an understanding, evaluated the design and tested
leferred tax	the operational effectiveness of the Bank's key controls over the
on) and the	recognition and measurement of deferred tax assets and the
illion (2019:	assumptions used in estimating the Group and the Bank's future
2.45 million	taxable income.
	Ma also account the completeness and accuracy of the data used for
	We also assessed the completeness and accuracy of the data used for
	the estimations of future taxable income.
profitability	We involved tax specialists to assess key assumptions, controls, recognition and measurement of deferred tax assets.
	Finally assessed the appropriateness and presentation of disclosures against IAS 12: Income Tax.

See note no 9.10 & 38 to the financial statements



Other information

Management is responsible for the other information. The other information comprises all of the information in the annual report other than the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated and separate financial statements and internal controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs) as explained in note # 2 and comply with the Banking Companies Act, 1991 (as amended up to date), the Companies Act, 1994, the Rules and Regulations issued by the Bangladesh Bank, the Rules and Regulations issued by the Bangladesh Securities & Exchange Commission (BSEC) and other applicable Laws and Regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Banking Companies Act, 1991 (as amended up to date) and the Bangladesh Bank guidelines reguire the management to ensure effective internal audit, internal control and risk management functions of the Bank. The management is also required to make a selfassessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

In preparing the financial statements, management is responsible for assessing the Group's and the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Bank's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and the Bank to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Group's and Bank's audit. We remain solely responsible for our audit opinion.



We communicate with those charged with governance, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with the Companies Act, 1994, the Banking Companies Act, 1991, and the rules and regulations issued by Bangladesh Bank, the Securities and Exchange Rules 1987, we also report that:

- of our audit and made due verification thereof;
- internal control:
 - statements appeared to be materially adequate;
 - anything detrimental committed by employees of the Group and the Bank;
- statements:
- examination of those books;
- returns:
- related guidance issued by Bangladesh Bank;

- X. the information and explanations required by us have been received and found satisfactory;

Place of Issue: Dhaka Dated: 12 April 2021

I. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes

II. to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the financial statements and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and

(a) internal audit, internal control and risk management arrangements of the Group and the Bank as disclosed in the financial

(b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or

III. financial statements of Eastern Bank Limited's subsidiaries namely, EBL Securities Limited, EBL Investments Limited and EBL Asset Management Limited have been audited by ACNABIN, Chartered Accountants and EBL Finance (HK) Limited has been audited by Kingston C.P.A. Limited, Certified Public Accountants, Hong Kong and have been properly reflected in the consolidated financial

IV. in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our

V. the consolidated balance sheet and consolidated profit and loss account of the Group and the separate balance sheet and separate profit and loss account of the Bank together with the annexed notes dealt with by the report are in agreement with the books of account and

VI. the expenditures incurred and payments made were for the purpose of the Group's and Bank's business for the year;

VII. the financial statements have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as

VIII. adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;

IX. the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;

XI. we have reviewed over 80% of the risk weighted assets of the Bank and spent over 3,800 man hours; and

XII. capital to risk-weighted assets ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

A. Qasem & Co. Chartered Accountants Registration No: PF 1015

Harill H

Mohammed Hamidul Islam Partner Enrolment No: 912 DVC No: 2104120912AS840301

Eastern Bank Limited and its subsidiaries

Consolidated Balance Sheet

as at 31 December 2020

			Amount in BD1
	Notes	2020	2019
PROPERTY AND ASSETS			
Cash	3		
Cash in hand (including foreign currencies)	3.1	3,218,511,774	3.088.367.831
Balances with Bangladesh Bank and its agent bank(s) (including foreign currencies		12,480,410,176	16,601,918,975
Datances with Dangiadesh Dank and its agent Dank(s) (including foreign currencies	5) 0.2	15,698,921,950	19,690,286,806
Balances with other banks and financial institutions	4		
In Bangladesh	4 4.1	12,728,955,557	19,963,271,483
Outside Bangladesh	4.2	664,331,924	4,405,925,232
Sublac Bulgiduesh	7.2	13,393,287,481	24,369,196,715
Money at call and short notice	5	60,000,000	594,300,000
Investments	6	00,000,000	574,500,000
Government	6.1	50,517,783,115	31,927,657,257
Others	6.2	15,498,577,951	10,138,813,514
Utilet's	0.2	66,016,361,066	42,066,470,771
			,,
Loans and advances	7		
Loans, cash credits, overdraft etc.	7.1	212,083,018,369	218,070,540,410
Bills discounted and purchased	7.2	18,462,037,803	21,024,167,598
		230,545,056,172	239,094,708,008
Fixed assets including land, building, furniture and fixtures	8	7,772,646,970	7,407,132,303
Other assets	9	5,916,516,734	4,869,888,925
Non banking assets	10	105,576,495	108,736,495
TOTAL ASSETS		339,508,366,868	338,200,720,022
LIABILITIES AND CAPITAL			
Borrowing from banks, financial institutions and agents	11		
Non-convertible subordinated bond	11.1.a	6,000,000,000	6,500,000,000
Borrowing from other Banks, FIs, Agents etc.		40,281,080,617	46,348,235,988
		46,281,080,617	52,848,235,988
Deposits and other accounts	12		
Current deposits & other accounts, etc.	12.1	27,698,304,935	24,837,018,432
Bills payable	12.2	1,492,231,668	1,131,830,685
Savings bank deposits	12.3	63,784,873,554	50,214,304,541
Fixed deposits	12.4	111,289,608,129	131,735,401,586
Other deposits- special notice (SND) account Bearer certificates of deposits	12.5	37,030,361,579	32,061,412,240
	12.5	241,295,379,865	239,979,967,484
Other liabilities	13	22,482,811,081	19,410,763,266
TOTAL LIABILITIES	15	310,059,271,563	312,238,966,738
SHAREHOLDERS' EQUITY			
Paid-up capital	14	8,117,995,470	8,117,995,470
Statutory reserve	15	8,117,995,470	8,117,995,470
Dividend equalisation reserve	16	356,040,000	356,040,000
Assets revaluation reserve (Lands and others)	17	3,492,079,880	2,758,085,527
General reserve		603,493,370	603,493,370
Actuarial remeasurement gain/(loss)	18	(209,986,563)	-
Foreign currency translation gain/(loss)	19	2,405,658	5,365,748
Surplus in profit and loss account	20	8,969,072,019	6,002,777,699
TOTAL SHAREHOLDERS' EQUITY		29,449,095,305	25,961,753,284
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		339,508,366,868	338,200,720,022

Eastern Bank Limited and its subsidiaries

Consolidated Balance Sheet

as at 31 December 2020

OFF BALANCE SHEET ITEMS

Contingent liabilities Acceptances and endorsements Letters of guarantees Irrevocable letters of credit Bills for collection Other liabilities

Other commitments

Documentary credits and short term trade-related transac Forward assets purchased and forward deposits placed Undrawn note issuance and revolving underwriting facilit Undrawn formal standby facilities, credit lines and other of

TOTAL OFF-BALANCE SHEET ITEMS

These financial statements should be read in conjunction with the annexed notes.

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Ali Reza Iftekhar Managing Director & CEO

Salvier Al,

Salina Ali Director

Place of Issue: Dhaka Dated: 12 April 2021

Amount in BDT

Amount in BDT

	Notes	2020	2019
	21		
	21.1	42,593,184,478	45,008,741,219
	21.2	27,229,615,956	23,321,243,725
	21.3	26,084,696,594	23,139,697,761
	21.4	8,032,352,776	7,963,765,179
		-	-
		103,939,849,804	99,433,447,884
actions		_	-
	21.5	120.428.481	347,552,793
lities			-
commitments		-	-
		120,428,481	347,552,793
		104,060,278,285	99,781,000,677

Signed as per our annexed report of same date

SHOWRY

Gazi Md. Shakhawat Hossain Director

Mir Nasir Hossain Director

A. Qasem & Co. Chartered Accountants Registration No: PF 1015

Hardl 882

Mohammed Hamidul Islam Partner Enrolment No: 912 DVC No: 2104120912AS840301

Consolidated Profit and Loss Account

for the year ended 31 December 2020

Particulars	Notes	2020	2019
Interest income	22	20,011,368,328	23,583,269,636
Interest paid on deposits and borrowings	23	(13,959,493,913)	(15,306,369,064)
Net interest income	-	6,051,874,415	8,276,900,572
Income from investments	24	5,101,545,522	2,699,084,429
Fees, commission and brokerage	25	3,067,368,036	3,785,461,173
Other operating income	26	345,885,248	258,386,812
		8,514,798,806	6,742,932,414
Total operating income		14,566,673,221	15,019,832,985
Salary & allowances (excluding those of MD)	27	4,073,299,849	3,895,272,859
Rent, taxes, insurance, utilities etc.	28	440,047,713	615,896,173
Legal & professional expenses	29	64,899,448	118,015,990
Postage, stamp, telecommunication etc.	30	138,968,011	145,322,841
Stationery, printing, advertisement, business promotion etc.	31	296,837,619	358,335,602
Managing Director's salary and allowances (Bank only)	32	26,328,372	24,618,065
Directors' fees & expenses	33	3,179,506	5,144,029
Audit fees	34	2,472,615	2,344,092
Depreciation and repair of bank's assets	35	1,010,715,838	781,598,098
Other operating expenses	36	614,810,771	695,313,413
Total operating expenses		6,671,559,742	6,641,861,161
Profit before provisions		7,895,113,479	8,377,971,824
Provision for loans and off-balance sheet exposures:	13.4.1		
Specific provision (net off w/o recovery)		928,245,166	1,254,816,341
General provision for loans & advances		(293,454,371)	174,331,665
Special general provision for Covid 19		602,388,520	-
General provision for off balance sheet exposures	-	19,415,553	(117,854,862)
		1,256,594,868	1,311,293,145
Other provision	37	(101,490,592)	723,320,311
Total provisions	_	1,155,104,276	2,034,613,456
Profit before tax for the year		6,740,009,203	6,343,358,369
Current tax expense for the year	13.3.1	2,709,205,926	3,017,426,997
Deferred tax income (net)	38	(149,577,739)	(664,461,960)
Total provision for taxation	-	2,559,628,187	2,352,965,037
Profit after tax for the year		4,180,381,016	3,990,393,333
Appropriation			
Statutory reserve	15	-	(737,999,580)
General reserve		-	-
		-	(737,999,580)
Retained earnings carried forward	-	4,180,381,016	3,252,393,753
Earnings per share (EPS)	39	5.15	4.92

These financial statements should be read in conjunction with the annexed notes.

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Ali Reza Iftekhar Managing Director & CEO

Salvier Al

Salina Ali Director

Place of Issue: Dhaka Dated: 12 April 2021

SHOART Gazi Md. Shakhawat Hossain Director

Mir Nasir Hossain Director

Signed as per our annexed report of same date

A. Qasem & Co. Chartered Accountants Registration No: PF 1015

Hardl H

Mohammed Hamidul Islam Partner Enrolment No: 912 DVC No: 2104120912AS840301 **Eastern Bank Limited and its subsidiaries**

Consolidated Cash Flow Statement

for the year ended 31 December 2020

		Notes	2020	2019
A)	Cash flows from operating activities			
	Interest receipts in cash		18,524,486,123	23,102,781,408
	Interest payments		(15,396,039,685)	(14,130,563,008)
	Dividend receipts		153,019,086	166,905,205
	Fees and commission receipts in cash		2,954,139,616	3,746,487,786
	Income from investment (other than dividend received)		4,518,552,742	2,391,733,141
	Recoveries on loans previously written off	13.4.1	725,759,332	635,666,487
	Cash payment to employees (including directors)		(4,060,915,412)	(3,834,141,757)
	Cash payment to suppliers		(1,228,511,398)	(1,512,903,210)
	Income taxes paid	13.3.2	(3,690,357,073)	(1,739,041,304)
	Receipts from other operating activities		345,885,248	258,386,812
	Payments for other operating activities		(614,810,771)	(695,313,413)
	Cash from operating profit before changes in operating assets and liabilities		2,231,207,807	8,389,998,147
	Increase/(decrease) in Operating Assets & Liabilities			
	(Purchase-net) of trading securities		(10,558,729,038)	(8,685,063,525)
	Loans and advances to customers (other than banks)		10,227,596,106	(21,382,230,138)
	Other assets	40	(694,487,760)	(910,559,581)
	Deposits from other Banks	12.b.1	(1,786,223,237)	(4,172,637,504)
	Deposits from customers (other than banks)		4,289,418,612	43,837,336,146
	Liability for tax		1,130,728,886	(613,923,734)
	Liabilities for provision		(1,880,863,607)	(2,670,279,943)
	Other liabilities	41	3,066,459,100	5,398,474,549
	Cash generated from operating assets and liabilities		3,793,899,062	10,801,116,270
	Net Cash received from operating activities		6,025,106,869	19,191,114,417
B)	Cash flows from investing activities			
	(Purchase-net) of non-trading securities		(12,655,242,003)	(3,402,335,600)
	(Purchase-net) of property, plant and equipment		(1,088,471,897)	(1,231,425,798)
	Net cash (used in) investing activities	-	(13,743,713,900)	(4,633,761,398)
C)	Cash flows from financing activities			
	Borrowings from banks, financial institutions and agents		(6,567,155,371)	3,782,140,342
	Dividend paid (cash dividend)		(1,217,699,321)	(1,475,999,178)
	Net cash (used in) / received from financing activities	-	(7,784,854,692)	2,306,141,164
D)	Net (decrease) / increase in cash (A+B+C)		(15,503,461,723)	16,863,494,183
E)	Effects of exchange rate changes on cash and cash equivalents		652,535	6,907,889
F)	Opening cash and cash-equivalents		44,658,148,121	27,787,746,049
G)	Closing cash and cash-equivalents (D+E+F)*		29,155,338,932	44,658,148,121
	*Closing cash and cash-equivalents			
	Cash in hand (including foreign currencies)	3.1	3,218,511,774	3,088,367,831
	Balances with Bangladesh Bank and its agent bank (s)	3.2	12,480,410,176	16,601,918,975
	Balances with other Banks and Financial Institutions	4	13,393,287,481	24,369,196,715
	Money at call and short notice	5	60,000,000	594,300,000
	Prize bonds	6.1	3,129,500	4,364,600
			29,155,338,932	44,658,148,121

These financial statements should be read in conjunction with the annexed notes.

Ali Reza Iftekhar Managing Director & CEO

Salvier Al.

Salina Ali Director

Place of Issue: Dhaka Dated: 12 April 2021 Go to Contents

196 Eastern Bank Limited

Amount in BDT

Amount in BDT

Signed as per our annexed report of same date

SHOART Gazi Md. Shakhawat Hossain Director

Mir Nasir Hossain Director

A. Qasem & Co. Chartered Accountants Registration No: PF 1015

Hardl SS2

Mohammed Hamidul Islam Partner Enrolment No: 912 DVC No: 2104120912AS840301

Eastern Bank Limited and its subsidiaries

Consolidated Statement of Changes in Equity for the year ended 31 December 2020

Amount in BDT

Particulars	Paid up capital	Statutory reserve	Dividend equalisation reserve	Assets revaluation reserve (lands and others)	General reserve	Actuarial remeasurement (Loss)	Foreign currency translation difference	Surplus in profit and loss account	Total
Balance as on 1 January 2020	8,117,995,470 8,117,995,470	8,117,995,470	356,040,000	2,758,085,527	603,493,370		5,365,748	6,002,777,699	6,002,777,699 25,961,753,284
Cash dividend paid for 2019	I	I	I	I		I	I	(1,217,699,321)	(1,217,699,321)
Profit after tax for the year	I	I		I	·	I	ı	4,180,381,016	4,180,381,016
Adjustment of revaluation of treasury securities (HFT)	I	I	I	816,923,154	I	I	I	I	816,923,154
Reserve for amortisation of treasury securities (HTM)	1	I	ı	(79,768,801)	I	I	I	I	(79,768,801)
Adjustment of reserved for non banking assets	I	I	I	(3,160,000)	I	(209,986,563)	I	I	(213,146,563)
Foreign currency translation difference	I	I	I	I	I	I	(2,960,090)	I	(2,960,090)
Currency adjustment for Offshore banking operation	I	I	I	I	I	I	I	3,612,625	3,612,625
Balance as at 31 December 2020	8,117,995,470 8,117,995,470	8,117,995,470	356,040,000	356,040,000 3,492,079,880 603,493,370	603,493,370	(209,986,563)	2,405,658	8,969,072,019	8,969,072,019 29,449,095,305
Balance as at 31 December 2019	8,117,995,470 8,117,995,47	8,117,995,470	356,040,000	356,040,000 2,758,085,527 603,493,370	603,493,370	•	5,365,748	6,002,777,699 25,961,753,284	25,961,753,284

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Ali Reza Iftekhar Managing Director & CEO

4 Solwer A.C. * Salina Ali Director

Go to Contents

Place of Issue: Dhaka Dated: 12 April 2021

Strack

Gazi Md. Shakhawat Hossain Director

m

Mir Nasir Hossain Director

Signed as per our annexed report of same date

A. Qasem & Co. Chartered Accountants Registration No: PF 1015

H--12 78

Mohammed Hamidul Islam Partner Enrolment No: 912 DVC No: 2104120912AS840301

Eastern Bank Limited and its subsidiaries

Consolidated Liquidity Statement (Asset and Liability Maturity Analysis)

ParticularsNot more than 1 month term1-3 months term3Assets1 month term11.3 months term3Assets15,698,921,950Cash in hand (including balance with Bangladesh Bank and its agent Bank)15,698,921,950Bances with other banks and financial institutions7,827,265,4812,410,000,000-Money at call and short notice0.000,000Money at call and short notice5,002,855,5005,367,150,169-Investments7,827,265,414,47933,241,704,040-Investments39,626,95881,275,802-Investments5,002,855,5005,367,150,169-Investments26,505,414,47933,241,704,040-Investments39,626,95881,275,802-Investments5,002,855,5005,367,150,169-Investments5,002,865,5005,367,150,169-Investments39,626,95881,275,802-Investments5,002,865,5005,367,150,169-Inter assets5,2991,59839,263,190-Mon-banking assets55,187,075,9671,139,335,202Mon-banking form other banks, financial institutions6,421,887,24313,041,203,385Borrowing from other banks, financial institutions6,421,887,24313,041,203,385Deposits and other accounts28,494,543,05837,593,3104Provisions & other liabilities113,140,0882,613,353,104				
nd (including balance with Bangladesh 15,698,921,950 its agent Bank) 7,827,265,481 vith other banks and financial institutions 7,827,265,481 eall and short notice 60,000,000 its 5,002,855,500 advances 2,6,505,414,479 3 its including land, building, furniture 39,626,958 its 52,991,598 its 52,991,598 its 55,187,075,967 41 its other banks, financial institutions 6,421,887,243 1 s dother accounts 28,494,543,058 3 & other liabilities 113,140,088	ths term 3-12 months term	1-5 years term	Above 5-years term	Total
Ind (including balance with Bangladesh15,698,921,950its agent Bank)7,827,265,481rith other banks and financial institutions7,827,265,481sall and short notice60,000,000its including land, building, furniture39,626,958its including land, building, furniture39,626,958its assets5,002,855,500its including land, building, furniture39,626,958its including land, building, furniture39,627,075,967its including land, building, furniture55,187,075,967its including land, furniture6,421,0887,243its ind other accounts28,494,543,058its ind other accounts28,494,543,058its ind other accounts28,0049,543,058				
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ts including land, building, furniture 26,505,414,479 ts including land, building, furniture 39,626,958 ts 52,991,598 ing assets 52,991,598 ing assets 52,991,598 from other banks, financial institutions 6,421,887,243 from other accounts 28,494,543,058 & other liabilities 113,140,088			I	60,000,000
advances 26,505,414,479 ts including land, building, furniture 39,626,958 ts 52,991,598 .ng assets 52,991,598 .ng assets 52,991,598 .ng assets 6,421,887,243 from other banks, financial institutions 6,421,887,243 s other accounts 28,494,543,058 & other liabilities 113,140,088			28,866,634,758	66,016,361,066
ts including land, building, furniture 39,626,958 ts 52,991,598 ng assets 52,991,598 re 52,187,075,967 4 te 55,187,075,967 4 from other banks, financial institutions 6,421,887,243 and other accounts 28,494,543,058 & other liabilities 113,140,088	1,704,040 83,874,684,646	70,885,064,817	16,038,188,190	230,545,056,172
ts 52,991,598 Ing assets 52,991,598 its 55,187,075,967 4 from other banks, financial institutions 6,421,887,243 and other accounts 28,494,543,058 & other liabilities 113,140,088	1,275,802 356,642,374	1,718,023,519	5,577,078,317	7,772,646,970
ng assets - ts 55,187,075,967 4 ts 55,187,075,967 4 from other banks, financial institutions 6,421,887,243 4 s 28,494,543,058 4 113,140,088 4	9,263,190 2,638,514,103	2,345,030,975	840,716,867	5,916,516,734
ts 55,187,075,967 4 from other banks, financial institutions 6,421,887,243 8 and other accounts 28,494,543,058 8 & other liabilities 113,140,088 8	- 105,576,495	I	I	105,576,495
from other banks, financial institutions 6,421,887,243 s 28,494,543,058 & other accounts 21140,088	,393,202 98,646,132,942	93,213,146,626	51,322,618,132	339,508,366,868
financial institutions 6,421,887,243 28,494,543,058 113,140,088				
28,494,543,058 113,140,088	1 203 385 10 769 762 873	17, 383 075 17,1	1 07/ 751 075	717 080 127
28,494,543,058 113,140,088			т, 7 / 4, 40 т, 7 / 0	40'701'000'T07'04
113,140,088	3,353,104 60,550,574,688	113,074,871,367	1,582,037,648	241,295,379,865
	3,264,410 2,249,245,159	14,264,741,953	3,242,419,471	22,482,811,081
Total Liabilities 35,029,570,389 53,247,820,899	,820,899 73,259,582,720	141,723,588,461	6,798,709,095	310,059,271,563
Net Liquidity Gap 20,157,505,578 (12,108,427,697)	427,697) 25,386,550,222	(48,510,441,835)	44,523,909,037	29,449,095,305
Cumulative Net Liquidity Gap 20,157,505,578 8,049,077,881	,077,881 33,435,628,103	(15,074,813,732)	29,449,095,305	•



Eastern Bank Limited

Balance Sheet

as at 31 December 2020

	Notos	2020	2019
	Notes	2020	2019
PROPERTY AND ASSETS			
Cash	3		
Cash in hand (including foreign currencies)	3.1	3,218,381,880	3,088,303,685
Balances with Bangladesh Bank and its agent bank(s) (including foreign	3.2	12,480,410,176	16,601,918,975
currencies)			
Balances with other banks and financial institutions	4	15,698,792,056	19,690,222,660
n Bangladesh	4.1	12,444,848,375	19,309,748,914
Dutside Bangladesh	4.2	558,299,302	9,647,145,392
		13,003,147,677	28,956,894,306
	F	(0,000,000	FO/ 200 000
Money at call and short notice	5	60,000,000	594,300,000
nvestments Government	6 6.1	E0 E17 700 11E	
Dthers	6.1 6.2	50,517,783,115	31,927,657,257 7,869,354,690
Juleis	0.2	13,431,621,587 63,949,404,702	39,797,011,947
Loans and advances	7	,,	,,,/-/
_oans, cash credits, overdraft etc.	7.1	214,171,172,833	216,620,580,285
Bills discounted and purchased	7.2	14,772,690,062	15,430,454,478
		228,943,862,895	232,051,034,763
Fixed assets including land, building, furniture and fixtures	8	7,710,898,017	7,349,051,230
Other assets including land, building, lumiture and inclutes	9	7,463,906,712	6,616,216,325
Non banking assets	10	105,576,495	108,736,495
IOTAL ASSETS		336,935,588,554	335,163,467,726
LIABILITIES AND CAPITAL			
Borrowing from banks, financial institutions and agents	11		
Non-convertible subordinated bond	11.1.a	6,000,000,000	6,500,000,000
Borrowing from other Banks, FIs, Agents etc.	11110	38,286,389,129	44,320,788,208
		44,286,389,129	50,820,788,208
Deposits and other accounts	12		
Current deposits & other accounts etc.	12.1	28,274,075,619	24,936,423,379
Bills payable	12.2	1,492,231,668	1,131,830,685
Savings bank deposits	12.3	63,784,873,554	50,214,304,541
Fixed deposits	12.4	111,289,608,129	131,735,401,586
Other deposits- special notice (SND) account	10 5	37,516,985,909	32,146,167,911
Bearer certificates of deposits	12.5	242,357,774,879	240,164,128,102
		,,.	
Other liabilities	13	21,315,844,876	18,611,065,065
TOTAL LIABILITIES	-	307,960,008,884	309,595,981,375
SHAREHOLDERS' EQUITY			
Paid-up capital	14	8,117,995,470	8,117,995,470
Statutory reserve	15	8,117,995,470	8,117,995,470
Dividend equalisation reserve	16	356,040,000	356,040,000
Assets revaluation reserve (Lands & others)	17	3,406,661,513	2,672,667,160
General reserve		603,493,370	603,493,370
Actuarial remeasurement gain/(loss)	18	(209,986,563)	-
Foreign currency translation gain/(loss)	19	(326,701)	2,050,701
Surplus in profit and loss account	20	8,583,707,111	5,697,244,179
TOTAL SHAREHOLDERS' EQUITY	-	28,975,579,670	25,567,486,350
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		336,935,588,554	335,163,467,726

Eastern Bank Limited

Balance Sheet

as at 31 December 2020

OFF BALANCE SHEET ITEMS

Contingent liabilities Acceptances and endorsements Letters of guarantees Irrevocable letters of credit Bills for collection Other liabilities

Other commitments

Documentary credits and short term trade-related transa Forward assets purchased and forward deposits placed Undrawn note issuance and revolving underwriting facili Undrawn formal standby facilities, credit lines and other

TOTAL OFF-BALANCE SHEET ITEMS

These financial statements should be read in conjunction with the annexed notes.

Ali Reza Iftekhar Managing Director & CEO

Salvier Al,

Salina Ali Director

Place of Issue: Dhaka Dated: 12 April 2021

Amount in BDT

Amount in BDT

			11110411111221
	Notes	2020	2019
	21		
	21.1	42,593,184,478	45,008,741,219
	21.2	27,229,615,956	23,321,243,725
	21.3	26,084,696,594	23,139,697,761
	21.4	8,032,352,776	7,963,765,179
		-	
		103,939,849,804	99,433,447,884
actions		-	-
	21.5	120,428,481	347,552,793
lities		-	-
r commitments		-	-
		120,428,481	347,552,793
		104,060,278,285	99,781,000,677

Signed as per our annexed report of same date

SHOWLY Gazi Md. Shakhawat Hossain Director

Mir Nasir Hossain Director

A. Qasem & Co. Chartered Accountants Registration No: PF 1015

Hardl SS2

Mohammed Hamidul Islam Partner Enrolment No: 912 DVC No: 2104120912AS840301

Profit & Loss Account

for the year ended 31 December 2020

Particulars	Notes	2020	2019
Interest Income	22	19,667,413,756	23,163,605,820
Interest paid on deposits and borrowings	23	(13,737,063,652)	(15,004,895,176)
Net Interest Income		5,930,350,104	8,158,710,643
Income from investments	24	5,048,674,967	2,751,634,005
Fees, commission and brokerage	25	2,823,051,316	3,448,216,291
Other operating income	26	331,681,115	238,812,687
	_	8,203,407,398	6,438,662,983
Total operating income		14,133,757,502	14,597,373,626
Salary & allowances (excluding those of MD)	27	3,923,591,968	3,739,079,717
Rent, taxes, insurance, utilities etc.	28	430,005,846	598,044,720
Legal & professional expenses	29	63,853,652	117,123,508
Postage, stamp, telecommunication etc.	30	131,767,614	136,968,876
Stationery, printing, advertisement, business promotion etc.	31	292,012,702	353,473,079
Managing Director's salary and allowances	32	26,328,372	24,618,065
Directors' fees & expenses	33	2,717,506	4,956,529
Audit fees	34	1,202,057	1,367,345
Repairs, maintenance and depreciation	35	970,168,499	740,495,162
Other operating expenses	36	599,828,196	671,284,857
Total operating expenses		6,441,476,412	6,387,411,859
Profit before provisions		7,692,281,090	8,209,961,768
Provision for loans and off-balance sheet exposures	13.4.1		
Specific provision (net off w/off recovery)		764,801,333	1,254,816,341
General provision for loans		(293,454,371)	174,331,665
Special general provision for Covid 19		602,388,520	-
General provision for off-balance sheet expsoures		19,415,553	(117,854,862)
		1,093,151,035	1,311,293,145
Other provision	37	(91,661,696)	642,503,542
Total provisions		1,001,489,339	1,953,796,686
Profit before tax for the year		6,690,791,751	6,256,165,081
Current tax expense for the year	13.3.1	2,640,680,434	2,912,484,915
Deferred tax income (net)	38	(52,451,737)	(664,461,960)
Total provision for taxation		2,588,228,697	2,248,022,955
Profit after tax for the year		4,102,563,054	4,008,142,126
Appropriation			
Statutory reserve	15	-	(737,999,580)
General reserve		-	-
	_	-	(737,999,580)
Retained earnings carried forward	_	4,102,563,054	3,270,142,546

These financial statements should be read in conjunction with the annexed notes.

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Ali Reza Iftekhar Managing Director & CEO

Salvier Al,

Salina Ali Director

Place of Issue: Dhaka Dated: 12 April 2021 SHOTAL T Gazi Md. Shakhawat Hossain

Director

Mir Nasir Hossain Director

Signed as per our annexed report of same date

A. Qasem & Co. Chartered Accountants

Registration No: PF 1015

Mohammed Hamidul Islam Partner Enrolment No: 912 DVC No: 2104120912AS840301

Eastern Bank Limited

Cash Flow Statement

for the year ended 31 December 2020

A) Cash flows from operating activities Interest receipts in cash Interest payments Dividend receipts Fees and commission receipts in cash Income from investment (other than dividend) Recovery on loans previously written off Cash payment to employees (including directors) Cash payment to suppliers Income taxes paid Receipts from other operating activities Payments for other operating activities Cash generated from operating activities before change Increase/(decrease) in Operating Assets & Liabiliti (Purchase)/sale of trading securities Loans and advances to customers (other than banks Other assets Deposits from other Banks Deposits from customers (other than banks) Liability for tax Liabilities for provision Other liabilities Cash generated from operating assets and liabilitie Net Cash from operating activities **Cash flows from investing activities** B) (Purchase-net) of non-trading securities (Purchase-net) of property, plant and equipment Net cash (used in) investing activities C) **Cash flows from financing activities** Borrowings from banks, financial institutions and a Dividend paid (cash dividend) Net cash (used in) / received from financing activity Net increase in cash and cash equivalents (A+B+C) D) Effects of exchange rate changes on cash and cash E) F) Opening cash and cash-equivalents Closing cash and cash-equivalents (D+E+F)* G) *Cash and cash-equivalents consists of:

Cash in hand (including foreign currencies) Balances with Bangladesh Bank and its agent bank Balances with other Banks and Financial Institution Money at call and short notice Prize bonds

These financial statements should be read in conjunction with the annexed notes.

Ali Reza Iftekhar Managing Director & CEO

Salvier Al,

Salina Ali Director

Place of Issue: Dhaka Dated: 12 April 2021

202 Eastern Bank Limited

Amount in BDT

Go to Contents

Amount in BDT

	Notes	2020	2019
		18,243,372,761	22,578,916,030
		(15,172,791,349)	(13,827,167,931)
		138,078,576	254,384,533
		2,709,822,896	3,409,242,904
		4,480,622,697	2,356,803,389
	13.4.1	725,759,332	635,666,487
		(3,912,637,846)	(3,674,574,810)
		(1,201,000,079)	(1,452,167,776)
	13.3.2	(3,584,048,614)	(1,683,595,759)
		331,681,115	238,812,687
		(599,828,196)	(671,284,857)
es in operating assets and li ties	abilities	2,159,031,292	8,165,034,897
		(10,760,662,458)	(8,598,344,096)
(S)		4,785,116,138	(22,371,888,375)
	40	(558,391,547)	(867,873,731)
	12.b.1	(1,786,223,237)	(4,172,637,504)
		5,167,653,008	43,548,178,422
		995,819,917	(564,427,197)
		(1,727,248,670)	(2,589,463,173)
	41	2,701,535,895	5,373,686,014
ies		(1,182,400,955)	9,757,230,360
		976,630,337	17,922,265,257
		(12,655,811,043)	(3,387,266,595)
		(1,048,655,020)	(1,206,371,630)
		(13,704,466,063)	(4,593,638,225)
		(13,704,400,003)	(4,575,656,225)
agents		(6,534,399,079)	4,088,886,409
		(1,217,699,321)	(1,475,999,178)
ities		(7,752,098,400)	2,612,887,231
2)		(20,479,934,129)	15,941,514,263
h equivalents		(778,204)	4,092,885
		49,245,781,566	33,300,174,418
		28,765,069,234	49,245,781,566
	3.1	3,218,381,880	3,088,303,685
k (s)	3.2	12,480,410,176	16,601,918,975
ns	4	13,003,147,677	28,956,894,306
	5	60,000,000	594,300,000
	6.1	3,129,500	4,364,600
		28,765,069,234	49,245,781,566

Signed as per our annexed report of same date

SHORC 7 Gazi Md. Shakhawat Hossain Director

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Mir Nasir Hossain Director

A. Qasem & Co.

Chartered Accountants Registration No: PF 1015

Mohammed Hamidul Islam Partner Enrolment No: 912 DVC No: 2104120912AS840301

Eastern Bank Limited

Statement of Changes in Equity for the year ended 31 December 2020

Amount in BDT

Particulars	Paid up capital	Statutory reserve	Dividend equalisation reserve	Assets revaluation reserve (lands and others)	General reserve	Actuarial remeasurement (Loss)	Foreign currency translation difference	Surplus in profit and loss account	Total
Balance as at 1 January 2020	8,117,995,470 8,117,995,47	8,117,995,470	356,040,000	2,672,667,160 603,493,370	603,493,370		2,050,701	5,697,244,179	25,567,486,350
Cash dividend paid for 2019	I	I	I	I	ı	I	ı	(1,217,699,321)	(1,217,699,321)
Profit after tax for the year	I	I	I	I	I	I	I	4,102,563,055	4,102,563,055
Adjustment for revaluation of treasury securities (HFT)	I	I	I	816,923,154	I	I	I	I	816,923,154
Reserve for amortisation of treasury securities (HTM)	I	1	I	(79,768,801)	I	I	I	I	(79,768,801)
Remeasurement (loss) on defined benefit plans	I	1	I	I	I	(209,986,563)	I	I	(209,986,563)
Adjustment of reserved for non banking assets	I	I	I	(3,160,000)	I	I	I	I	(3,160,000)
Currency translation difference	I	I	I	I	I	I	(2,377,402)	I	(2,377,402)
Currency adjustment for Offshore banking operation	I	I	I	I	ı	I	ı	1,599,198	1,599,198
Balance as at 31 December 2020	8,117,995,470 8,117,995,470	8,117,995,470	356,040,000	356,040,000 3,406,661,513	603,493,370	(209,986,563)	(326,701)	8,583,707,111	28,975,579,670
Balance as at 31 December 2019	8,117,995,470 8,117,995,470	8,117,995,470	356,040,000	356,040,000 2,672,667,160 603,493,370	603,493,370	•	2,050,701	5,697,244,179 25,567,486,350	25,567,486,350
			1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1				Signed as pe	Signed as per our annexed report of same date	ort of same date

Career $\overline{}$

Ali Reza Iftekhar Managing Director & CEO

Salwer A.C. " Salina Ali Director

Place of Issue: Dhaka Dated: 12 April 2021

SHORY SHORY

Gazi Md. Shakhawat Hossain Director

Mir Nasir Hossain Director

A. Qasem & Co. Chartered Accountants Registration No: PF 1015

Herric OL FR Mohammed Hamidul Islam Partner Enrolment No: 912 DVC No: 2104120912AS840301

Eastern Bank Limited

Liquidity Statement (Asset and Liability Maturity Analysis) as at 31 December 2020

						Amount in BDT
Particulars	Not more than 1 month term	1-3 months term	3-12 months term	1-5 years term	Above 5-years term	Total
Assets						
Cash in hand (including balance with Bangladesh Bank and its agent Bank)	15,698,792,056	I	I	I	I	15,698,792,056
Balances with other banks and financial institutions	7,437,125,677	2,410,000,000	3,156,022,000		I	13,003,147,677
Money at call and short notice	60,000,000	I	I	I	I	60,000,000
Investments	5,002,855,500	5,342,150,169	6,574,587,329	18,213,176,944	28,816,634,758	63,949,404,701
Loans and advances	26,335,371,073	30,283,551,827	85,401,686,988	70,885,064,817	16,038,188,190	228,943,862,895
Fixed assets including land, building, furniture and fixtures	38,512,451	78,989,980	346,612,059	1,669,705,211	5,577,078,317	7,710,898,017

Other assets	16,973,522	3,245,113	2,602,496,026	2,309,012,898	2,532,179,152	7,463,906,712
Non-banking assets	I	ı	105,576,495	I	I	105,576,495
Total Assets	54,589,630,279	54,589,630,279 38,117,937,089	98,186,980,898	93,076,959,870	52,964,080,417	336,935,588,554
Liabilities						
Borrowing from other banks, financial institutions and agents	5,392,469,886	10,950,712,667	14,207,182,739	12,078,242,881	1,657,780,956	44,286,389,129
Deposits and other accounts	29,070,313,742	37,671,991,595	60,958,560,526	113,074,871,367	1,582,037,648	242,357,774,879
Provisions & other liabilities	107,258,578	2,477,627,928	2,132,501,860	13,524,336,905	3,074,119,605	21,315,844,876
Total Liabilities	34,570,042,206	51,100,332,190	77,298,245,125	138,677,451,153	6,313,938,210	307,960,008,884
Net Liquidity Gap	20,019,588,073	20,019,588,073 (12,982,395,102)	20,888,735,773	(45,600,491,283)	46,650,142,207	28,975,579,670
Cumulative Net Liquidity Gap	20,019,588,073	20,019,588,073 7,037,192,971	27,925,928,744	(17,674,562,538)	28,975,579,670	•

Financial Reports

Notes to the financial statements

as at and for the year ended 31 December 2020

1 The Bank and its activities

1.1 Eastern Bank Limited was incorporated in Bangladesh as a public limited company to carry out all kinds of banking business in and outside Bangladesh. The Bank took over the business, assets, liabilities and losses of erstwhile Bank of Credit & Commerce International (Overseas) Limited (hereinafter referred to as BCCI) as they stood after reduction or adjustments in accordance with the provisions of the BCCI (Reconstruction) Scheme, 1992. The Bank commenced operations from 16 August 1992 and at present it has 85 branches, 5 sub-branches and 29 agent banking outlets across Bangladesh. The shares of the Bank is listed with both Dhaka Stock Exchange (DSE) Limited and Chittagong Stock Exchange (CSE) Limited. The registered office of the Bank is located at 100 Gulshan Avenue, Dhaka - 1212, Bangladesh.

The principal activities of the Bank are to provide a comprehensive range of financial products (loans and deposits) and services, personal and commercial banking, trade services, cash management, treasury, securities and custodial services.

1.2 Offshore Banking Operation (OBO)

EBL has one Offshore Banking Unit ('OBU' or 'the Unit') which runs through a separate desk under control and supervision of the Offshore Banking Division/Operation (OBO). The unit and all activities of the division are governed under the permission by Bangladesh Bank vide letter no. BRPD(P)744(89)/2004-303 dated 25 January 2004 and subsequent approvals for continuation by Bangladesh Bank vide letter no. BRPD(P)744(89)/2020-2254 & 2255 dated 25 February 2020 in line with the offshore banking policy issued by Bangladesh Bank vide BRPD circular no. 02 dated 25 February 2019 and amendments thereon. The activities of the unit is to provide both funded and nonfunded facilities and to accept savings/current/term deposits in freely convertible foreign currencies to and from non-resident person/ institutions, fully foreign owned enterprises (Type 'A') in EPZs, PEPZs, EZs and Hi-Tech Parks, etc. Besides, OBU offers short term loan facility to the Type 'B' industrial enterprise in EPZs, PEPZs, EZs and Hi-Tech Parks. In addition, OBU discounts/purchases accepted usance/ deferred bills against import from abroad and accepted usance/deferred export bills against direct and deemed exports of products produced in Bangladesh of persons resident in Bangladesh. Offshore Banking conducts banking business activities in foreign currencies.

The unit commenced its operations on 19 May 2004 and its office is located at 100 Gulshan Avenue, Dhaka-1212.

Representative office and agent banking operation of the Bank

Representative Office:

The bank has two Representative Offices (ROs) abroad, one in Myanmar named 'EBL Yangon Representative Office (YRO)' and another one in China named 'EBL Guangzhou Representative Office (GRO)', which were established in 2014 and 2019 respectively with a view to extend its trade businesses by providing banking and business information to the business people of the these countries. Registered office of YRO is at Room (2B/2C), 1st Floor, Rose Condominium, No. 182/194, Botahtaung Pagoda Road, Pazundaung Township, Yangon, Myanmar; and GRO is at Unit G, 22 Floor, Jianhe Centre, No.111 Tiyuxi Road, Tianhe District, Guangzhou, Guangdong Province, China.

Agent Banking Outlet:

The bank has started agent banking operation in 2018 with a view to reach unbanked population particularly in the geographically dispersed area and offer banking services to potential customers who are currently out of traditional banking periphery. EBL has launched this banking service with 2 outlets in 2018, which is now 29 across the country with thousands of new customers. This service includes offering all types of deposit accounts and other banking transactions including bill payments, inward foreign remittance payment, fund transfer etc.

1.3 Subsidiaries of the Bank

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

EBL Securities Limited

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

EBL Investments Limited

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

EBL Finance (HK) Limited

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

EBL Asset Management Limited (EBLAML) was incorporated on 9 January 2011 to carry out asset management business, capital market operation, equity investment etc. EBLAML obtained license from Bangladesh Securities & Exchange Commission (BSEC) on 25 May 2017 to run full-fledged business operations. Registered office of EBLAML is located at Bangladesh Shipping Corporation (BSC) Tower, 2-3 Rajuk Avenue (4th Floor), Motijheel C/A, Dhaka - 1000, Bangladesh.

2 Basis of preparation and significant accounting policies

Basis of preparation

Separate and consolidated financial statements

The separate financial statements of the Bank as at and for the year ended 31 December 2020 comprise those of Domestic Banking (main operation including representative offices) and Offshore Banking operation, and the consolidated financial statements of the group comprise those of 'the Bank' (parent company) and its subsidiaries (together referred to as 'the group' and individually referred to as 'group entities/subsidiaries').

There was no significant change in the nature of principal business activities of the Bank and the subsidiaries during the financial year.

2.1 Statement of compliance

The consolidated and separate financial statements of the Group and the Bank have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the the Financial Reporting Council (FRC) under the Financial Reporting Act, 2015 (FRA) and the requirements of the Banking Companies Act. 1991 (as amended up to date), the rules and regulations issued by Bangladesh Bank (BB), the Companies Act 1994, the Securities and Exchange Rules 1987. In case any requirement of the Banking Companies Act, 1991 (as amended up to date), and provisions and circulars issued by Bangladesh Bank differ with those of IFRSs, the requirements of the Banking Companies Act 1991 (as amended up to date), and provisions and circulars issued by Bangladesh Bank shall prevail. Material departures from the requirements of IFRSs are as follows:

i) Presentation of financial statements

IFRSs: As per IAS 1 Presentation of financial statements, financial statements shall comprise a statement of financial position as at the end of the period, a statement of profit or loss and other comprehensive income for the period, a statement of changes in equity for the period, a statement of cash flows for the period, notes - comprising significant accounting policies and other explanatory information. As per IAS 1, the entity shall also present current and non-current assets and liabilities as separate classifications in its statement of financial position.

Bangladesh Bank: The presentation of the financial statements in prescribed format (i.e. balance sheet, profit and loss account, cash flow statement, statement of changes in equity, liquidity statement) and certain disclosures therein are quided by the First Schedule (section 38) of the Banking Companies Act 1991 (as amendment up to date) and BRPD circular no. 14 dated 25 June 2003 and subsequent guidelines of Bangladesh Bank. In the prescribed format there is no option to present assets and liabilities under current and non-current classifications.

ii) Investments in Equity Instruments (Shares, Mutual funds, etc.)

IFRSs: As per requirements of IFRS 9 Financial instruments, all equity investments (shares and mutual funds) are to be measured at fair value with value changes recognised in statement of profit or loss and other comprehensive income for the period, except for those equity investments for which the entity has elected to present value changes in 'other comprehensive income (OCI)'. If an equity investment is not held for trading, an entity can make an irrevocable election at initial recognition to measure it through OCI with only dividend income recognised in profit or loss account.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, investments in guoted and unguoted shares are revalued on the basis of year end market price and Net Assets Value (NAV) of last audited balance sheet respectively. As per instruction of another DOS circular letter no. 3 dated 12 March 2015, investment in mutual fund (closed end) is revalued 'at lower of cost and (higher of market value and 85% of NAV). As such, provision is made for any loss arising from diminution in value of investments (portfolio basis); otherwise investments are recognised at costs.

The Bank reviews its investment in shares & mutual funds at each quarter end on mark-to-market basis and has maintained a cumulative provision of BDT 686.96 million as of 2020 as per BB instructions (note 13.8).

iii) Revaluation gain/loss on government securities

IFRSs: As per IFRS 9 Financial instruments, treasury bills (T-bills)/treasury bonds (T-bonds) are measured 'at fair value through other comprehensive income' where gains or losses shall be recognised in other comprehensive income (OCI), except for impairment gains or losses and foreign exchange gains and losses. The loss allowance arisen from impairment shall be recognised in OCI and shall not reduce the carrying amount of financial assets in the financial position. Interest calculated using the effective interest method shall be recognised in profit or loss account.

Bangladesh Bank: According to DOS circular no. 5 dated 26 May 2008 and subsequent clarification in DOS circular no. 5 dated 28 January 2009, amortisation gain/loss is charged to profit and loss account, mark-to-market loss on revaluation of government securities (T-bills/T-bonds) categorised as Held for Trading (HFT) is charged to profit and loss account, but any unrealised trading gain on such revaluation is recognised to revaluation reserve account. Securities designated as Held to Maturity (HTM) are measured at amortised cost method but income/gain is recognised through equity.

The Bank recognised revaluation loss of BDT 378.57 million and amortisation expense of BDT 128.29 million in profit and loss account in 2020 against its investment in government treasury securities categorised as HFT and HTM respectively. Unrealised gain of BDT 817.13 million arising from revaluation of HFT securities and BDT 20.22 million arising from amortisation gain of HTM securities have been booked in equity as reserve in compliance with Bangladesh Bank guidelines (note 17.02 & 17.03).

iv) Provision on loans and advances

IFRS: As per IFRS 9 Financial instruments, loans and advances shall be recognised and measured at amortised cost (net of any write down for impairment). When any objective evidence of impairment (a loss allowance for expected credit losses) exists for such financial assets, impairment assessment should be undertaken individually or portfolio basis (when assets are not individually significant).

Bangladesh Bank: As per Bangladesh Bank instructions vide different circulars, a general provision @ 0.25% to 2% under different categories of unclassified loans (standard/SMA loans) and special general provision for COVID-19 @ 1% on PBD (Payment by deferral) facilitated accounts, should be maintained regardless of objective evidence of impairment. And specific provision for sub-standard/ doubtful/bad-loss loans should be made at 5%, 20%, 50% and 100% respectively on loans net off eligible securities (if any). Also, a general provision @ 0.5% - 1% should be provided for certain off-balance sheet exposures. Such provision policies are not specifically in line with those prescribed by IFRS 9.

The Bank charged to its profit and loss account a general provision of BDT 328.35 million (including special general provision of BDT 602.35 million against PBD accounts, release of BDT 293.45 million against unclassified loans & advances, and charge of BDT 19.41 million for off-balance sheet exposures) in 2020 (note 13.4.1).

v) Other comprehensive income and appropriation of profit

IFRSs: As per IAS 1 Presentation of financial statements, other comprehensive income (OCI) is a component of financial statements or the elements of OCI are to be included in a single other comprehensive income (OCI) statement. IFRSs do not require appropriation of profit to be shown on the face of the statement of comprehensive income.

Bangladesh Bank: The templates of financial statements issued by Bangladesh Bank do not include other comprehensive income nor are the elements of other comprehensive income allowed to be included in a single other comprehensive income (OCI) statement. As such the Bank does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity. Furthermore, the above templates require disclosure of appropriation of profit on the face of profit and loss account

vi) Financial instruments - presentation and disclosure

As per BB guidelines, in certain cases financial instruments are categorised, recognised, measured and presented differently from those prescribed in IFRS 7 Financial instruments - disclosure and IFRS 9 Financial instruments. As such some disclosures and presentation requirements of IFRS 7 and IFRS 9 cannot be fully made in these financial statements.

vii) **REPO** transactions

IFRSs: When an entity sells a financial asset and simultaneously enters into an agreement to repurchase the same (or a similar asset) at a fixed price on a future date (REPO or stock lending), the arrangement is accounted for as a collateralised borrowing and the underlying asset continues to be recognised in the entity's financial statements. This transaction will be treated as borrowing and the difference between selling price and repurchase price will be treated as interest expense.

Bangladesh Bank: As per Bangladesh Bank circulars/guidelines, when a bank sells a financial asset and simultaneously enters into an agreement to repurchase the same (or a similar asset) at a fixed price on a future date (REPO or stock lending), the arrangement is accounted for as a normal sale transaction and the financial assets should be derecognised in the seller's book and recognised in the buyer's book.

viii) Financial guarantees

IFRS: As per IFRS 9 Financial instruments, financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of the instrument. Financial guarantee liabilities are recognised initially at their fair value and is amortised over the life of the instrument. Any such liability is subsequently carried at the higher of this amortised amount and the present value of any expected payment when a payment under the guarantee has become probable. Financial guarantees are prescribed to be included within other liabilities.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, financial guarantees such as letter of credit (LC) & letter of quarantees (LG) should be treated as off-balance sheet items. No liability is recognised for such guarantee except the cash margin. However, a general provision @ 0.5% -1% is provided against such guarantee.

ix) Cash and cash equivalents

IFRSs: Cash and cash equivalent items should be reported as cash item as per IAS 7 Statements of cash flows.

Bangladesh Bank: Some highly liguid assets such as money at call and short notice. T-bills/T-bonds, prize bonds are not prescribed to be shown as cash and cash equivalents; rather shown as face item in the balance sheet. However, in the cash flow statement, money at call and short notice and prize bonds are shown as cash and cash equivalents beside cash in hand, balance with Bangladesh Bank and other banks.

x) Non-banking assets

IFRSs: No indication of non-banking assets is found in any IASs/IFRSs.

Bangladesh Bank: As per Banking Regulation and Policy Department (BRPD) of Bangladesh Bank circular no. 14 dated 25 June 2003, there exists a face item named non-banking assets.

xi) Cash flow statement

IFRSs: Cash flow statement can be prepared either in direct method or indirect method. The presentation method is selected to present cash flow information in a manner that is most suitable for the business or industry. Whichever method selected should be applied consistently.

Bangladesh Bank: As per Banking Regulation and Policy Department (BRPD) of Bangladesh Bank circular no. 14 dated 25 June 2003, cash flow statement is to be prepared following a mixture of direct and indirect method.

xii) Balance with Bangladesh Bank (cash reserve requirement)

IAS 7 Statement of cash flows.

Bangladesh Bank: Balance with Bangladesh Bank should be treated as cash and cash equivalents.

xiii) Off-balance sheet items

IFRSs: No concept of off-balance sheet items in any IFRS/IAS/IFRIC; so nothing to disclose as off-balance sheet items.

Bangladesh Bank: As per BRPD circular no.14 dated 25 June 2003, off-balance sheet items i.e. letter of credit (LC), letter of guarantee (LG), acceptance should be disclosed separately on the face of the balance sheet.

xiv) Presentation of loans and advance net of provision

IFRSs: Loans and advances shall be presented at amortised cost net of any write down for impairment (expected credit losses that result from all possible default events over the life of the financial instrument).

Bangladesh Bank: As per BRPD circular 14 dated 25 June 2003, provision on loans and advances should be presented separately as liability and cannot be netted off against loans and advances.

xv) Recognition of interest in suspense

IFRSs: Loans and advances to customers are generally classified as non-derivative financial assets measured at amortised cost as per IFRS 9 and interest income is recognised through effective interest rate method over the term of the loan. Once a loan is impaired, interest income is to be recognised in profit and loss account on the same basis on revised carrying amount.

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012 and BRPD Circular no. 03 dated 21 April 2019, once a loan is classified, interest on such loans are not allowed to be recognised as income, rather the corresponding amount needs to be credited to an interest suspense account, which is presented as liability in the balance sheet.

xvi) Presentation of intangible asset

IFRSs: An intangible asset must be identified and recognised, and the disclosure must be given as per IAS 38.

Bangladesh Bank: There is no regulation for intangible assets in BRPD circular no. 14 dated 25 June 2003.

*Please refer to note 2.10 compliance of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) for further details.

2.2 Basis of measurement

The consolidated financial statements of the Group and the separate financial statements of the Bank have been prepared on the historical cost basis except for the following material items:

Government treasury bills and bonds designated as 'Held for Trading (HFT)' are marked-to-market weekly with resulting gain credited to revaluation reserve account but loss charged to profit and loss account.

Government treasury bills and bonds designated as 'Held to Maturity (HTM)' are amortised yearly with resulting gain credited to amortisation reserve account but loss charged to profit and loss account.

Land is recognised at cost at the time of acquisition and subsequently measured at fair value as per IAS 16 'Property, Plant & Equipment' and BSEC notification no. SEC/CMRRCD/2009-193/150/Admin/51 dated 18 August 2013.

2.3 Going concern basis of accounting

These financial statements have been prepared on the basis of assessment of the Bank's ability to continue as a going concern. EBL has neither any intention nor any legal or regulatory compulsion to liquidate or curtail materially the scale of any of its operations. The key financial parameters (including liquidity, profitability, asset quality, provision sufficiency and capital adequacy) of the Bank continued to exhibit a healthy trend for couple of years. The rating outlook of the Bank as denoted by both the rating agencies CRISL and Moody's is 'developing' and 'negative' respectively. Besides, the management is not aware of any material uncertainties that may cast significant doubt upon the Bank's ability to continue as a going concern.

IFRSs: Balance with Bangladesh Bank should be treated as other assets as it is not available for use in day-to-day operations as per

2.4 Use of estimates and judgments

The preparation of the consolidated financial statements of the Group and the separate financial statements of the Bank in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

Key estimates include the following:

Loan loss provision Revaluation of land Deferred tax assets/liabilities Gratuity & superannuation fund Useful lives of depreciable assets

2.5 Foreign currency transactions and translations

Functional and presentation currency

The financial statements of the Group and the Bank are presented in Bangladesh Taka (BDT) which is the functional currency of the parent, except Offshore Banking Operation and EBL Finance (HK) Ltd. where functional currency is US Dollar (USD) and Hong Kong Dollar (HKD) respectively. All financial information presented in Taka has been rounded off to the nearest integer, except when otherwise indicated.

Conversion of foreign currency transactions

Foreign currency transactions of the Bank and its subsidiaries are converted into respective functional currencies (Bangladesh Taka in case of EBL main operations, US Dollar in case of OBO and HKD in case of EBL Finance (HK) Limited) at the rate of exchange ruling on the day of transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated to the functional currency at standard mid-rate of exchange ruling at the reporting date. Effects of exchange rate differences (rates at which transactions were initially recorded and the rate prevailing on the reporting date/date of settlements) applied on the monetary assets or liabilities of the Bank are recorded in the profit and loss account as per IAS 21 The Effects of Changes in Foreign Exchange Rates.

Translation of foreign currency financial statements

Assets and liabilities of OBO and EBL Finance (HK) Limited have been translated into Taka (functional currency of the Bank) using year-end standard mid-rate of exchange (i.e. the closing rate) whereas income and expenses are translated using monthly average rate of standard mid-rates of exchange of the Bank. The cumulative amount of net exchange rate differences has been presented separately as a component of equity as per IAS 21 The Effects of Changes in Foreign Exchange Rates.

2.6 Basis of consolidation

Subsidiaries (investees) are entities controlled by the parent (the Bank). Control exists when the Bank has the power over the subsidiaries that gives right to direct relevant activities, exposure, or rights, to variable returns from its involvement with the subsidiaries, and the ability to use its power over the subsidiaries to affect the amount of the Bank's returns.

The consolidated financial statements incorporate the financial statements of the Bank and its subsidiary companies from the date that control commences until the date that control ceases. The financial statements of such subsidiary companies are incorporated on a line by line basis and the investments held by the parent (the Bank) are eliminated against the corresponding share capital of group entities (subsidiaries) in the consolidated financial statements.

Financial assets and liabilities are offset and the net amount reported in the consolidated financial statements only when there is legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously. Items are not offset in the consolidated financial statements unless required or permitted by accounting standards and regulators.

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Loss of control

Upon loss of control of a subsidiary the group derecognises the assets (including any goodwill) and liabilities of the subsidiary at carrying amount, any non controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit and loss account. If the group retains any interest in the former/previous/exsubsidiary, then such interest is measured at fair value at the date that the control is lost. However, the group has neither lost control nor derecognised any asset or liability of any of its subsidiaries in the reporting period.

Business Combinations

Business combinations are accounted for using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition and identifiable net assets acquired are measured at fair value. Any goodwill that arises is annually tested for impairment. Any gain on bargain purchase is recognised in Group's profit or loss account immediately. Transaction costs are expensed as incurred except if they are related to the issue of debt or equity securities.

2.7 Cash flow statement

Cash flow statement has been prepared in accordance with IAS 7 Statement of cash flows and under the guideline of Banking Regulations & Policy Department (BRPD) of Bangladesh Bank circular no. 14 dated 25 June 2003. The statement shows the structure of changes in cash and cash equivalents during the financial year.

2.8 Reporting period

These financial statements of the Group, the Bank and its subsidiaries cover 01 (One) calendar year from 01 January to 31 December

2.9 Liquidity statement

of the year as per following bases:

Particulars	Basis of use
Cash, balance with other banks and financial institutions, money at call and short notice, etc.	Stated maturity/observed behavioural trend.
Investments	Residual maturity term.
Loans and advances	Repayment/maturity schedule and behavioural trend (non-maturity products).
Fixed assets	Useful life.
Other assets	Realisation/amortisation basis.
Borrowings from other banks and financial institutions	Maturity/repayment term.
Deposits and other accounts	Maturity and behavioural trend (non-maturity products).
Other long term liability	Maturity term.
Provision and other liability	Settlement/adjustment schedule basis.

2.10 Significant accounting policies

The accounting policies set out 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 Bangladesh Bank as the primary regulator.

Accounting policies of subsidiaries

The financial statements of subsidiaries which are included in the consolidated financial statements of the Group have been prepared using uniform accounting policies of the Bank (the Parent) for transactions and other events of similar nature unless there is any instruction by regulators. There is no significant restriction on the ability of subsidiaries to transfer funds to the parent in the form of cash dividends or to repay loans and advances.

A. Assets and basis of their valuation

i) Cash and cash equivalents

Cash and cash equivalents include notes and coins in hand, at vault and at ATM, unrestricted balances held with Bangladesh Bank and its agent banks, balance with other banks and financial institutions, money at call and on short notice and prize bonds which are not ordinarily susceptible to change in value.

Amount withdrawn/transferred by customers after year-end process are properly addressed, reconciled and adjusted with ATM balance and Customers deposit to reflect the actual balance of ATM and deposits as of the reporting date.

ii) Investments

All investments are initially recognised at cost, including acquisition charges associated with the investment. Investments classified as government/Bangladesh Bank treasury securities (categorised as HTM or/and HFT) are subsequently measured as per DOS circular no. 5 dated 26 May 2008 and subsequent clarifications on 28 January 2009. Investments classified as non-government treasury securities are subsequently measured either at cost or market value less any recoverable cost. Details are given below:

Held to Maturity (HTM)

Investments which are intended to be held till maturity are classified as Held to Maturity (HTM). These are measured at amortised cost at each year-end by taking into account any discount or premium on acquisition. Premiums are amortised and discounts are accredited, using the effective or historical yield. Any increase in value of securities is booked to equity but decrease to profit and loss account. Income is recognised to profit and loss account on earned basis as per BB guideline.

Held for Trading (HFT)

These are investments primarily held for selling or trading. After initial recognition, investments are marked-to-market on weekly basis. Any decrease in revaluation of securities is recognised to profit and loss account, but any increase of value of securities is booked to revaluation reserve account as per BB DOS circular no. 5 dated 28 January 2009. Income is recognised to profit and loss account on earned basis as per BB guideline.

The liquidity statement has been prepared mainly on the basis of remaining maturity grouping of assets and liabilities as at the close

REPO and reverse REPO

The Bank has been recording transactions of REPO and reverse REPO following DOS circular no. 6 dated 15 July 2010 of BB. In case of REPO of both coupon and non-coupon bearing (treasury bill) securities, the Bank adjusts the revaluation reserve account for HFT securities and stops the weekly revaluation (if the revaluation date falls within the REPO period) of the same security. For interest bearing security, the Bank does not accrue interest during REPO period.

Investments – Initial recognition and subsequent measurement at a glance

Investments are stated as per following bases:

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

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

Investment in subsidiaries

Investment in subsidiaries are accounted for under the cost method of accounting in accordance with IAS 27 Consolidated and separate financial statements', IFRS 3 Business combination and IFRS 10 Consolidated financial statements. Impairment of investment in subsidiaries is made as per the provision of IAS 36 Impairment of Assets.

The bank has done impairment assessment of its investment in the largest subsidiary company EBL Securities Limited by external auditor in addition to the statutory auditor. As value in use (using discounted cash flow method) is higher than carrying value of investment, no impairment is required to be recognised as on balance sheet date.

iii) Loans, advances and provisions

Loans and advances (initial recognition):

Loans and advances comprise of non-derivative financial assets with fixed or determinable payments and are not quoted in an active market. These are recognised at gross amount on the date on which they are originated. The group has not designated any loans and advances upon initial recognition as at fair value through profit and loss account or other comprehensive income.

After initial recognition, loans, advances and interest receivables are subsequently measured at amortised cost using effective interest rate (EIR) over the relevant periods. The amortised cost of a financial asset is the amount at which the asset is measured at initial recognition less principal repayments, using EIR method. The EIR is the rate that exactly discounts estimated future cash receipts (estimates cash flows considering all contractual terms of the instrument but not future credit losses) during the expected life of the financial instrument

Loans and advances (provisioning):

General provisions @ 0.25% to 2% under different categories on unclassified loans (standard/SMA) and @ 0.5% to 1% on certain off balance-sheet exposures, and specific provisions @ 5%, 20%, 50% & 100% on classified (substandard/doubtful/bad-loss) and some rescheduled loans are made on the basis of quarter end review by the management and in compliance with BRPD Circular no.14 dated 23 September 2012, BRPD circular no 8 dated 2 August 2015, BRPD circular no 12 dated 20 August 2017, BRPD circular no 15 dated 27 September 2017, BRPD circular letter no 1 dated 03 January 2018, BRPD circular no 01 dated 20 February 2018, BRPD circular no 07 dated 21 June 2018, BRPD circular no 13 dated 18 October 2018 and BRPD Circular no. 03 dated 21 April 2019, BRPD Circular no. 16 dated 21 July 2020, BRPD Circular no 17 dated 28 September 2020, BRPD Circular Letter no 52 dated 20 October 2020 and BRPD Circular Letter no 56 dated 10 December 2020. Provisions and interest suspense are separately shown under other liabilities as per First Schedule of Banking Companies Act 1991 (as amendment up to date), instead of netting off with loans.

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

Loans and advances (write-off):

Loans and advance are written off to the extent that there is no realistic prospect of recovery in the proximate future, classified as bad/loss for 3 years at a stretch, and adequate provision are maintained as per BRPD circular no. 01 dated 6 February 2019. No loans and advances are written off partially and without prior approval of the board of directors in compliance with the said circular. At each reporting period end, the bank assesses loans and advances to be written off as per Bank's own process in compliance with BB guideline. However, no loan was written off in the year 2019 and 2020. Details of loans and advances written off are given in the note 7.b.12.a.(ii) and 7.b.14 in the financial statements.

Loans and advances (recovery from written off):

The bank puts continuous effort for recovery from written off loans and advances in compliance with Section 28ka of the Banking Companies Act 1991 (as amended up to date) and BRPD circular no. 01 dated 6 February 2019. The Bank takes necessary legal measures against default borrowers for recovery against written off loans and advances as per relevant BB guidelines and Artha Rin Adalat Act-2003. Legal cost incurred against those borrowers are initially charged to the profit and loss account of the bank.

However, recovery including any legal cost against written off loans and advances are recognised in profit and loss account as earned and on settlement basis. In 2020, the bank recorded BDT 725.76 million from recovery against written off loans and advances in profit and loss account netting off with specific provision. Details of recovery are given in note 7.b.12.a.(iii) and 7.b.13.

iv) Fixed assets (other than lease items)

The group applies the accounting requirements of IAS 16 Property, plant and equipment for its own assets which are held for current and future use in the business and are expected to be used for more than one year.

Recognition and measurement

Fixed assets except land are stated at cost less accumulated depreciation as per IAS 16. Land is recognised at cost at the time of acquisition and subsequently measured at revalued amounts which are the fair value at the time of revaluation done by independent valuer and any surplus on revaluation is shown as equity component until the asset is disposed off.

The cost of an item of fixed assets is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the entity, and the cost of the item can be measured reliably.

The cost of an item of fixed assets comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates. - any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs

Subsequent costs are capitalised only when it is probable that the future economic benefits associated with the costs will flow to the entity and cost can be measured reliably. The carrying amount of the replaced portion is derecognised. The costs of day to day servicing of fixed assets, i.e. repairs and maintenance is charged to profit and loss account as expense when incurred.

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Depreciation

Depreciation is charged at the rates stated below on all the items of fixed assets on the basis of estimated useful lives as determined in the fixed asset policy of the Bank. In all cases depreciation is calculated on the straight line method. Charging depreciation commences from the month of acquisition (for full month) and ceases at the month when the assets are disposed. No depreciation is charged on capital work in progress until the usage of the assets.

The rates and useful lives at which fixed assets are depreciated for current and comparative years are given below:

Category	Estimated useful lives (Years)	Rate of depreciation/ amortisation per annum
Building	40	2.50%
Furniture and Fixture	10	10.00%
Machineries and equipment	5	20.00%
Electromechanical equipment	20	5.00%
Digital banking equipment	8	12.50%
Computer and network equipment	5	20.00%
Vehicles	5	20.00%
Software	5	20.00%

Repairs and maintenance are charged to profit and loss account as expense when incurred.

Capital work in progress

Cost incurred for software development, licensing and implementation; hardware up-gradation and related other cost incurred as capital expenditures are recognised as capital work in progress as per IAS 16, until the development or implementation work is completed and the asset is ready for intended use. This asset is stated at cost and depreciation/amortisation of the asset is charged from the date of its intended use.

Derecognition of fixed assets

The carrying amount of an item of fixed assets is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from derecognition of an item of fixed assets is to be recorded in profit or loss when the item is derecognised.

Details of fixed assets are presented in note 8 and Annexure - A of these financial statements.

v) Intangible assets

Intangible asset is an identifiable non-monetary asset without physical substance. The Group classifies its intangible assets as per IAS 38 Intangible assets which comprises the value of all licensed computer software including core banking software of the Bank, cards management software, cheque processing software (i.e. BEFTN), software of subsidiaries and other integrated customised software for call centre, ATM service, Finance and HR operations i.e. PMS, FAR, HRMS, PMS, etc.

Recognition, subsequent expenditure and measurement

The Group recognises an intangible asset if it is probable that future economic benefits that are attributable to the assets will flow to the entity and the cost of the asset can be measured reliably in accordance with IAS 38 Intangible Assets. The Group does not have any intangible assets with indefinite useful lives.

Subsequent expenditure on intangible asset of the Group is capitalised only when it increases the future economic benefits embodied in the specific assets to which it relates; otherwise is charged as expense when incurred.

Intangible assets are derecognised on disposal or when no future economic benefits are expected from their use. Gain or loss arising from derecognition of an intangible asset is measured as the difference between the net disposal proceed and the carrying amount of that intangible asset and are recognised in profit and loss account.

Core banking software of EBL

The core banking software used by EBL (not by subsidiaries) represents the value of application software licensed for the use of the Bank. The value of the software is carried at cost less accumulated amortisation. Initial cost comprises license fees paid at the time of purchase and other directly attributable costs incurred for customising the software for its intended use. The value of the software is amortised using the straight line method over the estimated useful life of 5 (five) years commencing from the month at which the application of the software is made available for use.

vi) Leases

As per IFRS 16 Leases, the bank has made recognition, measurement and disclosure in the financial statements-2020 both as Lessee and Lessor from the date of commencement or 01 January 2019 (date of initial application), whichever is later.

Bank as lessee:

The bank assesses at initiation of a contract whether the contract is, or contains a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration, then the bank consider the contract as a lease contract.

The bank as a lessee applies a single recognition and measurement approach for all leases, except for short-term leases, or, and lease of low value of assets. The bank recognises lease liabilities to make lease payment and right-of-use assets representing the right to use the underlying assets.

If tenor of a lease contract does not exceed twelve months from the date of initiation/application, the bank considers the lease period as short term in line with the recognition threshold of ROU assets as per FA policy of the bank. In case of low value, the Bank, on lease-by-lease basis, elected a single threshold on the basis of materiality level of Bank's total capital BDT 33,144 million. The reason behind considering the materiality level is that the bank operates many ATM booths, sub-branches with short and single contracts; recording of which as ROU assets would inflate the balance sheet both in assets and liabilities. Moreover, frequent changes of those establishments would create misreporting as well as complexity in recording.

Right-of-use assets (ROU):

The bank recognises the right-of-use assets (RoU) at the commencement date of the lease (i.e. the date the underlying asset is available for use). RoU assets are measured at cost less any accumulated depreciation and impairment of losses and adjusted for any measurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct cost incurred, and lease payment made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight line basis over the lease term, or remaining period of the lease term.

The bank assessed all lease contracts live in 2020 and recognised as RoU of assets of all leases, except short term and low value of assets as per the Banks' own policy set as per IAS 16 and IFRS 16. As leases under IFRS 16 has been first time adopted by the bank, the bank followed modified retrospective approach of adoption with the date of initial application of 01 January 2019. However, in 2020, the bank reassessed all RoU of assets recorded in 2019 and new lease contracts made on or later from 01 January 2020. The RoU assets are presented in the note 8.0 of these financial statements.

Lease Liabilities (Bank as a lessee):

At the commencement of the lease, the bank recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed and variable lease payment (less any adjustment for initial payment), and amount is expected to be paid under residual value of guarantees. The lease payments also include the exercise price of purchase option reasonably certain to be exercised by the bank and payment of penalties for terminating the lease.

In 2020, the bank reassessed all lease payment of existing contracts for remaining period considering a cut-off date i.e. 01 January 2020. The lease liabilities are presented in the note 13.11 of these financial statements.

Bank as a lessor:

Leases where the bank does not transfer substantially all of the risk and benefit of ownership of any asset are classified as operating assets. Rental income is recorded as earned based on the contractual term of the lease. However, the Bank did not hold any such assets in 2020.

Recognition of consideration made under contract in exchange of use of rental premises/assets:

As per IFRS 16, when consideration is made by the bank under contract in exchange of use of rental premises or assets for a period not exceeding a period of twelve months, and or, the present value of the obligation plus initial payment under contract does not exceed the threshold of the bank, and substantially all the risk and benefit of ownership of those rental premises/assets does not transfer to the bank, then the bank considers the payment (other than advance payment) as rental expense under IFRS 15 Revenue from contracts with customers.

Therefore, in 2020, EBL recognised those payment against contracts that do not qualify as lease item under IFRS 16 as rental expense which is presented in note 28 of the financial statements for the year ended 31 December 2020. These are short term and low value contracts for ATM booths, godown and small/ sub-branch premises that do not meet the materiality threshold for recognition of lease assets.

vii) Other assets

As per BRPD circular no. 14 dated 25 June 2003, other assets/item(s) have been shown separately as 'income generating' and 'nonincome generating' in the relevant notes to the financial statements. Other assets include investment in subsidiaries, TREC of DSE & CSE, advance for revenue and capital expenditure, stocks of stationary and stamps, security deposits to government agencies, other receivables etc.

viii) Non-banking assets

Non-banking assets were acquired due to failure of borrowers to repay the loan on time taken against mortgaged properties. The Bank was awarded absolute ownership on few mortgaged properties (mostly land) through the verdict of the honourable court under section 33 (7) of the Artharin Adalat Act 2003. The value of the properties has been recognised in the financial statements on the basis of third party valuation and reported as non-earning assets. Value of the assets received in addition to the loan outstanding has been kept as reserve against non-banking assets. Party wise details (including possession date) of the properties are separately presented in note 10 and Annexure - D1.

ix) Impairment of assets

An asset is impaired when its carrying value exceeds its recoverable amount as per IAS 36 Impairment of assets. At the end of each reporting period, the Bank and its subsidiaries review the carrying value of financial and non-financial assets (other than investment in subsidiaries) and assess whether there is any indication that an asset may be impaired and/or whenever events or changes in circumstances indicate that the carrying value of the asset may not be recovered. If any such indication exists, the bank and the subsidiaries make an estimate of the recoverable amount of the asset. The carrying value of the asset is reduced to its recoverable amount if the recoverable amount is less than its carrying amount with associated impairment losses recognised in the profit and loss account. However, impairment of any financial assets is guided by relevant Bangladesh Bank circulars/instructions and IFRS 9.

B. Liabilities and provisions

i) Borrowing from other banks, financial institutions and agents

Borrowing from other banks, financial institutions and agents include interest bearing borrowings which are stated in the financial statements at principal amount. However, interest payable on such borrowings are reported under other liabilities.

ii) Debt securities (subordinated debt)

The Bank issued 7-year non-convertible floating rate subordinated debts in two phases mainly to increase Tier-2 capital having received required approval from Bangladesh Bank and BSEC. Principal amount outstanding against the debt is reported under long term borrowing and interest payable of which is reported under other liabilities. Details of subordinated debt is given in note 11.1.a of the financial statements.

iii) Deposits and other accounts

Deposits and other accounts include non-interest bearing current deposits redeemable at call, interest bearing short-term deposits, savings deposits and fixed deposits which are initially measured at the consideration received. These items are subsequently measured and accounted for at the gross value of the outstanding balance in accordance with the contractual agreements with the counterparties.

iv) Other liabilities

Other liabilities comprise items such as provision for loans and advances/investments, provision for taxes, interest payable on borrowing, interest suspense and accrued expenses etc. Individual item-wise liabilities are recognised as per the guidelines of Bangladesh Bank and International Financial Reporting Standards.

v) Dividend payments

Interim dividend is recognised only when the shareholders' right to receive payment is established. Final dividend is recognised when it is approved by the shareholders in AGM. However, the proposed dividend for the year 2020 has not been recognised as a liability in the balance sheet in accordance with IAS 10 Events after the reporting period. Dividend payable to the Bank's shareholders is recognised as a liability and deducted from the shareholders' equity in the period in which the shareholders' right to receive payment is established.

vi) Provision for loans and advances

Provision for classified loans and advances is made on the basis of quarter-end review by the management and in compliance with BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 16 dated 18 November 2014 and BRPD circular no. 3 dated 21 April 2019, BRPD Circular no. 16 dated 21 July 2020, BRPD Circular no 17 dated 28 September 2020, BRPD Circular Letter no 52 dated 20 October 2020 and BRPD Circular Letter no 56 dated 10 December 2020. Details of provisioning are stated in note 13.4 of these financial statements

vii) Provision against investment in capital market

Provision for diminution of value of quoted shares and mutual funds (closed-end) has been made on portfolio basis (gain net off) as per DOS circular No. 4 dated 24 November 2011 and DOS circular letter no. 3 dated 12 March 2015 and placed under other liabilities. For unquoted shares provision has been made on the basis of available net assets value (NAV) or recoverable value (whichever is lower) of shares. As on the reporting date, the Bank does not hold any open-end mutual fund. Details are stated in note 13.8 of these financial statements.

viii) Provision for off-balance sheet exposures

In compliance with BRPD circular no. 14 dated 23 September 2012 and related earlier circulars, the Bank has been maintaining provision @ 0% to 1% against off-balance sheet exposures (mainly contingent assets/liabilities).

ix) Provision for other assets

Provision for other assets is made following BRPD circular No. 14 dated 25 June 2001. Full provision is kept on other assets which are outstanding for one year or more or classified as Bad/Loss.

x) Provision for nostro accounts

Provision for unsettled transactions in nostro accounts is made as per FEPD circular no. FEPD (FEMO)/01/2005-677 dated 13 September 2005 of Bangladesh Bank. On the reporting date, the Bank has no unsettled transactions outstanding for more than 3 months and no provision has been made in this regard.

xi) Provision for liabilities and accrued expenses

In compliance with IAS 37 Provisions, contingent liabilities and contingent assets, provisions for other liabilities and accrued expenses are recognised in the financial statements when the Bank has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

xii) Retirement/post-employment benefits

The Bank contributes to a defined contribution plan (Provident Fund) and two defined benefit plans (gratuity fund and superannuation fund) in compliance with the provisions of IAS 19 Employee benefits. Three local subsidiaries i.e. EBLSL, EBLIL & EBLAML of the Bank have also been maintaining provident fund and gratuity fund under separate trustee boards.

Defined contribution plans

Post-employment benefit plans under which rate of contributions into the plan is fixed. Any payment out of the plan to eligible outgoing members is based on the size of the 'fund' that comprises cumulative contributions made into the scheme and investment returns on scheme assets. The Group maintains one funded defined contribution plan i.e. provident fund for its employees under a trustee board

Provident fund

The Bank operates a contributory provident fund (recognised by National Board of Revenue or NBR on 31 July 1997) for its permanent employees funded by the employees (10% of basic salary) and the Bank equally. The Bank's contribution is made each month and recorded under salary and allowances. This fund is managed by a separate trustee board i.e. 'EBL Employees Provident Fund Trust' and any investment decision out of this fund is made separately by that independent Board of Trustees. Subsidiaries of the Bank also operate separate contributory provident funds for its permanent employees funded by both the employees and organisation equally.

financial statements.

Defined benefit plans

bases of length of service and salary levels.

Contributions are made by the Bank into the scheme based on actuarial valuation. The Bank has an obligation to make up any shortfall in the plan, thereby bearing the risk of the plan under performing. The Bank maintains two defined benefit plans i.e. gratuity fund and superannuation fund for its employees under two separate trustee boards. Three local subsidiaries (EBLSL, EBLIL & EBLAML) also maintain a funded defined benefit plan i.e. 'Gratuity fund' under separate trustee boards.

Gratuity fund

The Bank operates a funded gratuity scheme recognised by NBR with effect from 1 January 1997. This fund is managed separately by 'EBL Employees Gratuity Fund Trust and any investment decision out of this fund is also made by this Board of Trustees. The benefit is paid on separation to the eligible employees i.e. who have completed at least 5 (five) years of continuous service. As per the Bank's policy, eligible employees are provided with the benefit equal to the latest monthly basics alarymultiplied by applicable rates that varies as perservice length.

Contribution to gratuity fund is made monthly on the basis of actuarial valuation made each year, or immediately after any major change in the salary structure that could impact the periodic amount of contributions. Last actuarial valuation was done based on 30 September 2020. As per this valuation, effective from 1 October 2020, a contribution of 18.3% of basic salary is transferred to the fund per month until the next actuarial review is carried out. During 2020, BDT 240.24 million has been contributed into the fund by the bank on solo basis.

Superannuation fund

The Bank operates a recognised superannuation fund effective from 20 November 1999 which is governed by the trust deed of 'EBL Employees Superannuation Fund Trust'. As per the trust deed, benefit is payable to the eligible employees of the Bank as per their grade, length of service etc. Last actuarial valuation of the fund was carried out based on 30 September 2020. As per the valuation, effective from 1 October 2020, BDT 1.69 million is to be contributed to the fund each month until the next actuarial valuation is done. During 2020, BDT 14.08 million has been contributed into the fund by the Bank on solo basis.

Details i.e. actuarial liability, valuation method, service cost, required contribution etc. of defined benefit plans and amount recognised in profit & loss account are stated in note 13.12of these financial statements.

Workers Profit Participation Fund

Consistent with widely accepted industry practice and in line with section 11(1) of the Banking Companies Act 1991 (as amendment up to date) and subsequent clarification given by Bank & Financial Institutions Division (BFID), Ministry of Finance, no provision has been made by the Bank in the reporting period against Workers Profit Participation Fund (WPPF).

Other long-term benefits

The Bank's obligation in respect of long term benefit other than gratuity fund and superannuation fund is the amount of future benefits that employees have earned i.e. earned leave encashment in return for their service in the current and prior periods. The nature of this benefit to the eligible employees is encashment of earned leave up to maximum 90 days which is calculated based on last Basic Salary, House rent and Medical allowance and is paid at the time of paying end service benefit. The Bank has kept required provision against liability for earned leave encashment as per actuarial valuation.

Amount charged in profit and loss account as expense on defined contribution plan of the group is detailed in note 27 of these

Post-employment benefit plans those define the amount that outgoing members will receive from the plans on separation on the

The Group does not have any other long term employee benefit plans.

Short term benefits

Short term employee benefits i.e. group insurance policy, hospitalisation facilities etc. are expensed as the related service is provided to the eligible employees as per EBL people management policy. Liability is recognised only for the amount expected to be paid if the Group has a present legal or constructive obligation to pay any amount as a result of past service provided by the employee and the obligation can be estimated reliably.

xiii) 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 recognised in the financial statements as per IAS 37 Provisions, contingent liabilities and contingent assets. However, disclosure on contingent liabilities have been made on the face of balance sheet under off-balance sheet items as per the guidelines of BRPD circular No. 14 dated 25 June 2003.

C. Share capital and reserves

i) Authorised and issued capital

The authorised capital of the Bank is the maximum amount of share capital that the Bank is authorised by its Memorandum and Articles of Association to issue (allocate) among shareholders. This amount can be changed by shareholders' approval upon fulfilment of relevant provisions of the Companies Act 1994. Part of the authorised capital usually remains unissued. The part of the authorised capital already issued to shareholders is referred to as the issued share capital of the Bank.

ii) Paid-up capital

The paid-up capital represents the amount of Bank's capital that has been contributed by ordinary shareholders. The ordinary shareholders are entitled to receive dividend as recommended by the Board and subsequently approved by the shareholders from time to time in the Annual General Meeting (AGM).

iii) Share premium

The share premium represents the excess amount received by the Bank from its shareholders over the nominal/par value of its share. The amount of share premium can be utilised as per the provision of section 57 of the Companies Act 1994. Currently, the Bank does not have any share premium.

iv) Statutory reserve

In compliance with the provision of section 24 of the Banking Companies Act 1991 (as amended up to date), the Bank is to transfer at least 20% of its profit before tax (PBT) to statutory reserve each year until the sum of statutory reserve and share premium (if any) equal to the paid up capital of the Bank. In 2020, no amount has been transferred to statutory reserve account since there is no requirement for transfer as the balance of the reserve account is equal to the paid-up capital of the Bank. Details are stated in note 15 of these financial statements.

v) Asset revaluation reserve

When an asset's carrying amount is increased as a result of revaluation, the increased amount (netting off deferred tax liability) which may arise against such revaluation gain (as per IAS 12 Income tax), is credited directly to equity under the heading of assets revaluation reserve as per IAS 16 Property, plant and equipment. Apart from financial assets, the Bank revalues its lands following relevant circulars of Bangladesh Bank and Bangladesh Securities & Exchange Commission.

vi) Reserve for amortisation/revaluation of securities

When the value of a government treasury security categorised as HTM increases as a result of amortisation, the amount thus increased is recognised directly to equity as reserve for amortisation. However, any increase in the value of such securities categorised as HFT as a result of mark to market is booked under equity as revaluation reserve but any decrease is directly charged to profit and loss account as per Bangladesh Bank DOS circular letter no. 5 dated 26 May 2008 & DOS circular letter no. 5 dated 28 January 2009.

D. Revenue recognition

i) Interest income

Interest on unclassified loans and advances (except those of rescheduled and stay order accounts) is recognised as income on accrual basis, interest on classified loans and advances (including rescheduled and stay order accounts) is credited to interest suspense account with actual receipt of interest there from credited to income as and when received as per instruction contained in BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 19 dated 27 December 2012, BRPD circular no. 16 dated 18 November 2014, BRPD circular no. 03 dated 21 April 2019, BRPD circular no. 8 dated 12 April 2020, BRPD circular no 12 dated 10 June 2020, BRPD circular no 17 dated 28 September 2020 and BRPD circular letter no 56 dated 10 December 2020.

ii) Income from investments (interest and others)

Income on investments in Government and other securities, debentures and bonds is accounted for on accrual basis as per the provisions of IFRS 15 Revenue from contracts with customers and relevant Bangladesh Bank guidelines.

iii) Fees and commission income

Fees and commission income arising from services provided by the Bank are recognised as income on earned basis as per IFRS 15 Revenue from contracts with customers. Fees and commission charged to customers on trade finance i.e. L/C, L/G, acceptance and other general banking services i.e. card services, management fees, arrangement fees, locker charges etc. are recognised as income when a performance obligation is satisfied by transferring a promised service to customer by the bank, and at the time of effecting the transactions except those which are received in advance.

iv) Income from investments (non-interest income)

Non-interest investment income i.e. gain/loss arising from trading in government securities (HFT), quoted and unquoted shares & mutual funds are recognised in profit and loss account at the time of effecting the transactions except those which are restricted by Bangladesh Bank.

v) Foreign exchange gain/(loss)

monetary items.

vi) Dividend income

Dividend income from investments in quoted and unquoted securities including subsidiaries is recognised at the time when it is declared, ascertained and right to receive the payment is established.

vii) Interest paid on borrowings, deposits and others

Interest paid on borrowings and deposits are calculated on 360 days basis (except for some treasury instruments which are calculated on 364 days basis) in a year and recognised on accrual basis. Interest on lease liabilities are accounted for as per IFRS 16 Leases.

viii) Management and other expenses

Expenses incurred by the Bank are recognised on accrual basis when a performance obligation is satisfied by receiving a promised service by the bank as per IFRS 15 Revenue from contracts with customers.

ix) Taxation

The expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity.

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 @ 37.5 % considering major disallowances of expenses and concessional rates on certain incomes (0% on gain from govt. securities, 10% on capital gain of shares & mutual funds and 20% on dividend income) as per Income Tax Ordinance (ITO) 1984. Tax provision of the Group entities is made on taxable income of subsidiaries at different rates applicable as per the ITO 1984 and the tax authority of the country where it is incorporated.

Deferred tax

Deferred tax assets or liabilities are recognised by the Bank on deductible or taxable temporary differences between the carrying amount of assets and liabilities used for financial reporting and the amount used for taxation purpose as required by IAS 12 Income taxes and BRPD circular no.11 dated 12 December 2011. Deferred tax assets is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which they can be used. Deferred tax assets and liabilities are reviewed at each reporting period and are measured at the applicable tax rate as per tax laws that are expected to be applied when the assets is realised and liability is settled. Any unrecognised deferred tax assets or liabilities are reassessed at each reporting period and recognised only if that has become probable that future taxable profit or loss will be available against which they can be used or settled.

In reality, buyers bear the tax on behalf of sellers at the time of land registration and taxes paid at the time of land registration are final discharge of related tax liability of the seller (Bank). Hence, no deferred tax liability has been recognised on land revaluation reserve of the Bank. Deferred tax asset on provision against diminution of value of guoted securities has not been recognised as adjustment of loss (for set off against gain under the same head) u/s 37 and u/s 40 of ITO 1984 is uncertain due to market volatility.

Details of deferred tax assets or liabilities and amount recognised in profit and loss account for deferred tax income or expense are given in note 9.10 in the financial statements.

Assessment for uncertainty over income tax treatments (under IFRIC 23):

At reporting date, the Bank assessed to consider uncertain tax treatment separately or together in line with Income Tax ordinance and rules 1984. The Bank applies significant judgement and past records of tax assessment and demand in identifying uncertainties over income tax treatments. Since, the Bank is being operated as complex financial intermediary to provide a comprehensive financial solutions to customers, it assessed whether the Interpretation of IFRIC 23 Uncertainty over income tax treatments had an impact on its consolidated financial statements. Upon adoption of the interpretation, the Bank considered whether it has any uncertain tax positions, particularly those relating to transfer pricing, payment under credit facilities etc. The Bank determined, on its tax compliance and best practice, it is probable that its tax treatments (including those for the subsidiaries) will be accepted by the taxation authorities. The interpretation did not have an impact on the consolidated financial statements of the Bank.

Exchange income includes all gain and losses from foreign currency day to day transactions, conversions and revaluation of non

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 liabilities are offset and the net amount is presented in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously. Advance tax paid and provision for tax of the Bank is presented on net basis under liability as the amount of tax liability is higher than advance tax. Deferred tax(DT) assets and DT liabilities of the bank is presented on net basis under asset as the amount of DT asset is higher than DT liability. Card revenues and expenses earned and incurred on shared basis and are directly attributable to, are presented on net off basis i.e. interchange reimbursement (IRF) & acquiring fees, risk assurance premium & merchant service commission. However, details breakup of cards revenue and expense are given in note 25.1.a.

iii) Comparative information

Comparative information including narrative and descriptive one is disclosed in respect of the preceding period where it is relevant to enhance the understanding of the current period's financial statements.

Certain comparative amounts in the financial statements are reclassified and rearranged where relevant, to conform to the current year's presentation

iv) Earnings per share (EPS)

As per IAS 33 Earnings per share, the Bank has been reporting basic earning per share as there has been no dilution possibilities during the year. Basic EPS is computed by dividing the profit or loss attributable to ordinary shareholders of the Bank by the number of ordinary shares outstanding during the period. Bonus shares issued (if any) in current period are considered for number of ordinary shares outstanding for preceding period to present comparative EPS with retrospective adjustment i.e. restated EPS.

v) Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

Related party transaction is a transfer of resources, services, or obligations between related parties, regardless of whether a price is charged as per IAS 24 Related party disclosures, Bangladesh Bank & BSEC guidelines. Details of the related party transactions have been disclosed in Annexure - C and Annexure - C1. The Bank carries out business with related parties in the ordinary course of business on an arm's length basis at commercial rates except for those transactions that the key management personnel have availed at concessionary rates which is applicable to all the eligible staffs/customers. The Bank did not have any related party transaction exceeding this threshold as at the end of 2020.

Transactions between the Bank and its subsidiaries and outstanding amount within the group have been disclosed in Annexure - C1.

vi) Reconciliation of books of account

Books of account in regard to inter-bank (in Bangladesh and outside Bangladesh) as well as inter-branches are reconciled at regular intervals to keep the unreconciled balances within non-material level.

vii) Events after the reporting period

While the overall effect of COVID-19 global pandemic on Bank's business in the post years is still evolving at this point, there has been limited impact assessed on the business since the outbreak. The board and management have been regularly monitoring the potential impact of the pandemic on the Bank as the situation is yet to be normal but it's being assured that any foresee able adverse impact can be reasonably managed.

All other material events after the reporting period have been considered and appropriate adjustments/disclosures have been made in the financial statements as per IAS 10 Events after the reporting period. Board's recommendation for dividend distribution is a common item presented in the note 42.

viii) Operating segments

The Group has identified following six reportable segments which are the Group's major strategic business units/entities. The strategic business units offer different products and services, and are managed separately based on the management and internal reporting structure of the group. For each of the strategic business units, the Group's/Bank's Management Committee reviews internal management reports on quarterly basis. The following summary describes the operations in each of the reportable segments:

	Segment Name
SOLO	DBO (Domestic Banking Operation- Onshore Ba
SO	OBO (Offshore Banking Operation)
	EBL Securities Limited (EBLSL)
CONSOL	EBL Investments Limited (EBLIL)
8	EBL Finance (HK) Limited (EBLFHKL)
	EBL Asset Management Limited (EBLAML)

Information regarding the results of each reportable segment is included in Annexure - E. Performance is measured based on segment revenue and profit, as included in the internal management reports that are reviewed by the management committee of the Bank. Segment profit is used to measure performance as management believes that such information is relevant in evaluating the results of certain segments.

ix) Risk management and other related matters

Financial Institutions are in the business of taking calculative risk and it is important how a bank decides on its risk appetite. EBL firmly believes that robust risk management is the core function that makes its business sustainable. The risk management systems in place at the Bank are discussed below:

a) Credit risk

Credit risk is the risk of loss that may occur from the default of any counterparty to repay in accordance with agreed terms and conditions and/or deterioration of creditworthiness. Board of Directors is the apex body for credit approval of the Bank. However, they delegate authority to the Managing Director & CEO or other officers of the Credit Risk Management (CRM) Division. The Board also sets credit policies to the management for setting procedures, which together has structured the CRM framework in the bank. The Credit Policy Manual (CPM) contains the core principles for identifying, measuring, approving and managing credit risk in the bank. The policy covers corporate, retail, Small and Medium Enterprise (SME) exposures. Policies and procedures together have structured and standardized CRM process both in obligor and portfolio level. There is a comprehensive credit appraisal procedure that covers industry/business risk, management risk, financial risk, facility structure risk, security risk, environmental risk, reputational risk, and account performance risk.

Management, at least once in a guarter, reviews credit exposures and portfolio performance of corporate and SME (M) under a clearly set out 'early alert' policy. If early alerts are raised, account plans are then re-evaluated; remedial actions are agreed and monitored. Remedial action includes, but not limited to exposure reduction, security enhancement, exit of relationship or immediate movement of our Special Asset Management Division (SAMD).

The bank follows the criteria for loan classification and provisioning requirement as stipulated in the BRPD Circular no.14 dated 23 September 2012, BRPD circular no 8 dated 2 August 2015, BRPD circular no 12 dated 20 August 2017, BRPD circular no 15 dated 27 September 2017, BRPD circular letter no 1 dated 03 January 2018, BRPD circular no 01 dated 20 February 2018, BRPD circular no 07 dated 21 June 2018, BRPD circular no 13 dated 18 October 2018 and BRPD Circular No. 03 dated 21 April 2019, BRPD circular no 16 dated 22 July 2020, BRPD circular letter no 52 dated 20 October 2020, BRPD circular no 17 dated 28 September 2020, BRPD circular letter no 56 dated 10 December 2020. The bank has maintained adequate provision against impaired loans including certain UC accounts having payment by deferral facilities following relevant circulars of Bangladesh Bank. Details of which are stated in note 13.4 to the financial statements.

b) Liquidity risk

Responsibility of managing and controlling liquidity of the bank lies with Asset Liability Committee (ALCO) that meets at least once in a month. Asset Liability Management (ALM) desk being primarily responsible for management of liquidity risk closely monitors and controls liquidity requirements on a daily basis by appropriate coordination of funding activities. A monthly projection of fund flows is reviewed in ALCO meeting regularly. On monthly basis, ALCO monitors liquidity management by examining key ratios, maximum cumulative outflow, upcoming funding requirement from all business units, asset-liability mismatch etc.

ALCO also monitors concentration of deposits on large institutional depositors which is volatile in nature. In addition to these ratios, Bank prepares structural liquidity profile, maturity profile of term deposit, cash flow modelling and contingency funding plan on monthly basis, which are analysed in ALCO meeting to ensure liquidity at the level acceptable to the Bank and regulators.

	Description
anking)	Deals with the full range of commercial banking products and services offered by four different business units: Corporate, Commercial, Retail Banking and Treasury.
	Deals with loans, deposits and related banking transactions in freely convertible foreign currencies with eligible Corporate customers in EPZs, PEPZs, Ezs and Hi-tech Parks.
	It buys, sells and deals with capital market securities i.e shares, Mfs, debentures etc., on behalf of customers and provides margin facilities etc.
	It offers all kinds of merchant banking activities i.e. issue management, underwriting, portfolio management and other transactions.
	It deals with trade finance and off-shore banking business in Hong Kong.
	It is to carry out business on asset management, portfolio management, capital market operation, equity investment, financial services i.e. corporate advisory, merger & acquisition, corporate restructuring etc.

c) Market risk

Risk Management Division (RMD) is responsible for overall monitoring, control and reporting of market risk. Treasury mid office of RMD is an integral part of market risk management which independently evaluates and monitors treasury department's transaction from risk perspective. Overall risk parameters and exposures of the bank are monitored by RMD and periodically reported to Executive Risk Management Committee (ERMC). Market risk can be subdivided into three categories depending on risk factors: interest rate risk, foreign exchange risk, and equity price risk.

d) Interest rate risk

Interest rate risk is the risk to earnings or capital of the bank arising from movement of interest rates. The movement of interest rates affects bank's reported earnings and capital by changing:

- Net interest income

- The market value of trading accounts (and other instruments accounted for by market value), and

- Other interest sensitive income and expenses.

To manage interest rate risk, ALCO regularly monitors various ratios and parameters. The Bank deploys several analysis techniques (e.g. rate sensitive gap analysis, duration gap analysis) to measure interest rate risk, its impact on net interest income and takes insight about course of actions.

e) Foreign exchange risk

Foreign exchange risk is the risk that a bank's financial performance or position will be affected by fluctuations in the exchange rates between currencies and implied volatility on foreign exchange options. Bank makes import payment and outward remittance as its outflow, whereas it gets foreign currency inflow as export receipts and inward remittance. Exchange rate risk arises, if, on a particular day, these inflow-outflows don't match and bank runs its position long/short from these customer driven activities. Bank also faces foreign exchange risk if it sources its funding in one currency by converting fund from another currency. Currently, the Bank is facing such transaction exposure in foreign currency for its off-shore banking unit. But these transactions exposure is always hedged.

The Bank computes VaR (Value at Risk) on its foreign exchange position arising from customer driven foreign exchange transactions at 95% confidence level on daily basis. The Bank maintains various nostro accounts in order to conduct operations in different currencies. The position maintained by the Bank at the end of the day is within the stipulated limit prescribed by the Bangladesh Bank.

f) Equity price risk

Equity price risk is the risk of losses caused by changes in equity prices. These losses could arise because of changes in the value of listed shares held directly by the bank; changes in the value of listed shares held by a bank subsidiary; changes in the value of listed shares used as collateral for loans whether the loan was made for the purpose of buying the shares; and changes in the value of unlisted shares.

Mark to Market is the tool bank applies for maintaining provision against losses arisen from changes in market price of securities. As of 31 December 2020, the Bank sets aside BDT 687 million charging its profit and loss account over the periods to cover unrealized loss against quoted and unquoted securities. EBL is also computing Equity VaR (Value at Risk) on its equity exposure at 95% and 99% confidence level.

g) Operational risk

Operational risk includes legal and regulatory risk, business process and change risk, fiduciary or disclosure breaches, technology failure, financial crime and environmental risk.

Risk Management Division (RMD) enriched the scope of risk matrix/KRI for Operational Risk compiling both quantitative and gualitative parameters as in regulatory frameworks and in the Bank's risk appetite. This department collects reguired information from different sources in different frequencies from monthly to yearly interval. Based on source data RMD plots the results in the risk matrix and escalate the critical and high risk issues to MANCOM, ERMC and RMC of the Board for guidance and to implement mitigation measures.

h) Monitoring activities and corrective measures

Operational risks are analyzed through the review of various control tools like Departmental Control Function Check List (DCFCL), Quarterly Operations Report (QOR), Loan Documentation Check List (LDCL), and Self-Assessment Anti-Fraud Internal Control Check list etc. The effectiveness of these control mechanisms are also evaluated through the self-assessment process for detecting high risk areas and mitigating the identified risks. The effectiveness of the Bank's internal control is monitored on an ongoing basis, high/low risk items are identified, monitored and annihilated as part of daily activities.

Monitoring department under Internal Control & Compliance Division (ICCD) is primarily responsible for risk identification, assessment of effectiveness of internal control system, and risk mitigation including reporting of unresolved operational risk issues to the higher authority. All the tools used for Monitoring are guided by regulatory guidelines and internal policies and circulars.

i) Prevention of money laundering and terrorist financing

Bank undertakes a series of activities in assessing, monitoring and disclosing risk related transactions done by customers with 'zerotolerance' on issues like Anti-money Laundering (AML) and Combatting Financing of Terrorist (CFT). The bank has established a control framework for strict compliance with all regulatory directives issued from Bangladesh Financial Intelligence Unit with regard to AML & CFT. For prevention of Money Laundering and Terrorist Financing, the bank has formed Central Compliance Committee (CCC) to ensure collective participation of different departments in comprehensive AML and CFT program. Under direction of the CCC and Chief Anti Money Laundering Compliance Officer (CAMLCO), AML Department implements different programs across the bank. Moreover, Branch AML Compliance Officers (BAMLCOs) and Department AML Compliance Officers (DAMLCOs) are nominated to ensure monitoring at root level. Apart from this, EBL has on-boarded an automated sanction screening and transaction monitoring software (AML System Velocity) to establish a robust monitoring system. Currently, eight sanction lists; UN, OFAC SDN, OFAC non-SDN, EU, UK, Canadian, Australian and a local sanction list, are incorporated in the system for sanction screening. In transaction monitoring module, 60 transaction monitoring rules and 58 transaction monitoring reports are incorporated to identify suspicious/ unusual transactions.

i) Information and communication technology risk

EBL adheres to the IT Security policies and procedures in line with ICT Security guideline of Bangladesh Bank. EBL has been certified by international accreditation certification on data security i.e. Payment Card Industry Data Security Standard (PCI DSS) in 2016 and maintaining the compliance since then. In the year 2020, EBL achieved ISO 27001:2013 Standard Compliance Certification for consecutive 2nd years as recognition of maintaining confidentiality, integrity and availability of IT systems and data in quality manner. To prevent attack from Cyber criminals/fraudsters, EBL ICT division has established standard physical and logical security measures for all sensitive IT infrastructures (e.g., Data Centre, Disaster Recovery Site, Power Rooms, Server Rooms, etc.). Besides, EBL has standard logical ICT security measures like access control system, intrusion detection, access log and periodic security assessment for all systems. To better monitor security incidents EBL has implemented SIEM (Security Information & Event Management) solution. Vulnerability assessment exercises, both internally and externally, are conducted regularly to identify security weakness and establish control for mitigation. EBL has Business Continuity Management (BCM) to manage any manmade or natural incident/disaster. IT Security team has also taken initiatives to create awareness about cybersecurity among all EBL employees and customers through retail and corporate channels. We have separate information system audit to identify control gaps and improve continually.

k) Internal audit

The Bank has an independent and functional internal audit department to perform risk based audit on various business and operational areas of the Bank on continuous basis. Audit rating is determined on the basis of audit policy and guidelines as approved by the board. The objective of internal audit is to examine and evaluate whether the process of risk management, internal control and governance are adequate and functioning properly. The objective also includes advising and recommending to higher management for improvements in internal control and risk management system. The Audit Committee of Board regularly reviews the internal audit reports as well as monitor progress of previous findings. However, the Head of Audit being part of internal control & compliance, reports to and is responsible to the audit committee of the Board.

l) Prevention of fraud

The bank has a Board approved policy titled EBL Fraud and Theft Risk Prevention and Management Policy to minimize the incidence and impact of fraud. Incidence of fraud or theft has become one of the inherent risks in banking business but can very well be avoided or minimized by creating a highly regimented environment and harnessing a culture and value of transparency, accountability, trust and teamwork. With this endeavour to encourage all employees to report perceived unethical or illegal conduct of employees to appropriate authorities in a confidential manner without any fear of harassment, a 'Speak Up Policy' has been approved by the Board.

2A Credit rating of the Bank

As per BRPD circular no. 6 dated 5 July 2006, the Bank has done its credit rating by Credit Rating Information and Services Limited (CRISL) based on the audited financial statements as at and for the year ended 31 December 2019. The following ratings have been awarded:

Particulars	Periods	Date of rating	Long term	Short term
Entity rating	January to December 2019	22 June 2020	AA+	ST-1
Entity rating	January to December 2018	26 June 2019	AA+	ST-1
Entity rating	January to December 2017	28 June 2018	AA+	ST-2

2B Compliance with International Financial Reporting Standards (IFRSs)

The Bank has complied with following IFRSs & IASs as adopted by the Financial Reporting Council (FRC) during the preparation of financial statements as at and for the year ended 31 December 2020.

Name of IFRSs/IASs	IFRSs/IASs	No.	Status
Presentation of Financial Statements	IAS	1	*Applied
Inventories	IAS	2	N/A
Statement of Cash Flows	IAS	7	*Applied
Accounting Policies, Changes in Accounting Estimates and Errors	IAS	8	Applied
Events after the Reporting Period	IAS	10	Applied
Income Taxes	IAS	12	Applied
Property, Plant and Equipment	IAS	16	Applied
Employee Benefits	IAS	19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	IAS	20	N/A
The Effects of Changes in Foreign Exchange Rates	IAS	21	Applied
Borrowing Costs	IAS	23	N/A
Related Party Disclosures	IAS	24	Applied
Accounting and Reporting by Retirement Benefit Plans	IAS	26	N/A
Separate Financial Statements	IAS	27	Applied
Investments in Associates	IAS	28	N/A
Interests in Joint Ventures	IAS	31	N/A
Earnings per share	IAS	33	Applied
Interim Financial Reporting	IAS	34	Applied
Impairment of Assets	IAS	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	IAS	37	*Applied
Intangible Assets	IAS	38	Applied
Financial Instruments: Recognition and Measurement	IAS	39	*Applied (for Hedge Accounting)
Investment Property	IAS	40	N/A
Agriculture	IAS	41	N/A
First-time Adoption of International Financial Reporting Standards	IFRS	1	Applied
Share-based Payment	IFRS	2	N/A
Business Combinations	IFRS	3	Applied
Insurance Contracts	IFRS	4	N/A
Non-current Assets Held for Sale and Discontinued Operations	IFRS	5	*Applied
Exploration for and Evaluation of Mineral Resources	IFRS	6	N/A
Financial Instruments: Disclosures	IFRS	7	*Applied
Operating Segments	IFRS	8	Applied
Financial Instruments	IFRS	9	*Applied
Consolidated Financial Statements	IFRS	10	Applied
Joint Arrangements	IFRS	11	N/A
Disclosure of Interests in Other Entities	IFRS	12	Applied
Fair Value Measurement	IFRS	13	*Applied
Regulatory Deferral Accounts	IFRS	14	N/A
Revenue from Contracts with Customers	IFRS	15	Applied
Leases	IFRS	16	Applied

* Subject to departure described in note 2.1

N/A = Not Applicable

2B.1 Standards issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning on or after 01 January 2020 and earlier application is permitted. However, the Bank has not early applied the following new standards in preparing these financial statements.

IFRS 17 Insurance Contracts

Summary of the requirements

IFRS 17 Insurance contracts establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts. The objective of the standard is to ensure that an entity provides relevant information that faithfully represents those contracts. Amended in 2016, the new IFRS will replace the existing guidance in IFRS 4 Insurance Contracts.

The standard is effective for annual periods beginning on or after 01 January 2021. Early adoption is permitted for entities that apply IFRS 9 and IFRS 15 on or before the date of initial application of IFRS 17.

Possible impact on financial statements

The Bank is assessing the potential impact on its financial statements resulting from the application of IFRS 17.

2C Audit Committee disclosures

report.

2.11 Approval of financial statements

These financial statements were reviewed by the audit committee of the Board of the Bank in its 131 meeting held on 12 April 2021 and was subsequently approved by the Board in its 687 meeting held on the same date.

Please refer to Report of the Audit Committee for details disclosures on audit committee presented in other information in the annual

		Amount in				Amount in BDT
		Notes	Consol	idated	Ba	nk
		Notes	2020	2019	2020	2019
3	Cash					
	Cash in hand (including foreign currencies) Balance with Bangladesh Bank and its agent Bank(s)	3.1	3,218,511,774	3,088,367,831	3,218,381,880	3,088,303,685
	(including foreign currencies)	3.2	12,480,410,176	16,601,918,975	12,480,410,176	16,601,918,975
			15,698,921,950	19,690,286,806	15,698,792,056	19,690,222,660
3.1	Cash in hand (including foreign currencies)					
	Local currency	3.1.1	3,164,891,158	3,039,840,720	3,164,761,264	3,039,776,574
	Foreign currencies		53,620,616	48,527,111	53,620,616	48,527,111
			3,218,511,774	3,088,367,831	3,218,381,880	3,088,303,685
3.1.1	Local currency					
	With Bank		3,164,761,264	3,039,776,574	3,164,761,264	3,039,776,574
	With Subsidiaries		129,894	64,146	-	-
			3,164,891,158	3,039,840,720	3,164,761,264	3,039,776,574
3.2	Balance with Bangladesh Bank and its agent Bank(s) (including foreign currencies)					
	Bangladesh Bank					
	Local currency		11,333,598,151	13,896,913,623	11,333,598,151	13,896,913,623
	Foreign currencies		833,804,998	2,371,704,071	833,804,998	2,371,704,071
			12,167,403,149	16,268,617,694	12,167,403,149	16,268,617,694
	Sonali Bank (An agent of Bangladesh Bank) - local currency		313,007,027	333,301,281	313,007,027	333,301,281
			12,480,410,176	16,601,918,975	12,480,410,176	16,601,918,975

Cash Reserve Ratio (CRR): 3.а

Pursuant to section 33 of Bank Company Act, 1991 (amended upto 2018), MPD circular no. 03 dated 09 April 2020 and BRPD circular letter no. 31 dated 18 June 2020 issued by Bangladesh Bank, EBL has been maintaining CRR @ 3.5% and 1.5% on daily basis, and @ 4.0% and 2.0% on bi-weekly basis for DBO and OBO respectively. For 2019, CRR was maintained for DBO @ 5% and 5.5% on daily and bi-weekly basis respectively as per MPD circular No. 01 dated 03 April 2018 and DOS circular letter no. 26 dated 19 August 2019. CRR requirement is calculated on the basis of weekly average total demand and time liabilities (ATDTL) of a base month which is two months back of the reporting month (i.e. CRR of December 2020 is maintained on the basis of weekly ATDTL of October 2020). Reserve maintained by the bank as at 31 December is as follows:

DBO	0B0	Solo-2020	Solo-2019
238,508,243,400	17,051,252,800	255,559,496,200	255,306,804,400
8,347,788,519	255,768,792	8,603,557,311	12,765,340,220
		11,653,908,501	14,366,004,280
		3,050,351,190	1,600,664,060
	238,508,243,400	238,508,243,400 17,051,252,800	238,508,243,400 17,051,252,800 255,559,496,200 8,347,788,519 255,768,792 8,603,557,311 11,653,908,501 11,653,908,501

Bi-weekly basis:

The bank maintained excess cash reserve of BDT 3,515.86 million in the last fortnight of 2020 (BDT 507.90 million in the same period 2019) calculated by summing up excess cash reserve maintained over required CRR on daily basis.

3.b Statutory Liquidity Ratio (SLR):

Pursuant to section 33 of Bank Company Act, 1991 (amended upto 2018), DOS circular letter no. 26 dated 19 August 2019 issued by Bangladesh Bank, EBL has been maintaining SLR @ 13% for DBO & OBO on weekly average total demand and time liabilities (ATDTL) of a base month which is two months back of the reporting month (i.e. SLR of December 2020 is based on weekly ATDTL of October 2020). Reserve maintained by the Bank as at 31 December is as follows:

	DBO	0B0	Solo-2020	Solo-2019
Required reserve (13% of ATDTL)	31,006,071,642	2,216,662,864	33,222,734,506	33,189,884,572
Actual reserve held (Note 3.c)			55,818,596,219	35,669,027,661
Surplus			22,595,861,713	2,479,143,089

3.c Actual reserve held

Excess cash reserve (note 3.c.1) Cash held Balance with Sonali Bank Unencumbered approved securities (HFT) Unencumbered approved securities (HTM)

3.c.1 Excess cash reserve:

Balance with Bangladesh Bank* Less: Required cash reserve on bi-weekly average (5.5% of ATDTL for 2019) Excess of cash reserve as on the reporting date *As per Bangladesh Bank Local & Foreign Currency Statement

4 Balances with other banks and financial institutions

Balance in Bangladesh Balance outside Bangladesh

4.1 Balance in Bangladesh

In Current Deposit Accounts with: Banks Non-Bank Financial Institutions (NBFIs)

Less: Inter company elimination (with deposit acco

In Special Notice Deposit Accounts with:

Banks NBFIs

Less: Inter company elimination (with deposit account)

In Fixed Deposit/Placement Accounts with: Banks

NBFIs

Less: Inter unit/company elimination (with borrow

Total

4.2 Balance outside Bangladesh

In Deposit account (non-interest bearing) with AB Bank Limited, India Al-Rajhi Bank, KSA Bank of Bhutan, Bhutan Bank of China, China Bank of Toykyo Mitshubishi, Japan Citibank NA, USA Commerz Bank AG, Germany Habib American Bank, USA HDFC Bank Limited, Hongkong ICICI Bank Limited, India ICICI Bank Limited, Hongkong JP Morgan Chase Bank NA, London JP Morgan Chase Bank NA, Sydney JP Morgan Chase Bank, USA JP Morgan Chase Bank, Germany

Amount in DDT

Financial Reports

Amount in DDT

				Amount in BD1		
Natas	Conso	lidated	Bank			
Notes	2020	2019	2020	2019		
			1,772,553,701	324,130,038		
			3,218,381,880	3,088,303,685		
			313,007,027	333,301,281		
			20,283,860,750	8,120,908,402		
			30,230,792,860	23,802,384,256		
			55,818,596,219	35,669,027,661		
			11,653,908,501	14,366,004,280		
re basis (fo	r DBO 4% & OBO 2	% of ATDT)				
		,	9,881,354,800	14,041,874,242		
			1,772,553,701	324,130,038		

4.1	12,728,955,557	19,963,271,483	12,444,848,375	19,309,748,914
4.2	664,331,924	4,405,925,232	558,299,302	9,647,145,392
	13,393,287,481	24,369,196,715	13,003,147,677	28,956,894,306
	665,305,609	188,159,141	82,188,486	81,348,463
	-	-	-	-
	665,305,609	188,159,141	82,188,486	81,348,463
count)	(575,770,684)	(99,404,947)	-	-
	89,534,925	88,754,194	82,188,486	81,348,463
	3,291,770,054	736,772,959	2,719,137,889	5,900,450
		-		-
	3,291,770,054	736,772,959	2,719,137,889	5,900,450
	(295,871,421)	(84,755,671)	-	-
	2,995,898,633	652,017,288	2,719,137,889	5,900,450
	13,674,557,227	18,407,491,061	13,674,557,227	18,407,491,061
	4,997,500,000	7,922,500,000	4,997,500,000	7,922,500,000
	18,672,057,227	26,329,991,061	18,672,057,227	26,329,991,061
wings)	(9,028,535,227)	(7,107,491,061)	(9,028,535,227)	(7,107,491,061)
	9,643,522,000	19,222,500,000	9,643,522,000	19,222,500,000
	12,728,955,557	19,963,271,483	12,444,848,375	19,309,748,914
	5,429,341	1,284,487	5,429,341	1 207 707
	3,470,999	860,581	3,470,999	1,284,487 860,581
	161,459	4,986,090	161,459	4,986,090
	3,004,949	1,054,971	3,004,949	1,054,971
	2,474,669	2,389,151	2,474,669	2,389,151
	-	1,154,415,375	-	1,154,415,375
	34,354,632	29,751,925	34,354,632	29,751,925
	18,486,436	36,979,770	18,486,436	36,979,770
	44,670,116	17,331,310	-	-
	64,543,382	55,420,253	64,543,382	55,420,253
	97,152,050	317,222,032	35,789,543	167,643,501
	18,012,234	3,544,065	18,012,234	3,544,065

1,218,748

254,520

562,487,529

1,538,908

42,066,560

1,538,908

42,066,560

1,218,748

254,520

562,487,529

					Amount in BDT
	Mataa	Consol	idated	Bank	
	Notes	2020	2019	2020	2019
Mashregbank, USA		21,091,674	779,732,371	21,091,674	779,732,371
Mashreqbank, UAE		775,084	1,113,429	775,084	1,113,429
Nepal Bngladesh Bank Limited, Nepal		3,740,149	10,689,501	3,740,149	10,689,501
NIB Bank Limied, Pakistan		67,295,868	170,866,269	67,295,868	170,866,269
Nordea Bank, Norway		431,823	771,861	431,823	771,861
Standard Chartered Bank, Srilanka		3,540,554	2,319,292	3,540,554	2,319,292
Standard Chartered Bank, India		46,505,854	88,487,172	46,505,854	88,487,172
Standard Chartered Bank, USA		172,269,373	930,676,591	172,269,373	930,676,591
Standard Chartered Bank, Singapore		1,851,198	2,752,250	1,851,198	2,752,250
Standard Chartered Bank, Germany		8,841,771	10,614,112	8,841,771	10,614,112
Wachovia Bank NA, USA		-	216,365,960	-	216,365,960
Zuercher Kantonal Bank, Zurich, Switzerland		2,622,841	2,335,618	2,622,841	2,335,618
		664,331,925	4,405,925,232	558,299,302	4,239,015,392
Placement by OBU (interest bearing) with:					
EBL Finance (HK) Limited *		-	5,408,130,000	-	5,408,130,000
Less: Inter company elimination (with borrowi	ings)	-	(5,408,130,000)	-	-
Total		664,331,924	4,405,925,232	558,299,302	9,647,145,392

*As per BB instruction letter (BRPD (M)/204/26/2020-7403 dated 14 September 2020 and FEID/703(1)/obishaa/2020-3293 dated 12 October 2020, placement to EBL Finance (HK) Limited by Offshore Banking Operation of EBL is now presented as loan facility (overdraft) with same limit and required general provision has been maintained against this as per BB provisioning guideline.

Details of Foreign currency amounts and exchange rates are presented in 'Annexure-B'.

4.a Balances of subsidiaries with Banks & NBFIs

With Eastern Bank Limited (eliminated as intra group balance)							
EBL Securities Limited	97,798,028	14,087,134					
EBL Investments Limited	198,073,393	19,279,767					
EBL Finance (HK) Limited	575,770,684	99,404,602					
EBL Asset Management Limited	190,752,909	51,389,115					
	1,062,395,014	184,160,618					
With other banks & NBFIs							
Banks	390,139,804	820,432,409					
NBFIs	-	-					
	390,139,804	820,432,409					
Total	1,452,534,818	1,004,593,027					

4.b Consolidated balance with Banks and FIs by group entities:

Eastern Bank Limited (Parent)	13,003,147,677	28,956,894,306
EBL Securities Limited	381,850,938	667,555,812
EBL Investments Limited	198,127,665	19,333,658
EBL Finance (HK) Limited	681,803,306	266,314,442
EBL Asset Management Limited	190,752,909	51,389,115
	14,455,682,495	29,961,487,333
Less: Inter company elimination	(1,062,395,014)	(5,592,290,618)
Total	13,393,287,481	24,369,196,715

4.c Balance with banks and FIs (according to remaining maturity grouping)

60,000,000	594,300,000	60,000,000	594,300,000
13,393,287,481	24,369,196,715	13,003,147,677	28,956,894,306
-	-	-	-
-	-	-	-
3,156,022,000	7,468,130,000	3,156,022,000	7,468,130,000
2,410,000,000	5,700,000,000	2,410,000,000	5,700,000,000
7,751,167,938	11,125,718,251	7,361,028,134	15,713,415,842
76,097,543	75,348,463	76,097,543	75,348,463
	7,751,167,938 2,410,000,000 3,156,022,000	7,751,167,938 11,125,718,251 2,410,000,000 5,700,000,000 3,156,022,000 7,468,130,000 - - - -	7,751,167,938 11,125,718,251 7,361,028,134 2,410,000,000 5,700,000,000 2,410,000,000 3,156,022,000 7,468,130,000 3,156,022,000

6 Investments

Government Others

6.a Consolidated investments by group entities:

Eastern Bank Limited (Parent) EBL Securities Limited EBL Investments Limited EBL Asset Management Limited

Less: Inter company elimination Total

6.1 Government (Investment in govt. securities)

Treasury Bills Treasury Bonds Prize Bonds

6.1.1 Treasury Bills

Held for Trading (HFT) Held to Maturity (HTM)

6.1.1.a Treasury Bills (Tenor wise holding)

Unencumbered 91- day treasury bills 182- day treasury bills 364- day treasury bills

6.1.2 Treasury Bonds

Held for Trading (HFT) Held to Maturity (HTM)

6.1.2.a Treasury Bonds (Tenor wise holding)

Unencumbered 2- year Treasury bonds 5- year Treasury bonds 10- year Treasury bonds 15- year Treasury bonds 20- year Treasury bonds

Disclosure on REPO and Reverse Repo transaction

6.2 Others (Investment in securities other than govt)

Corporate bond (non-convertible) Subordinated bonds (issued by other banks) Ordinary Shares & Mutual Funds (MFs)-Quoted and Unquoted

5

	Consolidated		Amount in BDT Bank		
Notes	2020	2019	2020	2019	
	2020	2017	2020	2017	
6.1	50,517,783,115	31,927,657,257	50,517,783,115	31,927,657,257	
6.2	15,498,577,951	10,138,813,514	13,431,621,587	7,869,354,690	
0.12	66,016,361,066	42,066,470,771	63,949,404,702	39,797,011,947	
	63,949,404,702	39,797,011,947			
	1,855,796,095 113,114,533	2,034,543,238 169,449,579			
	98,045,736	65,466,007			
	66,016,361,066	42,066,470,771			
		-			
	66,016,361,066	42,066,470,771			
6.1.1	8,747,518,500	12,647,862,640	8,747,518,500	12,647,862,640	
6.1.2	41,767,135,115	19,275,430,017	41,767,135,115	19,275,430,017	
	3,129,500	4,364,600	3,129,500	4,364,600	
	50,517,783,115	31,927,657,257	50,517,783,115	31,927,657,257	
	8,747,518,500	8,120,908,402	8,747,518,500	8,120,908,402	
	-	4,526,954,238	-	4,526,954,238	
6.1.1.a	8,747,518,500	12,647,862,640	8,747,518,500	12,647,862,640	
		1,745,513,000		1,745,513,000	
	499,917,500	249,411,181	499,917,500	249,411,181	
	8,247,601,000	10,652,938,459	8,247,601,000	10,652,938,459	
	8,747,518,500	12,647,862,640	8,747,518,500	12,647,862,640	
	44 50 4 0 40 0 50				
	11,536,342,253		11,536,342,253		
6.1.2.a	30,230,792,862 41,767,135,115	19,275,430,017 19,275,430,017	30,230,792,862 41,767,135,115	19,275,430,017 19,275,430,017	
0.1.2.a	41,707,100,110	17,275,450,017	41,707,100,110	17,273,430,017	
	(202 5/ (212		(202 5 (/ 212		
	4,282,564,213 4,413,008,905	2,301,255,523 1,842,679,359	4,282,564,213 4,413,008,905	2,301,255,523 1,842,679,359	
	28,461,863,277	10,780,940,548	28,461,863,277	10,780,940,548	
	3,140,909,791	3,068,270,071	3,140,909,791	3,068,270,071	
	1,468,788,929	1,282,284,517	1,468,788,929	1,282,284,517	
	41,767,135,114	19,275,430,017	41,767,135,114	19,275,430,017	
	ide in 'Annexure- D	' .			
	1 (00 000 (5)		1 (00 000 (5)		
6.2.1	1,493,202,676 8,310,000,000	- 3,700,000,000	1,493,202,676 8,310,000,000	- 3,700,000,000	
0.4.1	0,010,000,000	5,, 50,000,000	0,010,000,000	5,,00,000,000	
677	5 495 275 275	6 438 913 514	3 6 7 8 / 1 9 0 1 1	/ 160 35/ 600	
6.2.2	5,695,375,275 15,498,577,951	6,438,813,514 10,138,813,514	3,628,418,911 13,431,621,587	4,169,354,690 7,869,354,690	

						Amount in BDT
		Notes	Consoli		Ban	
			2020	2019	2020	2019
2.1	Subordinated bonds (issued by other banks)					
	United Commercial Bank Subordinated Bond		1,200,000,000	1,300,000,000	1,200,000,000	1,300,000,00
	Jamuna Bank Subordinated Bond		320,000,000	400,000,000	320,000,000	400,000,00
	MTBL Subordinated Bond		1,240,000,000	300,000,000	1,240,000,000	300,000,00
	SIBL 2nd Mudaraba Subordinated Bond		150,000,000	200,000,000	150,000,000	200,000,00
	Standard Bank Subordinated Bond		400,000,000	500,000,000	400,000,000	500,000,00
	Bank Asia Subordinated Bond		1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,00
	DBBL 3rd Subordinated Bond		1,000,000,000		1,000,000,000	
	SEBL 4th Subordinated Bond		1,000,000,000	-	1,000,000,000	
	IBBL 2nd Subordinated Bond		1,000,000,000	-	1,000,000,000	
	TBL 5th Subordinated Bond		1,000,000,000	_	1,000,000,000	
			8,310,000,000	3,700,000,000	8,310,000,000	3,700,000,00
			0,010,000,000	0,100,000,000	0,010,000,000	
2.2	Ordinary Shares & MFs (Quoted and Unquoted) -	at cost				
	Quoted shares & MFs					
	Quoted shares (sector wise)					
	Banks		1,011,261,727	1,107,782,335	634,523,448	670,547,64
	NBFIs		943,226,904	1,092,592,560	305,665,806	423,710,04
	Insurance		28,142,966	32,950,169	9,159,814	19,183,06
	Fuel & Power		960,794,858	843,525,423	693,583,079	692,433,78
	Chemicals & Pharmaceuticals		615,187,054	746,262,869	265,020,751	327,500,99
	Cement & Ceramics		3,449,440	3,449,440	3,449,440	3,449,44
	Engineering		384,885,456	605,530,920	242,196,541	298,090,54
	Others		657,144,491	795,392,627	488,906,683	589,695,79
			4,604,092,896	5,227,486,344	2,642,505,562	3,024,611,30
	Mutual Funds:		, , , , , , , , ,	-, , -,-	,. ,,.	-,-,,
	EBL Sponsored MFs:					
	EBL First Mutual Fund		13,816,532	19,999,990	13,816,532	19,999,99
	EBL NRB Mutual Fund		134,993,062	252,654,649	133,311,883	250,973,47
	First Bangladesh Fixed Income Fund		705,311,257	756,731,020	698,580,237	750,000,00
	Other Mutual Funds		65,365,059	104,006,961	63,408,228	91,404,41
			919,485,910	1,133,392,619	909,116,880	1,112,377,87
	Total Quoted shares & MFs		5,523,578,805	6,360,878,964	3,551,622,441	4,136,989,18
	Unquoted shares & MFs		-,,,,		-,,	, , . , .
	Shares		76,796,470	77,934,550	31,796,470	32,365,51
	Unit Fund		95,000,000	-	45,000,000	02,000,01
	omer and		171,796,470	77,934,550	76,796,470	32,365,51
	Total Ordinary Shares & MFs (Quoted and Unquo	ted)	5,695,375,275	6,438,813,514	3,628,418,911	4,169,354,69
	· · · · · ·					
.2.2.1	Market Value of Quoted Shares and MFs (as on 3	1 Decem	ber)			
	Quoted Shares & MFs:					
	Banks		832,657,992	865,614,651	533,459,821	542,190,80
	NBFIs		849,956,882	796,942,714	305,722,381	345,067,19
	Insurance		24,310,026	25,525,589	4,667,840	12,488,29
	Evol 9 Dever		707/02710	/0/ E00 7/ E	E01 0// 007	

Total	4,315,881,374	4,252,824,703	2,739,623,359	2,788,270,492
Mutual Funds/Unit Fund	823,751,950	668,955,455	760,527,331	655,502,020
	3,492,129,424	3,583,869,248	1,979,096,028	2,132,768,472
Others	393,157,340	490,171,814	275,246,426	370,538,239
Engineering	199,656,530	306,383,763	129,565,303	151,213,121
Cement & Ceramics	997,873	883,175	997,873	883,175
Chemicals & Pharmaceuticals	483,900,072	493,846,778	207,589,498	206,993,072
Fuel & Power	707,492,710	604,500,765	521,846,887	503,394,577
Insurance	24,310,026	25,525,589	4,667,840	12,488,290
INDF15	047,700,002	/70,742,/14	303,722,301	343,007,170

* Lock in status of Shares & Mutual Funds	Trading Started	Lock in period	Lock in expiry
EBL First Mutual Fund (Sponsor Unit)	8/19/2009	20 Years	8/18/2029
EBL NRB Mutual Fund (Sponsor Unit)	5/23/2011	20 Years	5/22/2031
First Bangladesh Fixed Income Fund (Sponsor Unit)	3/19/2012	20 Years	3/18/2032

10% of all three EBL sponsored MFs are to be under lock-in status for 20 years (initially it was 10 years but extended subsequently) from the date of prospectus issued.

6.a.2 Remaining maturity grouping of investments

On demand In not more than one month In more than one month but not more than three n In more than three months but not more than one In more than one year but not more than five years

7 Loans and advances

Loans, cash credits, overdrafts etc. Bills purchased and discounted

7.a Consolidated loans and advances by group entitie

Eastern Bank Limited (Parent) EBL Securities Limited EBL Investments Limited EBL Finance (HK) Limited EBL Asset Management Limited

Less: Inter company elimination **Total**

7.1 Loans, cash credits, overdrafts etc.

Inside Bangladesh Loans - general Cash credit Overdraft Less: Inter company elimination (with EBLSL borr

Outside Bangladesh

Overdraft-EBL Finance (HK) Limited* Less: Inter company elimination (with borrowing)

*As per BB instruction letter (BRPD (M)/204/26/2020-7403 dated 14 September 2020 and FEID/703(1)/obishaa/2020-3293 dated 12 October 2020, placement to EBL Finance (HK) Limited by Offshore Banking Operation of EBL is now presented as loan facility (overdraft) with same limit and required general provision has been maintained against this as per BB provisioning guideline.

7.2 Bills purchased and discounted

Inside Bangladesh Local bills /documents Foreign bills /documents

Outside Bangladesh Bills financed & UPAS (by EBL Finance HK Ltd)

7.2.1 Bills purchased and discounted (on the basis of residu

On demand Within one month In more than one month but less than three months In more than three months but less than six months Above six months Amount in BDT

				Amount in BDT
Notos	Conso	lidated	Ba	nk
Notes	2020	2019	2020	2019
	3,129,500	4,364,600	3,129,500	4,364,600
	4,999,726,000	1,994,924,181	4,999,726,000	1,994,924,181
months	5,367,150,169	745,412,250	5,342,150,169	745,412,250
e year	8,514,693,324	18,198,163,013	6,574,587,329	15,964,696,258
			18,213,176,944	
irs	18,265,027,314	10,604,735,545		10,568,743,475
	28,866,634,758	10,518,871,182	28,816,634,758	10,518,871,183
	66,016,361,066	42,066,470,771	63,949,404,702	39,797,011,947
	010 000 010 0/0		04/454450000	
7.1	212,083,018,369	218,070,540,410	214,171,172,833	216,620,580,285
7.2	18,462,037,803	21,024,167,598	14,772,690,062	15,430,454,478
	230,545,056,172	239,094,708,008	228,943,862,895	232,051,034,763
ties:				
	228,943,862,895	232,051,034,763		
	3,070,938,335	2,783,604,732		
	126,907,157	217,292,800		
	3,689,347,741	5,593,713,120		
	-	155,000,000		
	235,831,056,128	240,800,645,415		
	(5,285,999,956)	(1,705,937,407)		
	230,545,056,172	239,094,708,008		
	176,093,659,327	193,309,197,364	176,093,659,327	193,154,197,364
	1,070,455,565	729,202,922	1,070,455,565	729,202,922
	36,219,247,409	25,738,077,531	33,021,401,917	22,737,179,999
rowings)	(1,300,343,932)	(1,705,937,407)	-	-
-	212,083,018,369	218,070,540,410	210,185,516,809	216,620,580,285

	218,070,540,410	214.171.172.833	216.620.580.285
3,985,656,024 (3,985,656,024)	-	3,985,656,024	-

	14,644,372,768	15,391,174,559	14,644,372,768	15,391,174,559
	128,317,293	39,279,919	128,317,293	39,279,919
	14,772,690,062	15,430,454,478	14,772,690,062	15,430,454,478
	3,689,347,741	5,593,713,120	-	-
	18,462,037,803	21,024,167,598	14,772,690,062	15,430,454,478
ualı	maturity grouping)			
	208,452,452	362,490,699	208,452,452	362,490,699
	5,228,882,425	3,406,682,855	3,015,273,780	2,403,730,092
	7,420,320,455	8,395,389,826	6,682,450,907	6,161,820,177
	4,360,678,663	7,631,310,210	3,622,809,115	5,600,792,347
	1,243,703,808	1,228,294,008	1,243,703,808	901,621,162
	18,462,037,803	21,024,167,598	14,772,690,062	15,430,454,478

		Consol	idated	Ba	nk
	Notes	2020	2019	2020	2019
/a 1	Residual maturity grouping of loans and advances(inclu				
.a. 1		ung bits purchas	eu a aiscounteu)		
	Receivable On demand	17 005 101 4/0	4 4 4 1 774 042	17 005 101 4/0	4 / / 1 77/ 0//
	In not more than one month	17,895,121,648	6,441,774,943	17,895,121,648	6,441,774,94
		8,610,292,831	18,264,837,458	8,440,249,425	18,006,334,65
	In more than one month but not more than three months In more than three months but not more than one year		38,834,261,238 89,155,165,781	30,283,551,827	38,476,442,63
		83,874,684,646		85,401,686,988	82,727,813,94
	In more than one year but not more than five years In more than five years	70,885,064,817 16,038,188,190	73,700,748,782 12,697,919,805	70,885,064,817 16,038,188,190	73,700,748,78 12,697,919,80
	III III01e IIIaii iive years			228,943,862,895	
			207,074,700,000	110,740,001,070	101,001,004,70
.b	Loans and advances on the basis of significant concent	ration			
′.b.1	Loans and advances to Directors, executives and others				
	Advance to Directors and their allied concerns	-	-	-	
	Advances to Managing Director & CEO	12,674,505	13,604,345	12,674,505	13,604,34
	Advances to other executives and staffs	1,491,607,277	1,514,272,499	1,491,607,277	1,514,272,49
	Advances to customers (Group wise)	175,975,750,411			
	Industrial loans and advances	53,065,023,980	54,080,739,005	53,065,023,980	54,080,739,00
		230,545,056,172	239,094,708,008	228,943,862,895	232,051,034,76
h 2	Large loan details (Loans extended to any customer exc	oding 10% of the F	ank's total canital	h	
.0.2	-	eeding 10% of the f	ank S totat capita		10/00
	* Total Loans and Advances (BDT million)			80,388	104,83
	Number of Customers			17	2
	Classified amount thereon			-	
	* This amount represents total loans and advances (comp	riging funded and r	on funded facilitie	a) to onch avetored	
		8		s) to each custome	er exceeding BDT
	3,314.42 million which is equivalent to 10% of total capita	8		s) to each custome	er exceeding BDT
7.b.3		l of the bank as at 3	1 December 2020.		er exceeding BDT
7.b.3	3,314.42 million which is equivalent to 10% of total capita	l of the bank as at 3	1 December 2020.		er exceeding BDT 15,353,432,97
′.b.3	3,314.42 million which is equivalent to 10% of total capita Industry-wise concentration of loans and advances (inc	l of the bank as at 3 luding bills purcha	1 December 2020. sed and discounte	ed)	Ŭ
7.b.3	3,314.42 million which is equivalent to 10% of total capita Industry-wise concentration of loans and advances (inc Agri and micro credit through NGO	l of the bank as at 3 luding bills purcha 14,219,286,426 30,669,916,120	1 December 2020. sed and discounte 15,353,432,976 26,298,765,184	ed) 14,219,286,426 30,669,916,120	15,353,432,97 26,298,765,18
7.b.3	3,314.42 million which is equivalent to 10% of total capita Industry-wise concentration of loans and advances (inc Agri and micro credit through NGO Commercial and trading	l of the bank as at 3 cluding bills purcha 14,219,286,426	1 December 2020. sed and discounte 15,353,432,976	ed) 14,219,286,426	15,353,432,97 26,298,765,18 9,270,126,52
7.b.3	3,314.42 million which is equivalent to 10% of total capita Industry-wise concentration of loans and advances (inc Agri and micro credit through NGO Commercial and trading Construction	l of the bank as at 3 Auding bills purchat 14,219,286,426 30,669,916,120 8,789,387,758	1 December 2020. sed and discounte 15,353,432,976 26,298,765,184 9,270,126,520 5,839,332,314	ed) 14,219,286,426 30,669,916,120 8,789,387,758 3,666,702,809	15,353,432,97
7.b.3	3,314.42 million which is equivalent to 10% of total capita Industry-wise concentration of loans and advances (inc Agri and micro credit through NGO Commercial and trading Construction Cement and ceramic industries	l of the bank as at 3 Auding bills purchat 14,219,286,426 30,669,916,120 8,789,387,758 3,666,702,809	1 December 2020. sed and discounte 15,353,432,976 26,298,765,184 9,270,126,520 5,839,332,314	ed) 14,219,286,426 30,669,916,120 8,789,387,758	15,353,432,97 26,298,765,18 9,270,126,52 5,839,332,31
7.b.3	3,314.42 million which is equivalent to 10% of total capita Industry-wise concentration of loans and advances (inc Agri and micro credit through NGO Commercial and trading Construction Cement and ceramic industries Chemical and fertilizer	l of the bank as at 3 Auding bills purchat 14,219,286,426 30,669,916,120 8,789,387,758 3,666,702,809 3,824,905,455	1 December 2020. sed and discounte 15,353,432,976 26,298,765,184 9,270,126,520 5,839,332,314 2,910,679,026	ed) 14,219,286,426 30,669,916,120 8,789,387,758 3,666,702,809 3,824,905,455	15,353,432,97 26,298,765,18 9,270,126,52 5,839,332,31 2,910,679,02 2,301,710,57
7.b.3	3,314.42 million which is equivalent to 10% of total capita Industry-wise concentration of loans and advances (inc Agri and micro credit through NGO Commercial and trading Construction Cement and ceramic industries Chemical and fertilizer Crops, fisheries and livestocks	l of the bank as at 3 Auding bills purcha 14,219,286,426 30,669,916,120 8,789,387,758 3,666,702,809 3,824,905,455 1,224,443,160 3,756,582,128	1 December 2020. ised and discounte 15,353,432,976 26,298,765,184 9,270,126,520 5,839,332,314 2,910,679,026 2,301,710,579 6,669,263,200	ed) 14,219,286,426 30,669,916,120 8,789,387,758 3,666,702,809 3,824,905,455 1,224,443,160 3,756,582,128	15,353,432,97 26,298,765,18 9,270,126,52 5,839,332,31 2,910,679,02 2,301,710,57 6,669,263,20
7.b.3	3,314.42 million which is equivalent to 10% of total capita Industry-wise concentration of loans and advances (inc Agri and micro credit through NGO Commercial and trading Construction Cement and ceramic industries Chemical and fertilizer Crops, fisheries and livestocks Electronics and electrical goods	l of the bank as at 3 Auding bills purchat 14,219,286,426 30,669,916,120 8,789,387,758 3,666,702,809 3,824,905,455 1,224,443,160	1 December 2020. sed and discounte 15,353,432,976 26,298,765,184 9,270,126,520 5,839,332,314 2,910,679,026 2,301,710,579	ed) 14,219,286,426 30,669,916,120 8,789,387,758 3,666,702,809 3,824,905,455 1,224,443,160	15,353,432,97 26,298,765,18 9,270,126,52 5,839,332,31 2,910,679,02 2,301,710,57 6,669,263,20 11,277,309,99
7.b.3	3,314.42 million which is equivalent to 10% of total capital Industry-wise concentration of loans and advances (inc Agri and micro credit through NGO Commercial and trading Construction Cement and ceramic industries Chemical and fertilizer Crops, fisheries and livestocks Electronics and electrical goods Food and allied industries	l of the bank as at 3 Auding bills purchat 14,219,286,426 30,669,916,120 8,789,387,758 3,666,702,809 3,824,905,455 1,224,443,160 3,756,582,128 10,873,444,694	1 December 2020. ised and discounte 15,353,432,976 26,298,765,184 9,270,126,520 5,839,332,314 2,910,679,026 2,301,710,579 6,669,263,200 11,277,309,990	ed) 14,219,286,426 30,669,916,120 8,789,387,758 3,666,702,809 3,824,905,455 1,224,443,160 3,756,582,128 10,873,444,694	15,353,432,97 26,298,765,18 9,270,126,52 5,839,332,31 2,910,679,02 2,301,710,57 6,669,263,20 11,277,309,99 28,098,797,43
7.b.3	3,314.42 million which is equivalent to 10% of total capita Industry-wise concentration of loans and advances (inc Agri and micro credit through NGO Commercial and trading Construction Cement and ceramic industries Chemical and fertilizer Crops, fisheries and livestocks Electronics and electrical goods Food and allied industries Consumer finance Metal and steel products	l of the bank as at 3 Ruding bills purcha 14,219,286,426 30,669,916,120 8,789,387,758 3,666,702,809 3,824,905,455 1,224,443,160 3,756,582,128 10,873,444,694 32,827,061,558 17,487,016,658	1 December 2020. sed and discounte 15,353,432,976 26,298,765,184 9,270,126,520 5,839,332,314 2,910,679,026 2,301,710,579 6,669,263,200 11,277,309,990 31,099,694,970 14,348,256,710	ed) 14,219,286,426 30,669,916,120 8,789,387,758 3,666,702,809 3,824,905,455 1,224,443,160 3,756,582,128 10,873,444,694 29,629,216,066 17,487,016,658	15,353,432,97 26,298,765,18 9,270,126,52 5,839,332,31 2,910,679,02 2,301,710,57 6,669,263,20 11,277,309,99 28,098,797,43 14,348,256,71
7.b.3	3,314.42 million which is equivalent to 10% of total capital Industry-wise concentration of loans and advances (inc Agri and micro credit through NGO Commercial and trading Construction Cement and ceramic industries Chemical and fertilizer Crops, fisheries and livestocks Electronics and electrical goods Food and allied industries Consumer finance	l of the bank as at 3 Ruding bills purcha 14,219,286,426 30,669,916,120 8,789,387,758 3,666,702,809 3,824,905,455 1,224,443,160 3,756,582,128 10,873,444,694 32,827,061,558 17,487,016,658 2,703,502,985	1 December 2020. sed and discounte 15,353,432,976 26,298,765,184 9,270,126,520 5,839,332,314 2,910,679,026 2,301,710,579 6,669,263,200 11,277,309,990 31,099,694,970 14,348,256,710 3,075,911,833	ed) 14,219,286,426 30,669,916,120 8,789,387,758 3,666,702,809 3,824,905,455 1,224,443,160 3,756,582,128 10,873,444,694 29,629,216,066 17,487,016,658 2,703,502,985	15,353,432,97 26,298,765,18 9,270,126,52 5,839,332,31 2,910,679,02 2,301,710,57 6,669,263,20 11,277,309,99 28,098,797,43 14,348,256,71 3,075,911,83
7.b.3	3,314.42 million which is equivalent to 10% of total capital Industry-wise concentration of loans and advances (inc Agri and micro credit through NGO Commercial and trading Construction Cement and ceramic industries Chemical and fertilizer Crops, fisheries and livestocks Electronics and electrical goods Food and allied industries Consumer finance Metal and steel products Pharmaceutical industries Power and fuel	l of the bank as at 3 Ruding bills purcha 14,219,286,426 30,669,916,120 8,789,387,758 3,666,702,809 3,824,905,455 1,224,443,160 3,756,582,128 10,873,444,694 32,827,061,558 17,487,016,658 2,703,502,985 8,058,035,313	1 December 2020. sed and discounte 15,353,432,976 26,298,765,184 9,270,126,520 5,839,332,314 2,910,679,026 2,301,710,579 6,669,263,200 11,277,309,990 31,099,694,970 14,348,256,710 3,075,911,833 13,110,120,254	ed) 14,219,286,426 30,669,916,120 8,789,387,758 3,666,702,809 3,824,905,455 1,224,443,160 3,756,582,128 10,873,444,694 29,629,216,066 17,487,016,658	15,353,432,97 26,298,765,18 9,270,126,52 5,839,332,31 2,910,679,02 2,301,710,57 6,669,263,20 11,277,309,99 28,098,797,43 14,348,256,71
И.b.3	3,314.42 million which is equivalent to 10% of total capital Industry-wise concentration of loans and advances (inc Agri and micro credit through NGO Commercial and trading Construction Cement and ceramic industries Chemical and fertilizer Crops, fisheries and livestocks Electronics and electrical goods Food and allied industries Consumer finance Metal and steel products Pharmaceutical industries	l of the bank as at 3 Ruding bills purcha 14,219,286,426 30,669,916,120 8,789,387,758 3,666,702,809 3,824,905,455 1,224,443,160 3,756,582,128 10,873,444,694 32,827,061,558 17,487,016,658 2,703,502,985 8,058,035,313 2,799,428,682	1 December 2020. sed and discounte 15,353,432,976 26,298,765,184 9,270,126,520 5,839,332,314 2,910,679,026 2,301,710,579 6,669,263,200 11,277,309,990 31,099,694,970 14,348,256,710 3,075,911,833 13,110,120,254 3,695,121,107	ed) 14,219,286,426 30,669,916,120 8,789,387,758 3,666,702,809 3,824,905,455 1,224,443,160 3,756,582,128 10,873,444,694 29,629,216,066 17,487,016,658 2,703,502,985 8,058,035,313	15,353,432,97 26,298,765,18 9,270,126,52 5,839,332,31 2,910,679,02 2,301,710,57 6,669,263,20 11,277,309,99 28,098,797,43 14,348,256,71 3,075,911,83 13,110,120,25 3,695,121,10
И.b.3	3,314.42 million which is equivalent to 10% of total capital Industry-wise concentration of loans and advances (inc Agri and micro credit through NGO Commercial and trading Construction Cement and ceramic industries Chemical and fertilizer Crops, fisheries and livestocks Electronics and electrical goods Food and allied industries Consumer finance Metal and steel products Pharmaceutical industries Power and fuel Rubber and plastic industries	l of the bank as at 3 Ruding bills purcha 14,219,286,426 30,669,916,120 8,789,387,758 3,666,702,809 3,824,905,455 1,224,443,160 3,756,582,128 10,873,444,694 32,827,061,558 17,487,016,658 2,703,502,985 8,058,035,313 2,799,428,682 36,830,131,190	1 December 2020. sed and discounte 15,353,432,976 26,298,765,184 9,270,126,520 5,839,332,314 2,910,679,026 2,301,710,579 6,669,263,200 11,277,309,990 31,099,694,970 14,348,256,710 3,075,911,833 13,110,120,254	ed) 14,219,286,426 30,669,916,120 8,789,387,758 3,666,702,809 3,824,905,455 1,224,443,160 3,756,582,128 10,873,444,694 29,629,216,066 17,487,016,658 2,703,502,985 8,058,035,313 2,799,428,682 33,140,783,449	15,353,432,97 26,298,765,18 9,270,126,52 5,839,332,31 2,910,679,02 2,301,710,57 6,669,263,20 11,277,309,99 28,098,797,43 14,348,256,71 3,075,911,83 13,110,120,25 3,695,121,10 31,241,077,69
И.Б.З	3,314.42 million which is equivalent to 10% of total capital Industry-wise concentration of loans and advances (inc Agri and micro credit through NGO Commercial and trading Construction Cement and ceramic industries Chemical and fertilizer Crops, fisheries and livestocks Electronics and electrical goods Food and allied industries Consumer finance Metal and steel products Pharmaceutical industries Power and fuel Rubber and plastic industries Readymade garments industry	l of the bank as at 3 Ruding bills purcha 14,219,286,426 30,669,916,120 8,789,387,758 3,666,702,809 3,824,905,455 1,224,443,160 3,756,582,128 10,873,444,694 32,827,061,558 17,487,016,658 2,703,502,985 8,058,035,313 2,799,428,682	1 December 2020. sed and discounte 15,353,432,976 26,298,765,184 9,270,126,520 5,839,332,314 2,910,679,026 2,301,710,579 6,669,263,200 11,277,309,990 31,099,694,970 14,348,256,710 3,075,911,833 13,110,120,254 3,695,121,107 36,834,790,813	ed) 14,219,286,426 30,669,916,120 8,789,387,758 3,666,702,809 3,824,905,455 1,224,443,160 3,756,582,128 10,873,444,694 29,629,216,066 17,487,016,658 2,703,502,985 8,058,035,313 2,799,428,682	15,353,432,97 26,298,765,18 9,270,126,52 5,839,332,31 2,910,679,02 2,301,710,57 6,669,263,20 11,277,309,99 28,098,797,43 14,348,256,71 3,075,911,83 13,110,120,25
7.b.3	3,314.42 million which is equivalent to 10% of total capital Industry-wise concentration of loans and advances (inc Agri and micro credit through NGO Commercial and trading Construction Cement and ceramic industries Chemical and fertilizer Crops, fisheries and livestocks Electronics and electrical goods Food and allied industries Consumer finance Metal and steel products Pharmaceutical industries Power and fuel Rubber and plastic industries Readymade garments industry Ship building & breaking industry	l of the bank as at 3 Ruding bills purcha 14,219,286,426 30,669,916,120 8,789,387,758 3,666,702,809 3,824,905,455 1,224,443,160 3,756,582,128 10,873,444,694 32,827,061,558 17,487,016,658 2,703,502,985 8,058,035,313 2,799,428,682 36,830,131,190 6,710,289,548 4,873,212,500	1 December 2020. sed and discounte 15,353,432,976 26,298,765,184 9,270,126,520 5,839,332,314 2,910,679,026 2,301,710,579 6,669,263,200 11,277,309,990 31,099,694,970 14,348,256,710 3,075,911,833 13,110,120,254 3,695,121,107 36,834,790,813 6,004,109,013 5,359,780,848	ed) 14,219,286,426 30,669,916,120 8,789,387,758 3,666,702,809 3,824,905,455 1,224,443,160 3,756,582,128 10,873,444,694 29,629,216,066 17,487,016,658 2,703,502,985 8,058,035,313 2,799,428,682 33,140,783,449 6,710,289,548	15,353,432,97 26,298,765,18 9,270,126,52 5,839,332,31 2,910,679,02 2,301,710,57 6,669,263,20 11,277,309,99 28,098,797,43 14,348,256,71 3,075,911,83 13,110,120,25 3,695,121,10 31,241,077,69 6,004,109,01 5,359,780,84
7.b.3	3,314.42 million which is equivalent to 10% of total capital Industry-wise concentration of loans and advances (inc Agri and micro credit through NGO Commercial and trading Construction Cement and ceramic industries Chemical and fertilizer Crops, fisheries and livestocks Electronics and electrical goods Food and allied industries Consumer finance Metal and steel products Pharmaceutical industries Power and fuel Rubber and plastic industries Readymade garments industry Ship building & breaking industry Sugar and edible oil refinery	l of the bank as at 3 Ruding bills purcha 14,219,286,426 30,669,916,120 8,789,387,758 3,666,702,809 3,824,905,455 1,224,443,160 3,756,582,128 10,873,444,694 32,827,061,558 17,487,016,658 2,703,502,985 8,058,035,313 2,799,428,682 36,830,131,190 6,710,289,548 4,873,212,500 5,559,431,577	1 December 2020. ised and discounte 15,353,432,976 26,298,765,184 9,270,126,520 5,839,332,314 2,910,679,026 2,301,710,579 6,669,263,200 11,277,309,990 31,099,694,970 14,348,256,710 3,075,911,833 13,110,120,254 3,695,121,107 36,834,790,813 6,004,109,013 5,359,780,848 7,218,428,270	ed) 14,219,286,426 30,669,916,120 8,789,387,758 3,666,702,809 3,824,905,455 1,224,443,160 3,756,582,128 10,873,444,694 29,629,216,066 17,487,016,658 2,703,502,985 8,058,035,313 2,799,428,682 33,140,783,449 6,710,289,548 4,873,212,500	15,353,432,97 26,298,765,18 9,270,126,52 5,839,332,31 2,910,679,02 2,301,710,57 6,669,263,20 11,277,309,99 28,098,797,43 14,348,256,71 3,075,911,83 13,110,120,25 3,695,121,10 31,241,077,69 6,004,109,01 5,359,780,84 7,218,428,27
7.ь.3	3,314.42 million which is equivalent to 10% of total capital Industry-wise concentration of loans and advances (inc Agri and micro credit through NGO Commercial and trading Construction Cement and ceramic industries Chemical and fertilizer Crops, fisheries and livestocks Electronics and electrical goods Food and allied industries Consumer finance Metal and steel products Pharmaceutical industries Power and fuel Rubber and plastic industries Readymade garments industry Ship building & breaking industry Sugar and edible oil refinery Transport and e-communication	l of the bank as at 3 Ruding bills purcha 14,219,286,426 30,669,916,120 8,789,387,758 3,666,702,809 3,824,905,455 1,224,443,160 3,756,582,128 10,873,444,694 32,827,061,558 17,487,016,658 2,703,502,985 8,058,035,313 2,799,428,682 36,830,131,190 6,710,289,548 4,873,212,500	1 December 2020. sed and discounte 15,353,432,976 26,298,765,184 9,270,126,520 5,839,332,314 2,910,679,026 2,301,710,579 6,669,263,200 11,277,309,990 31,099,694,970 14,348,256,710 3,075,911,833 13,110,120,254 3,695,121,107 36,834,790,813 6,004,109,013 5,359,780,848	ed) 14,219,286,426 30,669,916,120 8,789,387,758 3,666,702,809 3,824,905,455 1,224,443,160 3,756,582,128 10,873,444,694 29,629,216,066 17,487,016,658 2,703,502,985 8,058,035,313 2,799,428,682 33,140,783,449 6,710,289,548 4,873,212,500 5,559,431,577	15,353,432,97 26,298,765,18 9,270,126,52 5,839,332,31 2,910,679,02 2,301,710,57 6,669,263,20 11,277,309,99 28,098,797,43 14,348,256,71 3,075,911,83 13,110,120,25 3,695,121,10 31,241,077,69 6,004,109,01 5,359,780,84

7.b.4 Sector - wise concentration of loans and advances (including bills purchased and discounted)

Government sector	-	-	-	-
Public sector	542,640,062	599,796,887	542,640,062	599,796,887
Private sector	230,002,416,110	238,494,911,121	228,401,222,833	231,451,237,876
	230,545,056,172	239,094,708,008	228,943,862,895	232,051,034,763

230,545,056,172 239,094,708,008 228,943,862,895 232,051,034,763

7.b.5 Geographic location-wise concentration of loans and adv

Inside Bangladesh Dhaka Division Chattogram Division Sylhet Division Rajshahi Division Khulna Division Rangpur Division Barishal Division Mymensingh Division

Outside Bangladesh Bills financed & UPAS (by EBL Finance HK Ltd)

7.b.6 Geographic location and business segment-wise concentration of loans and advances (including bills purchased and discounted)

Division

Dhaka Division Chattogram Division Sylhet Division Rajshahi Division Khulna Division Rangpur Division Barishal Division Mymensingh Division

7.b.7 Business segment - wise concentration of loans and adva (including bills purchased and discounted)

Corporate banking Offshore banking Retail and SME (S) banking Executives & Staffs

7.b.8 Loans and advances (as categorised in CL Statement)

Inside Bangladesh

Continuous loan (CL-2) Consumer Financing (CF) Small & Medium Enterprise (SME) Loans to BHs/MBs/SDs against Shares Other than SMEF, CF, BHs/MBs/SDs

Demand loan (CL-3)

Small & Medium Enterprise (SME) Other than SMEF, CF, BHs/MBs/SDs Financial Reports

	Consol	idated	Ba	nk
	2020	2019	2020	2019
v	ances (including)			
	•	-		
	165.780.242.739	178.677.236.844	163.882.741.179	177.227.276.719
	50,343,078,450	43,959,798,691	50,343,078,450	43,959,798,691
	1,607,253,725	1,981,450,622	1,607,253,725	1,981,450,622
	3,574,734,351	3,745,965,955	3,574,734,351	3,745,965,955
	3,938,540,896	3,655,621,238	3,938,540,896	3,655,621,238
	729,116,147	642,082,115	729,116,147	642,082,115
	390,493,592	349,441,780	390,493,592	349,441,780
	492,248,530	489,397,643	492,248,530	489,397,642
	226,855,708,431	233,500,994,888	224,958,206,871	232,051,034,763
	3,689,347,741	5,593,713,120	3,985,656,024	-
	230,545,056,172	239,094,708,008	228,943,862,895	232,051,034,763

Total Bank (Solo)						
Corporate & Commercial	Retail and SME (S) banking (including staff)	2020	2019			
125,335,398,365	42,532,998,839	167,868,397,203	177,227,276,719			
37,485,527,045	12,857,551,406	50,343,078,450	43,959,798,691			
64,488,950	1,542,764,775	1,607,253,725	1,981,450,622			
2,016,581,387	1,558,152,964	3,574,734,351	3,745,965,955			
1,300,641,719	2,637,899,177	3,938,540,896	3,655,621,238			
-	729,116,147	729,116,147	642,082,115			
-	390,493,592	390,493,592	349,441,780			
-	492,248,530	492,248,530	489,397,643			
166,202,637,465	62,741,225,430	228,943,862,895	232,051,034,763			

Amount in BDT

	Consolidated		Bank		
	2020 2019		2020	2019	
7a	Inces				
	143 744 965 586	161 575 297 205	145 341 617 801	157 532 521 492	

230,545,056,172	239,094,708,008	228,943,862,895	232,051,034,763
1,504,281,782	1,527,876,844	1,504,281,782	1,527,876,844
60,236,067,082	52,612,664,277	57,038,221,590	49,611,766,745
25,059,741,722	23,378,869,682	25,059,741,722	23,378,869,682
143,744,965,586	161,575,297,205	145,341,617,801	157,532,521,492

Notes

7,512,027,973 81,775,295,761	7,963,462,196 101,860,604,429	7,512,027,973 81,775,295,761	7,963,462,196 101,860,604,429
7,512,027,973	7,963,462,196	7,512,027,973	7,963,462,196
35.987.750.684	24.895.210.365	34.090.249.124	23,445,250,242
20,481,631,201	12,994,086,480	20,481,631,201	12,994,086,480
-	-	1,300,343,932	1,550,937,407
6,615,085,022	3,055,795,697	6,615,085,022	3,055,795,697
8,891,034,461	8,845,328,188	5,693,188,969	5,844,430,658
	6,615,085,022	6,615,085,022 3,055,795,697 20,481,631,201 12,994,086,480	6,615,085,022 3,055,795,697 6,615,085,022 - - 1,300,343,932 20,481,631,201 12,994,086,480 20,481,631,201

					Amount in BDT
	Notes	Consolidated		Bank	
	Notes	2020	2019	2020	2019
Term loan (CL-4)					
Consumer Financing (including staff, other than	HF)	11,927,855,478	11,310,358,576	11,927,855,478	11,310,358,57
Housing Financing (HF)		3,679,858,420	2,245,618,170	3,679,858,420	2,245,618,17
Small & Medium Enterprise		17,979,028,124	16,698,875,636	17,979,028,124	16,698,875,63
Other than SMEF, CF, BHs/MBs/SDs		65,553,848,436	64,575,409,426	65,553,848,436	64,575,409,42
		99,140,590,458	94,830,261,808	99,140,590,458	94,830,261,80
Short term agri credit and microcredit (CL-5)					
Short term agri credit		2,440,043,554	3,951,456,089	2,440,043,554	3,951,456,08
		2,440,043,554	3,951,456,089	2,440,043,554	3,951,456,08
Outside Bangladesh					
Loans, cash credits, overdrafts etc.		3,689,347,741	5,593,713,120	3,985,656,024	
Total		230,545,056,172	239,094,708,008	228,943,862,895	232,051,034,76

7.b.9 Security/ Collateral - wise concentration of loans and advances (i.e. alas dias as 16311 a choood and dia

(including	bills pui	rcnased	ana	aiscountea)	

	230,545,056,172	239,094,708,008	228,943,862,895	232,051,034,763
Other securities (Hypothecation charges)	70,825,363,156	82,822,650,780	72,913,517,620	81,372,690,655
Personal guarantee	15,936,320,549	15,858,438,640	15,936,320,549	15,858,438,640
Fixed deposit receipts (FDR)-own bank	17,612,033,160	16,895,511,010	17,612,033,160	16,895,511,010
Export documents	18,033,434,069	15,463,626,522	18,033,434,069	15,463,626,522
Government guarantee	542,640,062	599,796,887	542,640,062	599,796,887
Local banks and financial institutions guarantee	7,759,307,284	13,128,573,819	4,069,959,543	7,534,860,698
Collateral of movable/immovable assets	99,835,957,892	94,326,110,351	99,835,957,892	94,326,110,351

7.b.10 Classification status of loans and advances

1,032,797,745 287,325,617 5,401,017,883 6,721,141,245 1,504,281,781	1,122,379,049 371,518,878 6,535,811,834 8,029,709,761 1,527,876,844	221,213,198,257 1,032,797,745 287,325,617 4,906,259,496 6,226,382,857 1,504,281,781 228,943,862,895	1,122,379,04 371,518,878 6,277,576,94 7,771,474,87 6 1,527,876,84 4
1,032,797,745 287,325,617 5,401,017,883 6,721,141,245	1,122,379,049 371,518,878 6,535,811,834 8,029,709,761	1,032,797,745 287,325,617 4,906,259,496 6,226,382,857	1,122,379,04 371,518,878 6,277,576,949 7,771,474,87 6
1,032,797,745 287,325,617 5,401,017,883	1,122,379,049 371,518,878 6,535,811,834	1,032,797,745 287,325,617 4,906,259,496	1,122,379,049 371,518,878 6,277,576,949
1,032,797,745 287,325,617	1,122,379,049 371,518,878	1,032,797,745 287,325,617	1,122,379,049 371,518,878
1,032,797,745	1,122,379,049	1,032,797,745	1,122,379,049
222,317,633,146	229,537,121,404	221,213,198,257	222,751,683,043
222,319,633,146	229,537,121,404	221,213,198,257	222,751,683,04
000 040 /00 4//	000 505 404 /0/	004 040 400 057	000 854 (00 0/
1,732,991,015	2,711,879,375	1,732,991,015	2,711,879,375
220,586,642,131	226,825,242,029	219,480,207,242	220,039,803,668
	1,732,991,015	<u>1,732,991,015</u> 2,711,879,375	

7.b.10.a The amount reported above under SMA category includes certain loan accounts with an aggregate outstanding of BDT 1,225.70 million as at 31-12-2020 (BDT 1,227.40 million as at 31-12-2019) which has not been reported as classified as at year-end on the basis of stay order from the Honorable High Court Division of the Supreme Court of Bangladesh. As at year-end 2020, an aggregate amount of BDT 534.60 million (BDT 539.30 million as at 31-12-2019) has been kept as specific provision treating all those customers as bad/loss.

7.b.11 Movement of classified loans and advances

Opening balance	8,029,709,7	5,003,101,115	7,771,474,876	4,926,227,238
Addition during the year	265,997,5	4,320,296,952	29,474,002	4,138,935,944
Reduction during the year	(1,574,566,02	1) (1,293,688,307)	(1,574,566,021)	(1,293,688,307)
Closing balance 7.b.	11.a 6,721,141,2	5 8,029,709,761	6,226,382,857	7,771,474,876

7.b.11.a Business segment - wise Classified Loans & Advances (Bank only)	202	20	20:	19
	Taka	%	Taka	%
Corporate Banking	4,447,550,406	71.43%	5,868,224,716	75.51%
Retail and SME (S) banking	1,778,832,451	28.57%	1,903,250,160	24.49%
	6,226,382,857	100.00%	7,771,474,876	100.00%

7.b.11.b Industry- wise concentration of Classified Loans & A

Commercial and trading Crops, fisheries & livestocks Electronics & electrical goods Individuals Metal & steel products Readymade garments industry Ship breaking industry Sugar, edible oil refinery & food processing Transport & ecommunication Textile mills Others

7.b.12 Particulars of loans and advances

i) Debts considered good in respect of which the ba fully secured

ii) Debts considered good for which the bank holds other security than the debtor's personal security iii) Debts considered good and secured by the pers security of one or more parties in addition to the pe security of the debtors.

iv) Debts adversely classified; for which no provisio created.

v) Debts due by directors or officers of the bank or them either jointly or severally with any other pers vi) Debts due by companies and firms in which the directors of the bank have interests as directors, pa or managing agent or in case of private companies members.

vii) Maximum total amount of advances, including temporary advances made at any time during the to directors or managers or officers of the bank or them either severally or jointly with any other pers viii) Maximum total amount of advances, including temporary advances, granted during the period to t companies or firms in which the directors of the ba have interests as directors, partners or managing or, in case of private companies as members .

ix) Due from other banking companies

x) Information in respect of classified loans and ad a) Classified loans for which interest/profit not cre to income

(i) (Decrease)/Increase of provision (specific) (ii) Amount of loans written off

(iii) Amount recovered from loans written off b) Amount of provision kept against loans classifie

bad/loss

c) Amount of interest creditable to the interest sus account

xi) Cumulative amount of written off loans:

Opening Balance

Amount written off during the year: Principal amount Interest suspense

Balance of written off loans and advances

There was no loan written off during the year 2019 and 2020.

234 Eastern Bank Limited

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	Bank (Solo)						
Advances	20	20	2019				
	Taka	%	Taka	%			
	2,682,842,715	43.09%	2,642,435,201	34.00%			
	4,660,572	0.07%	6,354,553	0.08%			
	20,761,549	0.33%	20,761,549	0.27%			
	417,516,122	6.71%	545,653,755	7.02%			
	153,225,168	2.46%	153,225,169	1.97%			
	327,923,773	5.27%	342,260,969	4.40%			
	1,856,012,830	29.81%	2,063,668,755	26.55%			
	101,758,719	1.63%	93,962,749	1.21%			
	95,934,563	1.54%	102,108,913	1.31%			
	1,341,963	0.02%	1,244,783,395	16.02%			
	564,404,884 6,226,382,857	9.06% 100.00%	556,259,867 7,771,474,876	7.16% 100.00%			
oank is	214,447,959,263	223,624,730,783	212,846,765,986	216,581,057,538			
ls no	5,692,830,164	5,844,071,853	5,692,830,164	5,844,071,853			
,	0,072,000,101	0,011,071,000	0,072,000,101	0,011,071,000			
sonal							
personal	10,404,266,743	9,625,905,372	10,404,266,743	9,625,905,372			
	,,,	.,		.,			
ion is							
1011 15	-	-	-	-			
	230,545,056,171	239,094,708,008	228,943,862,894	232,051,034,763			
r any of	1 E0/ 001 701	1 5 7 0 0 / / 2 1	1 E0/ 001 701	1 5 7 0 0 / / 2 1			
rsons.	1,504,281,781	1,527,894,631	1,504,281,781	1,527,894,631			
ne							
partners							
	-	-	-	-			
es as							
g							
e period	1,504,281,781	1,527,894,631	1,504,281,781	1,527,894,631			
r any of	1,304,201,701	1,327,074,031	1,304,201,701	1,327,074,031			
rsons.							
ıg							
o the							
bank	-	-	-	-			
1 agents							
	-	-	-	-			
dvances	-	-	-	-			
edited							
	6,721,141,245	8,029,709,761	6,226,382,857	7,771,474,876			
	1,654,004,498	1,890,482,828	1,490,560,665	1,890,482,828			
	-	-	-	-			
	725,759,332	635,666,487	725,759,332	635,666,487			
ied as			E (00 000 (0)				
	5,509,438,624	5,279,378,514	5,489,323,606	5,279,378,514			
ispense				1 / 50 010 017			
	2,425,163,343	1,823,520,136	2,233,375,188	1,653,910,317			
	13,465,399,498	17,098,953,413	13,465,399,498	13,465,399,498			
	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,_,0,,00,,110	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			
	-	-	-	-			
	_	-	_	-			
	13,465,399,498	17,098,953,413	13,465,399,498	13,465,399,498			
		,,					

						Amount in BDT
		Notes	Consol	idated	Ba	nk
		Notes	2020	2019	2020	2019
7.b.13	Cumulative amount of recovery from written off loans (including BCCI loans)		3,932,167,877	3,206,408,545	3,932,167,877	3,206,408,545
7.b.14	Cumulative amount of written off loans for which law suits have been filed (note 7.b.14.1)		15,618,345,039	15,618,345,039	15,618,345,040	15,618,345,040
7.b.14.1	Cumulative amount of written off loans (including legal and other charges)	7.b.14.1.a				
	Opening balance During the year		15,618,345,039	15,618,345,039 -	15,618,345,040 -	15,618,345,040
	Closing balance		15,618,345,039	15,618,345,039	15,618,345,040	15,618,345,040
7.b.14.1.a	Cumulative number of written off loan accounts	against v	which lawsuits hav	ve been filed		
	Opening balance During the year				8,173	8,173
	Closing balance				8,173	8,173
8	Fixed assets including land, building, furniture At Cost (revalued amount in case of lands)	and fixtu	res			
	Freehold lands and land development		3,986,656,786	3,986,656,786	3,986,656,786	3,986,656,786
	Buildings and floor spaces		1,407,955,522	1,407,955,522	1,407,955,522	1,407,955,522
	Capital work in progress *		120,262,652	75,714,267	120,262,652	75,714,267
	General machineries and equipments		671,774,138	656,521,761	660,606,312	
	Computer and network equipments		923,182,539	739,037,097	908,872,414	
	Digital banking equipments		254,153,920	251,415,620	254,153,920	251,415,620
	Electromechanical equipments*		343,652,516	342,555,675	343,652,516	342,555,675
	Furniture and fixtures		713,429,157	708,980,619	679,633,843	676,713,189
	Vehicles	_	205,977,959	205,977,959	180,931,604	180,931,604
	Right of use assets (Lease assets)	8.01	1,654,846,368	987,186,815	1,591,754,131	950,537,957
	Softwares		666,394,719	570,809,172	662,449,964	566,873,549

Capital	work	in	progress '	k .

Written down value at 31 december

Accumulated depreciation and amortization

Total cost

Initial payment made for automation or upgradation of bank's different software is recognised as capital work in progress as per IAS 16, until the project/development work is completed and/or the asset is ready for intended use. These assets are stated at cost and depreciation of these assets will be charged from the date of intended use.

(3,175,639,306)

10,948,286,276 9,932,811,294 10,796,929,664 9,808,805,820

7,772,646,970 7,407,132,303 7,710,898,017 7,349,051,230

(2,525,678,991) (3,086,031,647) (2,459,754,590)

Details of the fixed assets are presented in 'Annexure-A'.

8.01 Right of use assets (Lease assets)

Right of Use (RoU) assets comprise of lease liabilities which is the present value of lease payments against rented premises less incentive, plus initial direct payment and dismantling cost etc. Any contractual obligation for use of any rented/leased premises or assets for a period exceeding twelve months and/or exceeding the threshold for low value asset, and substantially risks and benefits related to ownership of those rented premises/assets transfer to the bank, are recognised as RoU assets as per IFRS 16 'Leases'.

8.a Consolidated fixed assets of group entities:

Total	7,772,646,970	7,407,132,303
Less: Inter company elimination	-	-
	7,772,646,970	7,407,132,303
EBL Asset Management Limited	3,821,765	4,976,869
EBL Finance (HK) Limited	7,988,725	3,518,955
EBL Investments Limited	8,659,179	6,980,196
EBL Securities Limited	41,279,284	42,605,053
Eastern Bank Limited (Parent)	7,710,898,017	7,349,051,230

9 Other assets

Income generating:

Investment in subsidiary-EBL Securities Limited Investment in subsidiary-EBL Investments Limited Investment in subsidiary-EBL Finance (HK) Limited Investment in subsidiary-EBL Asset Management Limited Fair value of TREC to EBLSL and Shares of DSE Fair value of TREC to EBLSL and Shares of CSE

Non-Income generating:

Receivable from subsidiaries Stock of stationeries Stamps on hand Advance to staff for expenses Security deposits with govt./non govt. agencies Interest, fees and dividend receivables Sundry receivables Advance rent Prepayments and advance to vendors Deferred tax assets (net of liabilities) Other assets of subsidiaries

9.a Consolidated other assets of group entities:

Eastern Bank Limited (Parent) EBL Securities Limited EBL Investments Limited EBL Finance (HK) Limited EBL Asset Management Limited

Less: Inter company elimination Total

Investment in subsidiary-EBL Securities Limited 9.1

afterwards BDT 1,487.50 million as fresh capital.

- 9.2 Investment in subsidiary-EBL Investments Limited merchant banking operations since then.
- Investment in subsidiary-EBL Finance (HK) Limited 9.3
- Investment in subsidiary-EBL Asset Management Limited 9.4 operations on asset management, capital market, equity investment etc since then.
- 9.5 Fair value measurement of TREC and Shares of both DSE and CSE (held by EBLSL) composition of DSE and CSE held by EBLSL was as follows:

Financial Reports

Amount in BDT

				Amount in BDT
Notes	Consol	idated	Bar	ık
Notes	2020	2019	2020	2019
9.1	-	-	1,967,400,000	1,967,400,000
9.2	-	-	299,999,900	299,999,900
9.3	-	-	14,779,352	14,779,352
9.4			249,999,900	249,999,900
9.4	-	-	249,999,900	249,999,900
9.5.a	595,337,112	595,337,112	-	-
9.5.b	245,379,755	245,379,755	-	-
9.6	-	-	3,205,113	3,527,436
	12,191,604	15,097,285	12,191,604	15,097,285
	4,791,068	5,600,093	4,781,918	5,582,843
9.7	40,000	301,986	40,000	252,950
	15,992,392	11,637,804	7,524,224	7,359,364
9.8	1,343,478,795	964,781,342	1,364,453,355	1,046,980,398
9.9	1,254,018,166	755,995,261	1,238,042,671	754,902,561
	44,416,462	216,938,429	44,179,987	216,800,826
	207,308,251	161,824,574	203,703,188	158,371,686
9.10	2,150,731,502	1,875,161,824	2,053,605,499	1,875,161,824
9.11	42,831,627	21,833,460	-	-
	5,916,516,734	4,869,888,926	7,463,906,712	6,616,216,325
	7,463,906,712	6,616,216,326		
	1,009,549,816	885,449,555		
	18,717,830	4,553,103		
	2,017,786	1,967,116		
	3,447,697	11,267,587		
	8,497,639,841	7,519,453,687		

EBL acquired its securities brokerage subsidiary in two phases (2010 and 2011) at a total cost of BDT 479.90 million and injected

(2,581,123,106) (2,649,564,761) 5,916,516,734 4,869,888,926

This fully owned subsidiary of EBL was incorporated on 30 December 2009 with an initial authorized capital of BDT 1,000 million and paid up capital of BDT 300 million. It was awarded merchant banking license by BSEC on January 2013 and started its full fledged

EBL Finance (HK) Limited, the fully owned foreign subsidiary of EBL, was incorporated on 28 November 2011 with an initial authorized capital of HKD 1.41 million (equivalent to BDT 14.78 million). Afterwards, in 2019 HKD 10.00 million was transferred to capital account from retained earnings. This subsidiary commenced its full fledged operations in Hongkong from early 2013.

Another fully owned subsidiary of EBL was incorporated on 9 January 2011 with an initial authorized capital of BDT 250 million. It has fully subscribed paid up capital of BDT 250 million and has been registered under BSEC on 25 May 2017. It started full fledged

As per Exchange Demutualization Act 2013, EBLSL was awarded Trading Right Entitlement Certificate (TREC) as well as ordinary shares of both the bourses i.e. DSE and CSE in exchange of membership licenses under Demutualization Scheme ('the Scheme'). Subsequently, under a purchase agreement between demutualized DSE and strategic partner China Consortium, EBLSL sold out 25% of its holding to China Consortium at a negotiated price of BDT 21 per share (Face value: BDT 10 each). As of 31-12-2020, Share

Particulars	No of Shares held	Face Value (BDT)
Dhaka Stock Exchange Limited	5,411,329	10.00
Chittagong Stock Exchange Limited	4,287,330	10.00
Total	9,698,659	10.00

In 2018, EBLSL carried out a valuation by ACNABIN, chartered accountants, to determine the fair value of TREC and Shares of both the bourses i.e. DSE and CSE. The value of TREC was determined applying varying weights to the results of three valuation approaches i.e. Cost approach, Market approach and Income approach. Fair value of DSE shares was determined on the basis of recent transaction price made between DSE and China Consortium but face value of CSE shares was taken as fair value as there was no offer price from any third party. However, EBL management expects the fair value of TREC and Shares of DSE and CSE altogether is to be similar to net realizable value in line with present growth pattern of business and outlook of EBLSL. The valuation result of TREC and Shares held by EBLSL under the above methodologies are as follows:

		Consolio	lated	Bank		
		2020	2019	2020	2019	
9.5.a	Fair value of DSE-TREC and Shares (held by EBLSL)					
	Value of TREC (Trading Right Entitlement Certificate) held by EBLSL	481,427,540	481,427,540			
	Value of Shares (5,411,329 Ns @BDT 21.05, face value is BDT 10 each)	113,909,572	113,909,572			
		595,337,112	595,337,112			
9.5.b	Fair value of CSE-TREC and Shares (held by EBLSL)					
	Value of TREC (Trading Right Entitlement Certificate) held by EBLSL	201,500,000	201,500,000			
	Value of Shares (4,287,330 Ns @BDT 10.23, face value is BDT 10 each)	43,879,755	43,879,755			
		245,379,755	245,379,755			
9.6	Receivable from Subsidiaries					
	Receivable from:			2 20E 112		
	EBL Securities Limited (in trading account)		-	3,205,113 3,205,113	3,527,436 3,527,436	
9.7	Advance to staff for expenses		=	0,200,110	0,027,400	
	Due for					
	Less than three months	40,000	301,986	40,000	252,950	
	More than three months but less than six months	-	-	-	-	
	More than six months but less than nine months More than nine months but less than twelve months	-	-	-	-	
	More than twelve months	_	_	-	-	
		40,000	301,986	40,000	252,950	
9.8	Interest, fees and dividend receivables					
	Interest receivable on placement/ margin loans*	138,285,615	426,527,692	138,285,615	416,289,692	
	Income receivable on government securities	874,257,540	464,882,605	874,257,540	464,882,605	
	Interest receivable on non-government securities	104,422,515	83,823,756	104,422,515	83,823,756	
	Interest receivable under stimulus package (subsidized by BB)	80,664,650	-	80,664,650	-	
	Fees, commission and charges receivable	105,524,545	41,937,768	102,728,406	38,973,386	
	Dividend receivable	81,597,821	82,754,891	64,094,628	65,059,456	
	Less: Inter unit/company elimination	1,384,752,687 (41,273,892)	1,099,926,713 (135,145,371)	1,364,453,355	1,069,028,896 (22,048,498)	
	Less. Inter unit/company etimination	1,343,478,795	964,781,342	1,364,453,355	1,046,980,398	
	* Margin loans by subsidiaries.					
9.9	Sundry receivables					
	Excise duty receivable from customers	74,782,092	86,516,007	74,782,092	86,516,007	
	Protested Bills to be recovered	105,824,995	105,824,995	105,824,995	105,824,995	
	AIT recoverable from customers	76,500,000	76,500,000	76,500,000	76,500,000	
	Cards and ATM acquiring/transactional account	357,288,543	143,409,776	357,288,543	143,409,776	
	Receivable (net off) from Bangladesh Bank for SP, WEDB, DIB, DPB etc.	488,650,644	185,387,509	488,650,644	185,387,509	
	Other receivables (Margin, remittance, Bidding Money, IPO Subscription etc)	150,971,893	158,356,974	134,996,398	157,264,274	

9.9.a Receivable (net off) from Bangladesh Bank for SP, WEDB, DIB, DPB etc.

Receivable from Bangladesh Bank for SP, WEDB, DIB, DPB etc.

For sale of Sanchaypatra For sale of WEDB, DIB, DPB etc.

Payable to Bangladesh Bank

For encashment of Sanchaypatra For encashment of WEDB, DIB & DPB

Closing balance

9.10 Deferred tax asset (net of liability)

Deferred tax asset Deferred tax liability

9.a Consolidated deferred tax asset (net of liability)

Eastern Bank Limited (Parent) EBL Securities Limited EBL Investments Limited EBL Asset Management Limited Total

9.10.b Deferred tax asset (Bank only)

On specific loan provision kept against B/L loans On actuarial re-measurement gain/(Loss) on defined benefit plans

9.10.b.1 On specific loan provision kept against B/L loans

Cumulative provision made against Bad/Loss loan Adjustment of corresponding provision on write of Deductible temporary difference Tax rate Deferred tax asset Opening deferred tax asset Deferred tax (income) * There was no loan written off during the year 2019 and 2020

9.10.c Deferred tax liability (Bank only)

Carrying amount of fixed assets Tax base

Taxable temporary difference

Tax rate

Deferred tax liability Opening deferred tax liability Deferred tax expense

December 2011.

No deferred tax liability has been recognised on land revaluation reserve due to the fact that taxes paid at the time of land registration are final discharge of related tax liability. Deferred tax asset on provision against diminution of value of quoted securities has not been recognised as adjustment of loss (for set off against gain under the same head) u/s 37 and u/s 40 of ITO 1984 is uncertain due to market volatility.

to be accounted for in the year.

Amount in BDT Consolidated Bank Notes 2020 2019 2020 2019 487,825,636 200,369,273 487,825,636 200,369,273 12,175,008 10,905,686 12,175,008 10,905,686 500,000,644 211,274,959 500,000,644 211.274.959 11,350,000 19,600,000 11,350,000 19,600,000 6,287,450 6,287,450 11,350,000 25,887,450 11,350,000 25,887,450 185,387,509 185,387,509 488,650,644 488,650,644 2,184,488,290 2,281,694,923 1,979,766,943 1,979,766,943 910b 9.10.c 130,963,421 104,605,118 130,882,791 104,605,118 2,150,731,502 1,875,161,824 2,053,605,499 1,875,161,824 2,053,605,499 1,875,161,824 82,687,487 13,946,737 491,779 2,150,731,502 1,875,161,824

9.10.b.1	2,058,496,35	52 1,979,766,943
18	125,991,93	38 -
	2,184,488,29	1,979,766,943
3		
ns ff *	5,489,323,60	5,279,378,514
	5,489,323,60	6 5,279,378,514
	37.50	% 37.50%
	2,058,496,35	1,979,766,943
	1,979,766,94	1,285,844,977
	(78,729,40	9) (693,921,966)

On temporary difference in WDV of fixed assets between tax base and carrying value:

2,513,258,349 2,164,237,573	2,485,478,255 2,206,531,273
349,020,775	278,946,982
37.50%	37.50%
130,882,791	104,605,118
104,605,118	75,145,113
26,277,672	29,460,005

Deferred tax assets/(liabilities) have been recognised and measured as per IAS-12: Income Taxes and BRPD circular # 11 dated 12

There is no other material temporary timing difference in classified assets/liabilities for which deferred tax asset/liability is required

						Amount ir
		NTataa	Consoli	Consolidated		Bank
	· · · · · · · · · · · · · · · · · · ·	Notes	2020	2019	2020	2019
9.11	Other assets of subsidiaries					
	Trade receivable from DSE & CSE		34,446,039	21,830,780		
	Other receivables (trade account etc.)		9,603,143	763,980		
			44,049,182	22,594,760		
	Less: Inter company elimination (with deposit account	unt)	(1,217,555)	(761,300)		
			42,831,627	21,833,460		

10 Non-banking assets

The Bank was awarded absolute ownership on few mortgaged properties through the verdict of honorable court under section 33(7) of the Artharin Adalat Act 2003. These were recorded as non banking assets (carrying value of which was BDT 105,576,495 as on reporting date) as per valuation report submitted by professional valuation firm and recording of transactions were certified by the then external auditors Rahman Rahman Huq. Value of the assets received in addition to the loan outstanding/written off loans was kept as reserve against non banking assets. Following are the details:

Non earning assets

Name of Parties	Asset details	Entitlement Date				
M/S Safa Garments Ltd *	18 Decimal of Land, Tejgaon, Dhaka	18.01.2005	8,727,000	8,727,000	8,727,000	8,727,000
Arshim & co	12 Katha of Land, Tejgaon, Dhaka	27.03.2007	4,200,000	4,200,000	4,200,000	4,200,000
M/s Innovative Computer Ltd. North American	11.25 Decimal of Land, Dhaka "Land Area: 6.5	07.06.2007	262,000	262,000	262,000	262,000
Computer Dynamics and ors.	decimal. Mouza- Uttar Sona Tang gar, Mohammadpur, Dhaka."	22.07.2007	3,160,000	6,320,000	3,160,000	6,320,000
M/s Computer Bazar Network	0.14 acres of Land, Sabujbagh,Dhaka	23.06.2009	1,696,000	1,696,000	1,696,000	1,696,000
Stec Fashions Ltd.	25 Deimal of land, Mirpur, Dhaka	26.01.2009	1,904,495	1,904,495	1,904,495	1,904,495
Royals Paper Store	106.50 Decimal of Land, Dhaka	21.05.2009	7,727,000	7,727,000	7,727,000	7,727,000
Sabbir Ahmed	6 Decimal of Land, Mirpur, Dhaka	10.05.2007	600,000	600,000	600,000	600,000
M/s. Tri Angle Trading Associates	0.33 Acres of Land, Savar, Dhaka	29.04.2007	6,600,000	6,600,000	6,600,000	6,600,000
M/S Unicorn Bangladesh Ltd.	16.5 Decimal of Land, Dhaka	22.11.2007	15,000,000	15,000,000	15,000,000	15,000,000
HM Yunus	1.84 Acres of Land, Gazipur	10.01.2008	55,700,000	55,700,000	55,700,000	55,700,000
			105,576,495	108,736,495	105,576,495	108,736,495

*M/S Safa Garments Ltd: After expiry of initial 7 years holding period in 2012 as allowed by Bank Company Act 1991 (amended upto 2018), the Bank was granted extension of 1 year (till 17.01.2013) by Bangladesh Bank (BB). After expiry of that extended period, the Bank again applied to BB for extension but BB advised the Bank to take absolute possession and dispose the property as soon as possible. Subsequently, EBL published sale notice several times to dispose the property but no bidder participated yet.

For rest of the properties, EBL obtained time extension from BB after expiry of initial 7 years. Meanwhile, EBL published general sales notice to dispose those properties at earliest. Subsequently, a bidder participated for North American Computer Dynamics and Ors. and paid BDT 4.50 million against sales value of BDT 5.00 million, and therefore, this NBA was disposed proportionately and rest part will be disposed after receiving the full payment. The Bank has maintained required amount of provision (Book value of NBA minus Reserve against NBA) to avoid any further loss on impairment in future due to complexity in taking absolute possession and/or selling the same.

The carrying value of NBAs are reviewed at each reporting period to determine whether there is any indication of impairment. As per last valuation report by interdependent valuer, market value of NBAs is BDT 667.22 million and forced sale value is BDT 533.08 million. However, due to complexity in selling of these properties the bank avoided booking any upward revaluation effect in 2020.

Details of NBAs awarded to the Bank under section 33(7) & 33(5) of Artharin Adalat Act, 2003 as at 31 December 2020 are in 'Annexure-D1'.

nt in BDT

11 Borrowing from banks, financial institutions and Inside Bangladesh (including subordinated bond) Outside Bangladesh

11.a Consolidated borrowings from Banks, FIs by grou

Eastern Bank Limited (Parent) EBL Securities Limited EBL Finance (HK) Limited

Less: Inter company elimination **Total**

11.1 Borrowing from - Inside Bangladesh

Demand Borrowing: Banks NBFIs

Less: Inter unit/company elimination

Term Borrowing:

Banks NBFIs

Less: Inter unit/company elimination

Subordinated bond & other borrowings under sch From Bangladesh Bank & others

Investment Promotion & Financing Facility (IPFF) Export Development Fund (EDF) Refinance scheme under BADP Refinance scheme under SMESPD Second Crop Diversification Project SME Foundation Pre-finance Long Term Financing Facility (LTFF) Borrowing under Stimulus Fund - Wages & Salarie Non-Convertible Subordinated Bond

11.1.a Non-Convertible Subordinated Bond

The Bank with due approval from Bangladesh Bank and BSEC issued 7-year unsecured and non-convertible, 1st Subordinated Bond of BDT 2,500 million in 2015 and 2nd Subordinated Bond of BDT 5,000 million in 2019 through private placement to enhance Tier-II capital. These Bonds are redeemable at the end of 3rd, 4th, 5th, 6th and 7th year of maturity at 20% per year. Coupon rates of the both instruments are variable with a floor and ceiling rate. These two instruments have been rated and awarded AA and AA2 by CRISL and CRAB respectively in the long term. Although these are recognized component of Tier-II capital, the outstanding amount of these Bonds is shown as borrowing as per BB guidelines/instruction. Following is the list of subscribers to these Bonds on current outstanding basis:

EBL 1st Subordinated Bond:

Agrani Bank Limited Brac Bank Limited Janata Bank Limited Mercantile Bank Limited One Bank Limited Rupali Bank Limited Sonali Bank Limited

EBL 2nd Subordinated Bond:

Sadharan Bima Corporation Pubali Bank Limited Janata Bank Limited

				Amount in BDT
Notos	Consol	idated	Bai	nk
Notes	2020	2019	2020	2019
agents				
11.1	28,855,081,536	25,997,093,814	26,860,390,048	23,969,646,034
11.2	17,425,999,081	26,851,142,174	17,425,999,081	26,851,142,174
	46,281,080,617	52,848,235,988	44,286,389,129	50,820,788,208
p entitie	es:			
	44,286,389,129	50,820,788,208		
	3,433,140,420	3,733,385,187		
	3,985,656,024	5,408,109,743		
	51,705,185,573	59,962,283,138		
	(5,424,104,956)	(7,114,047,150)		
	46,281,080,617	52,848,235,988		
	12,461,675,647	6,265,759,549	9,028,535,227	4,167,374,362
	-	185,000,000	-	
	12,461,675,647	6,450,759,549	9,028,535,227	4,167,374,362
	(10,466,984,159)	(5,873,311,769)	(9,028,535,227)	(4,167,374,362)
	1,994,691,488	577,447,780	-	-
	4,240,059,324	8,348,226,444	254,403,300	2,940,116,701
	4,240,037,324	1,450,000,000	234,403,300	2,740,110,701
	4,240,059,324	9,798,226,444	254,403,300	2,940,116,701
	(3,985,656,024)	(8,348,226,444)	234,403,300	(2,940,116,701)
	254,403,300	1,450,000,000	254,403,300	(2,740,110,701)
	,,	_,,,,	,,	
emes:				
	302,388,801	347,981,400	302,388,801	347,981,400
	15,437,149,850	13,638,909,605	15,437,149,850	13,638,909,605
	258,890,800	388,336,199	258,890,800	388,336,199
	1,010,617,484	750,064,859	1,010,617,484	750,064,859
	764,526,750	866,463,650	764,526,750	866,463,650
	9,000,000	19,500,000	9,000,000	19,500,000
	1,276,489,063	1,458,390,321	1,276,489,063	1,458,390,321
S	1,546,924,000	-	1,546,924,000	
11.1.a	6,000,000,000	6,500,000,000	6,000,000,000	6,500,000,000
	26,605,986,748	23,969,646,034	26,605,986,748	23,969,646,034
			26,860,390,048	

80,000,000	120,000,000	80,000,000	120,000,000
40,000,000	60,000,000	40,000,000	60,000,000
100,000,000	150,000,000	100,000,000	150,000,000
100,000,000	150,000,000	100,000,000	150,000,000
240,000,000	360,000,000	240,000,000	360,000,000
240,000,000	360,000,000	240,000,000	360,000,000
200,000,000	300,000,000	200,000,000	300,000,000
1,000,000,000	1,500,000,000	1,000,000,000	1,500,000,000
50,000,000	50,000,000	50,000,000	50,000,000
1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
E00 000 000			
500,000,000	500,000,000	500,000,000	500,000,000

			Consolidated		Bank	
		Notes	2020	2019	2020	2019
]	National Life Insurance Co. Limited		500,000,000	500,000,000	500,000,000	500,000,00
	Sonali Bank Limited		500,000,000	500,000,000	500,000,000	500,000,00
1	Agrani Bank Limited		2,250,000,000	2,250,000,000	2,250,000,000	2,250,000,00
]	Dhaka Bank Limited		200,000,000	200,000,000	200,000,000	200,000,00
			5,000,000,000	5,000,000,000	5,000,000,000	5,000,000,00
			6,000,000,000	6,500,000,000	6,000,000,000	6,500,000,00
.2 1	Borrowing from - Outside Bangladesh					
]	Non-interest bearing:					
	Citibank NA, USA		210,594,830	-	210,594,830	
	JP Morgan AG, USA		121,359,906	-	121,359,906	
	Standard Chartered Bank, USA		665,831,473	-	665,831,473	
	Wachovia Bank NA, USA		14,670,310	-	14,670,310	
-	Internet hearing.		1,012,456,519	-	1,012,456,519	
	Interest bearing: Abu Dhabi Commercial Bank, UAE			4,242,215,372	_	4,242,215,32
	Asian Development Bank (ADB)		897,893,999	1,298,470,588	897,893,999	1,298,470,58
	Bank of Montreal, Canada		-	498,704,311	-	498,704,3
	Commerz Bank, Frankfurt		-	2,176,144,957	-	2,176,144,9
	Deutsche Investitions-und					
	Entwicklungsgesellschaft MBH (DEG)		4,748,861,600	2,716,800,000	4,748,861,600	2,716,800,0
	DBS Bank, Singapore		-	3,334,392,035	-	3,334,392,03
	HDFC Bank, Mumbai		848,011,000	1,642,815,000	848,011,000	1,642,815,0
	ICICI Bank, India		-	1,141,173,157	-	1,141,173,1
	International Finance Corporation (IFC)		-	136,164,301	-	136,164,3
	International Islamic Trade Finance Corporation (I	FFC), KSA	-	175,110,027	-	175,110,0
	JP Morgan Chase, Singapore		1,366,993,732	-	1,366,993,732	
	Korea Development Bank, Singapore		2,797,048,041		2,797,048,041	3,077,119,1
	National Bank of Ras Al-Khaimah, KSA		-	1,257,702,722	-	1,257,702,7
	Opec Fund for International Development (OFID), Austria	2,120,027,500	2,122,500,000	2,120,027,500	2,122,500,0
	OEEB, Development Bank, Austria PROPARCO, France		1,696,022,000 462,551,458	- 771,818,184	1,696,022,000 462,551,458	771,818,1
	Standard Chartered Bank, Singapore		12,877,943	2,260,012,361	12,877,943	
	Wells Fargo, USA		1,463,255,289		1,463,255,289	
			16,413,542,562		16,413,542,562	
				3/ 051 1/3 17/	17,425,999,081	26,851,142,1
			17,425,999,081	26,851,142,174		
a.1]	Remaining maturity grouping of Borrowings		17,425,999,081	20,031,142,174		
	Remaining maturity grouping of Borrowings Payable		17,425,999,081	20,031,142,174		
]			17,425,999,081 1,994,691,488	705,527,736	-	
] (Payable			705,527,736	- 5,392,469,886	128,079,9
] (]]	Payable On demand In not more than one month In more than one month but not more than three		1,994,691,488 4,427,195,755 13,041,203,385	705,527,736 7,216,878,501 15,226,306,606	- 5,392,469,886 10,950,712,667	128,079,95 7,216,878,50 15,226,306,60
] (]]]	Payable On demand In not more than one month In more than one month but not more than three In more than three months but not more than or	ne year	1,994,691,488 4,427,195,755 13,041,203,385 10,459,762,873	705,527,736 7,216,878,501 15,226,306,606 18,593,409,209	- 5,392,469,886 10,950,712,667 14,207,182,739	128,079,99 7,216,878,50 15,226,306,60 17,143,409,20
] (]]]]	Payable On demand In not more than one month In more than one month but not more than three In more than three months but not more than or In more than one year but not more than five year	ne year	1,994,691,488 4,427,195,755 13,041,203,385 10,459,762,873 14,383,975,141	705,527,736 7,216,878,501 15,226,306,606 18,593,409,209 8,620,542,698	- 5,392,469,886 10,950,712,667 14,207,182,739 12,078,242,881	128,079,99 7,216,878,50 15,226,306,60 17,143,409,20 8,620,542,60
] (]]]]	Payable On demand In not more than one month In more than one month but not more than three In more than three months but not more than or	ne year	1,994,691,488 4,427,195,755 13,041,203,385 10,459,762,873 14,383,975,141 1,974,251,975	705,527,736 7,216,878,501 15,226,306,606 18,593,409,209 8,620,542,698 2,485,571,239	- 5,392,469,886 10,950,712,667 14,207,182,739 12,078,242,881 1,657,780,956	128,079,99 7,216,878,50 15,226,306,60 17,143,409,20 8,620,542,69 2,485,571,23
] (]]]]	Payable On demand In not more than one month In more than one month but not more than three In more than three months but not more than or In more than one year but not more than five year	ne year	1,994,691,488 4,427,195,755 13,041,203,385 10,459,762,873 14,383,975,141	705,527,736 7,216,878,501 15,226,306,606 18,593,409,209 8,620,542,698 2,485,571,239	- 5,392,469,886 10,950,712,667 14,207,182,739 12,078,242,881	128,079,95 7,216,878,50 15,226,306,60 17,143,409,20 8,620,542,65 2,485,571,23
] (]]]]]	Payable On demand In not more than one month In more than one month but not more than three In more than three months but not more than or In more than one year but not more than five year	ne year	1,994,691,488 4,427,195,755 13,041,203,385 10,459,762,873 14,383,975,141 1,974,251,975	705,527,736 7,216,878,501 15,226,306,606 18,593,409,209 8,620,542,698 2,485,571,239	- 5,392,469,886 10,950,712,667 14,207,182,739 12,078,242,881 1,657,780,956	128,079,9 7,216,878,5 15,226,306,6 17,143,409,2 8,620,542,6 2,485,571,2
] (]]]]]	Payable On demand In not more than one month In more than one month but not more than three In more than three months but not more than or In more than one year but not more than five years In more than five years	ne year	1,994,691,488 4,427,195,755 13,041,203,385 10,459,762,873 14,383,975,141 1,974,251,975 46,281,080,617	705,527,736 7,216,878,501 15,226,306,606 18,593,409,209 8,620,542,698 2,485,571,239 52,848,235,988	- 5,392,469,886 10,950,712,667 14,207,182,739 12,078,242,881 1,657,780,956	128,079,99 7,216,878,50 15,226,306,60 17,143,409,20 8,620,542,60 2,485,571,23 50,820,788,20
) ())))))))))))))))))	Payable On demand In not more than one month In more than one month but not more than three In more than three months but not more than or In more than one year but not more than five year In more than five years	ne year ars	1,994,691,488 4,427,195,755 13,041,203,385 10,459,762,873 14,383,975,141 1,974,251,975	705,527,736 7,216,878,501 15,226,306,606 18,593,409,209 8,620,542,698 2,485,571,239 52,848,235,988 24,837,018,432	- 5,392,469,886 10,950,712,667 14,207,182,739 12,078,242,881 1,657,780,956 44,286,389,129	128,079,99 7,216,878,50 15,226,306,60 17,143,409,20 8,620,542,64 2,485,571,23 50,820,788,20 24,936,423,33
) ())))))))))))))))))	Payable On demand In not more than one month In more than one month but not more than three In more than three months but not more than or In more than one year but not more than five years In more than five years Deposits and other accounts Current deposits and other accounts etc.	ne year ars 12.1	1,994,691,488 4,427,195,755 13,041,203,385 10,459,762,873 14,383,975,141 1,974,251,975 46,281,080,617 27,698,304,935	705,527,736 7,216,878,501 15,226,306,606 18,593,409,209 8,620,542,698 2,485,571,239 52,848,235,988 24,837,018,432 1,131,830,685	- 5,392,469,886 10,950,712,667 14,207,182,739 12,078,242,881 1,657,780,956 44,286,389,129 28,274,075,619	128,079,99 7,216,878,50 15,226,306,60 17,143,409,20 8,620,542,64 2,485,571,22 50,820,788,20 24,936,423,35 1,131,830,68
) (()))))))))))))))))	Payable On demand In not more than one month In more than one month but not more than three In more than three months but not more than or In more than one year but not more than five years In more than five years Deposits and other accounts Current deposits and other accounts etc. Bills payable	ne year ars 12.1 12.2	1,994,691,488 4,427,195,755 13,041,203,385 10,459,762,873 14,383,975,141 1,974,251,975 46,281,080,617 27,698,304,935 1,492,231,668	705,527,736 7,216,878,501 15,226,306,606 18,593,409,209 8,620,542,698 2,485,571,239 52,848,235,988 24,837,018,432 1,131,830,685 50,214,304,541	- 5,392,469,886 10,950,712,667 14,207,182,739 12,078,242,881 1,657,780,956 44,286,389,129 28,274,075,619 1,492,231,668	128,079,99 7,216,878,50 15,226,306,60 17,143,409,20 8,620,542,64 2,485,571,22 50,820,788,20 24,936,423,37 1,131,830,68 50,214,304,54
1 (()]]]]]]]]]]]]]]]]]	Payable On demand In not more than one month In more than one month but not more than three In more than three months but not more than or In more than one year but not more than five years In more than five years Deposits and other accounts Current deposits and other accounts etc. Bills payable Savings bank deposits	12.1 12.2 12.3	1,994,691,488 4,427,195,755 13,041,203,385 10,459,762,873 14,383,975,141 1,974,251,975 46,281,080,617 27,698,304,935 1,492,231,668 63,784,873,554 111,289,608,129 37,030,361,579	705,527,736 7,216,878,501 15,226,306,606 18,593,409,209 8,620,542,698 2,485,571,239 52,848,235,988 24,837,018,432 1,131,830,685 50,214,304,541 131,735,401,586 32,061,412,240	- 5,392,469,886 10,950,712,667 14,207,182,739 12,078,242,881 1,657,780,956 44,286,389,129 28,274,075,619 1,492,231,668 63,784,873,554 111,289,608,129 37,516,985,909	128,079,99 7,216,878,50 15,226,306,60 17,143,409,20 8,620,542,64 2,485,571,22 50,820,788,20 24,936,423,37 1,131,830,68 50,214,304,54 131,735,401,58 32,146,167,92
	Payable On demand In not more than one month In more than one month but not more than three In more than three months but not more than or In more than one year but not more than five year In more than five years Deposits and other accounts Current deposits and other accounts etc. Bills payable Savings bank deposits Fixed deposits Special notice deposit (SND) account	12.1 12.2 12.3 12.4	1,994,691,488 4,427,195,755 13,041,203,385 10,459,762,873 14,383,975,141 1,974,251,975 46,281,080,617 27,698,304,935 1,492,231,668 63,784,873,554 111,289,608,129 <u>37,030,361,579</u> 241,295,379,865	705,527,736 7,216,878,501 15,226,306,606 18,593,409,209 8,620,542,698 2,485,571,239 52,848,235,988 24,837,018,432 1,131,830,685 50,214,304,541 131,735,401,586	- 5,392,469,886 10,950,712,667 14,207,182,739 12,078,242,881 1,657,780,956 44,286,389,129 28,274,075,619 1,492,231,668 63,784,873,554 111,289,608,129 37,516,985,909	128,079,99 7,216,878,50 15,226,306,60 17,143,409,20 8,620,542,64 2,485,571,22 50,820,788,20 24,936,423,37 1,131,830,68 50,214,304,54 131,735,401,58 32,146,167,92
	Payable On demand In not more than one month In more than one month but not more than three In more than three months but not more than or In more than one year but not more than five years In more than five years Deposits and other accounts Current deposits and other accounts etc. Bills payable Savings bank deposits Fixed deposits	12.1 12.2 12.3 12.4	1,994,691,488 4,427,195,755 13,041,203,385 10,459,762,873 14,383,975,141 1,974,251,975 46,281,080,617 27,698,304,935 1,492,231,668 63,784,873,554 111,289,608,129 <u>37,030,361,579</u> 241,295,379,865	705,527,736 7,216,878,501 15,226,306,606 18,593,409,209 8,620,542,698 2,485,571,239 52,848,235,988 24,837,018,432 1,131,830,685 50,214,304,541 131,735,401,586 32,061,412,240	- 5,392,469,886 10,950,712,667 14,207,182,739 12,078,242,881 1,657,780,956 44,286,389,129 28,274,075,619 1,492,231,668 63,784,873,554 111,289,608,129 37,516,985,909	128,079,99 7,216,878,50 15,226,306,60 17,143,409,20 8,620,542,64 2,485,571,22 50,820,788,20 24,936,423,37 1,131,830,68 50,214,304,54 131,735,401,58 32,146,167,92
	Payable On demand In not more than one month In more than one month but not more than three In more than three months but not more than or In more than one year but not more than five year In more than five years Deposits and other accounts Current deposits and other accounts etc. Bills payable Savings bank deposits Fixed deposits Special notice deposit (SND) account	12.1 12.2 12.3 12.4	1,994,691,488 4,427,195,755 13,041,203,385 10,459,762,873 14,383,975,141 1,974,251,975 46,281,080,617 27,698,304,935 1,492,231,668 63,784,873,554 111,289,608,129 37,030,361,579 241,295,379,865 es of deposits.	705,527,736 7,216,878,501 15,226,306,606 18,593,409,209 8,620,542,698 2,485,571,239 52,848,235,988 24,837,018,432 1,131,830,685 50,214,304,541 131,735,401,586 32,061,412,240	- 5,392,469,886 10,950,712,667 14,207,182,739 12,078,242,881 1,657,780,956 44,286,389,129 28,274,075,619 1,492,231,668 63,784,873,554 111,289,608,129 37,516,985,909	128,079,99 7,216,878,50 15,226,306,60 17,143,409,20 8,620,542,69 2,485,571,22 50,820,788,20 24,936,423,32 1,131,830,68 50,214,304,54 131,735,401,58 32,146,167,92
] ()]]]]] ((]] (]]]]]]]	Payable On demand In not more than one month In more than one month but not more than three In more than three months but not more than or In more than one year but not more than five years Deposits and other accounts Current deposits and other accounts etc. Bills payable Savings bank deposits Fixed deposits Special notice deposit (SND) account As on the reporting date, the bank had no Bearer Group entity- wise consolidated deposits and o Eastern Bank Limited (Parent)	12.1 12.2 12.3 12.4	1,994,691,488 4,427,195,755 13,041,203,385 10,459,762,873 14,383,975,141 1,974,251,975 46,281,080,617 27,698,304,935 1,492,231,668 63,784,873,554 111,289,608,129 37,030,361,579 241,295,379,865 es of deposits.	705,527,736 7,216,878,501 15,226,306,606 18,593,409,209 8,620,542,698 2,485,571,239 52,848,235,988 24,837,018,432 1,131,830,685 50,214,304,541 131,735,401,586 32,061,412,240 239,979,967,484	- 5,392,469,886 10,950,712,667 14,207,182,739 12,078,242,881 1,657,780,956 44,286,389,129 28,274,075,619 1,492,231,668 63,784,873,554 111,289,608,129 37,516,985,909	128,079,9 7,216,878,50 15,226,306,60 17,143,409,20 8,620,542,6 2,485,571,2 50,820,788,20 24,936,423,3 1,131,830,64 50,214,304,5 131,735,401,54 32,146,167,9
1 (1]]]]]]]]]]]]]]]]]	Payable On demand In not more than one month In more than one month but not more than three In more than three months but not more than or In more than one year but not more than five years Deposits and other accounts Current deposits and other accounts etc. Bills payable Savings bank deposits Fixed deposits Special notice deposit (SND) account As on the reporting date, the bank had no Bearer Group entity- wise consolidated deposits and o	12.1 12.2 12.3 12.4	1,994,691,488 4,427,195,755 13,041,203,385 10,459,762,873 14,383,975,141 1,974,251,975 46,281,080,617 27,698,304,935 1,492,231,668 63,784,873,554 111,289,608,129 <u>37,030,361,579</u> 241,295,379,865 es of deposits. ints: 242,357,774,879	705,527,736 7,216,878,501 15,226,306,606 18,593,409,209 8,620,542,698 2,485,571,239 52,848,235,988 24,837,018,432 1,131,830,685 50,214,304,541 131,735,401,586 32,061,412,240 239,979,967,484	- 5,392,469,886 10,950,712,667 14,207,182,739 12,078,242,881 1,657,780,956 44,286,389,129 28,274,075,619 1,492,231,668 63,784,873,554 111,289,608,129 37,516,985,909	128,079,99 7,216,878,50 15,226,306,60 17,143,409,20 8,620,542,64 2,485,571,22 50,820,788,20 24,936,423,37 1,131,830,68 50,214,304,54 131,735,401,58 32,146,167,92
) ()))))) (() ()) ()))))	Payable On demand In not more than one month In more than one month but not more than three In more than three months but not more than or In more than one year but not more than five years Deposits and other accounts Current deposits and other accounts etc. Bills payable Savings bank deposits Fixed deposits Special notice deposit (SND) account As on the reporting date, the bank had no Bearer Group entity- wise consolidated deposits and o Eastern Bank Limited (Parent)	12.1 12.2 12.3 12.4	1,994,691,488 4,427,195,755 13,041,203,385 10,459,762,873 14,383,975,141 1,974,251,975 46,281,080,617 27,698,304,935 1,492,231,668 63,784,873,554 111,289,608,129 37,030,361,579 241,295,379,865 es of deposits. ints: 242,357,774,879 (1,062,395,014)	705,527,736 7,216,878,501 15,226,306,606 18,593,409,209 8,620,542,698 2,485,571,239 52,848,235,988 24,837,018,432 1,131,830,685 50,214,304,541 131,735,401,586 32,061,412,240 239,979,967,484	- 5,392,469,886 10,950,712,667 14,207,182,739 12,078,242,881 1,657,780,956 44,286,389,129 28,274,075,619 1,492,231,668 63,784,873,554 111,289,608,129 37,516,985,909	128,079,95 7,216,878,50 15,226,306,60 17,143,409,20 8,620,542,69 2,485,571,23 50,820,788,20 24,936,423,37 1,131,830,68 50,214,304,54 131,735,401,58 32,146,167,91

12.1 Current deposits and other accounts

Current deposits Margin on facilities (LC, LG, Acceptance etc.) Interest accrued on deposits

12.2 Bills payable

Payment order issued Demand draft issued

12.3 Savings bank deposits

Transactional deposit accounts Scheme deposit accounts

12.3.a Scheme deposit accounts:

EBL confidence account EBL child future plan account EBL millionaire scheme account EBL millionaire scheme women account EBL aspire account EBL kotipoti account EBL multiplier account Retail equity builder account

12.4 Fixed deposits

Term deposit account RFCD account NFCD account

12.b Deposit concentration

Deposit from banks Deposit from other than banks

12.b.1 Deposit from banks

Bangladesh Development Bank Limited Community Bank Bangladesh Limited First Security Islami Bank Limited Janata Bank Limited Meghna Bank Limited Midland Bank Limited Modhumoti Bank Limited National Bank Limited NCC Bank Limited NRB Bank Limited NRB Commercial Bank Limited One Bank Limited Shimanto Bank Limited Southeast Bank Limited SBAC Bank Limited Standard Bank Limited

Amount in BDT

	Amount in BDT						
	Consol	idated	Ba	nk			
Notes	2020	2019	2020	2019			
	17,705,775,055	14,870,014,217	18,281,545,739	14,969,419,164			
	7,342,052,213	6,128,743,553	7,342,052,213	6,128,743,553			
	2,650,477,668	3,838,260,662	2,650,477,668	3,838,260,662			
	27,698,304,935	24,837,018,432	28,274,075,619	24,936,423,379			
	1,487,310,693	1,126,909,709	1,487,310,693	1,126,909,709			
	4,920,976	4,920,976	4,920,976	4,920,976			
	1,492,231,668	1,131,830,685	1,492,231,668	1,131,830,685			
	52,452,738,036	39,910,578,841	52,452,738,036	39,910,578,841			
12.3.a	11,332,135,518	10,303,725,700	11,332,135,518	10,303,725,700			
12.010	63,784,873,554	50,214,304,541	63,784,873,554	50,214,304,541			
	E / 11 707 000		E / 11 707 000	E 200.0/2.002			
	5,611,737,099	5,290,943,082	5,611,737,099	5,290,943,082			
	884,695,328	721,403,624	884,695,328	721,403,624			
	3,085,513,939	3,092,099,933	3,085,513,939	3,092,099,933			
	281,440,191	91,188,959	281,440,191	91,188,959			
	48,666,535	28,624,862	48,666,535	28,624,862			
	563,331,723	343,846,505	563,331,723	343,846,505			
	660,660,384	487,619,229	660,660,384	487,619,229			
	196,090,319	247,999,506	196,090,319	247,999,506			
	11,332,135,518	10,303,725,700	11,332,135,518	10,303,725,700			
	111,213,240,539	131,652,336,865	111,213,240,539	131,652,336,865			
	4,576,074	5,287,808	4,576,074	5,287,808			
	71,791,516	77,776,914	71,791,516	77,776,914			
	111,289,608,129	131,735,401,586	111,289,608,129	131,735,401,586			
12.b.1	770,743,979	2,556,967,216	770,743,979	2,556,967,216			
	240,524,635,885	237,423,000,268	241,587,030,899	237,607,160,886			
	241,295,379,865	239,979,967,484	242,357,774,879	240,164,128,102			
		<u> </u>					
	130	803,475	130	803,475			
	18,603,660	1,818,749,324	18,603,660	1,818,749,324			
	12,738,812	1,636,393	12,738,812	1,636,393			
	39,152	1,030,393 39,977	39,152	1,030,393 39,977			
	2,794,475	489,151	2,794,475	489,151			
	3,099,572	3,089,114	3,099,572	3,089,114			
	3,099,572	6,035,183	102,014,400	6,035,183			
	102,014,400	156,576	102,014,400	156,576			
	526,501	156,576 525,286	526,501	156,576 525,286			
	43,900,173	47,850,909	43,900,173	47,850,909			
	3,134,530	35,878,657	3,134,530	35,878,657			
	555,942	553,070	555,942	553,070			
	495,494,499	638,221,028	495,494,499	638,221,028			
	24,486	25,430	24,486	25,430			
	87,660,960	2,913,512	87,660,960	2,913,512			
	134	131	134	131			
	770,743,979	2,556,967,216	770,743,979	2,556,967,216			

			Conso	lidated	Ba	nk
		Notes	2020	2019	2020	2019
2.c	Deposits on the basis of significant concentration	on:				
2.c.1	Sector - wise concentration of Deposits and oth	er accoun	Its			
	Government sector		4,553,626,030	3,851,753,266	4,553,626,030	3,851,753,26
	Other public sector		9,707,323,557		9,707,323,557	
	Private sector		227,034,430,278			
				239,979,967,484		
2.c.2	Business segment - wise concentration of Depo	sits and o	ther accounts			
	Corporate banking		57,658,693,263	62,920,837,358	58,721,088,277	63,104,997,97
	Offshore banking		256,695,118	322,291,809	256,695,118	
	Retail and SME (S) banking		181,887,759,816	175,605,007,632		
	Others- Bills Payables		1,492,231,668	1,131,830,685	1,492,231,668	1,131,830,68
				239,979,967,484		
.d	Residual maturity grouping of Deposits					
	From banks					
	Payable:					
	On demand		124,494,573	153,709,792	124,494,573	153,709,79
	Within one month		54,950	1,606,439,641	54,950	1,606,439,64
	In more than one month but less than six month	S	1,434,087	207,304,581	1,434,087	207,304,58
	In more than six months but less than one year		1,347,612	7,119,114	1,347,612	7,119,11
	In more than one year but within five years		643,412,757	582,362,226	643,412,757	582,362,22
	In more than five years but within ten years		770,743,979	2,556,935,354	770,743,979	2,556,935,35
	From other than banks		//0,/43,///	2,330,733,334	//0,/43,///	2,330,733,33
	Payable:					
	On demand		12,081,569,137	13,089,445,074	12,081,569,137	13,089,445,07
	Within one month		16,288,424,397	16,258,645,936	16,864,195,081	16,296,509,35
	In more than one month but less than three mor	nths	37,593,353,104	40,868,984,433	37,669,209,897	40,869,315,92
	In more than three months but less than one year	ır	60,547,792,989	65,442,376,083	60,958,560,526	65,443,241,63
	In more than one year but within five years		112,431,458,610	100,010,667,716	112,431,458,610	100,012,417,24
	In more than five years but within ten years		1,582,037,648	1,752,912,890	1,582,037,648	1,896,263,51
	Total			237,423,032,130 239,979,967,484		
	Unclaimed deposit aging 10 years or more		9,238,075	6,420,902	9,238,075	
						-, -, -,
2	Other lightlities					
3	Other liabilities	101	604 500 100	203 300 701	404 E20 100	E03 200 10
3	Privileged creditors	13.1	696,520,198	593,300,694		
3	Privileged creditors Acquirer liabilities	13.1 13.2	1,308,342,901	954,182,205	1,308,342,901	954,182,20
3	Privileged creditors Acquirer liabilities Sundry creditors		1,308,342,901 114,465,841	954,182,205 75,526,803	1,308,342,901 114,465,841	954,182,20 75,526,80
3	Privileged creditors Acquirer liabilities Sundry creditors Security deposit	13.2	1,308,342,901 114,465,841 6,727,979	954,182,205 75,526,803 6,067,856	1,308,342,901 114,465,841 6,727,979	954,182,20 75,526,80 6,067,85
3	Privileged creditors Acquirer liabilities Sundry creditors Security deposit Current tax liability/(assets)	13.2 13.3	1,308,342,901 114,465,841	954,182,205 75,526,803	1,308,342,901 114,465,841	954,182,20 75,526,80 6,067,85
3	Privileged creditors Acquirer liabilities Sundry creditors Security deposit Current tax liability/(assets) Provision for loans, advances and OBS	13.2	1,308,342,901 114,465,841 6,727,979	954,182,205 75,526,803 6,067,856	1,308,342,901 114,465,841 6,727,979	954,182,20 75,526,80 6,067,85 2,714,902,83
3	Privileged creditors Acquirer liabilities Sundry creditors Security deposit Current tax liability/(assets) Provision for loans, advances and OBS exposures (excluding OBO)	13.2 13.3 13.4	1,308,342,901 114,465,841 6,727,979 1,794,622,024 10,560,988,589	954,182,205 75,526,803 6,067,856 2,779,825,419 9,188,404,596	1,308,342,901 114,465,841 6,727,979 1,771,534,659 10,320,670,886	954,182,20 75,526,80 6,067,85 2,714,902,83 9,111,530,72
3	Privileged creditors Acquirer liabilities Sundry creditors Security deposit Current tax liability/(assets) Provision for loans, advances and OBS exposures (excluding OBO) Provision for loans, advances and OBS	13.2 13.3	1,308,342,901 114,465,841 6,727,979 1,794,622,024	954,182,205 75,526,803 6,067,856 2,779,825,419	1,308,342,901 114,465,841 6,727,979 1,771,534,659	954,182,20 75,526,80 6,067,85 2,714,902,83 9,111,530,72
3	Privileged creditors Acquirer liabilities Sundry creditors Security deposit Current tax liability/(assets) Provision for loans, advances and OBS exposures (excluding OBO) Provision for loans, advances and OBS exposures (OBO)	13.2 13.3 13.4 13.4.a	1,308,342,901 114,465,841 6,727,979 1,794,622,024 10,560,988,589 253,985,199	954,182,205 75,526,803 6,067,856 2,779,825,419 9,188,404,596	1,308,342,901 114,465,841 6,727,979 1,771,534,659 10,320,670,886 253,985,199	954,182,20 75,526,80 6,067,85 2,714,902,83 9,111,530,72
3	Privileged creditors Acquirer liabilities Sundry creditors Security deposit Current tax liability/(assets) Provision for loans, advances and OBS exposures (excluding OBO) Provision for loans, advances and OBS exposures (OBO) Special general provision for Covid-19	13.2 13.3 13.4	1,308,342,901 114,465,841 6,727,979 1,794,622,024 10,560,988,589 253,985,199 602,352,869	954,182,205 75,526,803 6,067,856 2,779,825,419 9,188,404,596 246,897,402	1,308,342,901 114,465,841 6,727,979 1,771,534,659 10,320,670,886 253,985,199 602,352,869	954,182,20 75,526,80 6,067,85 2,714,902,83 9,111,530,72 246,897,40
3	Privileged creditors Acquirer liabilities Sundry creditors Security deposit Current tax liability/(assets) Provision for loans, advances and OBS exposures (excluding OBO) Provision for loans, advances and OBS exposures (OBO) Special general provision for Covid-19 Startup Fund	13.2 13.3 13.4 13.4.a 13.4.b	1,308,342,901 114,465,841 6,727,979 1,794,622,024 10,560,988,589 253,985,199 602,352,869 76,922,811	954,182,205 75,526,803 6,067,856 2,779,825,419 9,188,404,596 246,897,402 -	1,308,342,901 114,465,841 6,727,979 1,771,534,659 10,320,670,886 253,985,199 602,352,869 76,922,811	954,182,20 75,526,80 6,067,85 2,714,902,83 9,111,530,72 246,897,40
3	Privileged creditors Acquirer liabilities Sundry creditors Security deposit Current tax liability/(assets) Provision for loans, advances and OBS exposures (excluding OBO) Provision for loans, advances and OBS exposures (OBO) Special general provision for Covid-19 Startup Fund Interest suspense account	13.2 13.3 13.4 13.4.a 13.4.b 13.5	1,308,342,901 114,465,841 6,727,979 1,794,622,024 10,560,988,589 253,985,199 602,352,869 76,922,811 2,425,163,343	954,182,205 75,526,803 6,067,856 2,779,825,419 9,188,404,596 246,897,402 - - 1,823,520,136	1,308,342,901 114,465,841 6,727,979 1,771,534,659 10,320,670,886 253,985,199 602,352,869 76,922,811 2,233,375,188	954,182,20 75,526,80 6,067,85 2,714,902,83 9,111,530,72 246,897,40 1,653,910,31
3	Privileged creditors Acquirer liabilities Sundry creditors Security deposit Current tax liability/(assets) Provision for loans, advances and OBS exposures (excluding OBO) Provision for loans, advances and OBS exposures (OBO) Special general provision for Covid-19 Startup Fund Interest suspense account Provision for protested bill and others	13.2 13.3 13.4 13.4.a 13.4.b	1,308,342,901 114,465,841 6,727,979 1,794,622,024 10,560,988,589 253,985,199 602,352,869 76,922,811 2,425,163,343 191,142,995	954,182,205 75,526,803 6,067,856 2,779,825,419 9,188,404,596 246,897,402 - - 1,823,520,136 145,373,498	1,308,342,901 114,465,841 6,727,979 1,771,534,659 10,320,670,886 253,985,199 602,352,869 76,922,811 2,233,375,188 191,142,995	954,182,20 75,526,80 6,067,85 2,714,902,83 9,111,530,72 246,897,40 1,653,910,31 145,373,49
3	Privileged creditors Acquirer liabilities Sundry creditors Security deposit Current tax liability/(assets) Provision for loans, advances and OBS exposures (excluding OBO) Provision for loans, advances and OBS exposures (OBO) Special general provision for Covid-19 Startup Fund Interest suspense account Provision for protested bill and others Provision for non-banking assets	13.2 13.3 13.4 13.4.a 13.4.b 13.5 13.6	1,308,342,901 114,465,841 6,727,979 1,794,622,024 10,560,988,589 253,985,199 602,352,869 76,922,811 2,425,163,343 191,142,995 12,345,330	954,182,205 75,526,803 6,067,856 2,779,825,419 9,188,404,596 246,897,402 - - 1,823,520,136 145,373,498 12,345,330	1,308,342,901 114,465,841 6,727,979 1,771,534,659 10,320,670,886 253,985,199 602,352,869 76,922,811 2,233,375,188 191,142,995 12,345,330	954,182,20 75,526,80 6,067,85 2,714,902,83 9,111,530,72 246,897,40 1,653,910,31 145,373,49 12,345,33
3	Privileged creditors Acquirer liabilities Sundry creditors Security deposit Current tax liability/(assets) Provision for loans, advances and OBS exposures (excluding OBO) Provision for loans, advances and OBS exposures (OBO) Special general provision for Covid-19 Startup Fund Interest suspense account Provision for protested bill and others Provision for non-banking assets Provision for rebate to good borrowers	13.2 13.3 13.4 13.4.a 13.4.b 13.5 13.6 13.7	1,308,342,901 114,465,841 6,727,979 1,794,622,024 10,560,988,589 253,985,199 602,352,869 76,922,811 2,425,163,343 191,142,995 12,345,330 46,100,257	954,182,205 75,526,803 6,067,856 2,779,825,419 9,188,404,596 246,897,402 - - 1,823,520,136 145,373,498 12,345,330 46,100,257	1,308,342,901 114,465,841 6,727,979 1,771,534,659 10,320,670,886 253,985,199 602,352,869 76,922,811 2,233,375,188 191,142,995 12,345,330 46,100,257	954,182,20 75,526,80 6,067,85 2,714,902,83 9,111,530,72 246,897,40 1,653,910,31 145,373,49 12,345,33 46,100,25
3	Privileged creditors Acquirer liabilities Sundry creditors Security deposit Current tax liability/(assets) Provision for loans, advances and OBS exposures (excluding OBO) Provision for loans, advances and OBS exposures (OBO) Special general provision for Covid-19 Startup Fund Interest suspense account Provision for protested bill and others Provision for non-banking assets Provision for rebate to good borrowers Provision for loss on revaluation of shares (net)	13.2 13.3 13.4 13.4.a 13.4.b 13.5 13.6	$\begin{array}{c} 1,308,342,901\\ 114,465,841\\ 6,727,979\\ 1,794,622,024\\ 10,560,988,589\\ 253,985,199\\ 602,352,869\\ 76,922,811\\ 2,425,163,343\\ 191,142,995\\ 12,345,330\\ 46,100,257\\ 843,471,722\\ \end{array}$	954,182,205 75,526,803 6,067,856 2,779,825,419 9,188,404,596 246,897,402 - - 1,823,520,136 145,373,498 12,345,330 46,100,257 1,067,654,623	$\begin{array}{c} 1,308,342,901\\ 114,465,841\\ 6,727,979\\ 1,771,534,659\\ 10,320,670,886\\ 253,985,199\\ 602,352,869\\ 76,922,811\\ 2,233,375,188\\ 191,142,995\\ 12,345,330\\ 46,100,257\\ 686,959,533\\ \end{array}$	954,182,20 75,526,80 6,067,85 2,714,902,83 9,111,530,72 246,897,40 1,653,910,31 145,373,49 12,345,33 46,100,25 901,313,53
3	Privileged creditors Acquirer liabilities Sundry creditors Security deposit Current tax liability/(assets) Provision for loans, advances and OBS exposures (excluding OBO) Provision for loans, advances and OBS exposures (OBO) Special general provision for Covid-19 Startup Fund Interest suspense account Provision for protested bill and others Provision for non-banking assets Provision for rebate to good borrowers Provision for loss on revaluation of shares (net) Advance interest/commission received	13.2 13.3 13.4 13.4.a 13.4.b 13.5 13.6 13.7	$\begin{array}{c} 1,308,342,901\\ 114,465,841\\ 6,727,979\\ 1,794,622,024\\ 10,560,988,589\\ 253,985,199\\ 602,352,869\\ 76,922,811\\ 2,425,163,343\\ 191,142,995\\ 12,345,330\\ 46,100,257\\ 843,471,722\\ 59,169,628\\ \end{array}$	954,182,205 75,526,803 6,067,856 2,779,825,419 9,188,404,596 246,897,402 - - 1,823,520,136 145,373,498 12,345,330 46,100,257 1,067,654,623 46,060,675	$\begin{array}{c} 1,308,342,901\\ 114,465,841\\ 6,727,979\\ 1,771,534,659\\ 10,320,670,886\\ 253,985,199\\ 602,352,869\\ 76,922,811\\ 2,233,375,188\\ 191,142,995\\ 12,345,330\\ 46,100,257\\ 686,959,533\\ 55,768,640\\ \end{array}$	954,182,20 75,526,80 6,067,85 2,714,902,83 9,111,530,72 246,897,40 1,653,910,31 145,373,49 12,345,33 46,100,25 901,313,53 36,379,50
3	Privileged creditors Acquirer liabilities Sundry creditors Security deposit Current tax liability/(assets) Provision for loans, advances and OBS exposures (excluding OBO) Provision for loans, advances and OBS exposures (OBO) Special general provision for Covid-19 Startup Fund Interest suspense account Provision for protested bill and others Provision for non-banking assets Provision for rebate to good borrowers Provision for loss on revaluation of shares (net) Advance interest/commission received Expenses payable	13.2 13.3 13.4 13.4.a 13.4.b 13.5 13.6 13.7 13.8	$\begin{array}{c} 1,308,342,901\\ 114,465,841\\ 6,727,979\\ 1,794,622,024\\ 10,560,988,589\\ 253,985,199\\ 602,352,869\\ 76,922,811\\ 2,425,163,343\\ 191,142,995\\ 12,345,330\\ 46,100,257\\ 843,471,722\\ 59,169,628\\ 533,270,894\\ \end{array}$	954,182,205 75,526,803 6,067,856 2,779,825,419 9,188,404,596 246,897,402 - - 1,823,520,136 145,373,498 12,345,330 46,100,257 1,067,654,623 46,060,675 512,872,104	$\begin{array}{c} 1,308,342,901\\ 114,465,841\\ 6,727,979\\ 1,771,534,659\\ 10,320,670,886\\ 253,985,199\\ 602,352,869\\ 76,922,811\\ 2,233,375,188\\ 191,142,995\\ 12,345,330\\ 46,100,257\\ 686,959,533\\ 55,768,640\\ 501,654,571\\ \end{array}$	954,182,20 75,526,80 6,067,85 2,714,902,83 9,111,530,72 246,897,40 1,653,910,31 145,373,49 12,345,33 46,100,25 901,313,53 36,379,50 490,287,58
3	Privileged creditors Acquirer liabilities Sundry creditors Security deposit Current tax liability/(assets) Provision for loans, advances and OBS exposures (excluding OBO) Provision for loans, advances and OBS exposures (OBO) Special general provision for Covid-19 Startup Fund Interest suspense account Provision for protested bill and others Provision for non-banking assets Provision for rebate to good borrowers Provision for loss on revaluation of shares (net) Advance interest/commission received Expenses payable Interest payable on borrowing	13.2 13.3 13.4 13.4.a 13.4.b 13.5 13.6 13.7 13.8 13.9	1,308,342,901 114,465,841 6,727,979 1,794,622,024 10,560,988,589 253,985,199 602,352,869 76,922,811 2,425,163,343 191,142,995 12,345,330 46,100,257 843,471,722 59,169,628 533,270,894 296,900,882	954,182,205 75,526,803 6,067,856 2,779,825,419 9,188,404,596 246,897,402 - - 1,823,520,136 145,373,498 12,345,330 46,100,257 1,067,654,623 46,060,675 512,872,104 545,663,660	$\begin{array}{c} 1,308,342,901\\ 114,465,841\\ 6,727,979\\ 1,771,534,659\\ 10,320,670,886\\ 253,985,199\\ 602,352,869\\ 76,922,811\\ 2,233,375,188\\ 191,142,995\\ 12,345,330\\ 46,100,257\\ 686,959,533\\ 55,768,640\\ 501,654,571\\ 296,863,401\\ \end{array}$	954,182,20 75,526,80 6,067,85 2,714,902,83 9,111,530,72 246,897,40 1,653,910,31 145,373,49 12,345,33 46,100,25 901,313,53 36,379,50 490,287,58 544,808,10
3	Privileged creditors Acquirer liabilities Sundry creditors Security deposit Current tax liability/(assets) Provision for loans, advances and OBS exposures (excluding OBO) Provision for loans, advances and OBS exposures (OBO) Special general provision for Covid-19 Startup Fund Interest suspense account Provision for protested bill and others Provision for non-banking assets Provision for rebate to good borrowers Provision for loss on revaluation of shares (net) Advance interest/commission received Expenses payable Interest payable on borrowing Miscellaneous liabilities/payables	13.2 13.3 13.4 13.4.a 13.4.b 13.5 13.6 13.7 13.8 13.9 13.10	1,308,342,901 114,465,841 6,727,979 1,794,622,024 10,560,988,589 253,985,199 602,352,869 76,922,811 2,425,163,343 191,142,995 12,345,330 46,100,257 843,471,722 59,169,628 533,270,894 296,900,882 990,877,633	954,182,205 75,526,803 6,067,856 2,779,825,419 9,188,404,596 246,897,402 - - 1,823,520,136 145,373,498 12,345,330 46,100,257 1,067,654,623 46,060,675 512,872,104 545,663,660 477,122,524	$\begin{array}{c} 1,308,342,901\\ 114,465,841\\ 6,727,979\\ 1,771,534,659\\ 10,320,670,886\\ 253,985,199\\ 602,352,869\\ 76,922,811\\ 2,233,375,188\\ 191,142,995\\ 12,345,330\\ 46,100,257\\ 686,959,533\\ 55,768,640\\ 501,654,571\\ 296,863,401\\ 850,648,682\\ \end{array}$	954,182,20 75,526,80 6,067,85 2,714,902,83 9,111,530,72 246,897,40 1,653,910,31 145,373,49 12,345,33 46,100,25 901,313,53 36,379,50 490,287,58 544,808,10 469,321,63
3	Privileged creditors Acquirer liabilities Sundry creditors Security deposit Current tax liability/(assets) Provision for loans, advances and OBS exposures (excluding OBO) Provision for loans, advances and OBS exposures (OBO) Special general provision for Covid-19 Startup Fund Interest suspense account Provision for protested bill and others Provision for non-banking assets Provision for rebate to good borrowers Provision for loss on revaluation of shares (net) Advance interest/commission received Expenses payable Interest payable on borrowing Miscellaneous liabilities/payables Lease liabilities (present value of lease payments)	13.2 13.3 13.4 13.4.a 13.4.b 13.5 13.6 13.7 13.8 13.9 13.10 13.11	1,308,342,901 114,465,841 6,727,979 1,794,622,024 10,560,988,589 253,985,199 602,352,869 76,922,811 2,425,163,343 191,142,995 12,345,330 46,100,257 843,471,722 59,169,628 533,270,894 296,900,882 990,877,633 893,842,167	954,182,205 75,526,803 6,067,856 2,779,825,419 9,188,404,596 246,897,402 - - 1,823,520,136 145,373,498 12,345,330 46,100,257 1,067,654,623 46,060,675 512,872,104 545,663,660	$\begin{array}{c} 1,308,342,901\\ 114,465,841\\ 6,727,979\\ 1,771,534,659\\ 10,320,670,886\\ 253,985,199\\ 602,352,869\\ 76,922,811\\ 2,233,375,188\\ 191,142,995\\ 12,345,330\\ 46,100,257\\ 686,959,533\\ 55,768,640\\ 501,654,571\\ 296,863,401\\ 850,648,682\\ 866,681,805\\ \end{array}$	954,182,20 75,526,80 6,067,85 2,714,902,83 9,111,530,72 246,897,40 1,653,910,31 145,373,49 12,345,33 46,100,25 901,313,53 36,379,50 490,287,58 544,808,10 469,321,63 608,816,78
3	Privileged creditors Acquirer liabilities Sundry creditors Security deposit Current tax liability/(assets) Provision for loans, advances and OBS exposures (excluding OBO) Provision for loans, advances and OBS exposures (OBO) Special general provision for Covid-19 Startup Fund Interest suspense account Provision for protested bill and others Provision for non-banking assets Provision for rebate to good borrowers Provision for loss on revaluation of shares (net) Advance interest/commission received Expenses payable Interest payable on borrowing Miscellaneous liabilities/payables	13.2 13.3 13.4 13.4.a 13.4.b 13.5 13.6 13.7 13.8 13.9 13.10	1,308,342,901 114,465,841 6,727,979 1,794,622,024 10,560,988,589 253,985,199 602,352,869 76,922,811 2,425,163,343 191,142,995 12,345,330 46,100,257 843,471,722 59,169,628 533,270,894 296,900,882 990,877,633	954,182,205 75,526,803 6,067,856 2,779,825,419 9,188,404,596 246,897,402 - - 1,823,520,136 145,373,498 12,345,330 46,100,257 1,067,654,623 46,060,675 512,872,104 545,663,660 477,122,524	$\begin{array}{c} 1,308,342,901\\ 114,465,841\\ 6,727,979\\ 1,771,534,659\\ 10,320,670,886\\ 253,985,199\\ 602,352,869\\ 76,922,811\\ 2,233,375,188\\ 191,142,995\\ 12,345,330\\ 46,100,257\\ 686,959,533\\ 55,768,640\\ 501,654,571\\ 296,863,401\\ 850,648,682\\ \end{array}$	75,526,80 6,067,85 2,714,902,83 9,111,530,72 246,897,40 1,653,910,31 145,373,49 12,345,33 46,100,25 901,313,53 36,379,50 490,287,58 544,808,10 469,321,63 608,816,78

13.a Group entity- wise consolidated other liabilities:

Eastern Bank Limited (Parent) EBL Securities Limited EBL Investments Limited EBL Finance (HK) Limited EBL Asset Management Limited

Less: Inter company elimination **Total**

13.1 Privileged creditors (payable to Government)

Tax deducted at source (TDS) VAT deducted at source (VDS) Excise duty deducted from customer accounts

13.2 Acquirer liabilities

These liabilities are temporary in nature arisen from prepaid, debit and credit card transactions. Transactions are settled next day with relevant parties and reconciled monthly. Major balance includes 'Acquirer Cash' which is a liability to relevant parties arisen due to withdrawal of cash by EBL cardholders from Q-Cash/VISA ATMs (not owned by EBL):

Prepaid (Lifestyle, travel etc) card liability Credit card liability Debit card liability Acquirer cash and other liabilities

13.3 Current tax liability / (assets)

Provision for tax

Opening balance Settlement/adjustments for previous years Provision for tax made during the year

Balance of income tax paid

Opening balance Settlement/adjustment for previous years Paid during the year

13.3.1 Income tax expenses / Provision for tax

Current tax expenses Current year Adjustment for prior years

Total income tax expenses

13.3.2 Income tax paid during the year

Withholding tax deducted at source Advance tax paid in cash Advance income tax paid

				Amount in BDT
Notes	Consol	idated	Ba	nk
Notes	2020	2019	2020	2019
	21,315,844,876	18,611,065,064		
	859,721,360	632,090,858		
	145,991,004	94,899,817		
	59,122,410	167,276,293		
	12,970,385	22,816,847		
	22,393,650,035	19,528,148,879		
	89,161,046	(117,385,613)		
	22,482,811,081	19,410,763,266		
	248,934,579	183,609,341	248,934,579	183,609,341
	71 275 953	57 274 421	71 275 953	57 274 421

696,520,198	593,300,694	696,520,198	593,300,694
376,309,666	352,416,932	376,309,666	352,416,932
71,275,953	57,274,421	71,275,953	57,274,421

1,308,342,901	954,182,205	1,308,342,901	954,182,205
156,717,191	123,755,887	156,717,191	123,755,887
176,886,989	123,870,181	176,886,989	123,870,181
27,126,210	43,806,024	27,126,210	43,806,024
947,612,510	662,750,113	947,612,510	662,750,113

	3,924,795,548	2,689,851,171	3,729,199,174	2,448,046,465
	(2,972,339,079)	(1,782,482,621)	(2,959,316,843)	(1,631,332,206)
13.3.1	2,709,205,926	3,017,426,997	2,640,680,434	2,912,484,915
	3,661,662,394	3,924,795,548	3,410,562,765	3,729,199,174
	1,144,970,128	1,173,620,130	1,014,296,336	962,032,784
	(2,968,286,831)	(1,767,691,305)	(2,959,316,843)	(1,631,332,206)
13.3.2	3,690,357,073	1,739,041,304	3,584,048,614	1,683,595,759
	1,867,040,370	1,144,970,128	1,639,028,107	1,014,296,336
	1,794,622,024	2,779,825,419	1,771,534,659	2,714,902,838

2,807,224,189 (98,018,263)	3,233,678,847 (216,251,850)	2,738,698,697 (98,018,263)	3,137,200,267 (224,715,352)
2,709,205,926	3,017,426,997	2,640,680,434	2,912,484,915
291,385,450	228,497,403	282,193,122	179,919,697
3,398,971,623	1,510,543,901	3,301,855,492	1,503,676,062
3,690,357,073	1,739,041,304	3,584,048,614	1,683,595,759

13.3.a Reconciliation of effective tax rate (Bank)

.s.a Reconciliation of effective (ax fate (Bank)	2020		2017	
	%	Taka	%	Taka
Profit before income tax as per profit and loss account		6,690,791,752		6,256,165,081
Income tax as per applicable tax rate	37.5%	2,509,046,907	37.5%	2,346,061,905
Factors affecting the tax charged in current year on non				
deductible expenses	11.79%	789,021,694	16.67%	1,043,176,880
Tax exempted income (on govt. treasury securities)	-7.84%	(524,602,868)	-3.21%	(200,577,158)
Tax savings from reduced tax rates (on dividend income)	-0.36%	(23,994,906)	-0.59%	(37,093,370)
Tax savings from reduced tax rates (on gain on sale of quoted securities)	-0.16%	(10,772,129)	-0.23%	(14,367,989)
Prior year adjustment (release of excess provision for the IY 2016 vs IY 2014 & 2015)	-1.46%	(98,018,263)	-3.59%	(224,715,352)
Deferred tax income (net)	-0.78%	(52,451,737)	-10.62%	(664,461,960)
Total income tax expenses	38.68%	2,588,228,697	35.93%	2,248,022,956

2020

I.3.4 Provision for loans, advances and OBS exposures (excluding OBO) Image: Consumation of the provision movement of the provision movement of the provision movement of the provision charged (net of recovery) for the provision charged (net of recovery) for the provision charged (net of recovery) for the provision held at the end of the provision movement on loans and advances Opening balance Opening balance Provision made during the year 13.4.1 Consumation of the provision movement on loans and advances Opening balance Opening balance Opening balance Provision movement on off-balance sheet exposures Opening balance Provision movement on off-balance sheet exposures Opening balance Provision mode during the year 13.4.1 Consumation of the provision movement on off-balance sheet exposures (scluding the year 13.4.1 Consumation of the provision movement on off-balance sheet exposures (scluding the year 13.4.1 Consumation of the provision movement on off-balance sheet exposures (scluding the year 13.4.1 Consumation off the provision movement on off-balance sheet exposures (scluding the year 13.4.1 Consumation off the provision movement on off-balance sheet exposures (scluding the year 13.4.1 Consumation off the provision movement on off-balance sheet exposures (scluding the year 13.4.1 Consumation off the provision movement on off-balance sheet exposures (scluding the year 13.4.1 Consumation off the provision movement on off-balance sheet exposures (scluding the year 13.4.1 Consumation off the provision movement on off-balance sheet exposures (scluding the year 13.4.1 Consumation off the provision movement on off-balance sheet exposures (scluding the year 13.4.1 Consumation off the provision movement on off-balance sheet exposures (scluding the year 13.4.1	
exposures (excluding OBO) 2020 2019 2020 2019 A) Specific provision movement Opening balance 6,085,752,561 4,195,269,733 6,008,878,691 4,118,39 On fully provided debt written off during the year 6,085,752,561 4,195,269,733 6,008,878,691 4,118,39 On recovery from loans written off earlier 725,759,332 635,666,487 725,759,332 635,66 Specific provision charged (net of recovery) for the year 13.4.1 928,245,166 1,254,816,341 764,801,333 1,254,81 B) General provision movement on loans and advances Opening balance 2,243,972,050 2,081,407,589 2,243,972,050 2,081,407,589 2,243,972,050 2,081,407 Provision held at the end of the year 13.4.1 1,933,422,077 2,243,972,050 2,081,407,589 2,243,972,050 2,081,407 Opening balance 1,933,422,077 2,243,972,050 1,933,422,077 2,243,972,050 2,081,407 C) General provision movement on off-balance sheet exposures Opening balance 858,679,985 976,118,239 858,679,985 976,118	
Opening balance 6,085,752,561 4,195,269,733 6,008,878,691 4,118,39 On fully provided debt written off during the year 725,759,332 635,666,487 725,759,332 635,66 Specific provision charged (net of recovery) for the year 13.4.1 928,245,166 1,254,816,341 764,801,333 1,254,81 Provision held at the end of the year 7,739,757,059 6,085,752,561 7,499,439,355 6,008,878 B) General provision movement on loans and advances 2,243,972,050 2,081,407,589 2,243,972,050 2,081,407 Provision held at the end of the year 13.4.1 1,933,422,077 2,243,972,050 2,081,407,589 2,243,972,050 2,081,407 Provision made during the year 13.4.1 1,933,422,077 2,243,972,050 1,933,422,077 2,243,972,050 2,081,407 Provision held at the end of the year 13.4.1 1,933,422,077 2,243,972,050 1,933,422,077 2,243,972,050 1,933,422,077 2,243,972,050 2,081,407 Opening balance See of the year 1,933,422,077 2,243,972,050 1,933,422,077 2,243,972,050 1,933,422,077 2,243,972,050 1,933,422,077 2,243,972,050 3,976,114 <th></th>	
On recovery from loans written off earlier 725,759,332 635,666,487 725,759,332 635,66 Specific provision charged (net of recovery) for 13.4.1 928,245,166 1,254,816,341 764,801,333 1,254,81 Provision held at the end of the year 7,739,757,059 6,085,752,561 7,499,439,355 6,008,874 B) General provision movement on loans and advances 0pening balance 2,243,972,050 2,081,407,589 2,243,972,050 2,081,407,589 2,243,972,050 2,081,407,589 2,243,972,050 2,081,407,589 2,243,972,050 2,081,407,589 2,243,972,050 2,081,407,589 2,243,972,050 2,081,407,589 2,243,972,050 2,081,407,589 2,243,972,050 2,081,407 2,081,407 2,243,972,050 2,081,407 2,243,972,050 2,081,407 2,243,972,050 2,081,407 2,243,972,050 2,081,407 2,243,972,050 2,081,407 2,243,972,050 2,081,407 2,243,972,050 2,081,407 2,243,972,050 2,081,407 2,243,972,050 2,081,407 2,243,972,050 2,243,972,050 2,243,972,050 2,243,972,050 2,243,972,050 2,243,972,050 2,243,972,050 2,243,972,050 2,243,972,050 2,243,972,050 2,243,972,050	95,862
13.4.1 928,245,166 1,254,816,341 764,801,333 1,254,81 Provision held at the end of the year 7,739,757,059 6,085,752,561 7,499,439,355 6,008,874 B) General provision movement on loans and advances 2,243,972,050 2,081,407,589 2,243,972,050 2,081,407,589 Provision made during the year 13.4.1 13.4.1 13.4.1 13.4.1 13.4.1 Provision held at the end of the year 13.4.1 13.4.1 14.34.1 14.34.1 14.34.1 Provision held at the end of the year 13.4.1 14.34.1 14.33.4.1 14.34.1 14.34.1 Provision held at the end of the year 13.4.1 14.33.4.1 14.34.1 14.33.4.1 14.34.1 Opening balance 14.34.1 14.33.4.1 14.34.1 14.33.4.1 14.34.1 14.34.1 14.34.1 Opening balance 13.4.1 14.33.4.1 14.33.4.1 14.34.1 14.34.1 14.34.1 14.34.1 14.34.1 14.34.1 14.34.1 14.34.1 14.34.1 14.34.1 14.34.1 14.34.1 14.34.1 14.34.1 14.34.1 14.34.1 14.34.1 14.34.1 14.34.1 <td>66,487</td>	66,487
B) General provision movement on loans and advances 2,243,972,050 2,081,407,589 2,243,972,050 2,081,407,589 Opening balance 13.4.1 (310,549,973) 162,564,461 (310,549,973) 162,56 Provision held at the end of the year 1,933,422,077 2,243,972,050 1,933,422,077 2,243,972,050 1,933,422,077 C) General provision movement on off-balance sheet exposures 858,679,985 976,118,239 858,679,985 976,118	16,341
Opening balance 2,243,972,050 2,081,407,589 2,243,972,050 2,081,407,589 2,243,972,050 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 2,081,407,589 1,62,564,461 (310,549,973) 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62,564 1,62	78,691
Provision held at the end of the year 887,809,454 858,679,985 887,809,454 858,679	64,461 72,050 18,239 38,254)
Provision for loans, advances and OBS exposures (excluding OBO) 9,188,404,596 10,320,670,886 9,111,53	30,726
13.4.a Provision for loans, advances and OBS exposures (for OBO)	
General provision on loans and advances 250,597,417 233,788,697 250,597,417 233,78	88,697
	08,706
253,985,199 246,897,402 253,985,199 246,89	7,402

13.4.b Special general provision for Covid-19

	602,352,869	-	602,352,869	-
Special General Provision for Covid-19 (for OBO)	41,872,787	-	41,872,787	-
Special General Provision for Covid-19 (for DBO)	560,480,082	-	560,480,082	-

As per BRPD circular letter no. 56 dated 10 December 2020 and subsequent BB clarification letter ref. BRPD(P-1) 661/13/2021-117 dated 05 January 2021, 1% Special General Provision for Covid 19 has been maintained on outstanding loan balance of BDT 60,235.29 million as on 31-12-2020 for accounts enjoying payment by deferral (PBD) facilities.

Total Provision (SP,GP & Special GP) for loans, advances				
and OBS exposures (Note: 13.4+13.4.a+13.4.b)	11,417,326,656	9,435,301,998	11,177,008,953	9,358,428,128

13.4.a.1 Provision for loans, advances and OBS exposures (including OBO):

General provision on loans and advances Special General Provision for Covid-19 General provision on off-balance sheet exposures Specific provision on loans and advances

13.4.1 Provision for loans and advances charged during the

General Provision on loans and advances Special General Provision for Covid-19 General Provision on off-balance sheet exposures General Provision charged during the year

Specific Provision charged during the year

Recovery from loans written off earlier

Specific Provision (net of recovery) for the year *

 Total Provision for loans and advances charged during the year
 1,043,860,910
 49,290,124
 1,093,151,035
 1,311,293,145
 *Specific provision charged during the year has been presented after netting of recovery from written off loans as per BRPD circular

no. 14, dated 25 June 2003.

13.4.2

2 Calculation of provision for loans and advances (Solo) Ar							Amount in BDT
Nature	Outstanding	Interest suspense	Eligible securities	Base for provision	Required provision	Actual provision	Surplus / (Shortage)
Standard	219,480,207,242	1,127,304,721	-	219,513,238,163	2,740,249,166	2,741,783,660	1,534,494
SMA (Special Mention Account)	1,732,991,015	224,766,106	570,623,146	506,622,521	44,588,703	44,588,703	-
SS (Substandard)	1,032,797,745	200,207,142	289,562,944	568,900,205	119,867,164	119,867,164	-
DF (Doubtful)	287,325,617	47,378,453	87,744,003	153,800,126	123,454,496	1,890,248,586	1,766,794,089
BL (Bad/Loss)	4,906,259,496	633,718,766	1,065,275,867	3,821,853,422	5,489,323,606	5,489,323,606	-
Staff loan	1,504,281,781	-	-	-	-	-	-
Total funded exposures	228,943,862,895	2,233,375,188	2,013,205,960	224,564,414,437	8,517,483,135	10,285,811,718	1,768,328,583
Off-balance sheet exposures	104,060,278,285	-	-		891,197,235	891,197,235	-
Total exposures	333,004,141,180	2,233,375,188	2,013,205,960	224,564,414,437	9,408,680,370	11,177,008,953	1,768,328,583
Domestic Banking Operation (Main Operation)					9,112,822,385	10,881,150,968	1,768,328,583
Offshore Banking Operation					295,857,986	295,857,986	-
Total provision for	loans and advanc	es & OBS expos	ures		9,408,680,370	11,177,008,953	1,768,328,583

*Specific provision BDT 1,766.79 million has been maintained on qualitative ground for certain loan accounts in addition to the requirement to strengthen the base for provision of the bank.

13.5 Interest suspense account

Opening balance Amount transferred during the year Amount recovered during the year* Amount written off during the year** Balance at the end of the year

* Interest receivable on margin loan having negative equity (extended by subsidiaries) is included in the consolidated interest suspense account.

** No loan was written off during the year 2019 and 2020.

13.6 Provision for protested bill and others

Opening balance Provision made during the year Adjusted during the year Balance at the end of the year

2010

Amount in DDT

				Amount in BD1
Consolidated		idated	Bai	nk
Notes	2020	2019	2020	2019
s				
	0 10/ 010 /0/	0 / 99 9 / 0 9 / 9	0.10/ 010 /0/	
	2,184,019,494	2,477,760,747	2,184,019,494	2,477,760,747
	602,352,869	-	602,352,869	-
	891,197,235	871,788,691	891,197,235	871,788,691
	7,739,757,059	6,085,752,561	7,499,439,355	6,008,878,691
	11,417,326,656	9,435,301,998	11,177,008,953	9,358,428,128

•h • ••••	2020 (Ba	nk- Solo)	2020	2019
the year	Onshore	Offshore	Total	Total
	(310,549,973)	17,095,602	(293,454,371)	174,331,665
	560,480,082	41,908,437	602,388,520	-
3	29,129,469	(9,713,915)	19,415,553	(117,854,862)
	279,059,577	49,290,124	328,349,702	56,476,804
	1,490,560,665	-	1,490,560,665	1,890,482,828
	(725,759,332)	-	(725,759,332)	(635,666,487)
	764,801,333	-	764,801,333	1,254,816,341
g the year	1,043,860,910	49,290,124	1,093,151,035	1,311,293,145

2,425,163,343	1,823,520,136	2,233,375,188	1,653,910,317
-	-	-	-
(523,224,921)	(495,743,084)	(523,224,921)	(495,743,084)
1,124,868,127	970,813,015	1,102,689,792	970,813,015
1,823,520,136	1,348,450,204	1,653,910,317	1,178,840,386

191,142,995	145,373,498	191,142,995	145,373,498
(3,776,000)	-	(3,776,000)	-
49,545,498	92,857,498	49,545,498	92,857,498
145,373,498	52,516,000	145,373,498	52,516,000

					Amount in BDT
	Netos	Consoli	dated	Ban	k
	Notes	2020	2019	2020	2019
Provision for rebate to good borrowers					
Opening balance		46,100,257	36,100,257	46,100,257	36,100,257
Provision made during the year		-	10,000,000	-	10,000,000
Balance at the end of the year		46,100,257	46,100,257	46,100,257	46,100,257
Provision for diminution of value of equity securi	ties				
Opening balance		1,067,654,623	447,191,812	901,313,537	361,667,493
Provision (released)/charged during the year		(224,182,900)	620,462,811	(214,354,004)	539,646,044
Balance at the end of the year		843,471,722	1,067,654,623	686,959,533	901,313,537
	Provision for rebate to good borrowers Opening balance Provision made during the year Balance at the end of the year Provision for diminution of value of equity securi Opening balance Provision (released)/charged during the year	Opening balance Provision made during the year Balance at the end of the year Provision for diminution of value of equity securities Opening balance Provision (released)/charged during the year	Notes2020Provision for rebate to good borrowersOpening balance46,100,257Provision made during the year46,100,257Balance at the end of the year46,100,257Provision for diminution of value of equity securitiesOpening balance1,067,654,623Provision (released)/charged during the year(224,182,900)	2020 2019 Provision for rebate to good borrowers Opening balance 46,100,257 Provision made during the year - Balance at the end of the year 46,100,257 Provision for diminution of value of equity securities 46,100,257 Opening balance 1,067,654,623 Provision (released)/charged during the year 1,067,654,623 620,462,811 -	Notes 2020 2019 2020 Provision for rebate to good borrowers - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - <

Provision for diminution (gain net of) of value of quoted shares has been made as per DOS circular no. 4, dated 24 November 2011 and for mutual funds (closed-end) as per DOS circular letter no. 03 dated 12 March 2015 of Bangladesh Bank.

13.9 Interest Payable on Borrowing

Interest payable on Borrowing (including subordinated bond)	246,650,561	438,773,941	246,613,080	364,155,524
Interest payable on Borrowing-Offshore	50,934,485	202,701,077	50,250,321	202,701,077
	297,585,046	641,475,019	296,863,401	566,856,602
Less: Inter unit/ company elimination	(101.111)			
(with int. receivable account)	(684,164)	(95,811,359)	-	(22,048,498)
	296,900,882	545,663,660	296,863,401	544,808,104
13.10 Miscellaneous liabilities/payables				
Received under compromise settlement of	0/ 500 000		0 / 500 000	
classified & w/off loans	84,599,923	57,033,777	84,599,923	57,033,777
NRB remittance payable	159,497,500	104,099,786	159,497,500	104,099,786
Interest suspense for term placement	41,532,917	-	41,532,917	-
Unclaimed dividend account 13.10.a	83,541,076	73,410,772	83,541,076	73,410,772
Other liabilities (FDD payable, unclaimed insturment, etc.)	621,706,218	242,578,189	481,477,267	234,777,297
	990,877,633	477,122,524	850,648,682	469,321,632

13.10.a Unclaimed dividend account

Unclaimed dividend account is the residual amount of declared dividend for the income years 1997 to 2019 which has not yet been paid to or claimed by the shareholders. The bank has been maintaining year-wise separate bank accounts for unclaimed dividends of BDT 83.54 M (as of 31-12-2020) out of which BDT 81.69 M is cash dividend and BDT 1.85 M is the fractional amount of stock dividend.

13.11 Lease liabilities (present value of lease payments)

The bank recognised lease liabilities which is the present value of lease payments to be made over the lease term from the date of commencement or 01 January 2019 (date of initial application), whichever is later. The lease payments include fixed and variable lease payments (less any adjustment for initial payment), and amount is expected to be paid under residual value of guarantees. The lease payments also include the exercise price of purchase option reasonably certain to be exercised by the bank and payment of penalties for terminating the lease. The lease payments have been discounted using Treasury bond rate of similar tenors i.e. 3 -10 years as implicit borrowing rate. For example, 5 years T-bond rate of 8.86% of January 2020 (5.93% of January 2019) has been used for those contracts having weighted average lease tenor of 5 years or more implemented from the date of initial application (01 January 2019).

		Bank-Solo			
13.12 Net defined benefit obligation		Gratuity Fund	Superannuation Fund	2020	2019
Defined benefit obligation	13.12.a	1,752,284,043	168,935,713	1,921,219,756	-
Less: Fair value of plan assets	13.12.b	1,375,802,421	122,636,203	1,498,438,624	-
		376,481,622	46,299,510	422,781,132	-
Opening balance (as per actuarial report)		1,152,711,641	117,371,750	1,270,083,391	-
Interest cost		99,042,152	8,547,463	107,589,615	-
Current service cost		324,659,509	(3,615,250)	321,044,259	-
Paid to outgoing employees		(98,956,009)	(14,520,000)	(113,476,009)	-
Remeasurement loss	13.12.a.1	274,826,750	61,151,750	335,978,500	
		1,752,284,043	168,935,713	1,921,219,756	-

13.12.a.1 Remeasurement loss (as per actuarial report)

Opening balance Remeasurement (gain) on plan assets Remeasurement loss on defined benefit obligation

13.12.b Fair value of plan assets

Opening balance (as per actuarial report) Interest income Contribution to the fund Paid to outgoing employees

13.13 Other liabilities of subsidiaries

Accounts payable (trading) Sundry creditors Dividend payable Provision for Employees Gratuity Fund

Less: Intra group outstanding balances Share trading account Dividend account

Net other liabilities

13.b Nostro Reconciliation

The Bank is not required to keep provision on the aging more than three months.

14 Share Capital

A) Authorized capital 1,200,000,000 ordinary shares of BDT 10 each

B) Issued, subscribed and fully paid up capital Number of Sha fully paid up capital 2020 2 Issued against cash 129,345,000 129,3 Issued as bonus share 682,454,547 682,4 811,799,547 811,7 </tabular

14.1 Slab wise list as on 31 December

Pursuant to clause (cha) of the Memorandum of Association and Article 4 of the Articles of Association of the Bank and clause 4 of BCCI Reconstruction Scheme 1992, the Authorised Capital of the Bank is BDT 12,000,000,000 and issued/subscribed/fully paid up capital is BDT 8,117,995,470 denominated by BDT 10 per share. Detailed break up of paid up capital of BDT 8,117,995,470 as on 31 December 2020 is as follows:

Percentage of group wise shareholding:

	2020			2019		
Shareholders group	No. of shares	% of shareholding	Taka	No of Shares	% of shareholding	Taka
Directors	245,030,885	30.18%	2,450,308,850	256,202,162	31.56%	2,562,021,620
General Public Financial Institutions	479,452,756 87,315,906	59.06% 10.76%	4,794,527,560 873,159,060	467,477,192 88,120,193	57.59% 10.85%	4,674,771,920 881,201,930
Total	811,799,547	100.00%	8,117,995,470	811,799,547	100.00%	8,117,995,470

		Bank	-Solo		
	Gratuity Fund	Superannuation Fund	2020	2019	
	-	-	-	-	
	- 274,826,750	- 61,151,750	- 335,978,500	-	
	274,826,750	61,151,750	335,978,500	-	
	1,152,711,650	117,371,750	1,270,083,400	-	
	81,807,166	5,704,463	87,511,629	-	
	240,239,614	14,079,990	254,319,604	-	
	(98,956,009)	(14,520,000)	(113,476,009)		
;	1,375,802,421	122,636,203	1,498,438,624		
				Amount in BDT	
	Consol	idated	Bank		
	2020	2019	2020	2019	
	353,577,290	259,896,168			
	3,313,054	720,340			
	40,590,480	39,335,760			
	127,515	10,683,018			
	397,608,339	310,635,286			
	(4,201,172)	(4,286,988)			
	(40,590,480)	(39,335,760)			
	(44,791,652)	(43,622,748)			
	352,816,687	267,012,538			

The Bank is not required to keep provision on the unreconciled debit balance as at balance sheet date as there was no debit entry

	12,000,000,000	12,000,000,000	12,000,000,000	12,000,000,000
ares				
2019				
,345,000	1,293,450,000	1,293,450,000	1,293,450,000	1,293,450,000
,454,547	6,824,545,470	6,824,545,470	6,824,545,470	6,824,545,470
,799,547	8,117,995,470	8,117,995,470	8,117,995,470	8,117,995,470

Range-wise distribution of the subscribed share:

Range	No. of shareholders	No. of shares	(%) of shareholding
001-500	3,206	498,927	0.06%
501-5000	2,480	4,010,729	0.49%
5001-10000	304	2,164,577	0.27%
10001-20000	231	3,224,537	0.40%
20001-30000	73	1,836,531	0.23%
30001-40000	41	1,433,913	0.18%
40001-50000	35	1,589,917	0.20%
50001-100000	83	5,764,022	0.71%
100001-1000000	163	55,831,616	6.88%
1000001 and above	88	735,444,778	90.59%
Total	6,704	811,799,547	100.00%

Status of shareholding (shares of EBL) as on 31 December 2020 by CEO, CS, CFO, Head of Internal Control and Compliance and top five salaried executives is shown in the following table:

Name	me Designation	
CEO, CS, CFO & HoICC and their spouses	& minor children:	
Ali Reza Iftekhar	Managing Director & CEO	195,800
Md. Mustafa Haikal Hashmi	DMD & Head of ICC	-
Masudul Hoque Sardar	SEVP & Chief Financial Officer	-
Md. Abdullah Al Mamun	VP & Company Secretary	-
Executives (Top five salaried executives	other than CEO, CS, CFO & HoICC)	
Hassan O. Rashid	Additional Managing Director	-
Ahmed Shaheen	Deputy Managing Director - Corporate Banking	-
M Khurshed Alam	Deputy Managing Director (P&S)	-

Anmed Snaneen	Deputy Managing Director - Corporate Banking	-
M. Khurshed Alam	Deputy Managing Director (P&S)	-
Mehdi Zaman	SEVP & Head of Treasury	-
Riad Mahmud Chowdhury	SEVP & Head of Corporate Business, Dhaka	8,550

Shares held by any shareholder to the extent of 10% or more

				Amount in BDT
Notes	Consol	lidated	Ba	nk
Notes	2020	2019	2020	2019

Nil

14.2 Capital to risk weighted assets ratio (CRAR):

Common Equity Tier -1 Capital				
Paid up capital	8,117,995,470	8,117,995,470	8,117,995,470	8,117,995,470
Statutory reserve	8,117,995,470	8,117,995,470	8,117,995,470	8,117,995,470
General reserve	603,493,370	603,493,370	603,493,370	603,493,370
Dividend equalization reserve	356,040,000	356,040,000	356,040,000	356,040,000
Retained earnings	8,969,072,019	6,002,777,699	8,583,707,111	5,697,244,179
Regulatory adjustments:	26,164,596,329	23,198,302,009	25,779,231,420	22,892,768,489
Goodwill and all other intangible assets (WDV of Software)	(225,786,420)	(191,733,870)	(225,271,226)	(191,039,431)
Reciprocal crossholdings in the CET 1 capital	(170,605,317)	(157,139,616)	(88,255,255)	(78,983,436)
Investment in own CET1 capital (mutual fund)	(43,481,580)	(22,867,930)	(43,481,580)	(22,867,930)
Deferred tax asset (95% as per BB Circular)	(1,955,571,535)	(1,880,778,596)	(1,955,571,535)	(1,880,778,596)
	23,769,151,477	20,945,781,997	23,466,651,825	20,719,099,096
Tier -2 Capital				
General provision	3,677,569,598	3,349,549,437	3,677,569,598	3,349,549,437
Subordinated debt	6,000,000,000	6,500,000,000	6,000,000,000	6,500,000,000
Revaluation reserves	-	2,247,343,035	-	2,247,343,035
	9,677,569,598	12,096,892,472	9,677,569,598	12,096,892,472
Regulatory adjustment:				
Revaluation reserves for fixed assets & securities (100% in 2019)	-	(2,247,343,035)	-	(2,247,343,035)
	9,677,569,598	9,849,549,437	9,677,569,598	9,849,549,437
A. Total regulatory capital	33,446,721,075	30,795,331,434	33,144,221,423	30,568,648,533
B. Total risk weighted assets (RWA)	222,540,458,869	211,624,070,089	217,653,889,659	207,437,099,388
C. Minimum capital requirement (MCR) (10% on B)	22,254,045,887	21,162,407,009	21,765,388,966	20,743,709,939
D. Surplus/(deficiency) [A - C]	11,192,675,188	9,632,924,425	11,378,832,457	9,824,938,594

Capital to risk weighted assets ratio (CRAR)

	Minimum requirement		Consolidated		Solo	
	2020	2019	2020	2019	2020	2019
On Tier-1 capital to RWA	6.00%	6.00%	10.68%	9.90%	10.78%	9.99%
	Against	Against				
	standard of	standard of				
Capital to RWA ratio	minimum 10%	minimum 10%	15.000/	1/ 550/	15 000/	1/ 5/0/
(CRAR)	with capital	with capital	15.03%	14.55%	15.23%	14.74%
	conservation	conservation				
	buffer 2.50%	buffer 2.50%				

Statutory Reserve 15

Opening balance Transferred from profit during the year Closing balance

Dividend equalization reserve 16

"As per BRPD Circular No. 18 dated 20 October 2002, Banks are required to transfer an equal amount of net profit (amount by which cash dividend exceeds 20%) to Dividend Equalization Account while paying cash dividend in excess of 20%. This is treated as 'Core Capital' of the Bank."

Assets revaluation reserve (land and other assets 17

Reserve for revaluation of land properties Reserve for revaluation of treasury securities (HFT) Reserve for amortization of treasury securities (HTM) Reserve against non-banking assets Reserve for fair value of TRECs to EBLSL and Shares of DSE and CSE

17.01 Reserve for revaluation of land properties

This revaluation reserve is made against land properties only. In reality, buyers bear the tax on behalf of sellers at the time of land registration and taxes paid at the time of land registration are final discharge of related tax liability of the seller (bank). Hence, no deferred tax liability has been recognised on land revaluation reserve of the bank. There is no other material temporary timing difference in classified assets/liabilities for which deferred tax asset/liability is required to be accounted for in the year.

17.02 Reserve for revaluation of treasury securities (HFT)

Opening balance Addition during the year Adjustment made during the year Closing balance

on 28 January 2009.

17.03 Reserve for amortization of treasury securities (HTM)

Opening balance Addition during the year Adjustment made during the year Closing balance

on 28 January 2009.

17.04 Reserve against non-banking assets

Opening balance Adjustment made during the year Closing balance

Financial Reports

Amount in BDT

	-			111104111 111 221
Notes	Consol	idated	Bank	
Notes	2020	2019	2020	2019
	8,117,995,470	7,379,995,890	8,117,995,470	7,379,995,890
	-	737,999,580	-	737,999,580
	8.117.995.470	8.117.995.470	8.117.995.470	8.117.995.470

ts)				
17.01	2,476,074,358	2,476,074,358	2,476,074,358	2,476,074,358
17.02	817,134,941	211,787	817,134,941	211,787
17.03	20,221,049	99,989,850	20,221,049	99,989,850
17.04	93,231,165	96,391,165	93,231,165	96,391,165
17.05	85,418,367	85,418,367	-	-
	3,492,079,880	2,758,085,527	3,406,661,513	2,672,667,160

211,787	2,838,449	211,787	2,838,449
1,793,874,362	166,739,430	1,793,874,362	166,739,430
(976,951,208)	(169,366,092)	(976,951,208)	(169,366,092)
817,134,941	211,787	817,134,941	211,787

*As per instruction/circular of Bangladesh Bank vide DOS circular Letter No 05 dated 26 May 2008 and subsequent clarifications

99,989,850	7,092,034	99,989,850	7,092,034
14,358,937	99,035,199	14,358,937	99,035,199
(94,127,738)	(6,137,383)	(94,127,738)	(6,137,383)
20,221,049	99,989,850	20,221,049	99,989,850

*As per instruction/circular of Bangladesh Bank vide DOS circular Letter No 05 dated 26 May 2008 and subsequent clarifications

(3,160,000)	(25,280,000)	(3,160,000)	(25,280,000)
93.231.165	96.391.165	93.231.165	96,391,165
96,391,165	121,671,165	96,391,165	121,671,165

					Amount in BD
	Netze	Consolidated		Ba	ank
	Notes	2020	2019	2020	2019
.05 Reserve for fair value of TRECs to EBLSL and Shar	es of D	SE and CSE			
(held by EBLSL under Demutualization Scheme)					
Fair value of DSE-TREC held by EBLSL		481,427,540	481,427,540		
Fair value of CSE-TREC held by EBLSL		201,500,000	201,500,000		
Fair value of Shares of DSE (5,411,329 shares @ BD	T 10)	113,909,572	113,909,572		
Fair value of Shares of CSE (4,287,330 shares @ BD	T 10)	43,879,755	43,879,755		
		840,716,867	840,716,867		
Less:					
Value of DSE Membership booked earlier		553,798,500	553,798,500		
Value of CSE Membership booked earlier		201,500,000	201,500,000		
		755,298,500	755,298,500		
Revaluation reserve		85,418,367	85,418,367		

18 Actuarial re-measurement gain/(loss) on defined benefit plans

Less: Adjustment with deferred tax assets Closing balance	125,991,938 (209,986,563)	-	125,991,938 (209,986,563)	-
	(335,978,500)	-	(335,978,500)	-
Re-measurement gain/(loss) on defined benefit obligation	(335,978,500)	-	(335,978,500)	
Opening balance			_	_

Actuarial re-measurement gain/(loss) results from increase in the present value of the defined benefit obligation (Gratuity Fund and Superannuation Fund) due to changes in actuarial assumptions and experience adjustment which has been shown as equity component as element of OCI as per IAS 19 'Employee Benefits'.

19 Foreign currency translation difference: [gain/(loss)]

Assets and liabilities of EBL Offshore Banking Operation and EBL Finance (HK) Ltd (on consolidation) have been presented into Taka (which is the functional currency of the Bank) using year-end standard mid rate of exchange of the Bank @ USD 1 = BDT 84.8011 and HKD 1= BDT 10.9704. Yearly incomes and expenses are translated using monthly average exchange rate (USD 1= BDT 84.8733 & HKD 1 =BDT 10.9561). The net cumulative result of the exchange difference has been presented separately as equity component as per IAS 21 (para 39).

Surplus in profit and loss account 20

Closing balance	8,969,072,019	6,002,777,699	8,583,707,111	5,697,244,179
Foreign currency adjustment for offshore	3,612,625	4,833,152	1,599,197	3,542,459
Cash dividend paid	(1,217,699,321)	(1,475,999,178)	(1,217,699,321)	(1,475,999,178)
Bonus share issued	-	(737,999,580)	-	(737,999,580)
Transfer to statutory reserve	-	(737,999,580)	-	(737,999,580)
Profit for the year	4,180,381,016	3,990,393,331	4,102,563,055	4,008,142,125
Opening balance	6,002,777,699	4,959,549,553	5,697,244,179	4,637,557,933

Contingent liabilities: 21

			42,593,184,478	45,008,741,219	42,593,184,478	45,008,741,219
	Acceptances (ULC-Cash)- Offshore Banking Unit		166,286,127	732,175,825	166,286,127	732,175,825
			42,426,898,351	44,276,565,394	42,426,898,351	44,276,565,394
	Acceptances (ULC-Cash)		33,609,098,625	34,994,149,697	33,609,098,625	34,994,149,697
	Acceptances (Back to Back)		8,817,799,726	9,282,415,697	8,817,799,726	9,282,415,697
21.1	Acceptance and endorsements					
			104,060,278,286	99,781,000,677	104,060,278,286	99,781,000,677
	placed (against FCY)	21.0	120,420,401	547,552,775	120,420,401	347,352,775
	Forward assets purchased and forward deposits	21.5	120.428.481	347.552.793	120.428.481	347.552.793
	Bills for collection	21.4	8,032,352,776	7,963,765,179	8,032,352,776	7,963,765,179
	Irrevocable letters of credit	21.3	26,084,696,594	23,139,697,761	26,084,696,594	23,139,697,761
	Letters of guarantee	21.2	27,229,615,956	23,321,243,725	27,229,615,956	23,321,243,725
	Acceptance and endorsements	21.1	42,593,184,478	45,008,741,219	42,593,184,478	45,008,741,219

As per BRPD circular letter no 01 dated 03 January 2018, 1% general provision on Letter of Credit issued in favour of Fast Track Power Projects against LOI under BPDB has been waived. As such, on the reporting date, no general provision on outstanding Acceptance value of BDT 819.26 million issued on account of Fast Track Power Projects has been maintained.

21.2 Letters of guarantees

Directors Government Banks and other financial institutions Others (Customers etc.)

Letters of guarantee-Offshore Banking Unit

As per BRPD circular no 13 dated 18 October 2018, 1% General provision has been maintained against Letter of Guarantee, except those against which counter guarantee has been issued by Multilateral Development Banks/International Banks having BB rating grade equivalent 1 to 4 for which a provision 0% - 1% is required to be maintained.

21.3 Irrevocable letters of credit

Letters of credit - Cash sight Letters of credit - Cash usance Letters of credit - Back to back

Letters of credit (Cash sight)-Offshore Banking Un Letters of credit (Cash usance)-Offshore Banking

As per BRPD circular letter no 01 dated 03 January 2018, 1% general provision on Letter of Credit issued in favour of Fast Track Power Projects against LOI under BPDB has been waived.

21.4 Bills for collection

Foreign Documentary Bills Collection Local Documentary Bills Collection

Bills for collection- Offshore Banking Unit

As per BRPD circular no 07 dated 21 June 2018, 1% general provision on Bills for Collection has been waived. As such no general provision on outstanding Bills for Collection worth BDT 8,032.35 million has been maintained as on the reporting date.

21.5 Forward assets purchased and forward deposits placed (against FCY)

Forward assets purchased Forward deposits placed

maintained.

22 Interest income

Interest on loans and advances Interest on money at call and short notice Interest on placement with banks and financial inst Interest on foreign currency balances

Less: Inter unit/company elimination

23 Interest paid on deposits, borrowings and others

Interest on deposits Interest on borrowings from Banks & FIs Interest on borrowings from BB & others Interest on lease liabilities Interest on Margin Net interest cost (on Gratuity Fund) Net interest cost (on Superannuation Fund)

Less: Inter unit/company elimination

Amount in BDT

				Allount III DD1	
Mataa	Consol	idated	Bank		
Notes	2020	2019	2020	2019	
	100.000		100.000		
	192,900	-	192,900	-	
	513,802,927	514,396,327	513,802,927	514,396,327	
	12,489,452,702	9,767,536,433	12,489,452,702	9,767,536,433	
	14,226,167,427	13,039,310,965	14,226,167,427	13,039,310,965	
	27,229,615,956	23,321,243,725	27,229,615,956	23,321,243,725	
	-	-	-	-	
	27,229,615,956	23,321,243,725	27,229,615,956	23,321,243,725	

	26,084,696,594	23,139,697,761	26,084,696,594	23,139,697,761
Unit	121,043,709	462,392,898	121,043,709	462,392,898
nit	51,448,311	116,301,830	51,448,311	116,301,830
	25,912,204,574	22,561,003,033	25,912,204,574	22,561,003,033
	7,861,022,607	8,171,966,709	7,861,022,607	8,171,966,709
	12,080,839,347	10,268,405,671	12,080,839,347	10,268,405,671
	5,970,342,619	4,120,630,652	5,970,342,619	4,120,630,652

2,998,233,689	3,158,467,141	2,998,233,689	3,158,467,141
4,598,513,118	3,903,674,421	4,598,513,118	3,903,674,421
7,596,746,807	7,062,141,562	7,596,746,807	7,062,141,562
435,605,969	901,623,617	435,605,969	901,623,617
8,032,352,776	7,963,765,179	8,032,352,776	7,963,765,179

120,428,481	347,552,793	120,428,481	347,552,793
-	-	-	-
120,428,481	347,552,793	120,428,481	347,552,793

As per BRPD instruction, 1% general provision on outstanding Forward Assets Purchased worth BDT 120.43 million has been

	13,959,493,913	15,306,369,064	13,737,063,652	15,004,895,176
	(530,626,708)	(766,884,830)	(253,828,364)	(429,546,631)
	14,490,120,621	16,073,253,894	13,990,892,016	15,434,441,808
23.05	2,843,000	-	2,843,000	-
23.04	17,234,986	-	17,234,986	-
	676,183	676,183	676,183	676,183
	66,048,878	34,783,596	64,673,564	33,519,517
23.03	437,825,267	665,766,277	437,825,267	665,766,277
23.02	2,491,691,516	2,711,457,065	1,993,838,225	2,073,909,058
23.01	11,473,800,791	12,660,570,773	11,473,800,791	12,660,570,773
5				
	20,011,368,328	23,583,269,636	19,667,413,756	23,163,605,820
	(530,626,708)	(766,884,830)	(253,828,364)	(429,546,631)
	20,541,995,036	24,350,154,466	19,921,242,120	23,593,152,451
	46,522,533	90,585,501	46,522,533	90,585,501
titutions	1,258,910,739	2,271,859,576	1,243,077,283	2,256,391,854
	19,558,828	31,117,985	19,558,828	30,637,367
	19,217,002,936	21,956,591,405	18,612,083,477	21,215,537,730

						Amount in BDT
		Notes	Consol		Ba	
	• · · · • ·		2020	2019	2020	2019
.01	Interest on deposits					
	Interest on Savings and Currnet Deposits		1,857,457,425	1,719,665,429	1,857,457,425	1,719,665,42
	Interest on Special Notice Deposits (SND)		1,369,155,564	1,753,891,770	1,369,155,564	1,753,891,770
	Interest on Term Deposits		8,247,187,803	9,187,013,573	8,247,187,803	9,187,013,573
			11,473,800,791	12,660,570,773	11,473,800,791	12,660,570,773
.02	Interest on borrowings from Banks & FIs					
	Interest on demand borrowing		674,074,462	934,797,567	456,124,059	501,524,348
	Interest on term borrowing		1,032,807,239	1,317,126,167	752,904,351	1,112,851,379
	Interest on Subordinated Bond		591,279,891	445,712,494	591,279,891	445,712,494
	Inter-bank Repo (Repurchase agreement)		193,529,923	13,820,837	193,529,923	13,820,83
	1 . 1 . 5		2,491,691,516	2,711,457,065	1,993,838,225	2,073,909,05
103	Interest on borrowings from BB & others					
			1 00/ 220	2,231,976	1,994,338	2 221 07.
	Borrowing under IPFF Borrowing under EDF		1,994,338 314,255,725	2,231,976 497,306,329	1,994,338	2,231,970 497,306,329
	Borrowing under LTFF		48,253,089	79,746,779	48,253,089	79,746,77
	Borrowing under BADP (refinance scheme)		10,621,714	15,215,228	10,621,714	15,215,22
	Borrowing under SMESPD (refinance scheme)		38,198,340	43,108,303	38,198,340	43,108,30
	Second Crop Diversification Project		24,082,593	27,140,700	24,082,593	27,140,70
	Borrowing from SME Foundation		419,469	1,016,963	419,469	1,016,96
			437,825,267	665,766,277	437,825,267	665,766,27
.04	Net interest cost (on Gratuity Fund)					
	Interest expense on defined benefit obligation (fo	or	99,042,152	_	99,042,152	
	Gratuity Fund)					
	Less: Interest income on plan assets (for Gratuity	(Fund)	(81,807,166) 17,234,986	-	(81,807,166) 17,234,986	
) NE	Net interest cost (on Superannuation Fund)		1,104,700		17,1204,700	
).05	-					
	Interest expense on defined benefit obligation		8,547,463	-	8,547,463	
	(for Superannuation Fund)		0,047,400		0,047,400	
	Less: Interest income on plan assets (for					
	Superannuation Fund)		(5,704,463)	-	(5,704,463)	
			2,843,000	-	2,843,000	
4	Investment income					
	Dividend income	24.1	152,054,258	162,940,753	137,113,749	211,962,117
	Interest on reverse REPO		18,532,283	184,932,373	18,532,283	184,932,373
	Interest on corporate bonds		455,304,501	208,387,717	455,304,501	208,387,717
	Interest on treasury bonds		2,999,612,074	1,559,232,144	2,999,612,074	1,559,232,144
	Gain from government securities*	24.2	1,777,511,802	696,506,501	1,777,511,802	696,506,50
	(Loss) on revaluation of treasury securities (HFT)*		(378,570,820)	(161,634,079)	(378,570,820)	(161,634,079
	Net Gain/(Loss) on sale of quoted securities		77,101,424	48,719,019	39,171,379	52,247,23
			5,101,545,522	2,699,084,429	5,048,674,967	2,751,634,005
	*As per instruction/circular of Bangladesh Bank 28 January 2009.	vide DOS	circular letter no 0	5 dated 26 May 200)8 and subsequent	t clarifications on
4.1	Dividend Income					
	Eastern bank limited (Parent)		137,113,749	211,962,117		
	EBL securities limited		53,587,216	39,959,282		
	EBL investments limited		2,212,803	3,420,445		
	EBL asset management limited		1,306,813	1,095,323		
	LDL about management minicu		194,220,581	256,437,166		
			1/4,220,001	230,437,100		

(42,166,322)

152,054,258

(93,496,413)

162,940,753

24.2 Gain from government securities

Amount in BDT Consolidated Bank Notes 2020 2019 2020 2019 988,655,817 178,086,606 988,655,817 178,086,606 788,855,985 788,855,985 518,419,895 518,419,895 1,777,511,802 696,506,501 **1,777,511,802** 696,506,501 25.1 2.117.045.300 2.341.920.529 2.052.782.840 2.235.112.790 25.2 1,215,012,691 769,080,548 770,268,476 1,213,103,501 25.3 181,242,188 228,527,953 3,067,368,036 3,785,461,173 2,823,051,316 3,448,216,291 Loan processing fees 212,912,304 304,427,702 212,912,304 304,427,702 421,329,339 Service charges (Periodic & Adhoc) 340,476,876 295,367,503 349,814,224 38,480,163 49,359,270 49,359,270 38,480,163 Early settlement fees Cards fees & charges (net of cards direct expenses) 25.1.a 677,619,620 668,091,727 677,619,620 668,091,727 Commission on general banking (PO, FDD, remittance, etc) 134,725,126 100,448,689 134,725,126 100,448,689 Commission on trade business (LG, LC, Acceptance) 798,263,803 693,678,124 762,971,179 712,831,211 2,117,045,300 2,341,920,529 2,052,782,840 2,235,112,790 **Cards fees and charges:** 190,673,524 Fees and charges (Debit, Prepaid Cards, etc.) 191,123,339 191,123,339 190,673,524 Fees and charges (Credit cards): 274,571,968 249,005,026 274,571,968 249,005,026 Annual and transactional fees 221,676,523 265,429,683 221,676,523 265,429,683 Late payment and overlimit fees Cash advance fees 1,990,370 19,907,562 1,990,370 19,907,562 Interchange reimbursement (IRF) and aquiring fees 160.403.161 203.539.765 160.403.161 203.539.765 Risk assurance premium 107,876,151 106,910,694 107,876,151 106,910,694 Merchant service commission 205,356,283 113,741,310 205,356,283 113,741,310 356,381 356,381 19,897,028 19,897,028 Replacement fees and others 1,163,354,176 1,169,104,592 1,169,104,592 1,163,354,176 **Cards direct expenses** 265,453,706 281,583,640 265,453,706 281,583,640 Membership and Priority Pass Acquiring and IRF charges 148,195,460 87,014,972 148,195,460 87,014,972 53.387.302 Insurance expense 32.270.760 53.387.302 32.270.760 Other service charges (ATM card usage, cash back, reward etc) 39,814,630 79,026,950 39,814,630 79,026,950 485,734,556 501,012,865 485,734,556 501,012,865 Total cards fees and charges (net of direct expenses) 677,619,620 668,091,727 677,619,620 668,091,727 7,447,457,354 2,807,360,806 2,777,871,136 7,416,310,509 2,086,248,727 6,340,396,628 2,055,571,129 6.311.158.973 721,112,079 1,107,060,726 722,300,007 1,105,151,536 75,533,318 158,531,281 75,533,318 158,531,281

25

25.1 Fees, commission and charges:

27,564,849

47,968,469

769,080,548

50,579,316

107,951,965

1,215,012,691

25.2 Exchange gain (net of exchange loss)

Gain from trading in govt. treasury bills/bonds Gain from amortization in govt. treasury bills *As per instruction/circular of Bangladesh Bank vide DOS circular letter no 05 dated 26 May 2008 and subsequent clarifications on 28 January 2009. Commission, exchange and brokerage Fees, commission and charges Exchange gain (net of exchange loss) Brokerage commission 25.1.a Cards fees and charges (net of cards direct expenses): Gain on exchange trading (other than cards business) Less: Exchange loss Exchange gain from cards business

Less: Exchange loss

Total

Less: Elimination-Dividend from EBL finance (HK) limited

Reports Financial

27,564,849

47,968,469

770,268,476

50,579,316

107,951,965

1,213,103,501

						Amount in BDT
		Notes	Consolie	dated	Ban	k
		Notes	2020	2019	2020	2019
25.3	Brokerage commission					
	Brokerage commission (DSE and CSE)		178,464,076	203,499,748		
	Brokerage commission (Dealer)		1,103,787	1,565,698		
	Settlement fees & commission		8,166,370	22,542,993		
	Management & trustee fees		19,800,741	27,521,923		
			207,534,974	255,130,362		
	Less: Direct expenses					
	Laga and Howla charges		15,229,962	18,194,970		
	CDBL charges	_	11,062,824	8,407,439		
			26,292,786	26,602,409		
			181,242,188	228,527,953		
26	Other operating income					
	Rebate earnings		146,724,535	102,463,009	146,724,535	102,463,009
	Postage charges recovered		24,100,520	36,017,962	12,411,059	16,574,457
	Swift charges recovered		57,317,277	62,506,557	57,317,277	62,506,557
	Service charges (others)		7,210,151	9,722,757	7,210,151	9,722,757
	Locker rent		19,407,025	18,652,125	19,407,025	18,652,125
	Gain on disposal of fixed assets		2,668,637	19,164,696	2,540,021	19,164,696
	Other income *	_	88,457,103	9,859,706	86,071,047	9,729,086
			345,885,248	258,386,812	331,681,115	238,812,687

*The lion share of 'Other Income' amounting BDT 80.52 million has been shifted from lapse and forfeiture account of EBL Employees Provident Fund (EEPF). This amount comprises of three components: i. balance of lapse & forfeiture account of EEPF as on 31 Dec 2019: BDT 34.59 million: ii. refunded from the members of the fund which were distributed during the year 2015 to 2019: BDT 42 million; iii. lapsed and forfeited during the year 2020: 3.93 million. This amount has been recognised as other income as per the notification no.179/FRC/FRM/ Notification /2020/2 dated 07 July 2020 issued by Financial Reporting Council (FRC). Lapse & forfeiture amount of BDT 1.57 million of subsidiaries are also included in consolidated 'other income'.

Commission, fees and charges received against export and export related services are VAT exempted as per service code S056 of SRO 189-AIN/2019/46-MUSHAK. dated 13 June 2019.

27 Salary & allowances (excluding those of MD)

		4,073,299,849	3,895,272,859	3,923,591,968	3,739,079,717
Contribution to superannuation fund	27.2	-	8,400,000	-	8,400,000
Contribution to gratuity fund	27.1	-	229,257,635	-	224,567,067
Current Service Cost - Superannuation Fund		(3,615,250)	-	(3,615,250)	-
Current Service Cost - Gratuity Fund		324,900,396	-	324,659,509	-
Contribution to provident fund		128,612,657	120,924,841	125,256,609	116,387,937
Incentive bonus		345,270,038	301,935,525	341,247,312	292,830,367
Festival bonus		267,257,878	208,126,649	260,632,940	201,722,158
Other salary & allowances		1,621,701,245	1,720,743,544	1,570,187,981	1,671,616,727
Basic salary		1,389,172,884	1,305,884,665	1,305,222,867	1,223,555,460

*The number of regular employees engaged for the whole year or part thereof who received a total remuneration of BDT 36,000 p.a. or above were 1,968 at the end of December 2020 and 1,877 at the end of December 2019.

27.1 Contribution to gratuity fund and current service cost (bank only):

Contribution to gratuity fund is made as per actuarial valuation of the fund. Valuation is carried out on 'Projected unit credit method' as recommended by International Accounting Standard (IAS) 19 'Employee Benefits'. Under this method the valuation is done considering both 'future service cost' which an employee shall obtain in normal course of service and 'past service cost' which is the difference between assets built up from past contributions and accrued liabilities (i.e. benefits earned by members as a result of service as of valuation date).

The latest valuation was carried out on 30 September 2020 to be effective from 01 October 2020. Actuary recommended that the bank will continue to contribute at least 18.3% of basic salary into the fund each year until the next actuarial review is done. The bank is maintaining recommended contribution from the effective date.

Current Service Cost:

As recommended by actuary, the Bank charged BDT 142.90 million to Profit & Loss Account in 2020 as Current Service Cost and BDT 181.76 million as past deficit which originated mainly due to change in actuarial assumptions while assessing present value of past service obligation.

27.2 Contribution to superannuation fund and current service cost (bank only):

Contribution to superannuation fund is made as per actuarial valuation of the fund. Valuation is carried out on 'Projected unit credit method' as per International Accounting Standard (IAS) 19 'Employee Benefits' to determine the present value of obligations and the related current service cost and, where applicable past service cost. The amount of obligation is determined on the occurence of certain pre-defined events which is related with employee rank (not salary) and certain threshold level of service being reached i.e. survival or withdrawal probabilities.

The latest valuation was carried out on 30 September 2020 to be effective from 01 October 2020. The actuary recommended a contribution of at least BDT 8.80 million per annum into the fund until the next actuarial review is carried out.

Current Service Cost:

In 2020, the Bank charged BDT 8.8 million to Profit & Loss Account as Current Service Cost and there was no past service cost for plan amendments to be charged as per actuarial recommendation. However, the Bank released BDT 12.42 million in Profit & Loss Account during this year, as fair value of plan assets at the end of prior peirod was higher than the defined benefit obligation which was mainly created due to changes in actuarial assumptions.

Rent, taxes, insurance, utilities etc. 28

Rents, rates and taxes - Premises & Equipments* Insurance premium** Utilities (except telecommunication)

*As per IFRS 16 'Leases', the Bank recorded interest expense on lease liabilities (note 23) and depreciation on RoU assets (note 35) instead of charging rental expense (excluding VAT) of BDT 381.25 million in 2020 (and BDT 190.40 million in 2019) against rented premises treated as lease assets and shown in the balance sheet as RoU assets under note 8.

**The major portion of insurance premium (BDT 142.49 million in 2020 and BDT 123.56 million in 2019) was paid to Bangladesh Bank as per DOS circular letter no 1 dated 10 January 2007 and Circular no. DID-02/2012 dated 02 October 2012 in exchange of coverage of deposits up to certain threshold in case the bank goes bankrupt. The rest of the premium covers Property, Cash security etc.

Legal & professional expenses 29

Professional fees (Consultancy, advisory, certification Professional fees (Loan recovery & Contact point verific Lawyers' professional fees Other legal expenses (Court expense, auction notice

Postage, stamp, telecommunication etc. 30

Telephone - office (including SMS service) Network link, Internet, swift and DR maintenance Postage and courier charges Stamp and court fees

31 Stationery, printing, advertisement, business prov

Printing and stationery Advertisement (Print & electronic media, POC materia Business promotional expenses for Skylounge Business promotional expenses for Priority and oth

32 Managing Director's salary and allowances (Bank

Basic salary Allowances Bonus (Festival and Incentive) Bank's contribution to provident fund

33 Directors' fees and expenses

Meeting attendance fees Other expenses (refreshment, conveyance etc.)

Each director of the Bank was paid for BDT 8,000 as per BRPD circular letter no. 11 dated 4 October 2015 per board or board committee meeting attended in 2020

Notes	Consolidated		Bank		
Notes	2020	2019	2020	2019	

<u>105,616,862</u> 440.047.713	<u>139,573,451</u> 615.896.173	99,819,050 430.005.846	<u>131,974,184</u> 598.044.720
157,256,995	136,661,262	156,523,852	135,891,180
177,173,855	339,661,460	173,662,943	330,179,356

on, etc.)	11,671,868	21,667,070	10,626,072	20,774,588
ication)	759,750	1,593,975	759,750	1,593,975
	21,638,282	34,854,430	21,638,282	34,854,430
ce, etc.)	30,829,547	59,900,515	30,829,547	59,900,515
	64,899,448	118,015,990	63,853,652	117,123,508
	55,898,021	50,027,183	55,661,025	49,724,352
cost	55,118,869	57,554,803	53,428,483	54,901,975
	27,511,253	36,970,778	22,238,238	31,572,474
	439,867	770,076	439,867	770,075
	138,968,011	145,322,840	131,767,614	136,968,876
omotion	ata			
omotion	etc.			
	61,781,205	77,888,361	60,287,697	75,889,945
ials etc.)	41,307,423	48,944,138	38,745,592	48,707,228
	147,814,367	168,295,684	147,814,367	168,295,684
thers	45,934,624	63,207,419	45,165,046	60,580,222
	296,837,619	358,335,602	292,012,702	353,473,079
k only)				
	16,753,065	15,093,548	16,753,065	15,093,548
	4,200,000	4,595,162	4,200,000	4,595,162
	3,700,000	3,420,000	3,700,000	3,420,000
	1,675,307	1,509,355	1,675,307	1,509,355
	26,328,372	24,618,065	26,328,372	24,618,065
	2,486,800	2,333,302	2,024,800	2,145,802
	692,706	2,810,727	692,706	2,810,727
	3,179,506	5,144,029	2,717,506	4,956,529

						Amount in BDT
		Notes	Consolid	lated	Ban	k
		Notes	2020	2019	2020	2019
34	Audit Fees					
	Statutory and corporate governance audit fees		2,314,234	2,186,592	1,072,926	1,232,345
	VAT on audit fees (i.e. 15%)		158,380	157,500	129,130	135,000
			2,472,615	2,344,092	1,202,057	1,367,345
	Audit fees include BDT 212,057 incurred for EBL	Yangon re	presentative office,	Myanmar.		
35	Repairs, maintenance and depreciation					
	Depreciation: (Annexure 'A')					
	Building and floor spaces		35,198,891	35,198,889	35,198,891	35,198,889
	Machinery and equipments		49,445,223	57,163,139	48,529,949	55,600,116
	Computer and network equipments		85,310,584	62,577,219	83,241,163	59,778,850
	Digital banking equipments		16,737,217	18,041,302	16,737,217	18,041,302
	Electromechanical equipments		17,182,622	17,127,780	17,182,622	17,127,780
	Vehicles		34,434,897	30,289,208	29,886,128	25,577,427
	Furniture and fixtures		53,627,435	54,366,234	49,851,838	51,381,764
	Software		61,532,999	61,003,027	61,344,620	60,713,714
	Right of use assets (Lease assets)		369,212,368	190,070,665	344,835,805	170,517,727
			722,682,236	525,837,464	686,808,233	493,937,570
	Repairs, maintenance and spare parts					
	Machinery and equipments		51,481,657	56,822,632	51,249,333	56,370,486
	Vehicles		7,118,158	11,895,521	6,313,777	11,046,494
	Furniture and fixtures		7,559,220	11,084,978	7,541,690	10,834,173
	Rented premises- general		56,634,712	54,280,559	54,643,304	51,766,711
	Rented premises-electricity & lighting		10,090,694	11,208,642	9,802,824	11,100,642
	Computer and network equipments		7,767,380	7,455,524	7,638,244	7,455,524
	Software maintenance		147,381,781	103,012,778	146,171,094	97,983,562
			288,033,602	255,760,634	283,360,266	246,557,592
	Total		1,010,715,838	781,598,098	970,168,499	740,495,162

Due to change in threshold of low value asset from BDT 20 million to BDT 1 million in January 2020 for recording lease assets under IFRS 16 and adding three new contracts, the value of RoU assets increased by BDT 641.22 million and so the depreciation on RoU assets increased significantly in 2020.

36 Other expenses

	Business travelling and conveyance	32,088,502	63,808,513	31,077,544	61,485,295
	Bank charges	43,899,816	66,032,912	41,857,062	64,160,720
	Cards production cost	32,804,797	18,461,667	32,804,797	18,461,667
	POS acquiring expenses/charges	1,400,000	19,651,978	1,400,000	19,651,978
	CSR expenses (including donation)	184,932,469	151,223,386	184,932,469	151,169,045
	Fees and subscriptions	5,644,295	4,760,809	4,754,678	3,690,719
	Recruitment and training expenses	8,641,312	21,018,801	8,543,092	19,980,355
	Entertainment and recreation	22,075,311	44,782,171	19,313,091	38,398,057
	Office securities (Cash carrying, office premises etc.)	150,326,518	135,882,109	149,481,718	135,156,689
	Business and internal events	6,806,266	17,595,324	6,806,266	17,595,324
	Reward and recognition	40,482,724	11,926,995	40,482,724	11,926,995
	Sales and collection commision (DST, Agency, Dealers)	59,008,466	105,030,129	59,008,466	105,030,129
	Expense for EBL Sub-ordinated bond	8,304,375	6,461,299	8,304,375	6,461,299
	Other operating expenses (uniform, freight, books, shares etc)	13,769,996	18,150,932	11,061,913	18,116,584
	Other expenses of subsidiaries 36.1	4,625,923	10,526,387	-	-
		614,810,771	695,313,413	599,828,196	671,284,857
36.1	Other expenses of subsidiaries				
	Registration, renewal & IPO expense	345,978	436,911		
	Guarantee premium	3,498,517	9,609,688		
	Other administration expenses	781,428	479,788		
	-	4,625,923	10,526,387		

Expenses incurred by the bank shown in these financial statements are inclusive of VAT where applicable as per VAT and Supplementary Duty Act 2012 and rules 2016.

37 Other provisions

Provision charged for protested bill & others Provision for rebate to good borrowers Provision for startup fund Provision on revaluation of equity securities

38 Deferred tax expense/(income) (net)

Deferred tax (income) Deferred tax expense

Earnings per share 39

Earnings per share (EPS) has been computed by dividing the profit after tax (PAT) by the weighted average number of ordinary shares outstanding as on 31 December 2020 as per IAS- 33 "Earnings Per Share". Diluted EPS was not required to calculate as there was no dilution possibilities during the year.

Number of shares before bonus share issued Bonus shares issued

Α. Weighted average number of ordinary shares outstar

В. Earnings Per Share (EPS) :

Net profit attributable to the shareholders of EBL Number of ordinary shares outstanding : Earnings per share (EPS)

Changes in other assets (Cash flow item) 40

Opening Balance:

TREC of DSE (in exchange of membership license) TREC of CSE (in exchange of membership license) Receivable from subsidiaries Stock of stationeries Stamps on hand Advance to staff for expenses Security deposits-govt. agencies Interest and dividend receivables Sundry receivables Advance rent Prepayments and advance to vendors Deferred tax assets (net of liabilities) Other assets of subsidiaries

Closing Balance:

Investment in DSE (TREC and Shares of DSE) Investment in CSE (TREC and Shares of CSE) Receivable from subsidiaries Stock of stationeries Stamps on hand Advance to staff for expenses Security deposits-govt. agencies Interest and dividend receivables Sundry receivables Advance rent Prepayments and advance to vendors Deferred tax assets (net of liabilities) Other assets of subsidiaries

Adjustment for other non-cash items Net cash changes in other assets

Amount in RDT

				Allount III DD I
Notes	Consol	idated	Ba	nk
Notes	2020	2019	2020	2019
13.6	45,769,498	92,857,498	45,769,498	92,857,498
13.7	-	10,000,000	-	10,000,000
37.1	76,922,811	-	76,922,811	-
13.8	(224,182,900)	620,462,814	(214,354,004)	539,646,044
	(101,490,592)	723,320,312	(91,661,696)	642,503,542

37.1 As per BB SMESPD circular no. 04 dated 29 March 2021, 1% of operating profit-2020 has been kept as startup fund under other liability.

	(149,577,739)	(664,461,960)	(52,451,737)	(664,461,960)
9.10.c	26,396,412	29,460,005	26,277,672	29,460,005
9.10.b	(175,974,151)	(693,921,966)	(78,729,409)	(693,921,966)

2020 2019 2020 2019 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 4,180,381,016 3,990,393,333 4,102,563,055 4,008,142,126 811,799,548 811,799,548 811,799,548 811,799,548 5,15 4,92 5,05 4,94 1 595,337,112 595,337,112 - 245,379,755 245,379,755 - - 301,986 3,474,945 252,950 3,356,626 11,637,804 11,596,802 7,359,364 7,319,364 964,781,342 616,640,214 754,902,614 450,402,14 216,938,429 334,548,100 216,803,826 331,998,090 161,824,574 94,372,970 158,371,686 93,433,386 1,875,161,824 1,210,699,864 1,875,161,824 1,210,699,864 1,875,161,824 1,210,697,285 12,191,604 15,097,285 1,2191,604 15,097,285<		Consoli	dated	Bar	ık
anding: 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,799,548 811,791,813,713				2020	2019
4,180,381,016 811,799,548 3,990,393,333 811,799,548 4,102,563,055 811,799,548 4,008,142,126 811,799,548 5,15 4,92 5,05 4,008,142,126 811,799,548 5,15 4,92 5,05 4,94 5,05 245,379,755 - - 245,379,755 245,379,755 - - 5,600,093 5,628,551 5,582,843 5,588,511 301,986 3,474,945 252,950 3,356,626 11,637,804 11,596,802 7,359,364 7,319,364 964,781,342 616,646,229 1,046,980,398 698,189,196 755,995,261 465,640,214 754,902,561 450,440,214 216,803,829 33,4548,100 21,680,826 331,998,090 161,824,574 94,372,970 158,371,686 93,433,86 1,875,161,824 1,210,699,864 1,875,161,824 1,210,699,864 1,833,460 31,186,399 - - 4,869,888,926 3,631,641,088 4,084,037,173 2,824,949,826 595,337,112 595,337,112 -		811,799,548	811,799,548	811,799,548	811,799,548
811,799,548 811,799,548 811,799,548 811,799,548 5.15 4.92 5.05 4.94 5 5 245,379,755 245,379,755 - - - 2 245,379,755 245,379,755 . - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -	nding :	811,799,548	811,799,548	811,799,548	811,799,548
811,799,548 811,799,548 811,799,548 811,799,548 5.15 4.92 5.05 4.94 5 5 245,379,755 245,379,755 - - - 2 245,379,755 245,379,755 . - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -					
5.15 4.92 5.05 4.94 595,337,112 595,337,112 - - - 245,379,755 245,379,755 - - - - 245,379,755 245,379,755 - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -		4,180,381,016	3,990,393,333	4,102,563,055	4,008,142,126
595,337,112 595,337,112 - 245,379,755 245,379,755 - - - - 3,527,436 6,794,437 15,097,285 17,130,137 15,097,285 17,130,137 5,600,093 5,628,561 5,582,843 5,588,511 301,986 3,474,945 252,950 3,356,626 11,637,804 11,596,802 7,359,364 7,319,364 964,781,342 616,646,229 1,046,980,398 698,189,196 755,995,261 465,640,214 754,902,561 450,440,214 216,938,429 334,548,100 216,800,826 331,980,909 161,824,574 94,372,970 158,371,686 93,433,386 1,875,161,824 1,210,699,864 1,875,161,824 1,210,699,864 21,833,460 31,186,399 - - 245,379,755 245,379,755 - - - - 3,205,113 3,527,436 12,191,604 15,097,285 12,191,604 15,097,285 4,791,068 5,600,093 </th <th></th> <td>811,799,548</td> <td>811,799,548</td> <td>811,799,548</td> <td>811,799,548</td>		811,799,548	811,799,548	811,799,548	811,799,548
245,379,755 245,379,755 - - 3,527,436 6,794,437 15,097,285 17,130,137 15,097,285 17,130,137 5,600,093 5,628,561 5,582,843 5,588,511 301,986 3,474,945 252,950 3,356,626 11,637,804 11,596,802 7,359,364 7,319,364 964,781,342 616,646,229 1,046,980,398 698,189,196 755,995,261 465,640,214 754,902,561 450,440,214 216,938,429 334,548,100 216,800,826 331,998,090 161,824,574 94,372,970 158,371,686 93,433,386 1,875,161,824 1,210,699,864 1,875,161,824 1,210,699,864 245,379,755 245,379,755 - - - - 3,205,113 3,527,436 12,191,604 15,097,285 12,191,604 15,097,285 12,191,604 15,097,285 12,191,604 15,097,384 12,191,604 15,097,285 12,191,604 15,097,384 12,191,604		5.15	4.92	5.05	4.94
245,379,755 245,379,755 - - 3,527,436 6,794,437 15,097,285 17,130,137 15,097,285 17,130,137 5,600,093 5,628,561 5,582,843 5,588,511 301,986 3,474,945 252,950 3,356,626 11,637,804 11,596,802 7,359,364 7,319,364 964,781,342 616,646,229 1,046,980,398 698,189,196 755,995,261 465,640,214 754,902,561 450,440,214 216,938,429 334,548,100 216,800,826 331,998,090 161,824,574 94,372,970 158,371,686 93,433,386 1,875,161,824 1,210,699,864 1,875,161,824 1,210,699,864 245,379,755 245,379,755 - - - - 3,205,113 3,527,436 12,191,604 15,097,285 12,191,604 15,097,285 12,191,604 15,097,285 12,191,604 15,097,384 12,191,604 15,097,285 12,191,604 15,097,384 12,191,604					
245,379,755 245,379,755 - - 3,527,436 6,794,437 15,097,285 17,130,137 15,097,285 17,130,137 5,600,093 5,628,561 5,582,843 5,588,511 301,986 3,474,945 252,950 3,356,626 11,637,804 11,596,802 7,359,364 7,319,364 964,781,342 616,646,229 1,046,980,398 698,189,196 755,995,261 465,640,214 754,902,561 450,440,214 216,938,429 334,548,100 216,800,826 331,998,090 161,824,574 94,372,970 158,371,686 93,433,386 1,875,161,824 1,210,699,864 1,875,161,824 1,210,699,864 245,379,755 245,379,755 - - - - 3,205,113 3,527,436 12,191,604 15,097,285 12,191,604 15,097,285 12,191,604 15,097,285 12,191,604 15,097,384 12,191,604 15,097,285 12,191,604 15,097,384 12,191,604)	595.337.112	595.337.112	-	-
- - 3,527,436 6,794,437 15,097,285 17,130,137 15,097,285 17,130,137 5,600,093 5,628,561 5,582,843 5,588,511 301,986 3,474,945 252,950 3,356,626 11,637,804 11,596,802 7,359,364 7,319,364 964,781,342 616,646,229 1,046,980,398 698,189,196 755,995,261 465,640,214 754,902,561 450,440,214 216,938,429 334,548,100 216,800,826 331,998,090 161,824,574 94,372,970 158,371,686 93,433,386 1,875,161,824 1,210,699,864 1,875,161,824 1,210,699,864 21,833,460 31,186,399 - - 245,379,755 245,379,755 - - - - 3,205,113 3,527,436 12,191,604 15,097,285 12,191,604 15,097,285 12,191,604 15,097,285 12,191,604 15,097,285 15,992,392 11,637,804 7,524,224 7,359,364)			-	-
5,600,093 5,628,561 5,582,843 5,588,511 301,986 3,474,945 252,950 3,356,626 11,637,804 11,596,802 7,359,364 7,319,364 964,781,342 616,646,229 1,046,980,398 698,189,196 755,995,261 465,640,214 754,902,561 450,440,214 216,938,429 334,548,100 216,800,826 331,998,090 161,824,574 94,372,970 158,371,686 93,433,386 1,875,161,824 1,210,699,864 1,875,161,824 1,210,699,864 21,833,460 31,186,399 - - 245,379,755 245,379,755 - - 245,379,755 245,379,755 - - - 3,205,113 3,527,436 12,191,604 15,097,285 12,191,604 15,097,285 4,791,068 5,600,093 4,781,918 5,582,843 40,000 301,986 40,000 252,950 15,992,392 11,637,804 7,524,224 7,359,364 1,343,478,795		-	-	3,527,436	6,794,437
301,986 3,474,945 252,950 3,356,626 11,637,804 11,596,802 7,359,364 7,319,364 964,781,342 616,646,229 1,046,980,398 698,189,196 755,995,261 465,640,214 754,902,561 450,440,214 216,938,429 334,548,100 216,800,826 331,998,090 161,824,574 94,372,970 158,371,686 93,433,386 1,875,161,824 1,210,699,864 1,875,161,824 1,210,699,864 21,833,460 31,186,399 - - 4,869,888,926 3,631,641,088 4,084,037,173 2,824,949,826 595,337,112 595,337,112 - - 245,379,755 245,379,755 - - - 3,205,113 3,527,436 12,191,604 15,097,285 12,191,604 15,097,285 4,791,068 5,600,093 4,781,918 5,582,843 40,000 301,986 40,000 252,950 15,992,392 11,637,804 7,524,224 7,359,364 1,343,		15,097,285	17,130,137	15,097,285	17,130,137
11,637,804 11,596,802 7,359,364 7,319,364 964,781,342 616,646,229 1,046,980,398 698,189,196 755,995,261 465,640,214 754,902,561 450,440,214 216,938,429 334,548,100 216,800,826 331,998,090 161,824,574 94,372,970 158,371,686 93,433,386 1,875,161,824 1,210,699,864 1,875,161,824 1,210,699,864 21,833,460 31,186,399 - - 4,869,888,926 3,631,641,088 4,084,037,173 2,824,949,826 595,337,112 595,337,112 - - 245,379,755 245,379,755 - - - 3,205,113 3,527,436 12,191,604 15,097,285 12,191,604 15,097,285 4,791,068 5,600,093 4,781,918 5,582,843 40,000 301,986 40,000 252,950 15,992,392 11,637,804 7,524,224 7,359,364 1,343,478,795 964,781,342 1,364,453,355 1,046,980,398 1,254,018,166 755,995,261 1,238,042,671 754,902,561		5,600,093	5,628,561	5,582,843	5,588,511
964,781,342 616,646,229 1,046,980,398 698,189,196 755,995,261 465,640,214 754,902,561 450,440,214 216,938,429 334,548,100 216,800,826 331,998,090 161,824,574 94,372,970 158,371,686 93,433,386 1,875,161,824 1,210,699,864 1,875,161,824 1,210,699,864 21,833,460 31,186,399 - - 4,869,888,926 3,631,641,088 4,084,037,173 2,824,949,826 595,337,112 595,337,112 - - 245,379,755 245,379,755 - - - - 3,205,113 3,527,436 12,191,604 15,097,285 12,191,604 15,097,285 4,791,068 5,600,093 4,781,918 5,582,843 40,000 301,986 40,000 252,950 15,992,392 11,637,804 7,524,224 7,359,364 1,343,478,795 964,781,342 1,364,453,355 1,046,980,398 1,254,018,166 755,995,261 1,238,042,671 754,902,561 44,416,462 216,938,429 44,179,987		301,986	3,474,945	252,950	3,356,626
755.995,261 465,640,214 754,902,561 450,440,214 216,938,429 334,548,100 216,800,826 331,998,090 161,824,574 94,372,970 158,371,686 93,433,386 1,875,161,824 1,210,699,864 1,875,161,824 1,210,699,864 21,833,460 31,186,399 - - 4,869,888,926 3,631,641,088 4,084,037,173 2,824,949,826 595,337,112 595,337,112 - - 245,379,755 245,379,755 - - - - 3,205,113 3,527,436 12,191,604 15,097,285 12,191,604 15,097,285 4,791,068 5,600,093 4,781,918 5,582,843 40,000 301,986 40,000 252,950 15,992,392 11,637,804 7,524,224 7,359,364 1,343,478,795 964,781,342 1,364,453,355 1,046,980,398 1,254,018,166 755,995,261 1,238,042,671 754,902,561 44,416,462 216,938,429 44,179,987 216,800,826 207,308,251 161,824,574 203,703,188 15		11,637,804	11,596,802	7,359,364	7,319,364
216,938,429 334,548,100 216,800,826 331,998,090 161,824,574 94,372,970 158,371,686 93,433,386 1,875,161,824 1,210,699,864 1,875,161,824 1,210,699,864 21,833,460 31,186,399 - - 4,869,888,926 3,631,641,088 4,084,037,173 2,824,949,826 595,337,112 595,337,112 - - 245,379,755 245,379,755 - - - - 3,205,113 3,527,436 12,191,604 15,097,285 12,191,604 15,097,285 4,791,068 5,600,093 4,781,918 5,582,843 40,000 301,986 40,000 252,950 15,992,392 11,637,804 7,524,224 7,359,364 1,343,478,795 964,781,342 1,364,453,355 1,046,980,398 1,254,018,166 755,995,261 1,238,042,671 754,902,561 44,416,462 216,938,429 44,179,987 216,800,826 207,308,251 161,824,574 203,703,188 158,371,686 2,150,731,502 1,875,161,824 2,053,605,499		964,781,342	616,646,229	1,046,980,398	698,189,196
161,824,574 94,372,970 158,371,686 93,433,386 1,875,161,824 1,210,699,864 1,875,161,824 1,210,699,864 21,833,460 31,186,399 - - 4,869,888,926 3,631,641,088 4,084,037,173 2,824,949,826 595,337,112 595,337,112 - - 245,379,755 245,379,755 - - - 3,205,113 3,527,436 12,191,604 15,097,285 12,191,604 15,097,285 4,791,068 5,600,093 4,781,918 5,582,843 40,000 301,986 40,000 252,950 15,992,392 11,637,804 7,524,224 7,359,364 1,343,478,795 964,781,342 1,364,453,355 1,046,980,398 1,254,018,166 755,995,261 1,238,042,671 754,902,561 44,416,462 216,938,429 44,179,987 216,800,826 207,308,251 161,824,574 203,703,188 158,371,686 2,150,731,502 1,875,161,824 2,053,605,499 1,875,161,824 <		755,995,261	465,640,214	754,902,561	450,440,214
1,875,161,824 1,210,699,864 1,875,161,824 1,210,699,864 21,833,460 31,186,399 - - 4,869,888,926 3,631,641,088 4,084,037,173 2,824,949,826 595,337,112 595,337,112 - - 245,379,755 245,379,755 - - - 3,205,113 3,527,436 12,191,604 15,097,285 12,191,604 15,097,285 4,791,068 5,600,093 4,781,918 5,582,843 40,000 301,986 40,000 252,950 15,992,392 11,637,804 7,524,224 7,359,364 1,343,478,795 964,781,342 1,364,453,355 1,046,980,398 1,254,018,166 755,995,261 1,238,042,671 754,902,561 44,416,462 216,938,429 44,179,987 216,800,826 207,308,251 161,824,574 203,703,188 158,371,686 2,150,731,502 1,875,161,824 2,053,605,499 1,875,161,824 42,831,627 21,833,460 - -		216,938,429	334,548,100	216,800,826	331,998,090
21,833,460 31,186,399 - - 4,869,888,926 3,631,641,088 4,084,037,173 2,824,949,826 595,337,112 595,337,112 - - 245,379,755 245,379,755 - - 245,379,755 245,379,755 - - 12,191,604 15,097,285 12,191,604 15,097,285 4,791,068 5,600,093 4,781,918 5,582,843 40,000 301,986 40,000 252,950 15,992,392 11,637,804 7,524,224 7,359,364 1,343,478,795 964,781,342 1,364,453,355 1,046,980,398 1,254,018,166 755,995,261 1,238,042,671 754,902,561 44,416,462 216,938,429 44,179,987 216,800,826 207,308,251 161,824,574 203,703,188 158,371,686 2,150,731,502 1,875,161,824 2,053,605,499 1,875,161,824 42,831,627 21,833,460 - - 5,916,516,734 4,869,888,926 4,931,727,559 4,084,037,174		161,824,574	94,372,970	158,371,686	93,433,386
4,869,888,926 3,631,641,088 4,084,037,173 2,824,949,826 595,337,112 595,337,112 - - 245,379,755 245,379,755 - - - - 3,205,113 3,527,436 12,191,604 15,097,285 12,191,604 15,097,285 4,791,068 5,600,093 4,781,918 5,582,843 40,000 301,986 40,000 252,950 15,992,392 11,637,804 7,524,224 7,359,364 1,343,478,795 964,781,342 1,364,453,355 1,046,980,398 1,254,018,166 755,995,261 1,238,042,671 754,902,561 44,416,462 216,938,429 44,179,987 216,800,826 207,308,251 161,824,574 203,703,188 158,371,686 2,150,731,502 1,875,161,824 2,053,605,499 1,875,161,824 42,831,627 21,833,460 - - 5,916,516,734 4,869,888,926 4,931,727,559 4,084,037,174 352,140,048 327,688,257 289,298,839 3				1,875,161,824	1,210,699,864
595,337,112 595,337,112 - - 245,379,755 245,379,755 - - - 245,379,755 245,379,755 - - - 12,191,604 15,097,285 12,191,604 15,097,285 4,791,068 5,600,093 4,781,918 5,582,843 40,000 301,986 40,000 252,950 15,992,392 11,637,804 7,524,224 7,359,364 1,343,478,795 964,781,342 1,364,453,355 1,046,980,398 1,254,018,166 755,995,261 1,238,042,671 754,902,561 44,416,462 216,938,429 44,179,987 216,800,826 207,308,251 161,824,574 203,703,188 158,371,686 2,150,731,502 1,875,161,824 2,053,605,499 1,875,161,824 42,831,627 21,833,460 - - 5,916,516,734 4,869,888,926 4,931,727,559 4,084,037,174 352,140,048 327,688,257 289,298,839 391,213,618			and the second	-	-
245,379,755245,379,755-245,379,7553,205,1133,527,43612,191,60415,097,28512,191,60415,097,2854,791,0685,600,0934,781,9185,582,84340,000301,98640,000252,95015,992,39211,637,8047,524,2247,359,3641,343,478,795964,781,3421,364,453,3551,046,980,3981,254,018,166755,995,2611,238,042,671754,902,56144,416,462216,938,42944,179,987216,800,826207,308,251161,824,574203,703,188158,371,6862,150,731,5021,875,161,8242,053,605,4991,875,161,82442,831,62721,833,4605,916,516,734327,688,257289,298,839391,213,618		4,869,888,926	3,631,641,088	4,084,037,173	2,824,949,826
245,379,755245,379,755-245,379,7553,205,1133,527,43612,191,60415,097,28512,191,60415,097,2854,791,0685,600,0934,781,9185,582,84340,000301,98640,000252,95015,992,39211,637,8047,524,2247,359,3641,343,478,795964,781,3421,364,453,3551,046,980,3981,254,018,166755,995,2611,238,042,671754,902,56144,416,462216,938,42944,179,987216,800,826207,308,251161,824,574203,703,188158,371,6862,150,731,5021,875,161,8242,053,605,4991,875,161,82442,831,62721,833,4605,916,516,734327,688,257289,298,839391,213,618					
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4,791,0685,600,0934,781,9185,582,84340,000301,98640,000252,95015,992,39211,637,8047,524,2247,359,3641,343,478,795964,781,3421,364,453,3551,046,980,3981,254,018,166755,995,2611,238,042,671754,902,56144,416,462216,938,42944,179,987216,800,826207,308,251161,824,574203,703,188158,371,6862,150,731,5021,875,161,8242,053,605,4991,875,161,82442,831,62721,833,4605,916,516,7344,869,888,9264,931,727,5594,084,037,174352,140,048327,688,257289,298,839391,213,618		-	-		
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5,916,516,7344,869,888,9264,931,727,5594,084,037,174352,140,048327,688,257289,298,839391,213,618				2,003,000,479	1,070,101,024
<u>352,140,048</u> 327,688,257 289,298,839 391,213,618				· 931 727 559	
		(694,487,760)	(910,559,581)	(558,391,547)	(867,873,731)

		Consol	idated	Ba	nk
	Notes	2020	2019	2020	2019
Changes in other liabilities (Cash flow i	tems)				
Opening balances	,				
Privileged creditors		594,132,711	483,476,704	594,132,711	483,476,704
Acquirer liabilities		954,182,205	733,163,686	954,182,205	733,163,680
Sundry creditors		75,526,803	47,280,130	75,526,803	47,280,130
Security deposit		6,067,856	15,472,476	6,067,856	15,472,47
Current tax liability/(assets)		2,778,993,401	1,515,399,023	2,714,070,821	1,485,181,66
Provision for loans, advances and OBS					
exposures (excluding OBO)		9,188,404,604	7,252,795,569	9,111,530,722	7,175,921,69
Provision for loans, advances and OBS e	xposures (OBO)	246,897,402	232,712,071	246,897,402	232,712,07
Interest suspense account	-	1,823,520,136	1,348,450,204	1,653,910,317	1,178,840,38
Provision for protested bill & others		145,373,498	52,516,000	145,373,498	52,516,00
Provision for non-banking assets		12,345,330	12,345,330	12,345,330	12,345,33
Provision for rebate to good borrowers		46,100,257	36,100,257	46,100,257	36,100,25
Provision for loss on revaluation of shar	es (net)	1,067,654,623	447,191,812	901,313,537	361,667,49
Advance interest/commission received		46,060,675	37,972,162	36,379,504	25,361,01
Expenses payable		512,872,100	480,297,229	490,287,580	446,296,97
Interest payable on borrowing including	OBO	545,663,660	529,538,377	544,808,104	526,761,63
Miscellaneous liabilities	020	477,122,524	319,207,757	469,321,632	310,788,22
Lease liabilities (present value of lease p	avments)	622,832,947	-	608,816,783	0101,00122
Other liabilities of subsidiaries	,a)110110,	267,012,538	359,007,358		
		19,410,763,269	13,902,926,145	18,611,065,061	13,123,885,73
		, , , , , ,			
Closing balances					
Privileged creditors		696,520,198	594,132,711	696,520,198	594,132,71
Acquirer liabilities		1,308,342,901	954,182,205	1,308,342,901	954,182,20
Sundry creditors		114,465,841	75,526,803	114,465,841	75,526,80
Security deposit		6,727,979	6,067,856	6,727,979	6,067,85
Current tax liability/(assets)		1,794,622,024	2,778,993,401	1,771,534,659	2,714,070,82
Provision for loans, advances and OBS		10,637,911,400	9,188,404,604	10,397,593,697	9,111,530,72
exposures (excluding OBO)		10,007,711,100		10,077,070,077	,,111,000,72
Provision for loans, advances and OBS e	xposures (OBO)	253,985,199	246,897,402	253,985,199	246,897,40
Special general provision -Covid 19		602,352,869	-	602,352,869	
Startup fund		76,922,811	-	76,922,811	
Interest suspense account		2,425,163,343	1,823,520,136	2,233,375,188	1,653,910,31
Provision for protested bill & others		191,142,995	145,373,498	191,142,995	145,373,49
Provision for non-banking assets		12,345,330	12,345,330	12,345,330	12,345,33
Provision for rebate to good borrowers		46,100,257	46,100,257	46,100,257	46,100,25
Provision for loss on revaluation of shar	es (net)	843,471,722	1,067,654,623	686,959,533	901,313,53
Advance interest/commission received		59,169,628	46,060,675	55,768,640	36,379,50
Expenses payable		533,270,894	512,872,100	501,654,571	490,287,58
Interest payable on borrowing including	OBO	296,900,882	545,663,660	296,863,401	544,808,10
interest payable on borrowing including		990,877,633	477,122,524	850,648,682	469,321,63
Miscellaneous liabilities			622,832,947	866,681,805	608,816,78
	ayments)	893,842,167	022,002,747		
Miscellaneous liabilities	ayments)	893,842,167 422,781,132		422,781,132	
Miscellaneous liabilities Lease liabilities (present value of lease p	ayments)	422,781,132	-	422,781,132	
Miscellaneous liabilities Lease liabilities (present value of lease p Net Benefit Obligation	payments)		- 267,012,538	-	18,611,065,06
Miscellaneous liabilities Lease liabilities (present value of lease p Net Benefit Obligation	bayments)	422,781,132 352,816,687	-	422,781,132 - 21,315,844,876 (3,243,921)	18,611,065,06 (113,493,320

42 Events after the reporting period

The Board of Directors of Eastern Bank Limited recommended 35% dividend (17.5% cash and 17.5% bonus share) in the board meeting held on 12 April 2021 for the year 2020. Eligible shareholders (who hold EBL shares on the record date i. e. 05 May 2021) will be entitled to get this dividend subject to shareholders' approval in AGM. The amount of recommended dividend is BDT 2,841,298,415 .

Annexure-A

as at 31 December 2020									
									Amount in BDT
		Cost			Accun	Accumulated Depreciation & Amortization	ation & Amortiz	ation	Net book
Particulars	Balance on 01 January 2020	Additions during the year	Disposals during the year	Balance at 31 December 2020	Balance on 01 January 2020	Charge for the year	On disposals during the year	Balance at 31 December 2020	value at 31 December 2020
Tangible assets:									
Land	3,986,656,786	I	I	3,986,656,786	I	I	I	I	3,986,656,786
Building and floor spaces	1,407,955,522	I	I	1,407,955,522	155,834,541	35,198,891	I	191,033,432	1,216,922,090
Capital work in progress	75,714,268	127,871,765	(83,323,380)	120,262,653	I	I	I	I	120,262,653
Machinery and equipments	644,555,994	27,457,021	(11,406,703)	660,606,312	552,148,961	48,529,945	(11,406,601)	589,272,305	71,334,007
Digital Banking Equipment	251,415,620	30,015,000	(27,276,700)	254,153,920	198,069,974	16,737,218	(27,276,661)	187,530,531	66,623,389
Electromechanical equipments	342,555,675	1,096,841	I	343,652,516	21,409,725	17,182,622	I	38,592,347	305,060,169
Computer and network equipments	724,895,657	184,826,018	(849,261)	908,872,414	558,141,835	83,241,167	(849,244)	640,533,758	268,338,656
Vehicles	180,931,604	I	I	180,931,604	84,093,489	29,886,129	I	113,979,618	66,951,986
Furniture and fixtures	676,713,188	24,633,258	(21,712,604)	679,633,842	343,704,220	49,851,837	(20,998,673)	372,557,383	307,076,459
Right of use assets (Lease assets)	s) 950,537,957	641,216,174	I	1,591,754,131	170,517,727	344,835,809	I	515,353,535	1,076,400,595
Intangible assets:									
Software	566,873,549	95,576,415	I	662,449,964	375,834,119	61,344,619	I	437,178,738	225,271,226
At 31 December 2020	9,808,805,820	1,132,692,492	(144,568,648)	10,796,929,664	2,459,754,590	686,808,236	(60,531,179)	3,086,031,648	7,710,898,017
At 31 December 2019	8,705,651,216	8,705,651,216 1,210,126,043 (106,971,439)	(106,971,439)	9,808,805,820	2,069,034,049	493,937,567	493,937,567 (103,217,028)	2,459,754,590	7,349,051,230

Eastern Bank Limited

Eastern Bank Limited

Schedule of Fixed Assets Disposals

Amount in BDT

Annexure-A1

Date	Particulars	Cost	Accumulated depreciation	Net book value	Sales Value	Tax & VAT Gain/(Loss)	Gain/(Loss)	Mode of Disposal	Buyer/ Highest bidder
05.05.2020	Digital Banking Equipment	19,411,200	19,411,172	28	1	'	(27)	Buy Back	Buy Back Zara Zaman Technology Ltd.
24.08.2020	Digital Banking Equipment	7,865,500	7,865,489	11	385,000	I	384,989	Buy Back	Net World Technology Ltd.
17.09.2020	Furniture & Fixtures	1,567,229	1,442,262	124,967	286,800	33,349	128,484	128,484 Open Tender	Al-Amin Enterprise
21.09.2020	Computer & Network Equipment	849,260	849,243	17	502,000	58,372	443,611	443,611 Open Tender	M/S Morium Trading
03.12.2020	Furniture & Fixtures	20,145,374	19,556,307	589,067	2,468,957	296,926	1,582,964	L,582,964 Open Tender	M/S Sumon Enterprise
	Grand Total: Gain/(Loss)	49,838,563	49,124,473	714,090	3,642,758	388,647	2	1	1

Annexure-B

Eastern Bank Limited and its subsidiaries

Borrowing from Banks and Financial Institutions (Consolidated) as at 31 December 2020

Outside Bangladesh - (note-11.2)

			2020			2019	
Name of Banks and FIs	Currency	Foreign Currency	Exch. rate	Amount in BDT	Foreign Currency	Exch. rate	Amount in BDT
Abu Dhabi Commercial Bank, Dubai	USD	-	-	-	49,967,201	84.90	4,242,215,372
Asian Development Bank (ADB)	USD	10,588,235	84.80	897,893,999	15,294,118	84.90	1,298,470,588
Bank of Montreal	USD	-	-	-	5,874,020	84.90	498,704,311
Citibank NA	USD	2,483,397	84.80	210,594,830	-	-	-
COMMERZBANK AG, Germany	USD	-	-	-	25,631,861	84.90	2,176,144,957
DBS Bank, Singapore	USD	-	-	-	39,274,347	84.90	3,334,392,035
Deutsche Investitions-und Entwicklungsgesellschaft MBH (DEG)	USD	56,000,000	84.80	4,748,861,600	32,000,000	84.90	2,716,800,000
HDFC Bank, India	USD	10,000,000	84.80	848,011,000	19,350,000	84.90	1,642,815,000
ICICI Bank, India	USD	-	-	-	13,441,380	84.90	1,141,173,157
International Finance Corporation (IFC)	USD	-	-	-	1,603,820	84.90	136,164,301
International Islamic Trade Finance Corporation (ITFC), KSA	USD	-	-	-	2,062,544	84.90	175,110,027
JP Morgan Chase, Singapore	USD	16,120,000	84.80	1,366,993,732	-	-	-
JP Morgan AG, USA	USD	1,431,112	84.80	121,359,906	-	-	-
Korea Development Bank, Singapore	USD	32,983,629	84.80	2,797,048,041	36,244,042	84.90	3,077,119,161
National Bank of Ras Al-Khaimah	USD	-	-	-	14,813,931	84.90	1,257,702,722
OEEB	USD	20,000,000	84.80	1,696,022,000	-	-	-
Opec fund for International Development	USD	25,000,000	84.80	2,120,027,500	25,000,000	84.90	2,122,500,000
PROPARCO, France	USD	5,454,546	84.80	462,551,458	9,090,909	84.90	771,818,184
Standard Chartered Bank, USA	USD	7,851,684	84.80	665,831,473	-	-	-
Standard Chartered Bank, Singapore	USD	151,861	84.80	12,877,943	26,619,698	84.90	2,260,012,361
Wachovia Bank NA, USA	USD	172,997	84.80	14,670,310	-	-	-
Wells Fargo, USA	USD	17,255,145	84.80	1,463,255,289	-	-	
Total				17,425,999,081			26,851,142,174

Balance with other Banks and Financial Institutions (Consolidated) as at 31 December 2020

Outside Bangladesh - (note-4.2)

			2020			2019	
Name of Banks and FIs	Currency	Foreign Currency	Exch. rate	Amount in BDT	Foreign Currency	Exch. rate	Amount in BDT
In demand deposit account (non intere	est bearing) w	ith :			· · · ·		
AB Bank Limited,India	USD	64,024	84.80	5,429,341	15,129	84.90	1,284,487
Al-Rajhi Bank, KSA	SAR	153,598	22.60	3,470,999	38,020	22.64	860,581
Bank of Bhutan, Bhutan	USD	1,904	84.80	161,459	58,729	84.90	4,986,090
Bank of China	CNY	231,392	12.99	3,004,949	86,925	12.14	1,054,971
Bank Toykyo Mitshubishi, Japan	JPY	3,021,943	0.82	2,474,669	3,078,803	0.78	2,389,151
Citibank N. A., USA	USD	-	-	-	13,597,354	84.90	1,154,415,375
Commerz Bank AG, Germany	EURO	330,683	103.89	34,354,632	313,504	94.90	29,751,925
Habib American Bank, USA	USD	217,998	84.80	18,486,436	435,568.55	84.90	36,979,769.90
HDFC Bank Limited, Hongkong	USD	509,429	84.80	43,200,115	201,894.44	84.90	17,140,838.23
HDFC Bank Limited, Hongkong	HKD	133,997	10.97	1,470,001	17,431.91	10.93	190,471.51
ICICI Bank Limited, Hongkong	HKD	43,176	10.97	473,660	590,407	10.93	6,451,141
ICICI Bank Limited, Hongkong	USD	1,140,061	84.80	96,678,389	3,660,435	84.90	310,770,891
ICICI Bank, India	USD	761,115	84.80	64,543,382	652,771	84.90	55,420,253
JP Morgan Chase Bank N.A., UK	GBP	157,303	114.51	18,012,234	31,917	111.04	3,544,065
JP Morgan Chase Bank N.A., USA	USD	-	-	-	6,625,295	84.90	562,487,529
JP Morgan Chase Bank NA, Australia	AUD	23,856	64.51	1,538,908	20,569	59.25	1,218,748
JP Morgan Chase Bank, Germany	EURO	404,915.21	103.89	42,066,560	2,681.95	94.90	254,520.27
Mashreq Bank, UAE	USD	9,140	84.80	775,084	13,115	84.90	1,113,429
Mashreqbank, USA	USD	248,719	84.80	21,091,674	9,184,127	84.90	779,732,371
MCB Bank Limited	USD	-	-	-	2,012,559	84.90	170,866,269
Nepal Bangladesh Bank Ltd., Nepal	USD	44,105	84.80	3,740,149	125,907	84.90	10,689,501
NIB Bank Limited, Pakistan	USD	793,573.05	84.80	67,295,868	-	-	-
Nordea Bank, Norway	NOK	43,877	9.84	431,823	80,635	9.57	771,861
Standard Chartered Bank, USA - OBU	USD	2,031,452	84.80	172,269,373	7,719,789	84.90	655,410,118
Standard Chartered Bank, Srilanka	USD	41,751	84.80	3,540,554	27,318	84.90	2,319,292
Standard Chartered Bank, Germany	EURO	85,107	103.89	8,841,771	111,845	94.90	10,614,112
Standard Chartered Bank, India	USD	548,411	84.80	46,505,854	1,042,252	84.90	88,487,172
Standard Chartered Bank, USA	USD	-	-	_	3,240,557	84.94	275,266,474
Standard Chartered Bank, Singapore	SGD	28,966	63.91	1,851,198	43,812	62.82	2,752,250
Wells Fargo Bank, USA	USD	-	-	-	2,548,480	84.90	216,365,960
Zurcher Kantonal Bank, Zurich, Switzerland	CHF	27,351	95.90	2,622,841	26,817	87.09	2,335,618
Total				664,331,925			4,405,925,233

Annexure-B1

Related party disclosures

Annexure-C

Two parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence Related party informations are given below.

I) Directors' interest in different entities

Name of Directors	Status with the Bank	Name of the firms/companies in which directors of the bank are interested as proprietor, partner, director, managing agent, guarantor, employee etc.	Status	Percentage of holding/ interest in the concern
Md. Showkat Ali Chowdhury	Chairman	Need Fashion Wear & Textile Ltd.	Chairman	35.00%
,		Chittagong Properties Holding Ltd.	Chairman	50.00%
		Finlay (International) Ltd.	Chairman	81.00%
		KAPS Bangladesh Ltd.	Chairman	12.50%
		JF (Bangladesh) Ltd.	Chairman	81.00%
		Port Link Housing Ltd.	Chairman	50.00%
		Finlay Properties Ltd.	Chairman	55.00%
		Legend Property Development Ltd.	Managing Director	50.00%
		Z.N. Enterprise Ltd.	Managing Director	50.00%
		Z.S. Holding Ltd.	Managing Director	50.00%
		Zaran Off Dock Ltd.	Managing Director	30.00%
		Namreen Enterprise Ltd.	Managing Director	50.00%
		Namreen Power Ltd.	Managing Director	50.00%
		ABC Steel Enterprise Ltd.	Managing Director	80.00%
		S.L. Steels Ltd.	Managing Director	50.00%
		Unique Refineries Ltd.	Managing Director	55.00%
		Port Link Logistics Centre Ltd.	Managing Director	25.00%
		South Asia Securities Ltd.	Director	7.10%
		Peninsula Housing & Development Ltd.	Director	36.00%
		Peninsular Shipping Services Ltd.	Director	25.00%
		Consolidated Tea & Plantation Ltd.	Director	6.25%
		Consolidated Tea & Lands Co. (BD) Ltd.	Director	6.25%
		Baraoora (Sylhet) Tea Co. (BD) Ltd.	Director	6.25%
		Eastern Industries Ltd.	Director	25.00%
		Bay Hill Hotel and Ressorts Ltd.	Director	40.00%
		S.N. Corporation	Partner	50.00%
M. Ghaziul Haque	Director	MGH Logistics (Pvt.) Ltd.	Chairman	5.00%
-		Portlink Logistics Centre Ltd.	Chairman	0.02%
Mir Nasir Hossain	Director	Mir Akther Hossain Ltd.	Managing Director	18.00%
		Mir Ceramic Ltd.	Managing Director	88.00%
		Mir Telecom Ltd.	Managing Director	32.50%
		Mir Holdings Ltd.	Managing Director	50.00%
		Mir Pharmaceuticals Ltd.	Managing Director	50.00%
		Bangla Telecom Ltd.	Managing Director	40.00%
		Coloasia Limited	Managing Director	40.00%
		BTS Communications (BD) Limited	Managing Director	40.00%
		MIR LPG Limited	Managing Director	40.00%
		Mir Communications Ltd.	Chairman	40.00%
		Mir Energy Ltd.	Chairman	40.00%
		Global Fair Communications Ltd.	Chairman	40.00%
		Mir Denim Limited	Chairman	50.00%
		Agrani Insurance Co. Ltd.	Shareholder	3.72%
		Chaldal Limited	Representative	11.20%
			Director	
		M.N Poultry	Proprietorship	100.00%
		Jupiter Technology	Proprietorship	100.00%

Name of Directors	Status with the Bank	Name of the firms/companies in which directors of the bank are interested as proprietor, partner, director, managing agent, guarantor, employee etc.	Status	Percentage of holding/ interest in the concern
Salina Ali	Director	Unique Group of Companies Ltd.	Chairperson	12.25%
		Unique Hotel & Resorts Ltd.	Chairperson	5.71%
		Borak Real Estate (Pvt.) Ltd.	Chairperson	12.00%
		Unique Ceramic Ind. (Pvt.) Ltd.	Chairperson	12.25%
		Borak Travels (Pvt.) Ltd.	Chairperson	50.00%
		Unique Eastern (Pvt.) Ltd.	Chairperson	10.42%
		Unique Vocational Training Center Ltd.	Chairperson	12.00%
		Borak Shipping Ltd.	Chairperson	7.50%
		Unique Property Development Ltd.	Chairperson	12.00%
		Sonargaon Economic Zone Ltd.	Chairperson	5.00%
		Tribeni International Ltd.	Chairperson	20.00%
		Arial Dairy and Agro Industries Ltd.	Chairperson	13.00%
		Hansa Management Ltd.	Chairperson	12.50%
		Unique Share Management Ltd.	Managing Director	12.00%
		Unique Shakti Ltd.	Managing Director	20.00%
		Crescent Commercial Center Ltd.	Managing Director	20.00%
		Gulshan Clinic Ltd.	Director	25.00%
		Borak Zahir Company Ltd.	Director	20.00%
		Unique Meghnaghat Power Ltd.	Director	0.01%
Anis Ahmed	Director	MGH Logistics Pvt. Limited	Managing Director	95.00%
Allis Allileu	Director	MGH Logistics PVt. Limited MGH Holdings Limited		
		MGH Holdings Limited MGH Restaurants (Pvt.) Limited	Managing Director Managing Director	80.00% 95.00%
		MGH Restaurants (Pvt.) Limited MGH Healthcare Limited	5 5	
			Managing Director	99.00%
		Galileo Bangladesh Limited	Managing Director	80.00%
		One World Aviation Limited	Managing Director	67.00%
		RAS Holidays Limited	Managing Director	95.00%
		MGH Global Forwarding Limited	Managing Director	97.00%
		Transmarine Logistics Limited	Managing Director	75.00%
		Total Transportation Limited	Managing Director	100.00%
		Tricon Global Logistics Limited	Managing Director	80.00%
		Global Freight Limited	Managing Director	97.00%
		International Brands Limited	Managing Director	100.00%
		Integrated Transportation Services Limited	Managing Director	99.00%
		Emirates Shipping Lines Bangladesh Limited	Managing Director	78.00%
		Radio Foorti Limited	Managing Director	95.00%
		Portlink Housing Limited	Managing Director	50.00%
		Portlink Logistics Centre Limited	Managing Director	50.00%
		DC ByPass Ltd.	Managing Director	90.00%
		MGH Global Airlines Ltd.(BD. Port management	Managing Director	2.00%
		Ser. Ltd)		
		Peninsular Shipping Services Limited	Managing Director	40.00%
		Obhai Solutions Ltd.	Managing Director	30.00%
		Jatra. Com Ltd.	Managing Director	30.00%
		Bangladesh Express Co. Ltd.	Managing Director	20.00%
		MGX.Com Ltd.	Managing Director	95.00%
		Waadaa Ltd.	Managing Director	51.00%
Mufakkharul Islam Khasru	Director	Finlay Properties Ltd.	Managing Director	15.00%
Gazi Md. Shakhawat Hossain	Director	Purnima Construction Pvt. Ltd.	Managing Director	0.099%
		Bay Hill Hotel & Resorts Ltd.	Representative Director	40.00%
		Unique Hotel and Resorts Ltd	Representative	8.14%
		Conoral Electric Company (DD) I+d	Director	0.000/
K IC Dopu	Director	General Electric Company (BD) Ltd.	Director	0.00%
KJS Banu	Director	Nil	NA	NA
Zara Namreen	Director	Nil	NA CEO & Dringingl	NA
Ashiq Imran	Director	Fialka	CEO & Principal	100.00%
(Independent Director)			Architect	
Ali Reza Iftekhar	MD & CEO	EBL Investments Ltd.	Director	0.00003%
	i i	EBL Securities Ltd.	Director	0.000067%

- Shares issued to Directors and Executives without consideration or exercisable at discount: Nil iii)
- iv) Related Party Transactions: Please see Annexure -C1
- V) Lending Policies to Related Parties: Related parties are allowed Loans and Advances as per General Loan Policy of the Bank
- Business other than Banking business with any related concern of the Directors as per Section-18(2) vi) of the Bank Companies Act 1991: Nil
- Investments in the Securities of Directors and their related concern: Nil vii)

Related party transactions

Related party transaction is a transfer of resources, services, or obligations between related parties, regardless of whether a price is charged as per IAS 24. The Bank in normal course of business had transactions with other entities that fall within the definition of 'Related Party' as contained in International Accounting Standards (IAS)-24 (Related party disclosures) and as defined in the BRPD circular no 14, dated 25 June 2003.

The significant related party transactions during the year were as follows: 1

1.a Non-funded facilities:

Name of the organization	Representing Directors	Nature of Interest of the Directors with the borrowing firm / individual	Nature of	Sanctioned Amount	Outstanding as at 01-01-2020	Outstanding as at 31-12-2020	Amount Overdue
Z. N. Enterprise Ltd. Customer ID-100397	Md. Showkat Ali Chowdhury, Chairman	MD	LG- Performance Bond-SME (Expired)	193,100	192,900	192,900	-

1.b Credit card facilities:

Representing Directors	Nature of interest with EBL	Approved limit	Outstanding as at 01-01-2020	Outstanding as at 31-12-2020
Mir Nasir Hossain	Representing Director	500,000	-	-
Md. Showkat Ali Chowdhury	Chairman	250,000	-	-
Mohd. Noor Ali	Spouse of Director	500,000	-	73,110

2) Transactions relating to procurement, service & rent:

Amount in BDT

Annexure-C1

Amount in BDT

Amount in BDT

Jame of the Company/ Person Related Directors of EBL		Nature of transactions		Outstanding as at 31-12-2020
Coloasia Limited	Mir Nasir Hossain	Monthly recurring charge for EBL Data Center at Jashore.	2,401,200	-
BTS Communications (BD) Limited	Mir Nasir Hossain	Monthly internet connectivity services, Data Center's Network & LAN Equipment setup of EBL Corporate Head Office at 100 Gulshan, Dhaka.	9,282,558	-
Bangladesh Express Co. Ltd	Anis Ahmed	Monthly courier service payment.	3,906,202	-
MGH Restaurants (Pvt.) Ltd.	Anis Ahmed	Birthday cakes for priority customers.	1,163,845	-
		Promotional expense for EBL Skybanking through FM Radio channel.	857,521	-
Unique Hotel & Resorts Limited	Salina Ali	Security Deposit against lease rental agreement for ATM booth at The Westin, Gulshan, Dhaka.	-	438,900
Unique Hotel & Resorts Limited	Salina Ali	Rental payment for ATM booth at The Westin, Gulshan, Dhaka.	250,800	-
Borak Real Estate (Pvt) Ltd.	Salina Ali	Advance rent for EBL ATM at Borak Mehenur, Banani, Dhaka.		374,400
Borak Real Estate (Pvt) Ltd.	Salina Ali	Rental payment for EBL ATM at Borak Mehenur, Banani, Dhaka.	520,000	-
The Consolidated Tea and Land Co. (BD) Limited	Md. Showkat Ali Chowdhury	Supply of monthly refrestment items.	121,843	-
Md. Showkat Ali Chowdhury	Md. Showkat Ali Chowdhury	Advance rent for EBL DST Sales office, ATM Booth, Godown, Generator and Garages at Dhanmondi, Dhaka.	-	4,295,786
Md. Showkat Ali Chowdhury	Md. Showkat Ali Chowdhury	Rental payment for EBL DST Sales office, ATM Booth, Godown, Generator and Garages at Dhanmondi, Dhaka.	6,803,966	-

Name of the Company/ Person Related Directors of EBL		Nature of transactions	Transaction made in 2020	Outstanding as at 31-12-2020
Tashmia Ambarin	Md. Showkat Ali Chowdhury	Advance rent for EBL ATM at New Market Branch, Chattogram.	-	9,243,900
Tashmia Ambarin	Md. Showkat Ali Chowdhury	Rental payment for EBL New Market Branch, ATM Booth and Godown at New Market, Chattogram.	8,058,000	-
Namreen Enterprise Limited	Md. Showkat Ali Chowdhury	Advance rent for EBL office premisses (for CAD, SAMD & ATM Booth) at ZN Tower, Gulshan, Dhaka. (Ground Floor, 1st Floor, 2nd to 6th Floor).	-	36,278,934
Namreen Enterprise Limited	Md. Showkat Ali Chowdhury	Rental payment for EBL office premisses at ZN Tower, Gulshan, Dhaka. (Ground Floor, 1st Floor, 2nd to 6th Floor).	74,558,880	-

3 Inter-company balances between EBL and Subsidiaries:

Name of subsidiaries	Nature of account	Balance as at 31-12-2020
	In special notice deposit (SND) account	97,798,028
EBL Securities Limited	Short term finance (OD)	1,300,343,932
EDI Investmente Limited	In current deposit (CD) account	345
EBL Investments Limited	In special notice deposit (SND) account	198,073,048
	In nostro account	575,770,684
EBL Finance (HK) Limited	Short term finance (OD)	3,985,656,024
	Dividend receivable account	40,590,480
EBL Asset Management Limited	In special notice deposit (SND) account	190,752,909

4 Compensation of key management personnel: Refer to note : 32

Disclosure regarding Repo and Reverse Repo

Disclosure regarding outstanding REPO as on 31 December 2020 а

Sl

There is no outstanding REPO as on 31 December 2020

Disclosure regarding outstanding Reverse REPO as on 31 December 2020

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There is no outstanding Reverse REPO as on 31 December 2020

Disclosure regarding overall transaction of REPO and reverse REPO b.

Particulars
Securities sold under REPO
With Bangladesh Bank
With other Banks & Financial Institutions
Securities purchased under Reverese REPO
With Bangladesh Bank
With other Banks & Financial Institutions

Amount in BDT

Annexure-D

Amount in BDT

Counterparty name	Agreement date	Reversal date	Amount (Cash Con 1st Leg cash consideration)					
NIL								

Counterparty name	Agreement date	Reversal date	Amount (Cash Con 1st Leg cash consideration)			
NIL						

Daily average Min Outstanding Max Outstanding outstanding during the year during the year during the year 501,271,880 19,464,105,812 2,411,044,556 196,014,000 5,099,871,120 1,635,760,279 219,804,240 4,930,790,175 506,490,631 Annexure-D1

Details of NBA obtained u/s 33 (7) & 33(5)

as of 31-12-2020

SL	Name of the accounts	Status of NBA	Obtained u/s 33(7)/33(5)	Entitlement Date	Asset Details	Forced Sale Value (BDT in Lac)	Market Value (BDT in Lac)	Legal Status
1	Mr. Sabbir Ahmmed, Dhaka	Recognised	U/S 33(7)	5/10/2007	Land Area: 06 decimal, Mouza- Digun, Mirpur, Dhaka.	58.00	72.72	Physical possession is yet to be completed.
2	Innovative Computer, Dhaka	Recognised	U/S 33(7)	6/7/2007	Land Area: 06.20 decimal, 4. Sidderganj, Mouza- Jalkuri, Dhaka. Land Area: 09.32 decimal, 5. Sidderganj, Mouza- Jalkuri, Dhaka.	22.00	27.30	Do
3	M/s Safa Garments, Dhaka	Recognised	U/S 33(7)	1/18/2005	Land Area: 18 decimal Mouza - Vatara, Gulshan, Dhaka.	576.00	720.00	Do
4	Arshim & Com, Dhaka	Recognised	U/S 33(7)	3/27/2007	Land Area: 19.8 decimal, Mouza- Lala Sarai, Cantonment, Dhaka.	336.00	420.00	Do
5	H.M. Younus, Dhaka	Recognised	U/S 33(7)	1/10/2008	Land Area: 184 decimal Mouza- Shibrampur, Joydebpur, Gazipur.	883.20	1,104.00	Do
6	Tri Angle Trading Associate, Dhaka	Recognised	U/S 33(7)	4/29/2007	Land Area: 33 decimal Mouza- Pathalia, Savar, Dhaka.	16.00	20.00	Do
7	Stec Fashion Ltd., Dhaka	Recognised	U/S 33(7)	1/26/2009	Land Area: 25 decimal. Mouza- Dokkhin Khan, Dhaka. (5.03 decimal land of Goran Chat bari Mouza, Mirpur , Dhaka has been sold through auction)	49.00	60.60	Property partly sold. Physical possession of rest of property is yet to be completed.
8	North American Computing, Dhaka	Recognised	U/S 33(7)	7/22/2007	Land Area: 6.5 decimal Mouza- Uttar Sona Tang gar, Mohammadpur, Dhaka.	3.64	4.55	The property was sold at Tk. 50.00 lac out of which Tk. 45.00 lac was received and rest of Tk. 5.00 lac will be received after completion of documentation along with registraton. Title suit No.338/19 filed in the Court of 3rd Joint District Judge, Dhaka for record correction which is pending.
9	M/s Unicorn Bangladesh Ltd, Dhaka	Recognised	U/S 33(7)	11/22/2007	Land Area: 16.5 decimal Mouza- Bhola Samair, Gulshan, Dhaka.	3,300.00	4,125.00	Physical possession is yet to be completed.
10	Royel Paper Store, Dhaka	Recognised	U/S 33(7)	5/21/2009	Land Area: 106.5 decimal Mouza- Shrikhondo, Dhanmondi, Dhaka.	70.00	96.82	Do
11	M/s Computer Bazar Network, Dhaka	Recognised	U/S 33(7)	6/23/2009	Land Area: 14 decimal Mouza- Nandipara, Sabuzbag, Dhaka.	17.00	21.21	Do
12	M/s Sylcar Plaza, Sylhet	Not recognised	U/S 33(7)	5/27/2012	Land Area: 21 & 14 decimal, Mouza- Sylhet Sadar, Sylhet.	212.80	266.00	Do
13	Orion Fishing Limited, Dhaka	Not recognised	U/S 33(7)	5/13/2012	Land Area: 3.5 & 20.83 katha at Dhaka and Chattogram.	1,384.95	1,731.19	Do

SL	Name of the accounts	Status of NBA	Obtained u/s 33(7)/33(5)	Entitlement Date	Asset Details	Forced Sale Value (BDT in Lac)	Market Value (BDT in Lac)	Legal Status
14	Al Karim Traders, Chattogram.	Not recognised	U/S 33(7)	1/19/2012	Land Area: 8 decimal Dokkhin Pahartoli, Double Mooring, Chattogram.	105.00	132.00	Do
15	Bhuiyan (Any & Amy) Corporation, Dhaka	Not recognised	U/S 33(7)	6/7/2007	Land Area: 3 Katha, Bhola Samair, Gulshan, Dhaka.	84.00	105.00	Do
16	Ariful Karim, Chittagong	Not recognised	U/S 33(7)	11/5/2008	Land Area: 148 decimal with 4 storied building, West Nasirabad, Chittagong.	1,258.00	1,480.00	Do
17	Miner International, Dhaka	Not recognised	U/S 33(7)	3/15/2006	Land Area: 18 decimal, Jatrabari, Demra, Dhaka.	108.00	248.73	Title Suit No. 1479/08 filed by Md. Abdul Monnaf is pending in the 7th joint district judge court, Dhaka. Physical possession is also yet to be completed.
18	M/s Eastern Industries, Sylhet	Not recognised	U/S 33(7)	6/11/2012	Land Area: 1.5 decimal Mouza- Sylhet Sadar, Sylhet.	9.60	12.00	A Misc. Case is pending in the Artha Rin Adalat, Sylhet.
19	M/s M.A. Rob, Khulna	Not recognised	U/S 33(7)	11/23/2011	Land Area: 51 decimal at Puratan Kasba, Jashore [200 sq yards of land at Khulna has been sold at BDT 38.00 lac]	48.96	61.20	On 20.03.2020 Mr. S. M. Sazzad & 08 Others filed a Title suit No. 105 of 2020 in the court of 1st Joint District Judge, Jashore for declaration of Title of 16.50 decimal of land situated at District- Jashore, P.S- Kotwali, Mouza- Old Kashba ,S.A Khatian No.907, SA Dag No.1009, R.S Khatian No.2637, RS Dag No.1331 also for declaration that the Certificate under section 33(7) of ARA issued by Artha Rin Adalat, Khulna is not binding upon the Plaintiff. Plaintiff also filed application for injunction. We also appeared & filed written objection & application for rejection of Plaint. Next date fixed on 08.02.2021 for further application hearing. Execution Case No. 17/1999 pending in Artha Rin Adalat, Khulna. Next date has been fixed on 14-02-2021 for hearing application.

SL	Name of the accounts	Status of NBA	Obtained u/s 33(7)/33(5)	Entitlement Date	Asset Details	Forced Sale Value (BDT in Lac)	Market Value (BDT in Lac)	Legal Status
20	Maruti Enterprise, Bagura	Not recognised	U/S 33(7)	10/3/2012	Land Area: 41.5 decimal & 0.37 decimal Mouza- Betgari, Bogura sadar.	519.54	649.42	Writ petition in court no. 8010/2016 has been vacated and discharged the rule on 12-11-2018 in favor of bank. Thereafter, auction purchaser filed Civil Petition for Leave to Appeal No.1560/2019 on the Appealate Division which is pending for hearing.
21	Calix International, Dhaka	Not recognised	U/S 33(7)	11/28/2004	Land Area: 0.0992 Ajutangso, Kotowali, Dhaka	120.00	150.00	Physical possession is yet to be completed. First Appeal No.116/2003 is pending for hearing.
22	Save Power Manufacturing Inustries Ltd.	Not recognised	U/S 33(7)	11/18/2020	Land Area: 84.5 dec land at Gouripur, Cumilla	121.50	152.10	Physical possession is yet to be completed.
23	M/s Alif Traders	Not recognized	U/S 33(7)	1/18/2021	Land Area: 16 decimal, Mouza-Muzgunni, PS- Daulatpur, Dist- Khulna.	13.60	16.00	Do
	Total NBA obtained	d u/s 33 (7)		-		9,303.19	11,659.84	
24	M/s Altaf Hossain, Chittagong	Not recognised	U/S 33(5)	10/10/2011	Land Area: 18 decimal, Jatrabari, Demra, Dhaka.	140.00	112.00	Physical possession is yet to be completed.
25	M/s Janata Trading, Chittagong	Not recognised	U/S 33(5)	11/1/2011	Land Area: 125.28 Sft Chandgao, Bakalia, Chittagong.	8.50	10.00	Do
26	M/s Nurain Trade International, Gazipur	Not recognised	U/S 33(5)	8/2/2015	Land Area: 2.05 Acre Sreepur, Mouza- Dhanuya, Gazipur.	200.00	248.40	Do
27	M/s Austin & Co. and M/s M.R Enterprise	Not recognised	U/S 33(5)	11/16/2015	 A) Land Area: 1.40 acres, Mouza Kathaldia, P.S- Gulshan, Dhaka. B) Land Area: 0.99 acres, Mouza Kathaldia, P.S- Gulshan, Dhaka. C) Land Area: 0.8031 acres, Mouza Haridia, P.S- Lohajang, Munshiganj. 	2,383.17	2,978.97	Physical possession is yet to be completed. First appeal in high court no. 163/2007 pending for hearing.
28	Latif Apparels (Pvt) Ltd, Dhaka	Not recognised	U/S 33(5)	11/17/2015	Land Area: 3.75 decimal, Mouza Uttarkhan, Uttara, Dhaka.	93.60	117.00	2nd execution case no. 266/16(Arising out of 1st Artha Execution Suit No. 7/14, Artha Artharin Suit No. 154/2005) is pending.
29	Sheuly Fashion, Dhaka	Not recognised	U/S 33(5)	3/15/2016	Land Area: 0240 Ajutangsha, Mouza Lalbag, Gour sundar Roy lane, Dhaka.	117.30	146.60	Physical possession is yet to be completed.

SL	Name of the accounts	Status of NBA	Obtained u/s 33(7)/33(5)	Entitlement Date	Asset Details	Forced Sale Value (BDT in Lac)	Market Value (BDT in Lac)	Legal Status
30	Hanif Enterprise, Dhaka	Not recognised	U/S 33(5)	9/16/2008	Land Area: 1) 15.20 decimal, Mouza Tezkunipara, Tejgaon, Dhaka. 2) 20 decimal, Mouza Mirerbag, Keranigonj, Dhaka.	617.80	772.25	Execution Case No. 8/2009 is pending in 3rd Artharin Court, Dhaka, filed by National Bank. Misc. case no. 19/20 filed by 12 persons. Last date was fixed on 31.01.2021 for maintainability hearing. Nex date yet to fix. First Appeal in High Court No. 353/2014 is pending for
31	Al Hossain (Pvt) Ltd. Dhaka	Not recognised	U/S 33(5)	5/22/2013	Land Area: 10.33 Katha Mouza- Paikpara, Mirpur, Dhaka.	779.92	974.90	hearing. An application was filed on 14.12.2020 to stay the operation of Certificate relating to Schedule-B(v) in Artha Execution Case No.336/2005, which is pending.
32	Friends Asociates, Chattogram	Not recognised	U/S 33(5)	1/18/2012	Land Area: 20 decimal Chandgao, Panchlish, Chattogram.	96.00	120.00	Scheduled mortgaged property has already been acquired by the Government A Criminal case (1627/2012) against the Borrower, Guarantors and Beneficiary was filed, which is pending for hearing in the court and also an execution case (24/2011) is pending in the Artha Rin Court. [the Ld. Court Convicted Judgment Debtors for a period of 2 months of imprisonment.]
33	M/s Shati Traders, Chattogram	Not recognised	U/S 33(5)	2/2/2010	Land Area: 28 decimal Bakalia, Bandar, Chattogram.	35.00	35.00	Scheduled mortgaged property has already been acquired by the Governmen A Criminal case (172/2012) against the Borrower, Guarantors and Beneficiary was filed which is pending for hearing in the court and also an execution case (154/2015) is pending in the Artha Rin Court.
34	Talukder Group [Pasi pasu with HSBC]"	Not recognised	U/S 33(5)	12-09-2019	Apartment size: 2250 sft including 1 (one) Car Parking space of a 6 (six) storied building located at Plot No. 11, Road No. 02, Sector No. 3, Uttara R/A, Dhaka	182.00	202.50	We have only obtained certificate in respect of a fla situated in Uttara, Dhaka an for the property situated at Jashore, Arth Execution cas 06/19 is pending in Artha R Adalat, Jashore for disposal HSBC filed Artha Exe. Case No.48/19 (Artha Rin Suit No.556/15) is pending.

SL	Name of the accounts	Status of NBA	Obtained u/s 33(7)/33(5)	Entitlement Date	Asset Details	Forced Sale Value (BDT in Lac)	Market Value (BDT in Lac)	Legal Status
35	Moon light Traders"	Not recognised	U/S 33(5)	15-02-2018	i) Land Area: 0.900 (nine hundred) Ajutansho, Mouza : Sutrapur, Gendaria, Dhaka ii) Land Area: 2 (two dec.): Mouza : Tejkunipara, Dhaka	456.85	571.06	Physical possession is yet to be completed.
36	Ltd.	Not recognised	U/S 33(5)	8/7/2018	Land Area: 1) 44.22 Decimal, mouza - Paity, Demra, District Dhaka. 2) 41.50 Decimal, mouza - Paity, Demra, District Dhaka.	411.46	514.32	The Property was sold at BDT 310.00 lac out of which BDT 93.00 lac was received and rest amount is yet to be received after completion of documentation with registraton. A petition case No. 53/19 filed by borrower in pending in executive Magistrate Court, Dhaka.
37	Liberty Fashion Wears Ltd.	Not recognised	U/S 33(5)	5/29/2019	Land Area: 1) 8.28 decimal, mouza - Senpara Parbata, Mirpur Housing Estate, Sec-2, Plot-9, R-3, District Dhaka. 2) 1467.57 sft. apartment alongwith 1/2 decimal land at Uttara Model Town, R#31,S-7, plot 5, Dhaka. [322 dec land & properties at Zirani, Savar, Dhaka at BDT 55.00 Crore EBL got BDT 41.98 and rest BDT 13.02 Crore received by SJIBL]	615.4	769.3	2nd Execution Case No.12/20 filed on 21-01-2020 for Tk.115.71 Crore. Upon considering our application learned court was pleased to pass order for issuance warrant of arrest. Next date fixed on 09.06.2021 for return of warrant of arrest. SJIBL filed Artha Execution Case No.72/19 (Artha Rin Suit No. 196/16) is pending.
38	M/s Sidique Traders	Not recognised	U/S 33(5)	10/9/2019	 SJIBLJ 1) Land Area: 12 decimal, Mouza Bakoila, Bakolia, Chittagong. 02) Land Area: 30 decimal, Mouza South Kattali, Pahartali, Chittagong. 03) Land Area: 23 decimal, Mouza South Kattali, Pahartali, Chittagong. 04) Land Area: 35 decimal, Mouza North Halishahar, Halishahar, Chittagong. 	601.54	707.70	Physical possession is yet to be completed.

SL	Name of the accounts	Status of NBA	Obtained u/s 33(7)/33(5)	Entitlement Date	Asset Details	Forced Sale Value (BDT in Lac)	Market Value (BDT in Lac)	Legal Status
39	Mohd. Elias	Not	U/S 33(5)	4/12/2017	Land Area: 142	7,550.00	8,703.20	After obtaining Certificate
	Brothers (PVT) Ltd	recognised			Decimal			under section 33(5) of ARA,
					Mouza : Chandgaon,			judgment debtor no. 03
					Bahaddarhat,			Mr. Nurul Absar filed writ
					Chittagong			petition no. 13984 of 2017
								and got stay order for a
								period of 06 months. Stay
								order vacated. Meanwhile,
								we have submitted a petition
								for issuance arrest warrant
								on 23.07.2020 after hearing
								the ld. court issued show
								cause notice for 20 days after
								serving of show cause notice
								we put the file for issuing
								warrant. On 13.10.2020
								the Ld. Court issued arrest
								warrant for 06 months civil
								jail but the judgment debtors
								got stay order from the
								Appellate Division against
								the order of arrest warrant.
								Next date fixed on 03.03.2021
								for submission of stay order
								and possession application
<u>/\</u> 0	M/s Baghdad	Not	U/S 33(5)	2/19/2018	Land Area: 1 Gonda 2	104.67	130.84	hearing. Physical possession is yet to
40	Exim Corp Ltd	recognised	070 00(0)	2/1//2010	Kora 4.5 Danta	104.07	100.04	be completed.
		Tecoginiseu			Mouza : Madarbari,			Writ petition in high court no
					Bandar,Chittagong.			10987/2016 is pending for
					Danual,Chintayony.			
41	S M Amjad	Not	U/S 33(5)	9/22/2020	1) Land Area: 10 gonda	669.87	805.94	hearing. Physical possession is yet to
ΨL	Hossain	recognised	0,000(0)	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	1 kara 1 kanta 0.5	307.07	500.74	be completed.
	110554111	Tecoginiseu			Danta, Mouza: Bakalia,			Civil Rule 472(FM)/2019
					P.S: Panchlaish,			(arising out of F.M.A.T No.
								570/2019) is pending for
					Chattogram 2) Land Area : 246			hearing.
					Decimal. Mouza:			liearnig.
					Chikandandi/			
					Kandokia/kolgaon,			
					P.S:Hathazari,			
10	M/s Abul Kalam	Not	II/C 22/E)	12/1//2020	Chattgogram 08 decimal land at	12.00	16.00	Dhusiani nanazarian art ta ba
42	M/S ADUI Kalam	Not	U/S 33(5)	12/14/2020		12.80	10.00	Physical possession yet to be
		recognised			Mouza Mujgunni,			completed.
	Total NBA obtained	1 /o 22 (F)			Khulna	1/ 005 57	16,648.10	
	LINTAL NKA ONTAINA	1 U/S 33 (5)				14,025.57	10 844 10	1

Annexure-E

Eastern Bank Limited (Solo)

Highlights on the overall Activities/Performance

Sl No	Particulars		2020	2019
1	Paid up capital	BDT	8,117,995,470	8,117,995,470
2	Total capital (Tier-1 & 2)	BDT	33,144,221,423	30,568,648,533
3	Surplus/(shortage) capital	BDT	11,378,832,457	9,824,938,594
4	Total assets	BDT	336,935,588,554	335,163,467,726
5	Total deposits	BDT	242,357,774,879	240,164,128,102
6	Total loans and advances	BDT	228,943,862,895	232,051,034,763
7	Total contingent liabilities and commitments	BDT	104,060,278,285	99,781,000,677
8	Loans to deposits ratio (total loans/total deposits)	%	94.47	96.62
9	% of classified loans against total loans and advances	%	2.72	3.35
10	Profit after tax and provisions	BDT	4,102,563,054	4,008,142,126
11	Loans classified during the year (Gross)	BDT	29,474,002	4,138,935,944
12	Provision held against classified loans	BDT	3,433,559,987	4,360,915,040
13	Surplus of provision	BDT	1,768,328,583	239,925,000
14	Cost of fund (interest expense/simple average borrowing and deposits)	%	4.76	5.58
15	Interest bearing assets	BDT	301,684,379,074	292,905,157,870
16	Non-interest bearing assets	BDT	35,251,209,480	42,258,309,855
17	Income from investments	BDT	5,048,674,967	2,751,634,005
18	Return on assets (ROA) (PAT/average assets)	%	1.22	1.30
19	Return on investment or ROI (PAT/average equity, long term borrowings and deposits)	%	2.25	2.37
20	Earnings per share	BDT	5.05	4.94
21	Operating profit per share (Net Operating profit/ weighted average number of shares)	BDT	9.48	10.11
22	Price earning ratio	Times	7.12	6.72

Business segmental profit and loss account

for the year ended 31 December 2020

		Bank (Solo)			Bank			
Particulars	DBO	OBO	Solo	EBLSL	EBLIL	BLFHKL	EBLAML	(Consol)
Interest income	18,636	1,285	19,667	372	21	214	14	20,011
Interest expense	13,130	861	13,737	373	0.1	126	0	13,959
Net Interest Income	5,506	424	5,930	(1)	21	87	14	6,052
Investment income	5,049	-	5,049	84	9	-	2	5,102
Fees, commission and brokerage	2,041	11	2,051	163	14	63	4	2,296
FX Income	770	2	772	-	-	-	-	772
Other operating income	315	16	332	1.70	1	12	-	346
Total operating income	13,681	453	14,134	248	45	162	20	14,567
Salary and allowances	3,924	-	3,924	86	15	42	7	4,073
Rent, taxes, insurance, utilities etc.	430	-	430	8	1	1	1	440
Legal and professional expenses	64	-	64	0	0.2	0.3	0.03	65
Postage, stamp, telecommunication etc.	132	-	132	2	0.2	5	0	139
Stationery, printing, advertisement, etc.	292	-	292	4	0.3	0	0.06	297
Managing Director's salary and allowances	26	-	26	-	-	-	-	26
Directors' fees and expenses	3	-	3	0.2	0.1	-	0.13	3
Audit fees	1	-	1	0.1	0.1	1	0.1	2
Repairs, maintenance and depreciation	970	-	970	27	6	6	2.2	1,011
Other operating expenses	581	19	600	8	3	5	0.1	615
Total operating expense	6,422	19	6,441	135	25	60	10	6,672
Profit before provisions	7,259	433	7,692	113	20	102	10	7,895
Provisions:								
Provision for loans, advances & OBS exposures	1,044	49	1,093	132	32	-	-	1,257
Other Provisions	(92)	-	(92)	-	-	-	(10)	(101)
Total Provisions	952	49	1,001	132	32	-	(10)	1,155
Profit before tax	6,307	384	6,691	(19)	(12)	102	20	6,740
Tax Provision	2,588	-	2,588	(37)	(9)	15	3	2,560
Profit after tax	3,719	384	4,103	18	(3)	87	17	4,180

Business segmental balance sheet

Annexure-E1

as at 31 December 2020

BDT in million

Deutieuleur		Bank (Solo))	Subsidiaries				Bank
Particulars	DBO	0B0	Solo	EBLSL	EBLIL	EBLFHKL	EBLAML	(Consol)
Assets								
Cash in hand (including balance with Bangladesh Bank and its agent Bank)	15,699	-	15,699	0.10	0.02	-	-	15,699
Balances with other banks and financial institutions	20,155	1,877	13,003	382	198	682	191	13,393
Money at call and short notice	60	-	60	-	-	-	-	60
Investments	63,949	-	63,949	1,856	113	-	98	66,016
Loans and advances	203,884	25,060	228,944	3,071	127	3,689	-	230,545
Fixed assets including land, building, furniture and fixtures	7,711	-	7,711	41	9	8	4	7,773
Other assets	7,420	44	7,464	1,010	19	2	3	5,917
Non-banking assets	106	-	106	-	-	-	-	106
Total Assets	318,984	26,980	336,936	6,360	466	4,381	296	339,508
Liabilities								
Borrowing from other banks, financial institutions and agents	27,350	25,965	44,286	3,433	-	3,986	-	46,281
Deposits and other accounts	242,101	257	242,358	-	-	-	-	241,295
Provisions & other liabilities	20,941	375	21,316	860	146	59	13	22,483
Total Liabilities	290,392	26,597	307,960	4,293	146	4,045	13	310,059
Total Shareholders' Equity	28,592	384	28,976	2,067	320	336	283	29,449
Total Liabilities & Shareholders' Equity	318,984	26,980	336,936	6,360	466	4,381	296	339,508

Annexure-F

Eastern Bank Limited Offshore Banking Operation, Bangladesh

Balance Sheet

as at 31 December 2020

		2020		2019		
	Notes	USD	BDT	USD	BDT	
PROPERTY AND ASSETS						
Cash						
In hand (including foreign currencies)		-	-	-	-	
With Bangladesh Bank (including foreign currencies)		-	-	-	-	
		-	-	-	-	
Balance with other Banks and FIs						
(on current and other accounts)	3					
In Bangladesh		20,000,000	1,696,022,000	34,630,350	2,940,116,701	
Outside Bangladesh	-	2,135,717	181,111,144	71,544,808	6,074,154,230	
		22,135,717	1,877,133,144	106,175,158	9,014,270,931	
Money at call and short notice		-	-	-	-	
Investment		-	-	-	-	
Loans and Advances:	4					
Loans, cash credits, overdrafts etc.	4.1	147,208,252	12,483,421,697	133,196,615	11,308,392,602	
Bills purchased and discounted	4.2	148,303,737	12,576,320,025	142,172,875	12,070,477,080	
		295,511,989	25,059,741,722	275,369,490	23,378,869,682	
Fixed Assets		-	-	-	-	
Other Assets	5	514,201	43,604,845	1,073,123	91,108,104	
Non Banking Assets		-	-	-	-	
TOTAL ASSETS	-	318,161,907	26,980,479,711	382,617,771	32,484,248,718	
CAPITAL AND LIABILITIES						
Borrowing from other banks, financial institutions and agent	s 6					
Bangladesh Bank		-	-	-	-	
Other Banks and FIs						
Demand Borrowing	6.1	106,467,195	9,028,535,227	49,085,682	4,167,374,362	
Term Borrowing	6.2	199,720,103	16,936,484,403	319,915,720	27,160,844,639	
	-	306,187,297	25,965,019,630	369,001,402	31,328,219,002	
	-	306,187,297	25,965,019,630	369,001,402	31,328,219,002	
Deposits and other accounts Current deposits and other accounts	7 7.1	3,027,026	256,695,118	3,796,134	322,291,809	
Term deposits	7.1	3,027,020	200,070,110	5,770,134	322,291,009	
	7.4	3,027,026	256,695,118	3,796,134	322,291,809	
Other Liabilities	8		375,044,030	5,305,264		
TOTAL LIABILITIES	° .	4,422,631 313,636,954	26,596,758,778	378,102,800	450,416,921 32,100,927,733	
		515,050,754	20,370,730,770	570,102,000	52,100,727,755	
CAPITAL/SHAREHOLDERS' EQUITY						
Share capital- Paid up capital		_	_	_	-	
Foreign currency translation difference	9	-	(326,702)	-	2,050,696	
Profit and loss account- retained earnings	16	4,524,953	384,047,635	4,514,971	381,270,290	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		318,161,907	26,980,479,711	382,617,771	32,484,248,718	
OFF BALANCE SHEET ITEMS:						
Contingent liabilities:						
Acceptance and endorsements		1,960,896	166,286,127	8,623,979	732,175,825	
Letter of guarantee		-	-	-	-	
Bills for collection		5,136,796	435,605,969	10,619,831	901,623,617	
Irrevocable letters of credit		2,034,078	172,492,020	6,816,192	578,694,728	
Other Commitments	-	-	-	-	-	
		9,131,769	774,384,116	26,060,002	2,212,494,169	

The annexed notes 1 to 20 form an integral part of these financial statements.

Annexure - G

Eastern Bank Limited Offshore Banking Operation, Bangladesh

Profit and Loss Account

for the year ended 31 December 2020

	Notes	202	0	201	9
	Notes	USD	BDT	USD	BDT
Interest income	10	15,144,523	1,285,365,623	20,772,768	1,754,173,020
Interest paid on deposits and borrowings	11	10,147,054	861,213,917	16,237,933	1,371,225,254
Net interest income		4,997,469	424,151,706	4,534,835	382,947,766
Commission, exchange and brokerage	12	141,813	12,036,152	306,235	25,860,240
Other operating Income	13	192,380	16,327,959	247,020	20,859,799
Total operating income		5,331,663	452,515,817	5,088,090	429,667,805
Operating expenses	14	225,961	19,178,057	438,706	37,046,919
Profit before provision		5,105,702	433,337,760	4,649,383	392,620,886
Less :Provision for unclassified Loans and Advances	15	580,749	49,290,124	134,413	11,350,597
(Including provision for off Balance Sheet items)			00/0/7/05	/ 51/ 070	201 070 200
Profit before income tax		4,524,952	384,047,635	4,514,970	381,270,290
Less. Provision for income tax		-	-		-
Net Profit/(loss) after tax		4,524,952	384,047,635	4,514,970	381,270,290
Balance of Profit brought forward from previous year		-	-	-	-
Retained Earnings carried forward	16	4,524,952	384,047,635	4,514,970	381,270,290
The annexed notes 1 to 20 form an integral part of these	financial sta	atements.			

Eastern Bank Limited

Offshore Banking Operation, Bangladesh **Cash Flow Statement**

for the year ended 31 December 2020

A) Cash flow from operating activities

Interest received Interest paid Commission, exchange and brokerage Received from other operating activities Paid for operating expenses Operating profit before changes in operating assets and liabilities

(Increase)/decrease in operating assets:

Loan and advances to customers Other Assets Increase/(decrease) in operating liabilities: Customers' deposits and other accounts

Other liabilities

Net cash flow from operating activities

- B) Cash flow from investing activities
- C) Cash flow from financing activities Borrowing from other banks, financial institutions and Net profit transferred to main operations Net cash from financing activities
- Net (decrease) / increase in cash (A+B+C) D)
- E) Effects of exchange rate changes on cash and cash equi
- F) Opening cash and cash-equivalents
- G) Closing cash and cash equivalent (D+E+F)*

*Closing cash and cash equivalents Cash in hand (including foreign currencies) Balances with Bangladesh Bank and its agent bank Balances with other Banks and Financial Institution

Money at call and short notice Prize bonds

The annexed notes 1 to 20 form an integral part of these financial statements.

Notes	20	20	20	19
Notes	USD	BDT	USD	BDT
		1 000 // 5 / 71	20.2/2.202	1 202 254 025
	15,617,796	1,322,465,671	20,262,303	1,707,751,275
17	(11,707,446)	(980,406,207)	(16,003,365)	(1,337,966,788)
17	141,813	12,036,152	306,235	25,860,240
10 19	192,380	16,327,959	247,020	20,859,799
19	(225,961)	(19,178,057)	(438,706)	(37,046,919)
	4,018,583	351,245,517	4,373,486	379,457,606
		(4, (00, 070, 0 (0))		
	(20,142,499)	(1,680,872,040)	(13,934,626)	(1,444,484,622)
	85,648	10,403,211	1,210,973	104,121,260
	701.00/		(/ 2 07/)	
	791,284	53,595,599	(42,974)	(13,387,541)
	(1,463,382)	(124,663,016) (1,741,536,245)	(399,456) (13,166,082)	(28,282,380)
	(16,710,367)	(1,390,290,726)	(8,792,596)	<u>(1,382,033,284)</u> (1,002,575,678)
	(10,710,307)	(1,370,270,720)	(0,772,370)	(1,002,575,676)
	-	-	-	-
d agents	(62,814,102)	(5,363,199,375)	10,110,296	1,217,255,127
16	(4,514,971)	(381,270,290)	(3,403,590)	(284,060,896)
	(67,329,073)	(5,744,469,665)	6,706,705	933,194,230
	(84,039,441)	(7,134,760,390)	(2,085,890)	(69,381,446)
uivalents	-	(2,377,398)	-	550,394
	106,175,158	9,014,270,931	108,261,049	9,083,101,983
	22,135,717	1,877,133,144	106,175,158	9,014,270,931
20				
	-	-	-	-
ık (s)	-	-	-	-
ons	22,135,717	1,877,133,144	106,175,158	9,014,270,931
	-	-	-	-
	-	-	-	
	22,135,717	1,877,133,144	106,175,158	9,014,270,931

Eastern Bank Limited Offshore Banking Operation Notes to the Financial Statements

as at and for the year ended 31 December 2020

1 Nature of business

"Offshore Banking Operation (""0B0"") is run by separate business unit (Offshore Banking Unit or ""0BU"" or ""the unit"") of the Bank through a separate desk under control and supervision of the Offshore Banking Division. The unit and all activities of the division are governed under the permission by Bangladesh Bank vide letter no. BRPD(P)744(89)/2004-303 dated 25 January 2004 and subsequent approvals for continuation by Bangladesh Bank vide letter no. BRPD(P)744(89)/2020-2254 & 2255 dated 25 February 2020 in line with the offshore banking policy issued by Bangladesh Bank vide BRPD circular no. 02 dated 25 February 2019 and amendments thereon. The activities of the unit is to provide both funded and non-funded facilities and to accept savings/ current/term deposits in freely convertible foreign currencies to and from non-resident person/institutions, fully foreign owned enterprises (Type 'A') in EPZs, PEPZs, EZs and Hi-Tech Parks, etc. Besides, OBU offers short term loan facility to the Type 'B' industrial enterprise in EPZs, PEPZs, EZs and Hi-Tech Parks. In addition, OBU discounts/purchases accepted usance/deferred bills against import from abroad and accepted usance/deferred export bills against direct and deemed exports of products produced in Bangladesh of persons resident in Bangladesh. Offshore Banking conducts banking business activities in foreign currencies. The unit commenced its operations on 19 May 2004 and its office is located at 100 Gulshan Avenue, Dhaka-1212."

2 Significant accounting policies and basis of preparations

Basis of preparation

2.1 Statement of compliance

The financial statements of the operation / the Unit as at and for the year ended 31 December 2020 have been prepared in accordance with International Financial Reporting Standards (IFRSs), the "First Schedule" (section 38) of the Bank Company Act 1991. The accounting policies set out in the financial statements of main operation of the Bank have been applied consistently in these financial statements except otherwise instructed by the Central Bank as prime regulator.

2.2 Loans and advances

- a) These are stated gross, with accumulated specific and general provisions for bad and doubtful debts being shown under other liabilities.
- b) Provision for Loans and Advances is made on the basis of period end review by the management and of instructions contained in BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 19 dated 27 December 2012, BRPD circular no 12 dated 20 August 2017, BRPD circular no 15 dated 27 September 2017, BRPD Circular no. 16 dated 21 July 2020, BRPD Circular no 17 dated 28 September 2020, BRPD Circular Letter no 52 dated 20 October 2020 and BRPD Circular Letter no 56 dated 10 December 2020.

2.3 General

Allocation of common expenses

Operaing expenses in the nature of rent, rates and taxes, salaries, management expenses, printing and stationery, electricity, postages, stamps, telecommunication and audit fees are accounted for in Account of the Main Operation of the Bank.

Fixed Assets and depreciation

Fixed assets of this unit are appearing in the books of the main operation of the bank and depreciation is also charged to Profit and Loss Account of the main operation of the Bank.

Certain corresponding figures in the financial statements have been reclassifed and rearranged to conform to the current year's presentation.

These financial statements of the unit cover one calender year from 1 January 2020 to 31 December 2020.

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Inside Bangladesh In interest bearing account Eastern Bank Limited Commercial Bank of Ceylon PLC

Outside Bangladesh In interest bearing account EBL Finance (HK) Limited

In-non interest bearing account Standard Chartered Bank, USA Standard Chartered Bank, Germany

4 Loans and advances

i) Loans, cash credits, overdrafts, etc.ii) Bills discounted and purchased

4.1 Loans, Cash Credit, Overdraft etc.

Inside Bangladesh : Loans Cash Credit Overdraft

Outside Bangladesh Loans Cash Credit Overdraft

4.2 Bills Purchased and Discounted

Inside Bangladesh Bills Discounted Bills Financed

Outside Bangladesh Bills Discounted Bills Financed

5 Other Assets

Prepayments Interest Receivable on Term Placement Receivable from Customer under structured bill fin.

6 Borrowings from other banks, financial institution Demand Borrowings Term Borrowings

5

6.1 Demand Borrowings In non interest bearing account with Standard Chartered Bank New York

Standard Chartered Bank, New York In interest bearing account with Eastern Bank Limited (DBU)

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Notes	20	20	20	19
	USD	BDT	USD	BDT
ns				
			0/ / 00 050	0.010.111.001
	- 20,000,000	- 1,696,022,000	34,630,350	2,940,116,701
	20,000,000	1,696,022,000	34,630,350	2,940,116,701
			(0.500.000	E (00 100 000
	-	-	63,700,000 63,700,000	5,408,130,000 5,408,130,000
	_	_	03,700,000	3,400,130,000
	2,031,452	172,269,373	7,719,789	655,410,118
	104,265	8,841,771	125,019	10,614,112
	2,135,717	181,111,144	7,844,808	666,024,230
	2,135,717	181,111,144	71,544,808	6,074,154,230
	22,135,717	1,877,133,144	106,175,158	9,014,270,931
4.1	147,208,252	12,483,421,697	133,196,615	11,308,392,602
4.2	148,303,737	12,576,320,025	142,172,875	12,070,477,080
	295,511,989	25,059,741,722	275,369,490	23,378,869,682
	97,698,437	8,284,934,931	129,936,526	11,031,611,071
	-	-	-	-
	2,509,815	212,830,742	3,260,089	276,781,531
	100,208,252	8,497,765,673	133,196,615	11,308,392,602
	-	-	-	-
	47,000,000	- 3,985,656,024		_
	47,000,000	3,985,656,024		
	147,208,252	12,483,421,697	133,196,615	11,308,392,602
	-	-	-	-
	148,303,737	12,576,320,025	142,172,875	12,070,477,080
	148,303,737	12,576,320,025	142,172,875	12,070,477,080
	-	-	-	-
	-	-	-	-
	-	-	-	-
	148,303,737	12,576,320,025	142,172,875	12,070,477,080
	(00.000	41,552,541	/ 5 100	
	490,000		65,183	5,534,007
ance	24,201	2,052,304	1,007,940	85,574,098
ance	514,201	43,604,845	1,073,123	91,108,104
ns and a				· · ·
6.1	106,467,195	9,028,535,227	49,085,682	4,167,374,362
6.2	199,720,103	16,936,484,403	319,915,720	27,160,844,639
	306,187,297	25,965,019,630	369,001,402	31,328,219,001

106,467,195	9,028,535,227	49,085,682	4,167,374,362
106,467,195	9,028,535,227	49,085,682	4,167,374,362

			2020		2019	
		Notes	USD	BDT	USD	BDT
6.2	Term Borrowings		002			221
•	Borrowing inside Bangladesh					
	WOORI Bank		3,000,000	254,403,300	-	-
	Investment Promotion & Financing Facility (IPFF)		3,166,687	268,538,541	3,647,850	309,702,465
			6,166,687	522,941,841	3,647,850	309,702,465
	Borrowing outside Bangladesh					
	Abu Dhabi Commercial Bank, Dubai		-	-	49,967,201	4,242,215,372
	Asian Development Bank (ADB)		10,588,235	897,893,999	15,294,118	1,298,470,588
	Bank of Montreal, Canada		-	-	5,874,020	498,704,311
	Commerz Bank, Frankfurt		-	-	25,631,861	2,176,144,957
	DBS Bank, Singapore		-	-	39,274,347	3,334,392,035
	Deutsche Investitions-Und					
	Entwicklungsgesellschaft Mbh		56,000,000	4,748,861,600	32,000,000	2,716,800,000
	HDFC Bank, Mumbai		10,000,000	848,011,000	19,350,000	1,642,815,000
	ICICI Bank, Mumbai		-	-	13,441,380	1,141,173,157
	International Finance Corporation (IFC)		-	-	1,603,820	136,164,301
	ITFC		-	-	2,062,544	175,110,027
	JP Morgan Chase, Singapore		16,120,000	1,366,993,732	-	-
	Korea Development Bank, Singapore		32,983,629	2,797,048,041	36,244,042	3,077,119,161
	National Bank of Ras Al-Khaimah		-	-	14,813,931	1,257,702,722
	OEEB		20,000,000	1,696,022,000	-	-
	Opec fund for International Development		25,000,000	2,120,027,500	25,000,000	2,122,500,000
	PROPARCO		5,454,546	462,551,458	9,090,909	771,818,184
	Standard Chartered Bank, Singapore		151,861	12,877,943	26,619,698	2,260,012,361
	Wells Fargo, USA	-	17,255,145	1,463,255,289	-	-
		-	<u>193,553,416</u> 199,720,103	16,413,542,562 16,936,484,403	<u>316,267,870</u> 319,915,720	26,851,142,174 27,160,844,639
		-	177,720,105	10,730,404,403	517,715,720	27,100,044,037
6.1.a	Classification based on type of security Secured					
	Securea Unsecured			-	-	-
	Onsecured	-	306,187,297 306,187,297	25,965,019,630 25,965,019,630	369,001,402 369,001,402	31,328,219,001 31,328,219,001
		=	300,107,277	25,765,017,630	307,001,402	31,320,217,001
7	Deposits and other accounts					
	Current deposits and other accounts	7.1	3,027,026	256,695,118	3,796,134	322,291,809
	Term deposits	7.2	-	-	-	-
		_	3,027,026	256,695,118	3,796,134	322,291,809
7.1	Current deposits and other accounts:					
	Current account		2,008,975	170,363,291	2,782,639	236,246,024
	Other Accounts	7.1.a	1,018,051	86,331,827	1,013,496	86,045,785
			3,027,026	256,695,118	3,796,134	322,291,809
7.1.a	Other Accounts:	-				
/.1.4	Interest Payable on deposit		-	-	_	-
	Margin on Facility		1,018,051	86,331,827	1,013,496	86,045,785
			1,018,051	86,331,827	1,013,496	86,045,785
	m	=	_,,.			
7.2	Term deposits					
	Special notice deposit- SND		-	-	-	-
	Term deposit - BB	-	-			
	Term deposit - BB	-	-	-	-	-
8	Term deposit - BB Other liabilities	=	-	-		-
8	Term deposit - BB Other liabilities Provision for taxation	- = 8.1	-	-	-	-
8	Term deposit - BB Other liabilities Provision for taxation Provision for unclassified Loans and advances	= 8.1	- - 2,995,070	253,985,199	- - 2,908,097	- 246,897,402
8	Term deposit - BB Other liabilities Provision for taxation Provision for unclassified Loans and advances (Including provision for off-balance sheet items)	- 8.1			- - 2,908,097	- 246,897,402
8	Term deposit - BB Other liabilities Provision for taxation Provision for unclassified Loans and advances (Including provision for off-balance sheet items) Special General Provision for Covid 19	8.1	493,776	41,872,787	- - 2,908,097 -	- 246,897,402 -
8	Term deposit - BB Other liabilities Provision for taxation Provision for unclassified Loans and advances (Including provision for off-balance sheet items) Special General Provision for Covid 19 Interest Suspense Account	8.1	493,776 328,911	41,872,787 27,892,037	-	- 246,897,402 - -
8	Term deposit - BB Other liabilities Provision for taxation Provision for unclassified Loans and advances (Including provision for off-balance sheet items) Special General Provision for Covid 19 Interest Suspense Account Interest payable on Borrowing	8.1	493,776 328,911 592,567	41,872,787 27,892,037 50,250,321	- - 2,387,527	- - 202,701,077
8	Term deposit - BB Other liabilities Provision for taxation Provision for unclassified Loans and advances (Including provision for off-balance sheet items) Special General Provision for Covid 19 Interest Suspense Account Interest payable on Borrowing Privilage Creditors	8.1	493,776 328,911 592,567 12,162	41,872,787 27,892,037 50,250,321 1,031,352	- - 2,387,527 8,495	- 202,701,077 721,231
8	Term deposit - BB Other liabilities Provision for taxation Provision for unclassified Loans and advances (Including provision for off-balance sheet items) Special General Provision for Covid 19 Interest Suspense Account Interest payable on Borrowing	8.1	493,776 328,911 592,567	41,872,787 27,892,037 50,250,321	- - 2,387,527	- - 202,701,077

8.1 Provision for tax of the unit is accounted for in the book of Eastern Bank Limited.

9 Foreign currency translation difference

The foreign currency translation difference is a net result of exchange differrence of year end standard mid rate and monthly average of standard mid rate arising from translation of functional currency to presentation currecy. Assets and liabilities of OBO have been presented into Taka (which is functional currency of the Bank) using year end standard mid rate of exchange of the Bank i.e. USD 1 = BDT 84.8011 (2019: BDT 84.90) and incomes and expenses are translated using monthly average of standard mid rate of exchange (USD 1= BDT 84.8733).

N

10 Interest income

Interest on Advances Interest on Money at Call and Short Notice Interest on Placement with other Banks

11 Interest paid on deposits and borrowings

Interest on Deposits Interest on Borrowings Interest on Margin

12 Commission, exchange and brokerage

Fees & Commission Exchange gain/(loss) net off exchange gains* Brokerage

*The net result of exchange differeces arising from day to day transactions & revaluation of monetary items are recognized in profit and loss account as per BAS 21 (The Effect of changes in Foreign Exchange Rates).

13 Other Operating Income

Rebate of Foreign Correspondence Charges Swift charges recovered Postage charges recovered Service charges (others)

14 Operating Expenses

Account Maintenance & Processing fees Other charges

15 Provision for Loans and Advances

General Provision Special General Provision for Covid 19 Specific Provision

16 Surplus in profit and loss account

Opening balance Add: Profit during the year

Less: Transferred to Main operation during the year Closing balance

- 17 Cash received from commission, exchange and brokerage Commission, exchange and brokerage
- **18 Cash received from other operating activities** Service charges, SWIFT charges etc.
- **19 Paid for operating expenses** Operating expenses

20 Cash and cash equivalent Balance with other banks & FIs Money at call and short notice

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Notes	20)20	2019		
	USD	BDT	USD	BDT	

12,491,	359 1,0	060,182,896	16,676,439	1,408,255,240
	-	-	-	-
2,653,	163 2	225,182,726	4,096,329	345,917,779
15,144,	523 1,2	85,365,623	20,772,768	1,754,173,020
	-	-	-	-
10.147.	054 8	361,213,917	16.237.933	1,371,225,254
,_ ,	-			
10,147,	054 8	61,213,917	16,237,933	1,371,225,254
93.	532	7,938,398	309,602	26,144,613
48,	281	4,097,754	(3,368)	(284,373)
	-	-	-	-
141,	813	12,036,152	306,235	25,860,240

	22,135,717	1,877,133,144	106,175,158	9,014,270,931 -
	(225,961)	(19,178,057)	(438,706)	(37,046,919)
_	(225,961)	(19,178,057)	(438,706)	(37,046,919)
	192,380	16,327,959	247,020	20,859,799
	192,380	16,327,959	247,020	20,859,799
	141,813	12,036,152	306,235	25,860,240
	141,813	12,036,152	306,235	25,860,240
е	4/4.040	10.00/ 150	00/ 005	
	4,524,953	384,047,635	4,514,971	381,270,290
	(4,514,971)	(381,270,290)	(3,403,590)	(284,060,896
	9,039,924	765,317,925	7,918,561	665,331,186
	4,524,953	384,047,635	4,514,971	381,270,290
	4,514,971	381,270,290	3,403,590	284,060,896
	580,749	49,290,124	134,413	11,350,597
	-	-	-	-
	86,973 493,776	7,381,687 41,908,437	134,413	11,350,597
	0 (050			
	225,961	19,178,057	438,706	37,046,919
	225,961	19,178,057	438,706	37,046,919
_	172,380	10,327,737	247,020	20,857,777
	48,875 192,380	4,148,144	78,269 247,020	6,609,510 20,859,799
	1,723	146,237	5,169	436,500
	11,337	962,209	18,669	1,576,519
	130,446	11,071,370	144,913	12,237,270

Financial Statements of the Subsidiaries

EBL Securities Limited

Independent Auditor's Report

to the shareholders of EBL Securities Limited

Report on the audit of the Financial Statements

Opinion

We have audited the financial statements of EBL Securities Limited which comprise the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the director's reports, but doesn't include the financial statements and our auditor's report thereon. The director's reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the director's reports, there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the Financial Statements and Internal Controls

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- by management.
- to cease to continue as a going concern.
- statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

We also report that the financial statements comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and the other applicable laws and regulations. We, as required by law, further report that:

- of our audit and made due verification thereof;
- of these books; and
- agreement with the books of accounts and returns.

Dhaka, 07 March 2021

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

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made

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

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes

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

c) the statements of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in

Signed for and on behalf of ACNABIN

Chartered Accountants Hacen

Md Moniruzzaman FCA Partner ICAB Enrollment No. 787 DVC: 2103290787AS956644

Statement of Financial Position

as at 31 December 2020

as at 31 December 2020			Amount in BDT
	Notes	2020	2019
ASSETS			
Non-Current Assets		964,683,637	883,321,920
Property, Plant and Equipment	4	41,279,284	42,605,053
Deferred Tax Asset	5	82,687,487	-
Investments with DSE & CSE	6	840,716,867	840,716,867
Current Assets		5,538,000,177	5,633,540,568
Investment in Shares	7	1,855,796,095	2,034,543,238
Advance, Deposits and Prepayments	8	166,704,221	108,228,261
Accounts Receivable	9	62,611,095	39,549,373
Loan to Clients	10	3,070,938,335	2,783,604,732
Cash & Bank Balance	11	381,950,431	667,614,964
TOTAL ASSETS		6,502,683,814	6,516,862,488
EQUITY AND LIABILITIES			
Shareholders' Equity		2,066,652,181	2,048,341,501
Share Capital	12	1,500,000,000	1,500,000,000
Revaluation Reserve for Investments with DSE & CSE	13	639,212,367	639,212,367
Retained Earnings	14	(72,560,186)	(90,870,866)
Non-Current Liabilities			
Lease liability	15	15,185,024	7,892,177
Current Liabilities		4,420,846,609	4,460,628,811
Accounts Payable	16	292,823,904	213,412,464
Short Term Loan	17	3,433,140,420	3,733,385,187
Liabilities for Expenses	18	27,025,042	16,911,086
Other Liabilities	19	519,289,629	391,266,998
Provision for Tax	20	148,567,615	105,653,076
TOTAL LIABILITIES		4,436,031,633	4,468,520,988
TOTAL EQUITY AND LIABILITIES		6,502,683,814	6,516,862,488

EBL Securities Limited

Statement of Profit or Loss and Other Comprehensive Income

for the year ended 31 December 2020

Particualrs

Operating Income

Brokerage commission income Direct expenses **Net Brokerage Commission Income**

Interest income Interest expense **Net Interest Income**

Investment income Other operating income **Total Operating Income** Operating expenses Office & administrative expenses Bank charges & other expenses **Net Operating Profit** Provision for loss on margin loan Provision for diminution in value of quoted securities Loss Before Income Tax Less: Income Tax Expense Current Tax Deferred Tax income Net Profit/(Loss) for the year Other comprehensive income Total Comprehensive Income/(Loss) Earnings per Share (EPS)

The annexed notes from 1 to 29 form an integral part of these Financial Statements.

Managing Director Md. Sayadur Rahman

This is the Statement of Profit or Loss and Other Comprehensive Income referred to in our separate report of even date.

Dhaka, 07 March 2021

The annexed notes from 1 to 29 form an integral part of these Financial Statements.

South

Managing Director Md. Sayadur Rahman

Director

Ali Reza Iftekhar

This is the Statement of Financial Position referred to in our separate report of even date.

Dhaka, 07 March 2021

Chairman Mohd. Noor Ali

Signed for and on behalf of ACNABIN Chartered Accountants

HAcen Md Moniruzzaman FCA Partner

ICAB Enrollment No. 787 DVC: 2103290787AS956644 Amount in BDT

Notes	2020	2019
21	187,734,232	211,181,546
22	(26,292,786)	(26,602,409)
	161,441,447	184,579,137
23	372,106,406	401,609,773
24	(371,618,139)	(455,048,743)
	488,267	(53,438,970)
25	83,614,707	61,192,076
26	3,322,194	1,693,979
	248,866,616	194,026,222
27	(135,709,493)	(161,899,879)
	(130,533,207)	(150,867,054)
	(5,176,286)	(11,032,825)
	113,157,123	32,126,343
	(131,705,649)	-
	-	(66,446,236)
	(18,548,526)	(34,319,893)
28	36,859,206	(56,476,231)
	(45,828,281)	(56,476,231)
	82,687,487	-
	18,310,680	(90,796,124)
	18,310,680	(90,796,124)
29	12.21	(60.53)

Director Ali Reza Iftekhar

Chairman

Mohd. Noor Ali

Signed for and on behalf of **ACNABIN**

Chartered Accountants

Hacen

Md Moniruzzaman FCA Partner ICAB Enrollment No. 787 DVC: 2103290787AS956644

Statement of Changes in Equity

for the year ended 31 December 2020

Amount in BDT

Particulars	Share capital	Revaluation reserve for investment with DSE & CSE	Retained Earnings	Total Equity
Balance as at 01 January 2020	1,500,000,000	639,212,367	(90,870,866)	2,048,341,501
Net profit for the year	-	-	18,310,680	18,310,680
Balance as at 31 December 2020	1,500,000,000	639,212,367	(72,560,186)	2,066,652,181
Balance as at 01 January 2019 Net loss for the year	1,500,000,000	639,212,367	(74,742) (90,796,124)	2,139,137,625 (90,796,124)
Balance as at 31 December 2019	1,500,000,000	639,212,367		

The annexed notes from 1 to 29 form an integral part of these Financial Statements.

Dhaka. 07 March 2021

Managing Director Md. Sayadur Rahman

Director Ali Reza Iftekhar



Amount in BDT

EBL Securities Limited

Statement of Cash Flows

for the year ended 31 December 2020

Particualrs		2020	2019
A.	Cash Flows From Operating Activities:		
	Profit after tax	18,310,680	(90,796,124
	Net gain on sale of fixed assets	(128,616)	
	Depreciation & amortization	25,356,640	25,497,46
	(Increase)/Decrease in other assets	(42,630,205)	115,136,05
	Income Tax paid	(40,124,907)	(45,404,681
	Deferred Tax income	(82,687,487)	
	(Increase)/Decrease in accounts receivable	(23,061,721)	19,305,90
	Increase/(Decrease) in accounts payable	79,411,440	(102,627,239
	Increase/(Decrease) in liabilities for expenses	10,113,956	(17,176,398
	Increase in other liabilities	135,315,478	78,429,30
	Increase/(Decrease) in provision for tax	42,914,539	(82,039,633
	Net Cash flow from/(used in) Operating Activities	122,789,796	(99,675,348
В.	Cash Flows From Investing Activities:		
	Decrease/(Increase) in investment in securities	178,747,143	(68,787,860
	Increase in loans to customer	(287,333,603)	(133,407,262
	Proceeds from sale of assets	2,781,766	
	Acquisition of fixed assets	(2,404,868)	(6,123,021
	Net Cash used in Investing Activities	(108,209,562)	(208,318,142
с.	Cash Flows From Financing Activities:		
	(Payment) or receipt of short term loan	(300,244,767)	210,224,01
	Net Cash (used in)/flow from Financing Activities	(300,244,767)	210,224,01
D.	Net deficit in Cash and Bank Balance (A+B+C)	(285,664,534)	(97,769,471
E.	Unrealised foreign exchange gain/(loss)	(200,004,004)	(,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Б. F.	Cash and bank balances at the beginning of the year	667,614,964	765,384,43
G.	Cash and Bank Balance at the end of the year (D+E+F)	381,950,431	667,614,96
	annexred notes from 1 to 29 form an integral part of these Financial Statements.		

Dhaka. 07 March 2021

Managing Director

Md. Savadur Rahman

Director Ali Reza Iftekhar

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Mohd. Noor Ali

EBI. Securities Limited

Notes to the Financial Statements

as at and for the year ended 31 December 2020

1. Company and its activities

1.1 Legal status and nature of the company

EBL Securities Ltd. is one of the leading brokerage houses domiciled in Bangladesh which has been constituted by changing the name of LRK Securities Limited, limited by shares incorporated under the Companies Act 1994 incorporation no. C-32161 (1282)/97. EBL Securities Limited is the TREC holder (Trading Right Entitlement Certificate) of both Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) bearing certificate no. 026 and 021 dated 03 November 2013 and 28 October 2013 respectively.

1.2 Principal activities and nature of operation

The principal activities of the company is to buy, sell, deal and invest in shares, stocks, debentures and other securities, to become TREC holder of stock exchange in Bangladesh and/ or elsewhere and undertake all the functions of a Stock Exchange TREC holder. Basis of preparation and significant accounting policies

2.

2.1 Statement of compliance

The financial statements are prepared on the historical cost basis except measuring fair value of DSE & CSE TREC and shares and therefore, did not take into consideration the effect of inflation. The financial statements have been prepared and the disclosures of information have been made in accordance with the companies Act, 1994. the Securities and Exchange Rules, 1987, the listing Rules of Dhaka Stock Exchange, Guidelines from Bangladesh Securities & Exchange Commission (BSEC), International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) and other applicable laws and regulations.

2.2 Other regulatory compliances

As required, EBL Securities Limited also complies with the applicable provisions of the following major laws/ statutes:

-Securities and Exchange Rules, 1987; -Securities and Exchange Commission Act, 1993; -Securities and Exchange Commission (Stock-Dealer, Stock-Broker and Authorized Representatives) Rules, 2000; -Income Tax Ordinance, 1984; -Income Tax Rules, 1984; -Value Added Tax and Supplementary Duty Act, 2012; -Negotiable Instruments Act, 1881; and -Other applicable laws and regulations.

2.3 **Basis of measurement**

The financial statements except for cash flow information have been prepared on accrual basis of accounting.

2.4 Components of financial statements

-Statement of Financial Position -Statement of Profit or Loss and Other Comprehensive Income -Statement of Changes in Equity -Statement of Cash Flows -Notes to the Financial Statements

2.5 Functional and presentational currency

These financial statements are presented in Bangladeshi Taka (BDT) which is the functional currency of the company. The amounts in these financial statements have been rounded off to the nearest integer.

2.6 Use of estimates and judgments

Preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities, income and expenses. These financial statements contained information about the assumptions it made about the future and other major sources of estimation uncertainty at the end of the reporting year that have a significant risk of resulting in a material adjustment to the carrying amount of assets, liabilities, income and expenses within the next financial year. In accordance with the guidelines as prescribed by IAS 37: Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situation:

- When the company has an obligation as a result of past events,

- When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and - Reliable estimates can be made of the amount of the obligation.

2.7 Consistency

In accordance with the IFRS framework for the presentation of financial statements together with IAS 1 and IAS 8, EBL Securities Limited applies the accounting disclosure principles consistently from one Year to the next. Where selecting and applying new accounting policies, changes in accounting policies applied, corrections of errors, the amounts involved are accounted for and retrospectively accordance with the requirement of IAS 8. We however, have applied the same accounting principles in 2020 as was for in financial statements for 2019.

2.8 Going concern

The Company has adequate resources to continue in operation for the foreseeable future. For this reason the directors continue to adopt going concern assumption in preparing the financial statements. The current credit facilities and adequate resources of the company provide sufficient funds to meet the present requirements of its existing businesses and operations.

2.9 Reporting year

The financial Year of the Company covers twelve months from 01 January 2020 to 31 December 2020.

2.10 Investment in stock exchanges for membership

In accordance with section 8 of the Exchanges Demutualization Act, 2013, both stock exchange membership have been converted into shares through the issuance of two completely de-linked assets to the former members in the Exchange, namely (a) fully paidup shares and (b) trading right. Exchanges shall have the authority to issue Trading Right Entitlement Certificate (TREC), as per the Exchanges Demutualization Act, 2013 and as outlined in the scheme, to provide the right to trade any securities enlisted in Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) to eligible brokers and dealers. Such TRECs will be totally separated from the ownership of the Exchange as there is no obligation for TREC holders to be or remain shareholders of the exchange.

3. Significant accounting policies

The accounting policies set out below have been applied consistently (otherwise as stated) to all Years presented in these financial statements.

3.1 Property, plant and equipment

3.1.1 Recognition and measurement

These are measured at cost less accumulated deprecation. Cost includes expenditures that are directly attributable to the acquisition of the property, plant and equipment. Full month's depreciation has been charged on additions irrespective of date when the related assets are put into use and no depreciation is charged for the month of disposal. Depreciation is providing at the rearranged/ refixed following rates on straight-line IAS is in accordance with IAS 16 over the years appropriate to the estimated useful lives of the different types of assets. The new rate of depreciation considering estimated useful lives of the assets, the shortfall amount if necessary, have been charged during the Year.

3.1.2 Subsequent costs

The cost of replacing part of an item of property, plant and equipment are recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit and loss account as incurred.

3.1.3 Depreciation & amortization

Depreciation on property, plant and equipment is charged using straight line method on all assets.Depreciation is charged from the date when the asset are ready to use. Depreciation rates are as follows:

Nature of Assets	Rate of Depreciation
Furniture & Fixture	10%
Television & Multimedia	20%
Computer & Accessories	33.33%
Generator	20%
Office Equipment	20%
Office Decoration	10%
Vehicles	20%

3.2 Intangible assets

3.2.1 Recognition and measurement

The only item in intangible assets is computer software that was acquired by the Company and is measured at cost less accumulated amortization and impairment loss, if any.

3.2.2 Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific assets to which it relates.

3.2.3 Amortization

Amortization is calculated using the straight line method to write down the cost of intangible asset to its straight line values (33.33%).

3.3 Impairment

The carrying value of the Company's assets other than inventories, are reviewed at closing date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of the asset or its cash-generating unit exceeds its recoverable amount. Impairment losses, if any, are recognized in the profit and loss account.

3.4 Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash at bank and fixed deposits which are held and are available for use by the Company without any restriction. There is insignificant risk of change in the value of the above items.

3.5 Accounts receivable

Acounts receivables are stated at nominal values as reduced by the appropriate allowances for estimated doubtful amounts. No such receivables are accounted for if the loans are classified as bad and loss. Receivable include the amount receivable both from DSE and CSE against daily transaction settlement and dividend income from investments, etc.

3.6 Loan to clients

EBL Securities Limited extends margin loan to the portfolio investors at an agreed ratio (between investors deposit and loan amount) of purchased securities against the respective investor account. The investors have to maintain the margin as per set rules and regulations. The margin is monitored on daily basis as it changes due to change in market price of shares. If the margin falls below the minimum requirement, the investors are required to deposit additional fund to maintain margin as per rules otherwise the securities are sold to bring the margin to the required level.

3.7 Investment in securities

Investments in listed securities are recognized at cost. Quarterly impairment test is carried out by comparing cost with market price. In case of diminution of market value compared to cost, provision is made on portfolio basis but no unrealized gain is booked when market value exceeds cost.

3.8 Recognition and measurement of financial assets

In accordance with International Financial Reporting Standard (IFRS) 9, financial assets may be recognized at fair value, with gain and losses taken to the income statement in net investment income. A financial asset or financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term.

3.9 Provision for income tax

with Income Tax Ordinance, 1984.

3.10 Revenue recognition

Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the enterprise and in accordance with the International Financial Reporting Standard (IFRS)-15 "Revenue from Contracts with Customers":

3.10.1 Brokerage commission

Brokerage commission is recognized as income when selling or buying order executed.

3.10.2 Interest income from margin loan

Income from margin loan is recognized on accrual basis. Such income is calculated considering daily margin loan balance of the respective customers. Income is recognized on guarterly basis.

3.10.3 Dividend income and gain/(loss) on sale of marketable securities

Dividend income is recognized when right to receive or payment is established whereas profit or loss arising from the sale of securities is accounted for only when shares are sold in the market and profit is realized or loss is incurred.

3.10.4 Interest income

Interest income is recognized on the loan balance of portfolio clients on monthly accrual basis and charged to clients' balance on quarterly basis.

3.10.5 Portfolio management fees

Portfolio management fees are recognized on the market value of the clients' portfolio on monthly accrual basis and charged to clients' balance on quarterly basis.

Provision for income tax is made on the basis of Company's computation based on the best estimate of taxable profit in accordance

3.10.6 Issue management & corporate advisory

Issue management and corporate advisory fees are recognized according to the stages of completion of services as agreed and defined in issue management and corporate advisory agreement between company and client.

3.10.7 Dividend income and profit or loss on sale of securities

Dividend is accounted for as income when right to receive is established whereas profit or loss arising from the sale of securities is accounted for only when the securities are sold/offloaded.

3.11 Suspense interest account

Suspense interest account is created against interest income from negative equity customers and vulnerable margin account.

3.12 Income tax expenses

Income tax expenses comprise current and deferred tax. Income tax expense is recognized in the Statement of Profit or Loss and Comprehensive Income except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

3.13 Application of International Financial Reporting Standard (IFRS-16)

Leases

The company has made recognition, measurement and disclosure for both being as Lessee and Lessor as per IFRS 16.

Right-of-use assets (ROU):

EBL Securities Limited recognises the right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). ROU assets are measured at cost less any accumulated depreciation and impairment of losses and adjusted for any measurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognise, initial direct cost incurred, and lease payment made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight line basis over the lease term, or remaining year of the lease term.

Lease Liabilities:

At the commencement of the lease, the company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payment include fixed and variable lease payment (less any adjustment for initial payment), and amount is expected to be paid under residual value of guarantees. In 2020, the company reassessed all lease payment of existing contracts remaining year considering a cut-off date beginning of 2020. The lease liabilities are presented in the note 15 of these financial statements. Leases where the company does not transfer substantially all of the risk and benefit of ownership of any asset are classified as operating assets.

3.14 Provision for diminution in value of investments

Investment in quoted shares and un-quoted shares are revalued at the quarter end at cost price. Provision should be made for any loss arising from diminution in value of investment in light with BSEC circular #BSEC/Survailence/Mukhpatrpo (5th part)/2019/196, dated 16 July 2020.

3.15 Events after the balance sheet date

Events after the balance sheet date that provide additional information about the Company's position at the balance sheet date are reflected in the financial statements. Events after the balance sheet date that are not adjusting events have been disclosed in the notes when material.

3.16 General

i) Figures have been rounded off to the nearest integer.

ii) Previous year's figures have been rearrenged wherever considered necessary to conform to the current year's presentation.

3.17 Impact of COVID-19

On 11 March 2020 the World Health Organization (WHO) declared a global pandemic due to Corona Virus related respiratory disease, commonly known as COVID-19. To contain the spread of this disease, along with many other countries of the world, the Government of Bangladesh has also taken a number of measures such as declaration of general holiday, enforcement of lock down, social distancing, etc. As a result of these measures, all business and economic activities in the country have been adversely affected and this has also affected the Company. Although the business operation and profitability of the Company have been impacted by COVID-19, but due to the constantly changing nature of the situation and lack of certainty at present regarding how long this situation will prevail, the potential impact of COVID-19 related matters on the Company's operation and financial results cannot be reasonably assessed. The management of the Company assessed the going concern and found no uncertainty regarding this for the upcoming 12 months due to COVID-19. Assessment of COVID-19 in relation to the following areas and the conclusion reached thereof is given below:

3.17.1 Margin loan

One of the principal activities of the company is providing corporate advisory service under which the company provides margin loan to the clients. Although lockdown and restriction in movements imposed due to COVID-19 has affected margin loan in second quarter of 2020, the Company has managed to recover in the subsequent quarters.

3.17.2 Investment in shares

Because of the pandemic situation, optimal inveinvestment in profitable shares and mutual fund.

3.17.3 Others

Management of the Company has assessed other areas of operations and found no significant impact of COVID-19 thereon.

3.18 Application of International Accounting Standards (IASs):

The Financial Statements have been prepared in compliance with requirement of IASs and IFRSs applicable in Bangladesh. EBL Securities Limited applied following IASs and IFRSs:

Name of the IAS	IAS No.
Presentation of Financial Statements	1
Statement of Cash Flows	7
Accounting Policies, Changes in Accounting Estimates and Errors	8
Events after the Reporting Period	10
Income Taxes	12
Property, Plant and Equipment	16
Employee Benefits	19
Borrowing Costs	23
Provisions, Contingent Liabilities and Contingent Assets	37
Intangible Assets	38
Name of the IFRS	IFRS No.
Financial Instruments: Disclosures	7
Financial Instruments	9
Fair Value Meauserement	13
Revenue from Contracts with Customers	15
Leases	16

Because of the pandemic situation, optimal investment opportunities has shrinked. Despite that the company has made some

EBL Investments Ltd.

Independent Auditor's Report

to the shareholders of EBL Investments Ltd.

Report on the audit of the Financial Statements

Opinion

We have audited the financial statements of EBL Investments Ltd, which comprise the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the director's reports, but doesn't include the financial statements and our auditor's report thereon. The director's reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the director's reports, there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the Financial Statements and Internal Controls

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

- collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- by management.
- to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

We also report that the financial statements comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and the other applicable laws and regulations. We, as required by law, further report that:

- of our audit and made due verification thereof;
- of these books; and
- agreement with the books of accounts and return.

Dhaka. 09 March 2021

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

 Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made

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

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.

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes

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

c) the statements of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in

Signed for and on behalf of ACNABIN **Chartered Accountants**

Hacen

Md Moniruzzaman FCA Partner ICAB Enrollment No. 787 DVC: 2103310787AS776867

Statement of Financial Position

as at 31 December 2020

			AIIIOUIII III BD I
	Notes	2020	2019
ASSETS			
Non-Current Assets		22,605,915	6,980,196
Property, Plant and Equipment	5	8,659,179	6,980,196
Deferred Tax Asset	6	13,946,736	-
Current Assets		445,482,653	410,630,692
Cash & Cash Equivalent	7	198,161,330	19,352,460
Advances, Deposit & Prepayments	8	4,293,045	767,536
Margin Loan	9	126,907,157	217,292,800
Accounts Receivable	10	3,006,588	3,768,317
nvestments	11	113,114,533	169,449,579
FOTAL ASSETS	-	468,088,568	417,610,888
EQUITY AND LIABILITIES			
Shareholders' Equity		319,559,874	322,711,071
Share Capital	12	300,000,000	300,000,000
Retained Earnings	13	19,559,874	22,711,071
Ion-Current Liabilities			
leased Liability net of Current Maturity	14	429,891	-
Current Liabilities		148,098,803	94,899,817
Current Portion of Lease Liability	14	1,618,302	-
Frade Payable	15	60,842,454	58,297,099
Provision for Income Tax	16	19,155,260	14,039,763
)ther Liabilities	17	66,482,786	22,562,954
lotal liabilities		148,528,694	417,610,888
FOTAL EQUITY AND LIABILITIES		468,088,568	417,610,888

The annexed notes from 1 to 27 form an integral part of these financial statements.

Director

Managing Director (CC)

This is the statement of financial position referred to in our separate report of even date.

Dhaka, 09 March 2021

Chairman

Amount in BDT

Signed for and on behalf of ACNABIN **Chartered Accountants**

Hacen

Md Moniruzzaman FCA Partner ICAB Enrollment No. 787 DVC: 2103310787AS776867 EBL Investments Ltd.

Statement of Profit or Loss and Other Comprehensive Income

for the year ended 31 December 2020

Particulars

Operating income

Fees & Commission Investment Income Interest & Other Income

Operating expenses Administrative Expenses Financial Expenses **Operating Profit before Provision** Provision (charged) for diminution in value of investment Provision (charged) for negative equity (Loss)/Profit before tax Income Tax Expense Current Tax Deferred Tax Net Loss after tax Other comprehensive income Total Comprehensive income

Earnings per share

The annexed notes from 1 to 27 form an integral part of these financial statements.

Managing Director (CC)

This is the statement of profit or loss and other comprehensive income referred to in our separate report of even date.

Dhaka. 09 March 2021 Amount in BDT

	Notes	2020	2019
		44,985,784	27,539,877
	18	14,295,140	42,254,837
	19	9,142,504	(26,385,229)
	20	21,548,140	11,670,267
		25 220 025	2/ 21/ /70
		25,230,035	24,316,470
	21	24,953,338	24,152,559
	22	276,697	163,911
		19,755,748	3,223,406
nts	23	-	(2,224,451)
	23	(31,738,184)	-
		(11,982,436)	998,955
		(8,831,239)	11,787,327
	24	5,115,497	11,787,327
	6	(13,946,736)	-
		(3,151,197)	(10,788,372)
		-	-
		(3,151,197)	(10,788,372)
	25	(1.05)	(3.60)

Director

Chairman

Signed for and on behalf of ACNABIN

Chartered Accountants

Hacen

Md Moniruzzaman FCA Partner ICAB Enrollment No. 787 DVC: 2103310787AS776867

Statement of Changes in Equity

for the year ended 31 December 2020

			Amount in BD1
Particulars	Paid-up capital	Retained earnings	Total Equity
Balance as at 01 January 2020	300,000,000	22,711,071	322,711,071
Net Loss for the year	-	(3,151,197)	(3,151,197)
Balance as at 31 December 2020	300,000,000	19,559,874	319,559,875
Balance as at 01 January 2019	300,000,000	33,499,442	333,499,442
Net Loss for the year	-	(10,788,372)	(10,788,372)
Balance as at 31 December 2019	300,000,000	22,711,071	322,711,071

The annexed notes from 1 to 27 form an integral part of these financial statements.



Dhaka, 09 March 2021

EBL Investments Ltd.

Statement of Cash Flows

for the year ended 31 December 2020

			Amount in BD
Parti	culars	2020	2019
۱.	Cash flows from operating activities		
	Net Loss during the year	(3,151,197)	(10,788,372
	Depreciation and Amortization	4,962,167	3,773,849
	Decrease/ (increase) of Advances, Deposit & Prepayments	(982,840)	22,511,708
	Decrease/(increase) in Accounts Receivable	761,729	7,559,81
	(Decrease)/increase in Trade Payable	2,545,355	(8,530,955
	(Decrease)/increase in Provision for Tax	5,115,497	11,787,32
	Income tax paid	(2,542,670)	(4,673,025
	Increase/(decrease) in Other liabilities	43,919,832	2,297,90
	Increase/(decrease) in Deferred Tax Liability	(13,946,736)	
	Increase/(decrease) in Lease Liability	2,048,193	
	Net cash flow from operating activities	38,729,331	23,938,25
	Cash flows from investing activities		
	Received from/(issue) of Margin Loan	90,385,643	(46,273,374
	Investment in Securities	56,335,046	(8,344,023
	Acquisition of Fixed Assets	(6,641,150)	(5,472,202
	Net cash flow from / (used in) investing activities	140,079,539	(60,089,599
	Cash flows from financing activities	-	
	Net Increase/(Decrease) in Cash and Bank Balance (A+B+C)	178,808,870	(36,151,344
	Unrealised Foreign Exchange Gain/Loss	-	
	Cash and Bank Balances at the beginning of the year	19,352,460	55,503,80
	Cash and Bank Balances at the end of the year (D+E+F)	198,161,330	19,352,46

The annexed notes from 1 to 27 form an integral part of these financial statements.

Dhaka, 09 March 2021

Managing Director (CC)

Director

filler

Chairmar

EBL Investments Ltd.

Notes to the Financial Statements

as at and for the year ended 31 December 2020

1. Company and its activities

1.1 Legal status and nature of the company

EBL Investments Ltd. (EBLIL/the Company), a full-fledged merchant bank and subsidiary of Eastern Bank Ltd., was incorporated in Bangladesh under the Companies Act, 1994 with the Registrar of Joint Stock Companies and Firms (RJSCF) on 30 December 2009 vide registration no. C-81417/09 as a Private Ltd. Company. Besides, EBL Investments Ltd. obtained license on 27 January 2013 vide BSEC registration no. MB-80/2013 as per the Bangladesh Securities and Exchange Commission (Merchant Banker and Portfolio Manager) Rules, 1996 to carry out merchant banking operation in Bangladesh and on 04 August 2013 vide BSEC registration no. CDBL-DP-396 under the Depository (User) Regulations, 2003 to carry out depository functions.

EBL Investments Ltd. has achieved an unparalleled reputation as a leading Merchant Banker through providing portfolio management services by maintaining a high level of professional expertise and integrity in client relationship. EBLIL's registered office is located at Bangladesh Shipping Corporation Tower 2-3, Rajuk Avenue (4th Floor), Motijheel C/A, Dhaka-1000

1.2 Principal activities and nature of operation

Main activities of EBLIL include underwriting of securities, issue management, portfolio management, capital restructuring, corporate advisory services etc. EBLIL performs its portfolio management activities in two ways: (i) Investors Discretionary Account (IDA), where portfolio management operates as per clients' decisions;

(ii) Management Discretionary Account (MDA), where portfolio management operates as per company's decisions by using client's money. 2. Basis of preparation and significant accounting policies

2.1 Statement of compliance

The financial statements have been prepared and the disclosures of information have been made in accordance with the Companies Act, 1994. the Securities and Exchange Rules, 1987, International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs) and other applicable laws and regulations.

2.2 Other regulatory compliances

As required, EBL Investments Ltd. also complies with the applicable provisions of the following major laws/ statutes:

- Securities and Exchange Commission Act, 1993;

- Income Tax Ordinance, 1984;
- Income Tax Rules, 1984;
- Negotiable Instruments Act. 1881: and - Other applicable laws and regulations.

2.3 Basis of measurement

cost convention.

2.4 Functional and presentational currency

These financial statements are presented in Bangladeshi Taka (BDT) which is the functional currency of the company. The amounts in these financial statements have been rounded off to the nearest integer.

2.5 Components of Financial Statements

-Statement of Financial Position -Statement of Profit or Loss and Other Comprehensive Income -Statement of Changes in Equity -Statement of Cash Flows -Notes to the Financial Statements

2.6 Use of estimates and judgments

Preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities, income and expenses. These financial statements contained information about the assumptions it made about the future and other major sources of uncertain estimation at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amount of assets, liabilities, income and expenses within the next financial year. In accordance with the guidelines as prescribed by IAS 37: Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situation:

Amount in DD

Amount in BDT

The financial statements, except statement of cash flow, have been prepared on the accrual basis of accounting under the historical

(i) When the company has an obligation as a result of past events,

(ii) When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (iii) Reliable estimates can be made of the amount of the obligation.

2.7 Consistency

In accordance with the IFRS framework for the presentation of financial statements together with IAS 1 and IAS 8, EBL Investments Ltd. applies the accounting disclosure principles consistently from one period to the next. Where selecting and applying new accounting policies, changes in accounting policies, corrections of errors, the amounts involved are accounted for, retrospectively, in accordance with the requirement of IAS 8. We, however, have applied the same accounting principles in 2020 as was for in financial statements for 2019.

2.8 Going concern

The Company has adequate resources to continue in operation for the foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the financial statements. The current credit facilities and adeguate resources of the company provide sufficient funds to meet the present requirements of its existing businesses and operations.

2.9 Reporting period

The financial statements of the Company cover one (01) year from 01 January 2020 to 31 December 2020 and is followed consistently.

3. Significant accounting policies

The accounting policies set out below have been applied consistently (otherwise as stated) to all periods presented in these financial statements.

3.1 Property, plant and equipment

3.1.1 Recognition and measurement

Property, plant and equipment are stated at cost or revalued amount, if any, less accumulated depreciation in compliance with International Accounting Standard (IAS)-16: Property, Plant and Equipment. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the asset to its location and condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

3.1.2 Subsequent costs

The cost of replacing part of an item of property, plant and equipment are recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of profit or loss and other comprehensive income as incurred.

3.1.3 Depreciation & amortization

Depreciation is charged using straight-line method on all assets of property, plant and equipment. Depreciation rates are as follows:

Nature of assets	Rate of depreciation
Furniture and fixtures	10%
Office equipments	20%
Motor vehicle	20%
Office decoration & other accessories	20%
Software & intangibles	15%

3.1.4 Disposal of fixed assets

Gains or losses on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment disposed off and is recognized net with 'Other Income' in the Statement of Profit or Loss and Other Comprehensive Income.

3.2 Intangible assets

Through online Mbank software the company maintains its books of accounts.

3.2.1 Recognition and measurement

In accordance with IAS 38, an intangible asset is recognized if it is probable that the expected future economic benefits, which are attributable to the asset, will flow to the company entity; and the cost of the assets can be measured reliably. In addition, it is measured at cost less accumulated amortization and impairment loss, if any, in the Statement of Financial Position.

3.2.2 Subsequent expenditure

Subsequent expenditure on intangible assets is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates.

3.2.3 Amortization

Amortization is calculated using the straight-line method to write down the cost of intangible asset to it's residual values at 15%.

3.3 Impairment

The carrying value of the Company's assets other than inventories, are reviewed at closing date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of the asset or its cash-generating unit exceeds its recoverable amount. Impairment losses, if any, are recognized in the Statement of Profit or Loss and Other Comprehensive Income.

3.4 Statement of cash flows

The Statement of Cash Flows shows changes in cash and bank balances during the financial year. It has reported cash flows during the year classified by operational activities, investing activities and financing activities. It is prepared under indirect method in accordance with IAS :7 Statement of Cash Flows

3.5 Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash at bank and fixed deposits which are held and are available for use by the Company without any restriction. There is insignificant risk of change in the value of the above items.

3.6 Margin loan to customer

EBL Investments Ltd. extends margin loan to the portfolio investors at an agreed ratio (between investors deposit and loan amount) of purchased securities against the respective investor account. The investors are to maintain the margin as per set rules and regulations. The margin is monitored on daily basis as it changes due to change in market price of shares. If the margin falls below the minimum requirement, the investors are required to deposit additional fund to maintain margin as per rules otherwise the securities are sold to bring the margin to the required level.

3.7 Investment in securities

Investments in listed securities are recognized at cost. Quarterly impairment test is carried out by comparing cost with market price. In case of diminution of market value compared to cost, provision is made on portfolio basis but no unrealized gain is booked when market value exceeds cost.

3.8 Recognition and measurement of financial assets

In accordance with IFRS 9: Financial Instruments, financial assets may be recognized at fair value, with a gain or loss taken to the Statement of Profit or Loss and Other Comprehensive Income at net investment income. A financial asset or financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing in the near term.

3.9 Provision for income tax

with Income Tax Ordinance, 1984.

3.10 Revenue recognition

Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the enterprise and in accordance with IFRS 15: Revenue from Contracts with Customers.

3.10.1 Management fee

Management fee is charged to IDA clients for rendering services like receipt of shares from brokers, delivery of shares to brokers, custody of shares and collection of corporate entitlements etc. The fee is charged on daily market value of securities for IDA clients per annum and recognized as of accrual basis.

3.10.2 Transaction/settlement fee

Transaction/Settlement fee is recognized as income when selling or buying order executed.

3.10.3 Interest income from margin loan

Income from margin loan is recognized on accrual basis. Such income is calculated considering daily margin loan balance of the respective customers. Income is recognized quarterly

3.10.4 Dividend income and gain/(loss) on sale of marketable securities

Dividend income is recognized when receive or payment right is established whereas profit or loss arising from the sale of securities is accounted for only when shares are sold in the market and profit is realized or loss is incurred.

3.11 Leases

EBLIL has applied IFRS 16: "Leases" for the first time with the date of initial application of 21 October 2020 using modified retrospective approach where the company measured the lease liability at the present value of the remaining lease payments and recognized a right-of-use asset at the date of the initial application on a lease by lease basis.

Provision for income tax is made on the basis of company's computation based on the best estimate of taxable profit in accordance

EBLIL has capitalized the lease rental for it's 1 (one) admin building during the year. Subsequently before capitalization of the rental payment EBLIL has considered the compliance criteria of IFRS 16 leases and applied accordingly.

According to IFRS 16 Leases, a contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Control is conveyed where the customer has both the right to direct the identified asset's use and to obtain substantially all the economic benefits from that use.

An asset is typically identified by being explicitly specified in a contract, but an asset can also be identified by being implicitly specified at the time it is made available for use by the customer.

Upon lease commencement, the company recognizes a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the lease liability plus any initial direct costs incurred by the company. Adjustments may also be required for lease incentives, payments at or prior to commencement and restoration obligations or similar. After lease commencement, the company measures the right-of-use asset using a cost model. Under the cost model a right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment.

The lease liability is initially measured at present value of the future lease payments discounted using the discount rate implicit in the lease. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others.

On the statement of financial position, right-of-use assets have been included in non-current assets and lease obligations have been included in current liabilities (to be paid in the next year) and non-current liabilities (net of current obligation) which is separately disclosed.

3.12 Earnings per share

Earnings Per Share (EPS) has been computed by dividing the Profit After Tax (PAT) by the number of ordinary share outstanding as on 31 December 2020 as per IAS-33: Earnings Per Share.

3.13 Income tax expenses

Income tax expenses comprise current and deferred tax. Income tax expense is recognized in the Statement of Profit or Loss and Other Comprehensive Income except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

3.13.1 Current tax

Income tax expense is recognized in statement of Profit or Loss & Other Comprehensive Income. Current tax is the expected tax payable on the total taxable income for the year using tax rates enacted or substantially enacted as of reporting date and any adjustment to tax payable in respect of previous years. The Company is a full-fledged merchant bank as per Income Tax Law and provision for tax has duly been made. The rate of tax is 37.5%.

3.13.2 Deferred tax

The company has recognized deferred tax using balance sheet method in compliance with the provisions of IAS 12: "Income Taxes". The company's policy of recognition of deferred tax assets/ liabilities is based on temporary differences (taxable or deductible) between the carrying amount (book value) of assets and liabilities for financial reporting purpose and its tax base, and accordingly, deferred tax income/expenses has been considered to determine net profit after tax and earnings per share (EPS).

A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available, against which temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.14 Provision for diminution in value of investments

Investment in quoted shares and un-quoted shares are revalued at the year end at market price and as per book value of last audited statement of financial position. Provision should be made for any loss arising from diminution in value of investment. The company measures and recognizes investment in guoted and unguoted shares at cost if the year end market value and book value, for guoted shares, are higher than the cost except investment in mutual fund. BSEC directive no. SEC/CMRRCD/2009-193/172 dated 30 June 2015 has been followed for mutual fund.

3.15 Events after the reporting period

Events after the reporting period, also known as non-adjusting events, are disclosed in the notes when material as well as provide additional information about the company's positions at the period end date.

3.1.6 Impact of COVID-19

On 11 March 2020 the World Health Organization (WHO) declared a global pandemic due to Corona Virus related respiratory disease, commonly known as COVID-19. To contain the spread of this disease, along with many other countries of the world, the Government of Bangladesh has also taken a number of measures such as declaration of general holiday, enforcement of lock down, social distancing, etc. As a result of these measures, all business and economic activities in the country have been adversely affected and this has also affected the Company. Although the business operation and profitability of the Company have been impacted by COVID-19, but due to the constantly changing nature of the situation and lack of certainty at present regarding how long this situation will prevail, the potential impact of COVID-19 related matters on the Company's operation and financial results cannot be reasonably assessed. The Management of the Company assessed the going concern and found no uncertainty regarding this for the upcoming 12 months due to COVID-19. Assessment of COVID-19 in relation to the following areas and the conclusion reached thereof is given below:

3.16.1 Margin loan

One of the principal activities of the company is providing corporate advisory service under which the company provides margin loan to the clients. Although lockdown and restriction in movements imposed due to COVID-19 has affected margin loan in second quarter of 2020, the Company has managed to recover in the subsequent quarters.

3.16.2 Operating income

The principal activities of the company is providing issue management service, corporate advisory service, portfolio management services, trustee services to the clients. Due to bearish market condition and down economy, some clients did not avail the stated services. Yet the company has been recovering the following periods.

3.16.3 Investment in shares

Because of the pandemic situation, optimal investment opportunities has shrinked. Despite that the company has made some investment in profitable shares and mutual fund.

3.16.4 Others

Management of the Company has assessed other areas of operations and found no significant impact of COVID-19 thereon.

3.17 General

i) Figures have been rounded off to the nearest integer.

ii) Previous year's figures have been rearranged wherever considered necessary to conform to the current year's presentation.

3.18 Application of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs)

The Financial Statements have been prepared in compliance with the requirement of IASs and IFRSs applicable in Bangladesh. EBL Investments Ltd. applied following IASs and IFRSs:

Name of the IAS	IAS No.
Presentation of Financial Statements	1
Statement of Cash Flows	7
Accounting Policies, Changes in Accounting Estimates and Errors	8
Events after the Reporting Period	10
Income Taxes	12
Property, Plant and Equipment	16
Employee Benefits	19
Provisions, Contingent Liabilities and Contingent Assets	37
Intangible Assets	38
Name of the IFRS	IFRS No.
Financial Instruments: Disclosures	7
Financial Instruments	9
Fair Value Measurement	13
Revenue from Contracts with Customers	15
Leases	16

4 Financial risk management

4.1 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's loans and advances to customers and investment securities. These loans and advances are fully backed by the securities held by the customer.

With respect to credit risk arising from the other financial assets of the Company, the maximum exposure is equal to the carrying amounts of the financial assets.

4.2 Market risk

The Company's activities may give rise to risk at the time of settlement of transactions and trades. Market risk is the risk of losses due to failure of entity to honor its obligations to deliver cash, securities or other assets as contractually agreed.

For such transactions the Company only allows the purchase of tradable securities if the customer has adequate cash/purchase power beforehand.

4.3 Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity (cash and cash equivalents) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities under both normal and stressed conditions without incurring unacceptable losses or damage to the company's reputation. Typically, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast based on time line of payment of the financial obligation and accordingly, arrange for sufficient liquidity/ fund to make the expected payment within due date.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and resources for measuring and managing risk, and the Company's management of capital. The Board of Directors (BOD) has overall responsibility for the establishment and oversight of the Company's risk management framework.

EBL Finance (HK) Limited

Report of the Directors

The directors submit their report together with the audited financial statements for the year ended 31 December 2020.

Principal activities

The principal activity of the Company is engaged in money lending business

Business review

Pursuant to section 388(3)(b) of the Hong Kong Companies Ordinance, the Company is a wholly owned subsidiary of another body corporate during the year. Accordingly, the Company is not required to prepare a business review for the financial year ended 31 December 2020 as required by Schedule 5 of the Hong Kong Companies Ordinance.

Financial performance

The financial performance of the Company for the year ended 31 December 2020 and the financial position of the Company at that date are set out on pages 6 and 7.

Details of dividend paid during the year are provided in note 9 to the financial statements.

Charitable donations

Donations made by the Company during the year amounted to HK.\$1.000.

Directors

At the date of this report, the directors are not aware of any The directors during the year and up to the date of this report were:circumstances not otherwise dealt with in this report or financial statements which would render any amount stated in the financial Eastern Bank Limited statements misleading.

Iftekhar Ali Reza Md

In accordance with the Company's Articles of Association, all directors are not subject to rotation or retirement at the annual general meeting and are therefore continue in office at the forthcoming annual general meeting.

Directors' material interests in transactions, arrangements and contracts that are significant in relation to the Company's business

Save as disclosed in note 15 to the financial statements, no other

transactions, arrangements and contracts of significance in relation to the Company's business to which the Company, or a specified undertaking of the Company, any one of its holding companies, its subsidiaries or fellow subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Directors' interests in the shares and debentures of the Company or any other body corporate

At no time during the year was the Company, or a specified undertaking of the Company, any one of its holding companies, its subsidiaries or fellow subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

Management contracts

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year.

Other matters

Events after the reporting period

Details of significant events after the reporting period are provided in note 17 to the financial statements.

Auditor

The financial statements have been audited by Kingston C.P.A. Limited who retire and, being eligible, offer themselves for reappointment at the forthcoming annual general meeting.

On behalf of the Board For and on behalf of Eastern Bank Limited

Authorized Signature(s) Chairman, Eastern Bank Limited (Reptesented by Hassan O. Rashid) Hong Kong, 27 January 2021.

Independent Auditor's Report

to the members of EBL Finance (HK) Limited

(Incorporated in Hong Kong with limited liability)

Opinion

We have audited the financial statements of EBL Finance (HK) Limited ("the Company") set out on pages 6 to 23, which comprise the statement of financial position as at 31 December 2020, and the statement of comprehensive income, statement of changes of in equity and statement of cash flows for the year then ended. and notes to the financial statements, including a summary of significant accounting policies.

fu our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2020, and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong fustitute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance ("HKCO").

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our op1mon.

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the directors' report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of directors and those charged with governance for the Financial Statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the HKCO, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement. whether due to fraud or error

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our responsibility to express an opinion on these financial statements based on our audit is solely to you, as a body, in accordance with section 405 of the HKCO, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance. but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the HKICPA's website at:

http://www.hkicpa.org.hk/file/media/section6 standards/ standards/Audit-n-assurance/auditre/fs pf.pdf This description forms part of our auditor's report.

Englin An Als

Kingston CPA Limited Certified Public Accountants, Hong Kong Auditor. LAW Hoi Kit: P.C. No. P06627 27January 2021

EBL Finance (HK) Limited

vear ended 31 December 2020

Particulars

Revenue Cost of sales Gross profit Other income and net gains or (losses) Operating expenses Operating profit Finance costs Profit before taxation Income tax (Under)/over provision in prior year Provision for the year

Profit for the year

Other comprehensive income for the year, net of income Total comprehensive income for the year

The annexed notes form an integral part of these financial statements.

EBL Finance (HK) Limited

Statement of Financial Position

as at 31 December 2020

ASSETS AND LIABILITIES

Non-current assets Property, plant and equipment

Current assets Bills financed Interest receivables Deposits and prepayments Cash and bank balances

Current liabilities

Accruals and other payables Receipt in advance Loan from holding company Lease liabilities Provision for taxation Bank overdrafts

Net current assets

Total assets less current liabilities Non-current liabilities Lease liabilities Net assets FOUITY **Capital and reserves** Issued and fully paid-up capital (1,410,000 ordinary shares) Retained profits **Total equity**

Approved and authorised for issue by the board of directors on 27 January 2021

On behalf of the Board

For and on behalf of Eastern Bank Limited

Haven Kinhr

Director Eastern Bank Limited (Represented by Hassan O. Rashid)

The annexed notes form an integral part of these financial statements

Go to Contents

rinancial Reports

Statement of Comprehensive Income

Notes	2020 HK\$	2019 HK\$
4	26,422,695	41,354,186
	(11,521,906)	(16,792,041)
	14,900,789	24,562,145
4	(108,426)	175,667
	(5,450,437)	(5,517,725)
5	9,341,926	19,220,087
6	(16,589)	(14,065)
	9,325,337	19,206,022
7		
[(11,384)	28,720
	(1,360,000)	(2,970,000)
	(1,371,384)	(2,941,280)
	7,953,953	16,264,742
	-	-
	7,953,953	16,264,742

Notes	2020 HK\$	2019 HK\$
10	728,208	322,054
11	333,206,426 3,093,776 183,930 62,149,357 398,633,489	506,689,574 5,245,805 180,030 24,373,038 536,488,447
12	4,406,371 310,015 - 457,054	10,127,763 886,018 494,949,000 192,209
12	17,060 363,310,000	4,114,675
	368,500,500 30,132,989 30,861,197	510,269,665 26,218,782 26,540,836
12	198 779 30,662,418	
	11,410,000 19,252,418 30.662,418	11,410,000 15,130,836 26,540,836

Director

Iftekhar Ali Reza Md

Statement of Changes in Equity

year ended 31 December 2020

Particulars	Share Capital HK\$	Retained profits HK\$	Total HK\$
Balance at 1 January 2019	1,410,000	17,449,317	18,859,317
Capitalization of profits	10,000,000	(10,000,000)	-
Net profit for the year	-	16,264,742	16,264,742
Other comprehensive income	-	-	-
Dividend (Note 9)	-	(8,583,223)	(8,583,223)
Balance at 31 December 2019	11,410,000	15,130,836	26,540,836
Net profit for the year	-	7,953,953	7,953,953
Other comprehensive income	-	-	-
Dividend (Note 9)	-	(3,832,371)	(3,832,371)
Balance at 31 December 2020	11,410,000	19,252.418	30,662,418

The annexed notes form an integral part of these financial statements.

EBL Finance (HK) Limited

Statement of Cash Flows

year ended 31 December 2020

Particulars	2020 HK\$	2019 HK\$
Operating activities Profit before taxation Adjustment for:	9,325,337	19,206,022
Interest expense	11,521,906	16,792,041
Depreciation	509,489	507,335
Interest on lease liabilities	16 589	14 065
Operating cash flows before working capital changes	21,373,321	36,519,463
Decrease in bills financed	173,483,148	58,693,194
Decrease in interest receivables	2,152,029	3,812,040
Increase in deposits and prepayments	(3,900)	(1,830)
Decrease in accruals and other payables	(5,721,392)	(469,785)
Decrease in receipts in advance	(576,003)	(279,652)
Decrease in loan from holding company	(494,949,000)	(65,737,500)
Cash (used in)/generated from operations	(304,241,797)	32,535,930
Tax paid	(5,468,999)	-
Interest paid	(11,521,906)	(16,792,041)
Net cash (used in)/generated from operating activities Net cash used in from investing activities Payments to acquire property, plant and equipment Financing activities Capital element of lease rental paid	(321,232,702) (3,638) (448,381)	15,743,889 (100,257) (441,935)
Dividend paid	(3,832,371)	(8,583,223)
Interest on lease liabilities	(16,589)	(14,065)
Net cash used in financing activities	(4,297,341)	(9,039,223)
Net (decrease)/increase in cash and cash equivalents	(325,533,681)	6,604,409
Cash and cash equivalents at beginning of year	24,373,038	17,768,629
Cash and cash equivalents at end of year	(301.160,643)	24.373.038
Analysis of cash and cash equivalents at end of year Bank balances Bank overdrafts	62,149,357 (363,310,000) (301, 160,643)	24,373,038

The annexed notes form an integral part of these financial statements.

EBL Finance (HK) Limited

Notes to the Financial Statements **31 December 2020**

1. Organisation and operations

lending business

Application of new and revised Hong Kong Financial Reporting Standards 2.

The financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance.

In the current year, the Company has applied for the first time a number of new standards, amendments and interpretations ("new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are effective for accounting periods beginning on or after IJanuary 2020 with the exception as stated in the following paragraph . The adoption of the new HKFRSs had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

The Company has not early applied the following new standards, amendments or interpretations that have been issued and relevant to the Company but are not yet effective. The directors of the Company anticipate that the application of these standards, amendments or interpretations will have no material impact on the results and the financial position of the Company .

HKFRS 3, HKAS 16 and HKAS 37	Narrow-scope amendments ²
HKAS 37 (Amendment)	Onerous Contracts - Cost of Fulfilling a Contract ²
Annual Improvements Project	Annual Improvements to HKFRSs 2018 - 2020 Cycle ²
HKAS I	Classification of Liabilities as Current or Non-current ³
HKFRS 16	COVID-19-Related Rent Concessions ¹
HKAS 28 and HKFRS I0 (Amendment)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴

¹Effective for annual periods beginning on or after 1 June 2020.

² Effective for annual periods beginning on or after 1 January 2022.

³Effective for annual periods beginning on or after 1 January 2023.

⁴ Effective for annual periods beginning on or after a date to be determined.

3. Significant accounting policies

(a) Statement of compliance

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. Inaddition, the financial statements include applicable disclosures required by the Hong Kong Companies Ordinance.

(b) Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, as modified by the financial assets at fair value through other comprehensive mcome, fmancial assets and financial liabilities at fair value through profit or loss. The financial statements have also been prepared under the accrual basis of accounting.

(c) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is provided to write off the cost of items of property, plant and equipment over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

The useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. The principal annual rates are as follows:-

Properties leased for own use	Over the unexpired lease term
Machineries and equipments	20% - 33.33%
Furniture and fixtures	20%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the statement of comprehensive income in the year in which the item is derecognised.

(d) Leased assets

At inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

The Company is a private company incorporated in Hong Kong with limited liability. The address of its registered office is Unit 1201, 12th Floor, Albion Plaza, 2-6 Granville Road, Tsimshatsui, Hong Kong The principal activity of the Company is engaged in money

At the lease commencement date, the Company recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Company enters into a lease in respect of a low-value asset, the Company decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate.

After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses.

(e) Financial instruments

Classification of financial assets and financial liabilities

Financial assets are categorised into three principal classification categories: measured at amortised cost, at fair value through other comprehensive income ("FVOCI") and at fair value through profit or loss ("FVPL"). The classification of financial assets is based on the business model under which the financial asset is managed and its contractual cash flow characteristics.

Financial liabilities are categorised into two principal classification categories: measured at amortised cost, and at fair value through profit or loss ("FVPL").

(f) Credit losses and impairment of assets

(i) Credit losses

The Company recognised a loss allowance for expected credit losses ("ECLs") on the financial assets measured at amortised cost (including cash and cash equivalents, bills and other receivables and deposits).

Measurement of ECLs

ECLs are probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the company in accordance with the contract and the cash flows that the company expects to receive).

The maximum period considered when estimating ECLs is the maximum contractual period over which the company is exposed to credit risk.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Company recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt securities that are measured at FVOCI (recycling), for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve (recycling).

(ii) Impairment of other non-current assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, in such a way that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(g) Cash and cash equivalents

Cash and cash equivalents include cash at bank and on hand, short-term deposits held at banks, other short-term highly liquid investments with original maturities of three months or less.

(h) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year, using tax rates enacted or substantively enacted at the end of reporting period, and any adjustment to tax payable in respect of previous year.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or charged directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

(i) Bills financed and interest receivables

Bills financed and interest receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of bills financed and interest receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in profit or loss.

(j) Other payables

Other payables are recognised initially at fair value and subsequently stated at amortised cost. The difference between the proceeds and the amount payable is recognised over the period of the payable using the effective interest method.

(k) Foreign currencies

(i) Functional and presentation currency

functional and presentation currency.

(ii) Transactions, assets and liabilities

Transactions in foreign currencies are translated at the approximate rates ruling on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the approximate rates ruling at the end of reporting period. Exchange gains or losses are recognised in profit or loss.

(l) Employee retirement benefits

Costs of employee retirement benefits are recognised as an expense in the year in which they are incurred.

(m) Related parties

Two parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

(n) Revenue recognition

measured reliably on the following bases:-

(i) Interest income is recognised on a time proportion basis.

Revenue, other income and net gains or (losses) Revenues recognised during the year are as follows:-

Revenue

Interest income on bills financed Fees, commission and charges on letter of credit

Other income and net gains or (losses) Net exchange gain Total revenues

Operating profit 5.

Operating profit is stated after charging:-Auditor's remuneration Depreciation Retirement benefit costs Salaries and allowances Variable lease payments not included in the meas

6. Finance costs

Interest on lease liabilities

7. Taxation

(a) Hong Kong Profits Tax is calculated at 8.25% of the first HK\$2 million of the estimated assessable profits and at 16.5% for the estimated assessable profits above HK\$2 million (2019: 8.25% to 16.5%).

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). These financial statements are presented in Hong Kong dollar, which is the Company's

Revenue is recognised when it is possible that the economic benefits will flow to the Company and when the revenue can be

(ii) Fees, commission and charges on letter of credit are recognised when the services are rendered.

Revenue represents interest income on bills financed; fees, commission and charges on letter of credit.

	2020	2019
	HK\$	HK\$
	19,488,279	29,735,186
	6,934,416	11,619,000
	26,422,695	41,354,186
	(108,426)	175,667
	26,314,269	41,529,853
	95,500	74,000
	509,489	507,335
	93,923	107,336
	3,702,602	3,450,713
surement of lease liabilities	136,627	116,067
	16,589	14,065

(b) No provision for deferred taxation has been made in the financial statements as there are no material deductible and taxable temporary differences needed to be accounted for in the year.

8. **Directors' emoluments**

During the years ended 31 December 2020 and 2019, no amounts have been paid in respect of directors' emoluments, directors' or past directors' retirement benefits or for any compensation to directors or past directors in respect of loss of office.

Save as disclosed in note 15 to the financial statements, no other significant transactions, arrangement and contracts to which the Company, or a specified undertaking of the Company, any one of its holding companies, its subsidiaries or fellow subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Except for the aforementioned transaction, no other significant transactions, arrangement and contracts to which the Company, or a specified undertaking of the Company, any one of its holding companies, its subsidiaries or fellow subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

		2020 HK\$	2019 HK\$
9.	Dividends		
	Final dividend for 2019 declared and paid of HK\$0.094 (2019: HK\$0.41) per share	132,371	583,223
	1st interim dividend for 2020 declared and paid of HK\$2.62 (2019: HK\$3.14) per share	3,700,000	4,400,000
	2nd interim dividend for 2020 declared and paid of HK\$Nil (2019: HK\$2.55) per share	-	3,600,000
		3,832,371	8,583,223

Property, plant and equipment 10.

	Properties leased for own use HK\$	Machineries and equipments HK\$	Furniture and fixtures HK\$	Total HK\$
Cost				
At 1 January 2019	-	167,636	306,779	474,415
Impact on initial application of HKFRS 16	634,144	-	-	634,144
Additions	-	44,108	56,149	100,257
Disposals		(44,610)		(44,610)
At 31 December 2019	634,144	167,134	362,928	1,164,206
Additions	912,005	-	3,638	915,643
Disposals	(634,144)		-	(634,144)
At 31 December 2020	912,005	167,134	366,566	1,445,705
Accumulated depreciation				
At 1 January 2019	-	134,376	245,051	379,427
Provided for the year	445,013	29,968	32,354	507,335
Disposals		(44,610)	-	(44,610)
At 31 December 2019	445,013	119,734	277,405	842,152
Provided for the year	451,333	24,295	33,861	509,489
Eliminated on disposals	(634,144)		-	(634,144)
At 31 December 2020	262,202	144,029	311,266	717,497
Carrying amounts				
At 31 December 2020	649,803	23,105	55,300	728,208
At 31 December 2019	189,131	47,400	85,523	322,054
		202 HK		2019 HK\$

11. **Bills financed**

The following is the aging analysis of bills financed at the end of the reporting period:-

4-6 months	131,165,263	153,147,103
7-9 months	7,809,300	11,440,302
10-12 months Over 12 months	5,303,067	3,952,055
Over 12 months	333.206.426	<u>11,065,645</u> 506,689,574

Lease liabilities 12

The following table shows the remaining contractual maturities of the Company's lease liabilities at the end of the current and previous reporting periods and at the date of transaction to HKFRS 16:-

Whitin 1 year After 1 year but within 2 years After 2 years but within 5 years After 5 years

Less: Total future interest expenses Present value of lease liabilities

13. Bank overdrafts

The general banking facilities are secured by the corporate guarantee from holding company.

Financial instruments 14.

are set out as follows:-

Financial assets

Financial assets at FVPL Equity instruments at FVOCI

Financial assets at amortised cost

Financial liabilities

Financial liabilities at FVPL Financial liabilities at amortised cost

15. Related party transactions

During the year, the Company had the transaction with a related party in the normal course of business:-

Type of transaction	Related party	Relationship	Connected directors	2020 HK\$	2019 HK\$
Interest expense	Eastern Bank Limited	Holding company and director	Iftekhar Ali Reza Md	11,521,906	16,792,041

16. Financial risk management

The Company is exposed to various kinds of risks in its operation and financial instruments. The Company's risk management objectives and policies mainly focus on minimising the potential adverse effects of these risks on the Company by closely monitoring the individual exposure as follows:-

(a) Market risk

- (i) Currency risk

 - balances.
 - (2) Sensitivity analysis

As the net exposure of the Company to foreign currency is relatively small, change in foreign currency exchange rate will have no material impact on the financial performance of the Company.

(ii) Interest rate risk

The Company's exposure to interest rate risk is mainly on its interest-bearing borrowings. In order to manage the interest rate risk, the Company will repay the corresponding borrowings when it has surplus funds.

(iii) Price risk

There is no significant price risk as the Company does not have any investment traded in an active market.

31 Decem	ber 2020	er 2020 1 January	
Present value of the minimum lease payments	Total minimum lease payments	Present value of the minimum lease payments	Total minimum lease payments
HK\$	HK\$	HK\$	HK\$
457,054	471,600	192,209	193,800
198,779	200,430	-	-
-	-	-	-
-	-		-
198,779	-		-
655,833	672,030	192,209	193,800
	(16,197)		(1,591)
	655,833		192,209

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period

2020 HK\$	2019 HK\$
-	-
398,633,489	536,488,447
368,043,446	510,077,456

(1) The Company receives its interest income and service fee and pays loan from holding company and interest expenses, mainly in US dollar, that exposes it to foreign currency risk arising from such purchases and sales and the resulting payables and receivables. The Company closely and continuously monitors the exposure as follows:-

Since HK dollar is pegged to US dollar, there is no significant exposure expected on US dollar transactions and

(b) Credit risk

The major exposure to credit risk of the Company's financial assets, which comprise bills financed, interest receivables, deposits and prepayments, and bank balances, arises from the default of the counterparties, with a maximum exposure equal to the carrying amount of these financial assets in the statement of financial position.

(c) Liquidity risk

The Company's exposure to the risk of liquidity is minimal, as the shareholders of the Company finance sufficient funds to meet the Company's continuous operation need.

The maturity profile of all financial liabilities of the Company as at the end of the reporting period, based on the contracted undiscounted payments, was as follows:-

	2020 HK\$	2019 HK\$
Due and payable		
0-3 months	368,156,323	9,427,372
4-6 months	113,796	500,842,293
7-9 months	114,723	-
10-12 months	115,658	-
Over 12 months	198,779	-
Total current and non-current liabilities	368.699,279	510,269,665

(d) Fair value

The Company's financial instruments are carried at amounts not materially different from their fair values as at 31 December 2020.

Events after the reporting period 17.

After the outbreak of the Coronavirus Disease 2019 ("COVID-19 outbreak") in early 2020, a series of precautionary and control measures have been and continued to be implemented in Hong Kong. The Company will pay close attention to the development of the COVID-19 outbreak and evaluate its impact on the financial position and operating results of the Company.

Immediate and ultimate holding company 18.

The directors regard Eastern Bank Limited, a company incorporated in Bangladesh, as being the immediate and ultimate holding company.

Critical accounting estimates and judgement 19.

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates.

Judgements made by management have no significant effect on the financial statements. Revisions to accounting estimates are recognised in the period which the estimates are revised and in any future periods affected.

EBL Asset Management Ltd.

Independent auditor's report

to the shareholders of EBL Asset Management Ltd.

Report on the audit of the Financial Statements

Opinion

We have audited the financial statements of EBL Asset Management Ltd. which comprise the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the financial position of the Company as at 31 December 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

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 ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with the requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the director's reports. but doesn't include the financial statements and our auditor's report thereon. The director's reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the director's reports, there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

We also report that the financial statements comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and the other applicable laws and regulations. We, as required by law, further report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of these books; and
- c) the statements of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts.

Dhaka. 10 February 2021 Signed for and on behalf of ACNABIN **Chartered Accountants**

Hacen

Md Moniruzzaman FCA Partner ICAB Enrollment No. 787 DVC: 2103290787AS709728

EBL Asset Management Limited

Statement of Financial Position

as at 31 December 2020

ASSETS

Non-Current Assets

Property, plant and equipment Investment in EBL AML 1st Unit Fund at Market Price Deferred Tax Asset

Current Assets

Investment in shares at Market Price Accounts receivable Loan and advances Advance Income Tax Cash and bank balances Cash in hand Bank balance Unrestricted Restricted for EBL AML 1st Unit Fund Advance & Prepayments **Total Current Assets** TOTAL ASSETS

EQUITY AND LIABILITIES

Shareholders' Equity Share capital Retained earnings

Non-Current Liabilities

Lease liability net off current maturity

Current Liabilities Current portion of lease liability Accounts payable Provision for diminution value in investment Provision for tax **Total Current Liabilities Total Liabilities TOTAL EQUITY AND LIABILITIES**

The annexed notes from 1 to 23 form an integral part of these Financial Statements.

Managing Director (CC)

This is the statement of financial position referred to in our separate report of even date.

Dhaka, 10 February 2021 Reports Financial]

Amount in BDT

Notes	2020	2019
4	3,821,765	4,976,869
5	54,300,000	-
11	491,779	_
	58,613,544	4,976,869
5	38,745,854	65,466,007
6	1,031,198	11,267,587
7	-	155,000,000
8	2,020,992	7,035,510
	190,758,796	51,392,557
0	5,887	3,442
9	190,752,909	51,389,115
9.1 9.2	190,752,909	1,389,115 50,000,000
7.2 10	1,924,720	50,000,000
10	234,481,559	290,161,661
	293,095,103	295,138,530
12	250,000,000	250,000,000
13	33,103,611	15,326,103
	283,103,611	265,326,103
14	573,521	2,301,373
14	2,159,001	1,722,423
15	4,393,027	522,500
	-	14,828,779
16	2,865,941	10,437,352
	9,417,969	27,511,054
	9,991,493	29,812,427
	293,095,103	295,138,530

Director

Jame (Chairman

Signed for and on behalf of ACNABIN **Chartered Accountants**

Hacen

Md Moniruzzaman FCA Partner ICAB Enrollment No. 787 DVC: 2103290787AS709728

Statement of Profit or Loss and Other Comprehensive Income

for the year ended 31 December 2020

Particualrs	Notes	2020	2019
Operating Income			
Interest income	17	14,397,124	20,684,637
Investment income	18	2,279,666	6,139,991
Income from Unit Fund	19	3,883,793	-
Unrealized loss	20	(4,999,882)	-
Total operating income		15,560,701	26,824,628
General and administrative expenses	21	(10,403,517)	(9,056,746)
Finance and other cost	22	(240,553)	(346,050)
Total operating expense		(10,644,070)	(9,402,796)
Operating profit		4,916,631	17,421,832
Writeback/(provision) for diminution in value of investment		14,828,779	(12,146,080)
Profit before income tax		19,745,410	5,275,752
Current tax		(2,556,694)	(4,672,176)
Deferred tax (income)/expense		491,779	-
Income tax expenses	23	2,064,915	(4,672,176)
Net profit for the year		17,680,495	603,576
Other comprehensive income		-	-
Total comprehensive income		17,680,495	603,576
Earnings Per Share (EPS)		7.07	0.24

The annexed notes from 1 to 23 form an integral part of these Financial Statements.

Managing Director (CC)

Director

Chairman

This is the statement of profit or loss and other comprehensive income referred to in our separate report of even date.

Dhaka, 10 February 2021 Signed for and on behalf of ACNABIN

Chartered Accountants

Hacen

Md Moniruzzaman FCA Partner ICAB Enrollment No. 787 DVC: 2103290787AS709728 EBL Asset Management Limited

Statement of Changes in Equity year ended 31 December 2020

Particulars	Share Capital	Share Money Deposit	Retained Earnings	Total Equity
Balance as at 01 January 2020	250,000,000	-	15,326,103	265,326,103
Net Profit for the year	-	-	17,680,495	17,680,495
Prior Period's Adjustment	-	-	97,012	97,012
Balance as at 31 December 2020	250,000,000	-	33,103,611	283,103,611
Balance as at 01 January 2019	250,000,000	-	14,722,527	264,722,527
Net Profit for the year	-	-	603,576	603,576
Balance as at 31 December 2019	250,000,000	-	15,326,103	265,326,103

Director

The annexed notes from 1 to 23 form an integral part of these Financial Statements.

Managing Director (CC)

10 February 2021

EBL Asset Management Limited

Statement of Cash Flows

year ended 31 December 2020

Particualrs

Dhaka,

Α. **Cash Flows from Operating Activities:** Net Profit during the year Depreciation Provision for diminution of investment Decrease in Account Receivables Increase / (Decrease) in Account Payables Increase in other asset Income tax expense Income tax paid Prior period's adjustments Net cash flows from operating activities

Cash flows from Investing Activities: B.

Decrease / (Increase) in investment in securities Investment in EBLAML 1st Unit Fund Acquisition of property, plant & Equipment Receipt against loan

Net cash flows from investing activities

Cash flows from financing activities Issue of share capital Payment of Lease Liability

Share money deposit Net cash used in financing activities

Net increase in Cash and Bank Balances (A+B+C)

E. Unrealised foreign exchange gain/ loss F.

C.

D.

- Cash and Bank Balances at the begining of the year G.
 - Cash and Bank Balances at the end of the year (D+E+F)*

*Cash and Bank Balances consists of -Cash in hand Balances with other banks and financial institutions

The annexed notes from 1 to 23 form an integral part of these Financial Statements.

Dhaka, 10 February 2021

Managing Director (CC)

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Amount	in	BDT	

Financial Reports

Chairman

2020	2019
17,680,495	603,576
2,118,786	1,951,249
(9,828,896)	12,146,080
10,236,389	1,001,703
3,870,527	(7,500)
(1,924,720)	-
2,064,915	4,672,176
(5,113,587)	(5,367,840)
(325,326)	-
18,778,584	14,999,444
17,420,271	(27,617,476)
(50,000,000)	-
(69,125)	(142,469)
155,000,000	52,000,000
122,351,146	24,240,055
-	-
(1,763,493)	(1,623,489)
- (1 = (2 (02)	- (1 (22 (22)
(1,763,493)	(1,623,489)
139,366,237	37,616,010
51,392,557	13,776,547
190,758,796	51,392,557
5,887	3,442
190,752,909	51,389,115
190,758,796	51,392,557

Chairman

Director

Annual Report 2020 317

Notes to the Financial Statements

as at and for the year ended 31 December 2020

1. Company and its activities

1.1 Legal status and nature of the company

EBL Asset Management Ltd. (here-in-after referred to as 'EBLAML' or "the Company") was incorporated in Bangladesh with the Registrar of Joint Stock Companies (RJSC) vide registration no. C-89481/11 dated 9th January 2011 as a Private Ltd. Company, Ltd. by shares under the Companies Act, 1994 and got license from Bangladesh Securities Exchange Commission (BSEC) on 25th May 2017 for full-fledged asset management operation. It is a subsidiary company of Eastern Bank Limited (EBL). EBL holds all the shares of the company except 1 share which is held by one individual. The registered office of the company is situated in Bangladesh.

1.2 Nature of the business activities

The main objectives of the company is to carry out the business of Asset Management, Portfolio Management, Fund Management, Capital Market Operation, Other Financial Services including Corporate Advisory Services, Merger & Acquisition, Equity Investment, Corporate Restructuring, Financial & Socio - Economic Consultancy, Corporate Research & Project Studies, Privatization and other related services in Bangladesh and overseas.

2. Basis of preparation and significant accounting policies

2.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) covering International Accounting Standards (IASs), the Companies Act, 1994 and other applicable laws and regulations of Bangladesh.

2.2 Other regulatory compliance

As required, EBL Asset Management Ltd. also complies with the applicable provisions of the following major laws/ statutes:

-Securities and Exchange Rules, 1987: -Securities and Exchange Commission Act, 1993; -Income Tax Ordinance, 1984; -Income Tax Rules, 1984; -Negotiable Instruments Act, 1881; and -Other applicable laws and regulations.

2.3 Basis of measurement

These financial statements have been prepared on a going concern basis under the historical cost convention in accordance with International Financial Reporting Standards (IFRSs).

2.4 Components of financial statements

-Statement of Financial Position -Statement of Profit or Loss and Other Comprehensive Income -Statement of Changes in Equity -Statement of Cash Flows -Notes to the Financial Statements

2.5 Functional and presentational currency

These financial statements are presented in Bangladeshi Taka (BDT) which is the functional currency of the company. The amounts in these financial statements have been rounded off to the nearest integer.

2.6 Use of estimates and judgments

Preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities, income and expenses. These financial statements contained information about the assumptions it made about the future and other major sources of estimation uncertainty at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amount of assets, liabilities, income and expenses within the next financial year. In accordance with the guidelines as prescribed by IAS 37: Provisions, Contingent Liabilities and Contingent Assets. Provisions are recognized in the flowing situation:

- When the company has an obligation as a result of past events,

- When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- Reliable estimates can be made of the amount of the obligation.

2.7 Going concern

The Company has adequate resources to continue in operation for the foreseeable future. For this reason the directors continue to adopt going concern in preparing the financial statements. The current credit facilities and adequate resources of the company provide sufficient funds to meet the present requirements of its existing businesses and operations.

2.8 Reporting period

The financial period of the Company covers one year from 01 January 2020 to 31 December 2020.

3. Significant accounting policies

The financial statements have been prepared on a going concern basis under the historical cost convention in accordance with International Financial Reporting Standards (IFRSs).

3.1 Property, plant and equipment

3.1.1 Recognition and measurement

Property, plant and equipment are measured at cost less accumulated deprecation. Cost includes expenditures that are directly attributable to the acquisition of the property, plant and equipment. Full month's depreciation has been charged on additions irrespective of date when the related assets are put into use and no depreciation is charged for the month of disposal. Depreciation is providing at the rearranged/re-fixed following rates on straight-line IAS is in accordance with IAS 16 over the periods appropriate to the estimated useful lives of the different types of assets. The new rate of depreciation considering estimated useful lives of the assets, the shortfall amount if necessary, have been charged during the period.

3.1.2 Subsequent costs

The cost of replacing part of an item of property, plant and equipment are recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of Profit or Loss and other Comprehensive Income.

3.1.3 Depreciation & Amortization

Depreciation on property, plant and equipment is charged using reducing method on all assets. Depreciation rates are as follows:

Nature of Assets

Furniture & Fixture Machinery and Equipment

3.1.4 Right of use assets (Leasehold assets)

EBL Asset Management Limited implemented IFRS-16 "Leases" for the first time in 2019 to comply with the recent changes in IFRSs.

period of time in exchange for consideration.

Control is conveyed where the customer has both the right to direct the identified asset's use and to obtain substantially all the economic benefits from that use.

An asset is typically identified by being explicitly specified in a contract, but an asset can also be identified by being implicitly specified at the time it is made available for use by the customer.

Upon lease commencement the Company recognizes a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the lease liability plus any initial direct costs incurred by the Company. Adjustments may also be required for lease incentives, payments at or prior to commencement and restoration obligations or similar. After lease commencement, the Company measures the right-of-use asset using a cost model. Under the cost model a right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment.

The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the incremental borrowing rate.

3.2 Recognition and measurement of financial assets

Financial assets of the company include loan and advances, cash and cash equivalents, accounts receivables and other receivables. The company initially recognizes receivable on the date they are originated. All others financial assets are recognized initially on the date at which the company becomes a party to the contractual provisions of the transaction. The company derecognizes a financial asset when, and only when the contractual rights or probabilities of receiving the cash flows from the asset expire or it transfers the right to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risk and rewards of ownership of the financial asset are transferred.

3.3 Investment in shares

Investments in listed securities are recognized at cost. Quarterly impairment test is carried out by comparing cost with market price. In case of diminution of market value compared to cost, provision is made on portfolio basis.

Rate of Depreciation
10%
20%

According to IFRS 16 Leases, a contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a

3.4 Accounts receivable

Accounts receivables includes interest receivables, dividend receivables and receivable from EBLAML 1st Unit Fund and payable to sister concern. They adjust their accounts with the sister concern.

3.5 Provision for income tax

Provision for income tax is made on the basis of company's computation based on the best estimate of taxable profit in accordance with Income Tax Ordinance, 1984.

3.6 Revenue recognition

Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the enterprise and in accordance with the International Financial Reporting Standard (IFRS)-15 "Revenue from Contracts with Customers".

3.6.1 Interest income from loan

In general, interest Income from loan is recognized on accrual basis. Such income is calculated on loan balance of the respective parties. Income is recognized on daily basis and applied to the customers' account on quarterly basis.

3.6.2 Net Investment income

Dividend income is recognized when right to receive or payment is established whereas profit or loss arising from the sale of securities is accounted for only when shares are sold in the market and profit is realized or loss is incurred.

3.7 Provision

A provision is recognized in the accounts when the Company has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made.

3.8 Provision for diminution in value of investments

Investment in quoted shares and un-quoted shares are revalued at the year end at market price and as per book value of last audited statement of financial position. Provision should be made for any loss arising from diminution in value of investment. As such the company measures and recognizes investment in quoted and unquoted shares at cost if the year end market value (for quoted shares) and book value (for quoted shares) are higher than the cost except investment in mutual fund.

3.9 Events after the balance sheet date

Events after the balance sheet date that provide additional information about the company's position at the balance sheet date are reflected in the financial statements. Events after the balance sheet date that are not adjusting event are disclosed in the notes when material.

3.10 General

i) Figures have been rounded off to the nearest integer.

ii) Previous year's figures have been rearranged wherever considered necessary to conform to the current year's presentation.

3.11 Application of International Accounting Standards (IASs):

The Financial Statements have been prepared in compliance with requirement of IASs and IFRSs applicable in Bangladesh. EBL Asset Management Ltd. applied following IASs and IFRSs:

Name of the IAS	IAS No.
Presentation of Financial Statements	1
Statement of Cash Flows	7
Accounting Policies, Changes in Accounting Estimates and Errors	8
Events after the Reporting Period	10
Income Taxes	12
Property, Plant and Equipment	16
Employee Benefits	19
Borrowing Costs	23
Provisions, Contingent Liabilities and Contingent Assets	37
Intangible Assets	38
Name of the IFRS	IFRS No.
Financial Instruments: Disclosures	7
Financial Instruments	9
Fair Value Measurement	13
Revenue from Contracts with Customers	15
Leases	16

SUPPLEMENTARY INFORMATION

Branch Network



Ashkona Branch	Ashulia Branch	Azimpur Branch
Hazi Komoruddin Tower 27, Ashkona, Dakshinkhan Uttara, Dhaka 1230. Phone: 02-48964609, 48964619, 48964622 Branch E-Mail: info@ebl-bd.com	Ashraf Plaza, DEPZ Road, Jamgora, Ashulia, Savar, Dhaka. IP Phone: 8809666777325, Ext: 1613 to 1621. Branch E-Mail: info@ebl-bd.com	Tulip Feroza Dream, 104 Azimpur Road, Hazaribagh, Dhaka 1000. PABX: 55152059, 55152061
		Fax: 55152060 Branch E-Mail: info@ebl-bd.com
Banani Branch	Banasree Branch	Bashundhara Branch
"Skylark Mark84" House # 84, Road # 11, Block-D, Banani Model Town, Gulshan, Dhaka 1213. Phone: 02222262669, 02222262572, 02222260476 Branch E-Mail: info@ebl-bd.com	Plot No: C-10 (1st Floor) Block: C, Eastern Housing Banasree Project, Main Road Rampura, Dhaka. PABX: 55123519; IP Phone: 09666777325 Branch E-Mail: info@ebl-bd.com	Plot 15, Block A, Bashundhara R/A, Badda, Dhaka 1219. Phone: 55037391, 55037392 Branch E-Mail: info@ebl-bd.com
Begum Rokeya Sarani Branch	Bhulta Branch	Board Bazar Branch
F & I Tower, 220 /a, 1/1 Begum Rokeya Sarani, Shawrapara, Mirpur, Dhaka Phone: +8809666777325 [IP N0] Branch E-Mail: info@ebl-bd.com	Rabet Al Haasan Shopping Center (Pvt) Ltd., Bhulta Bus Stand, Rupgonj, Narayangonj. IP Phone: +8809666777325, EXT: 980 to 986 Branch E-Mail: info@ebl-bd.com	Omar Ali Plaza, House No – 1, Block – C, Kamalasher, Gacha, Gazipur. IP Phone: 09666777325 Branch E-Mail: info@ebl-bd.com
Bhairab SME Branch	Chawk Mughultuly Branch	DEPZ Branch
Holding: 0161(East), Biplobi Reboti Borman Road, Bhairab Bazar, Ward: 01, Bhairab, Kishorgonj. PABX: 02-9471307, 9471308, 02-9471309 Branch E-Mail: info@ebl-bd.com	150 Chawk Mughultuly, (1st & 2nd Floor), Dhaka. Phone: 57314364, 57343433 Branch E-Mail: info@ebl-bd.com	Mazid Tower, P.O: Gazir chat, P.S: Ashulia, Baipail, Savar Dhaka. Phone: 7790926 Branch E-Mail: info@ebl-bd.com
Dhanmondi Branch	Dohar Branch	English Road Branch
House-21, Road-08 Dhanmondi R/A, Dhaka 1205. Phone: 8142987, 8142659, 9126141, 9114145 IP Phone: First dial 9556360 then dial Ext-666 and after IP Ext- 1601 (BM), 703 (Priority Center) Branch E-Mail: info@ebl-bd.com	Ashraf Ali Chowdhury Plaza, Joypara bazar, Dohar, Dhaka 1330. IP Phone: 09666777325 PABX: 02 7768208, 7768233 Branch E-Mail: info@ebl-bd.com	68, Shahid Sayed Nazrul Islam Sarani, (1st – 3rd floor), North South Road, Dhaka 1100. Phone: 47116019, 57163842 Branch E-Mail: info@ebl-bd.com
Faridpur Branch	Gulshan Avenue Branch	Gulshan Branch
7/216, Golpukur Dream Shopping Complex, Alipur, Faridpur. Phone: 0631-67219, 67220. Branch E-Mail: info@ebl-bd.com	Z N Tower (Ground Floor), Holding-02, Block-S W (I), Road- 08, Gulshan Avenue, Gulshan-01, Dhaka 1212. PABX: 9850650, 9850630, Branch E-Mail: info@ebl-bd.com	100, Gulshan Avenue, Dhaka-1212. IP Phone: 09666777325 Branch E-Mail: info@ebl-bd.com
Gulshan-North Branch	Jashimuddin Road Branch	Keraniganj Branch
Kalpana House, 169, Gulshan Avenue, Gulshan-2, Dhaka. Phone: 02-222296316, 02-222296038, IP No. 489, 1982, 5777 Branch E-Mail: info@ebl-bd.com	Giant Business Tower, Plot # 3 & 3/A [First Floor], Sector # 03, Uttara C/A, Dhaka 1230. Phone: 58955196 E-Mail: info@ebl-bd.com	Jahanara Plaza, Bandha Dakpara, Zinzira, Keraniganj, Dhaka. Phone: 7762236-7 Branch E-Mail: info@ebl-bd.com
Keranigonj SME Branch	Madhabdi Branch	Khilgaon Branch
"Green Tower" (1st floor), East Aganagar, P.S- Keranigonj, Dhaka Phone: 7763725 (Direct), 7763726 & 7763727 (PABX) Branch E-Mail: info@ebl-bd.com	242/1 Algi Road, Parkshipur, Madhabdi Bazar, Madhabdi, Narsingdi Phone : PABX: 02-9446995 Branch E-Mail: info@ebl-bd.com	Farid Community Center, 574/C Khilgaon Chowdhury Para, Dhaka 1219, Phone: 0255121933, 0255121934, Fax: 0255121935 Branch E-Mail: info@ebl-bd.com
Mawna Branch	Mirpur Branch	Mirpur Dar-US-Salam Road Branch
Creative Bhaban, Mawna Chowrasta, Sreepur, Gazipur. IP Phone: 09666777325 Ext: 970 to 976 Branch E-Mail: info@ebl-bd.com	Plot # 17, Main Road # 3, Block-A, Section-11, Mirpur, Dhaka 1216. Phone: 9008115, 9010478, 8056364. Branch E-Mail: info@ebl-bd.com	Chand Plaza, 10 Dar-Us- Salam Road, Mirpur-01, Dhaka 1216. Phone: 9003465, 48038052 Fax: 58055985. Branch Email: info@ebl-bd.com

Moghbazar Branch	Motijheel Brand
Shafi Complex, Holding No-1/A, West Moghbazar, New Circular Road, Ramna, Dhaka. Phone: 0248317456 Branch E-Mail: info@ebl-bd.com	88 Motijheel C/A, Dh Phone: 9565073-4, P. Branch E-Mail: info@
Mymensing SME Branch	Narayangonj Bı
Hamida Market, 45 Choto bazaar, Kotwaly, Mymensingh. Phone: 09163831, 09163841 Branch E-Mail: info@ebl-bd.com	64 Banga Bandhu Ro Phone: 7648557 , 764 Branch E-Mail: info@
Nawabgonj Branch	Ponchoboti Bra
Hossain Plaza, 281 Nawabgonj, Dhaka 1320. Phone: 7765264, 7765266 Branch E-Mail: info@ebl-bd.com	101 & 102 Ponchobo Narayangonj. Phone: 0247670237, Branch E-Mail: info@
Progoti Sarani Branch	Satmosjid Road
Azahar Comfort Complex, Holding no. 130/A, Progoti Sarani, Middle Badda, Gulshan, Dhaka. PABX: 0241080741, 0241080742, Phone: 0241080743 Branch E-Mail: info@ebl-bd.com	ANZ Square. Plot No. Dhaka. Phone: 44-61 104, 110, 107, 115 IP Branch E-Mail: info@
Shantinagar Branch	Shyamoli Branc
Iris Noorjahan (1st Floor), Plot no: 104, Kakrail Road, Ramna, Dhaka. Phone: 028300012, 028300013, 028300028, 028300029. Branch E-Mail: info@ebl-bd.com	16-A/5 Ring Road, Sl PABX: 9132497, 5815 Branch E-Mail: info@
Sonargaon Road Branch	Tangail Branch
A H N Tower (1st Floor), 13 & 15 Bir Uttam C R Datta Road (Sonargaon Road), Biponon C/A, Bangla Motor, Shahbag, Dhaka. Phone: 58616805, 9666691, 9667477. Branch E-Mail: info@ebl-bd.com	Rahman Center, 1st ł Phone: 092162437, 0 Branch E-Mail: info@
Uttara Garibe Newaj Branch	Wari Branch
Plot No. 15, 1st floor, Garib -E-Newaz Avenue, Sector-11, Uttara, Dhaka 1230. Phone: 48964457, 48964847. Branch E-Mail: info@ebl-bd.com	40/1 Rankin street (0 Phone: 029569170, 4 Branch E-Mail: info@
Chattogram	
Agrabad Branch	Bhatiari Brancl
33 Agrabad C/A, Chattogram. Phone: 031720755-59, 0312516613, 0312516614, 0312516615 Branch E-Mail: info@ebl-bd.com	Sajeda Bhaban (GF, : Road, Bhatiari, Chatt Phone: 0312781031, Branch E-Mail: info@
Chandgaon Branch	Choumuhoni B
House No. 16, Road No: 01, Block A, Chandgaon R/A, Chattogram 4212 Phone: 031-670148 (D), PABX: 031-672606; 031-672396 Branch E-Mail: info@ebl-bd.com	KIRON IMPERIAL (GI Road, Choumuhoni, Phone: 032154497, F Branch E-Mail: info@
Cumilla Branch	Dohazari Branc

Phone: 880-8172479, 72478.

Branch E-Mail: info@ebl-bd.com

Chowdhury Plaza, 195 Jail Road, Jhawtola, Cumilla.

nch **Mouchak Branch** Dhaka. . PABX: 9559655. 9565073 o@ebl-bd.com Branch E-Mail: info@ebl-bd.com Branch Naryangonj SME Branch Road, Islam Plaza, Narayangonj. 7648558, 7648683, 7648602 Phone: 7644048, 7644480 @ebl-bd.com

anch

ootir more (1st floor), Fatullah,

, 47670884; IP: 09666777325. o@ebl-bd.com

ad Branch

No. 53, Road No. 3/A, Dhanmondi, 611641,611642, 611643, Ext: 102, 103, IP Ext- 1790, 1216, 1881, 2149, 2146. o@ebl-bd.com

nch

Shyamoli, Dhaka 1207. 155634 o@ebl-bd.com

floor, 55 Victoria Road, Tangail. 092162438 o@ebl-bd.com

Siddique Shopping Complex (Ground Floor), Mouchak, Kaliakair, Gazipur. IP Phone: 09666777325, Ext: 1767-1771

S S Tower, 30/14 Loyal Tank Road, Tanbazar, Narayagonj. Branch E-Mail: info@ebl-bd.com

Principal Branch

10, Dilkusha C/A, Ground Floor Jiban Bima Bhaban, Dhaka 1000. Phone: 9568986, 9569286, 9569359 Branch E-Mail: info@ebl-bd.com

Savar Branch

Bristi Villa, E/4, Talbagh, Abul Kashem Sandip Sarak, Savar, Dhaka. Phone: 02224444758 Branch E-Mail: info@ebl-bd.com

Sonargaon Branch

Bhuiyan Plaza, Habibpur, Mograpara, Sonargaon, Narayangonj. IP Phone: 09666777325, Phone: 7656031, 7656036 Branch E-Mail: info@ebl-bd.com

Uttara Branch

House 1, Road 5, Sector 4, Uttara, Dhaka. PABX: 58956051, 58953816; 58957370 Branch E-Mail: info@ebl-bd.com

(GF, 1st & 2nd Floor), Wari, Dhaka , 47110137 o@ebl-bd.com

ch

1st & 2nd floor), beside H. Akbar Ali . ttogram. 1, 0312781032 @ebl-bd.com

Branch

GF, 1ST and 2nd Floor), 1460 Karimpur ni, Begumgonj, Noakhali. 7, PABX: 032154495-54496 o@ebl-bd.com

nch

Hazari Tower (1st Floor), Dohazari, Chandanaish, Chattogram.

PABX: 09666777325 Branch E-Mail: info@ebl-bd.com

CEPZ Branch

1279/A, Saleh Complex, CEPZ Gate, Bandar, Chattogram. PABX: 031742196-97 Branch E-Mail: info@ebl-bd.com

Cox's Bazar Branch

10, Hotel Motel Zone, Kolatali Road, Cox's Bazar. Phone: 034151296-7 Branch E-Mail: info@ebl-bd.com

Feni SME Branch

Kazi Alamgir Center, 26 S.S.K Road, Feni. Phone: 033173563,033173564, Branch E-Mail: info@ebl-bd.com

OR Nizam Road Branch	Panchlaish Branch	Raozan Branch
Jumairah Fairmont Trade Centre, 327 (Old), CDA Avenue Muradpur, Chattogram 4203. Phone: 031653973-74 Branch E-Mail: info@ebl-bd.com	Zaria Community Center (Adjacent to Darbar Gate), Nazirhat, Fatikchari, Chattogram. PABX: 09666777325 Branch E-Mail: info@ebl-bd.com	904/731, H S S Road (New Market More), Alkaran, Kotwali, Chattogram 4000. Phone: 031621898, 620519, 636986; PABX: 031620519 Branch E-Mail: info@ebl-bd.com
Muradpur Branch	Nazirhat Branch	New Market Branch
PABX: 0303456681, 0303 456682. Branch E-Mail: info@ebl-bd.com	FAX: 088032171137 Branch E-Mail: info@ebl-bd.com	PABX : 0312869451-2 Branch E-Mail: info@ebl-bd.com
M. K. Shopping Center (1st FL), Bottali, Lohagara, Chattogram.	Alif Plaza, Main Road, Maijdee, Noakhali. PABX : 032171115, 032171116	Epic Emdad Heights, 38 Chatteshwari Circle, Mehdibagh, Chattogram.
Lohagara Branch	Maijdee Branch	Mehedibag Branch
Mannan Bhaban (Ground Floor), 156 Nur Ahmed Sarak, Jubilee Road, Chattogram. Phone: 621480 Branch E-Mail: info@ebl-bd.com	173 Khatunganj, Badsha Market, Chattogram. PABX : 031621316, 031630229. Branch E-Mail: info@ebl-bd.com	10 Zakir Hossain Road, Khulshi, Chattogram 4212. PABX: 031623411-12, Phone: 031623410. Branch E-Mail: info@ebl-bd.com
Jubilee Road Branch	Khatunganj Branch	Khulshi Branch
Phone: 0312513895, PABX: 0312513896-7 Branch E-Mail: info@ebl-bd.com	PABX: 0312601956-57 Branch E-Mail: info@ebl-bd.com	PABX : 0312866603-04, Branch E-Mail: info@ebl-bd.com

Haii Sultan Market Hathazari Bus Stand Hathazari

Hathazari Branch

Chattogram.

OR Nizam Road Branch

Halishahar Branch

Estate, Chattogram.

House 01, 1st Floor, Road 01, Block L, Halishahar Housing

Avenue Centre, 787 CDA Avenue, Chattogram. Phone: 0312857073-75 Branch E-Mail: info@ebl-bd.com

Sirajuddowla Road Branch

94 Sirajuddowla Road, Dewan Bazar, Chandanpura, Chattogram. PABX:0312865261,0312865263-4 Branch E-Mail: info@ebl-bd.com



Bishwanath Branch

Khurshid Ali Shopping Complex, Notun Bazar, Bishwanath, Sylhet PABX: 0822456005 Branch E-Mail: info@ebl-bd.com

Fenchuganj Branch

Fulbarigate Branch

Tuta Miah Mansion (1st Floor), Fenchuganj Bazar, Fenchuganj, Sylhet. Phone: 0822656413, 0822656411, 0822656412 Branch E-Mail: info@ebl-bd.com

Brahmanbaria Branch

Malek Khayer Plaza; 95, Paik Para, Jame Masjid Road (North Side of Kumarshil Point), Brahmanbaria Phone: 085161648-49 58614 Branch E-Mail: info@ebl-bd.com

Moulvi Bazar Branch

Jubel Mall (1st Floor), 1165, Sylhet Trunk Road, Kusumbagh, Moulvibazar. PABX: 0861 52034 Branch E-Mail: info@ebl-bd.com

Chouhatta Branch

Plot 01, Tea Board Building, Zindabazar Road, Chouhatta Point, Sylhet.

Phone: 0821723242, 721386 Branch E-Mail: info@ebl-bd.com

Upashahar Branch

504 Gas Bhaban (GF), Mehdi Bagh, Sylhet PABX: 0821719573 Branch E-Mail: info@ebl-bd.com

Altaf Plaza, Jogipole, Fulbari Gate, Khan Jahan Ali, Khulna. Phone: 041775080, 775082 Branch E-Mail: info@ebl-bd.com

Khulna

Jashore Branch

25/A R.N. Road (1st Floor), Jashore. Phone: 042164533, 042168843 Branch E-Mail: info@ebl-bd.com

Khulna Branch

Tayamun Centre & Properties, 181, Jashore Road, Khulna Tel: 041720041-2, 721069, 723506, 723418, 725020 Branch E-Mail: info@ebl-bd.com

0 Rajshahi

Rajshahi Branch

Doinik Barta Complex (Ground Floor), Alupotti, Natore Road, Rajshahi 6000. Phone: 0721772372 Branch E-Mail: info@ebl-bd.com

Bogura 5800.



Rangpur Branch

House 11, Road 01, Dhap Jail Road, Rangpur. PABX: 052155289.052155290 Branch E-Mail: info@ebl-bd.com



Barishal Branch

Bishnu Priya Bhaban, 69 Sadar Road, Barishal. PABX: 04312177644, 04312177643 Branch E-Mail: info@ebl-bd.com



Chandra Sub-branch

Momota Super Market, House No. 86/2, Block: H, Ward-7, Sattar Road, Palli Bidyut, Chandra, Gazipur Phone: 09666777325 Ext-6870

Mirsarai Sub-branch

Hazi Renu Miah Master Shopping Complex, Holding No. 183-0069, Ward No. 02, Mirsarai, Chattogram IP Phone: 09666777325 Ext: 3853

Bharetoshowri Market, Kaptai Road, Noapara, Raozan, Chattogram 4346. Phone: 09666777325 Branch E-Mail: info@ebl-bd.com

Al-Hakim Plaza, 14, Panchlaish R/A, Chattogram 4203.

Jamal Khan Branch

Chattogram.

CPDL AM Majesta (1st Floor), 84, Jamal Khan Road,

Phone: 031655523 031655524

Branch E-Mail: info@ebl-bd.com

Bogura Branch

1020/1092, Satani Mega Centre, Sherpur Road,

Phone: 05178373, 05178887, IP Phone: 9666777325 Branch E-Mail: info@ebl-bd.com

Daulatpur Sub-branch

SS Center Shopping Mall, Holding: 1/1, Ward # 6, Jashore Khulna Highway Road, Daulatpur Khulna Phone: 041-760222; IP Phone: 09666777325 Ext-6900

Karnaphuli EPZ Sub-Branch

Old Zone Services Building (Ground Floor), KEPZ Complex, Ward No-40, Patenga, Chattogram. IP Phone: 09666777325, Ext: 3900

Kanchpur Sub-branch

Sonargaon Mega Complex (Ground Floor), 96 Kanchpur, Sonargaon, Narayanganj. IP Phone: 09666777325 Ext-6885



EASTERN BANK LIMITED

REGISTERED OFFICE 100 GULSHAN AVENUE, GULSHAN DHAKA-1212.

NOTICE OF THE 29TH ANNUAL GENERAL MEETING

(Shareholders' Meeting through Digital Platform)

NOTICE is hereby given that the 29th Annual General Meeting (AGM) of Eastern Bank Limited (EBL) will be held on Sunday, 30 May 2021 at **11.00 AM (Dhaka time) by using Digital Platform** through the link https://tinyurl.com/eblagm2021 to transact the following Agenda:

AGENDA:

- 01. To receive, consider and adopt the Profit & Loss Account of the Company for the year ended 31 December 2020 and the Balance Sheet as at that date together with the Reports of the Auditors and the Directors thereon.
- 02. To declare the Dividend for the year ended 31 December 2020 as recommended by the Board of Directors.

03. To elect Directors.

- 04. To approve the appointment of Independent Directors.
- 05. To appoint the External Auditors of the Company for the term until the next Annual General Meeting and to fix their remuneration.

06. To appoint the Corporate Governance Compliance Auditors for the year 2021 of the Company and to fix their remuneration.

By order of the Board of Directors

la branaini Md. Abdullah Al Mamun, FCS

Company Secretary

Dated. Dhaka 28 April 2021

NOTES

- The Board of Directors recommended for payment of 17.50% (Seventeen point five zero percent) Cash Dividend and issuance of 17.50% (Seventeen point five zero percent) Stock Dividend (Bonus Shares) on the profit of the Bank as at the close of business on 31 December 2020.
- The 'Record Date' in lieu of Book Closure will be on Wednesday, 5 May 2021. The Shareholders whose names would appear in the Register of Members of the Company and/or in the Depository on the 'Record Date' (5 May 2021) will be eligible to join the 29th AGM and entitled to the Dividends as mentioned above.
- A Member eligible to join the Annual General Meeting (AGM) is entitled to appoint a Proxy to join and vote on his/her behalf (through digital platform). Forms of Proxy duly filled, signed & stamped must be sent through email to the Share Department of the Company at sharedepartment@ebl-bd.com at least 48 hours before the time fixed for the Meeting.
- All Hon'ble Shareholders of EBL are also requested to update their respective BO Accounts [Mailing Address, Electronic Mail (e-Mail), Bank Account details, Taxpayer's Identification Number (e-TIN), Contact Number etc.] through Depository Participant (DP) latest by 04 May 2021 (Before Record Date). As per Sec 54 of Income Tax Ordinance 1984, without having e-TIN, Income Tax will be deducted @ 15% (Fifteen Percent) instead of @ 10% (Ten Percent) from payable Cash Dividend
- Detail login process for the meeting will be available in the Company's website at www.ebl.com.bd. The Members will be able to submit their guestions/ comments and vote electronically 24 hours before commencement of the AGM and during the AGM. Please visit our website for technical assistance (if any) in accessing the virtual meeting
- The soft copy of the Annual Report-2020 of the Bank (EBL) will be sent to the email addresses of the Members available in their Beneficial Owner (BO) accounts maintained with the Depository as per BSEC Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018. The Annual Report-2020 will also be available in the website of the Bank within the stipulated time.
- Depository Participants (DP) / Stock Brokers are requested to send the list of Margin Account Holders based on Record Date, if any, within 20 May 2021 to the Company, otherwise, the dividend will be paid to Shareholders Bank Account whose names appeared in the Member/ Depository Register on the 'Record Date' (05.05.2021).



Shareholders can join Virtual AGM from Laptop, PC, Mobile or Tab using this QR Code





আমি/আমরা-----ঠিকা ইস্টার্ণ ব্যাংক লিমিটেড এর শেয়ারহোল্ডার হিসাবে এতদ্বারা জন ঠিকানা-----তাঁর অপারগতায় জনাব/বেগম -----

ঠিকানা-----আমার/আমাদের পক্ষে ২০২১ ইং সালের ৩০ মে রবিবার , সকাল ১ সাধারণ সভায় এবং পরবর্তী যে কোন মলতবী সভায় উপস্থিত থেকে ভোট দেওয়ার জন্য নিযুক্ত করলাম।

শয়ারহোল্ডারের স্বাক্ষর
ধক্তির স্বাক্ষর

ফোলিও/বিও নং-----

লক্ষ্যনীয়ঃ

যথাযথভাবে পূরন করে এই প্রক্সি ফরম সভার আটচল্লিশ (৪৮) ঘন্টা পূর্বে কোম্পানীর শেয়ার ডিপার্টমেন্টে জমা দিতে হবে। স্টাম্প ও স্বাক্ষরবিহীন প্রক্সি বৈধ বলে বিবেচিত হবে না। শেয়ারহোন্ডার ও প্রক্সির স্বাক্ষর কোম্পানীর নথিভক্ত নমনা স্বাক্ষরের সাথে মিল থাকা বাঞ্চনীয়। প্রক্সির নাম সম্বলিত প্রক্সি নিয়োগ সংক্রান্ত দলিল এবং পাওয়ার অব এটর্নী বা অন্য কোন ক্ষমতা প্রদানপত্র বা নোটারী পাবলিক কর্তৃক সত্যায়িত ক্ষমতা প্রদানপত্রের অনুলিপি সভা অনুষ্ঠানের নির্ধারিত সময়ের আটচল্লিশ (৪৮) ঘন্টা পর্বে কোম্পানীর শেয়ার ডিপার্টমেন্টে প্রেরন করা না হলে কোন ব্যক্তি উক্ত সভায় প্রক্সি হিসাবে বিবেচিত হবেন না। শেয়ারহোন্ডার অথবা তাঁর প্রক্সির প্রত্যেকটা আলোচ্যসূচীতে ভোট দেওয়ার অধিকার থাকবে।





নিবন্ধিত কাৰ্যালয় ১০০. গুলশান এভিনিউ. গুলশান ঢাকা-১২১২

আমি/আমরা ৩০ মে ২০২১, রবিবার সকাল ১১.০০ ঘটিকায় (ঢাকা সময়) ডিজিটাল প্ল	াটফর্মের মাধ্যমে অনুষ্ঠিতব্য ইস্টার্ণ ব্যাংক লিমিটেড এর ২৯তম বার্ষিক
সাধারণ সভায় আমরা/ আমাদের উপস্থিতি লিপিবদ্ধ করলাম।	
শেয়ারহোল্ডারের নাম	স্বাক্ষর
শেয়ার সংখ্যা	ফোলিও/বিও নং
প্রক্সির নাম	স্বাক্ষর

ইস্টার্ণ ব্যাংক লিমিটেড

নিবন্ধিত কাৰ্যালয় ১০০, গুলশান এভিনিউ, গুলশান ঢাকা-১২১২

প্রক্সি ফরম

ন†	
াব/বেগম	ক
	অথবা
	কে
	প্রক্সি হিসাবে
১১.০০ ঘটিকায় (ঢাকা সময়) ডিজিটাল প্লাটফর্মের মাধ্যমে অনুষ্ঠিতব	্য কোম্পানীর ২৯তম বার্ষিক
ক জোট কেম্যার চেয়া নিয়াক করলায়।	

ইস্টার্ণ ব্যাংক লিমিটেড

শেয়ারহোল্ডার / প্রক্সির হাজিরাপত্র

রাজস্ব টিকেট বিশ টাকা



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Eastern Bank Limited

100 Gulshan Avenue Dhaka-1212 Bangladesh



