



GOOD GOVERNANCE KEEPS US GOING

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While solvency and soundness indicators of the overall financial sector in the country continue to show visible signs of weakness, Eastern Bank PLC. (EBL) has remained steady delivering sustained growth for years.

What keeps EBL going on despite mounting challenges and market uncertainties? Our unwavering commitment to compliant, responsible and ethical banking in all weather conditions. We may not have control over uncertainties and externalities but we can always improve our processes, sharpen our skills and enhance our internal checks and balances.

Our corporate governance framework acts as a lighthouse in day-to-day business decisions taken on the basis of clear and consistent roles and responsibilities. Our governance culture motivates us to adhere to strict credit underwriting practices and closely monitor all our investments. The result: EBL has been maintaining one of the lowest NPL in the industry with healthy ratio of profitability, solvency and liquidity. Achieving "AAA", the highest credit rating in 2023 is a well-deserved recognition to our consistent efforts to improve our credit worthiness.

Our passion for performance, our compliance culture, our care for customers, shareholders and employees, harmonious relations between management and the Board – all add up to our best-in-class corporate governance standards and practices.



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Letter of Transmittal

All Shareholders of Eastern Bank PLC.
Bangladesh Bank
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange PLC.
Chittagong Stock Exchange PLC.
Central Depository Bangladesh Limited
Financial Reporting Council and
All other stakeholders of Eastern Bank PLC.

Dear Sir,

Annual report of Eastern Bank PLC. (EBL) for the year ended 31 December 2023.

We are delighted to present the Annual Report of Eastern Bank PLC. for the year ended on 31 December 2023. This report comprises a detailed overview of the Bank's financial performance, operational highlights, strategic initiatives, and stakeholder's engagement efforts, among others.


It is quite evident as you go through this report, we had an eventful year 2023 enduring numerous challenges, yet producing improved business and financial performance. The Bank's Financial Statements include Domestic Banking Operation (DBO) and Offshore Banking Operation (OBO) shown separately as well as combined. The Group Financial Statements consolidate the Bank's financials with those of its subsidiaries (EBL Securities Ltd., EBL Investments Ltd., EBL Finance (HK) Ltd., and EBL Asset Management Ltd.) also presented separately. Unless stated otherwise, this report analyzes EBL's financials, not the consolidated ones.

We would like to express sincere gratitude to our dedicated employees, loyal customers, supportive regulators, valued partners and shareholders for their valuable contributions to our success. Without their commitment and cooperation, we would not have achieved such positive results.

PDFs of the Annual Report, AGM Notice and relevant forms are available on the Bank's website www.ebl.com.bd.

Please let us know if you have any questions or require further information. Thank you for your ongoing support for Eastern Bank PLC.

Yours Sincerely,



Md. Abdullah Al Mamun FCS
Company Secretary

About Our Integrated Report

The integrated report of EBL provides a comprehensive view on the financial and non-financial matters. Our report aims at disclosing information to all the stakeholders in a concise and complete manner so that they can make an informed assessment of our financial performance including solvency, governance practices and directions.

Scope and boundary

This report covers the period from 01 January to 31 December 2023 covering topics like our history, achievements, sustainability, strategy, relationship with stakeholders, risk management, corporate governance, external environment, financial performance, segmental overview, senior management team and plans for the 2024 financial year and beyond.

Basis of preparation and presentation

Particulars	Reporting framework
Integrated Report	<ul style="list-style-type: none"> International Integrated Reporting Council - IIRC's Integrated Reporting Framework.
Consolidated and separate financial statements of the Bank and its subsidiaries	<ul style="list-style-type: none"> International Financial Reporting Standards (IFRS). Bank Company Act 1991 (amended up to date). Relevant Rules and Regulations issued by Bangladesh Bank. Companies Act 1994 (Amended up to date), Securities and Exchange Rules 2020 Other applicable laws and regulations
Corporate governance report	Guidelines issued by: <ul style="list-style-type: none"> Bangladesh Bank Bangladesh Securities and Exchange Commission (BSEC).
Sustainability report	Guidelines of Global Reporting Initiative (GRI)

Materiality

In the integrated report, we have assessed the expectations of external and internal stakeholders and prioritized material issues according to their impact on the Bank. These material topics along with relevant quantitative and qualitative disclosures are made throughout the report. While managing banking business, various issues have impact on the activities and different capitals. We have highlighted the issues that have the potential to impact our performance. In this case, all material matters relating to the Bank have been identified and disclosed in this report.

External Assurance

EBL has obtained external assurance on the following reports:

Particulars	Assurance provider
Financial Statement 2023 and audit report thereon	Howladar Yunus & Co., Chartered Accountants
Corporate governance	A. Qasem & Co., Chartered Accountants
Credit rating	<ul style="list-style-type: none"> Rating by international agency: Moody's Rating by local agency: Credit Rating Agency of Bangladesh Limited (CRAB)
ISO certification	Bureau Veritas (Bangladesh) Private Limited
PCI DSS	Network Intelligence (I) Pvt. Ltd.

Responsibility for an Integrated Report

I take the responsibility to ensure the integrity of the disclosures made in the integrated report. However, the information presented should be read in conjunction with the audited financial statements. The financial and non-financial information disclosed in the integrated report have been assessed and reviewed as per the contents of the integrated report which reasonably addresses the material issues capable to impact the Bank and its subsidiaries showcasing fair presentation of integrated performance.

Ali Reza Iftekhar
Managing Director

Key Ratios

ROA

1.27% 2023

1.21% 2022



EPS (BDT)

5.06 2023

4.23 2022 (restated)



CRAR

15.04% 2023

14.61% 2022



Cost to income ratio

44.22% 2023

43.53% 2022



AD ratio

79.45% 2023

77.83% 2022



NSFR-DBO

107.61% 2023

105.53% 2022

ROE

16.33% 2023

15.46% 2022



P/E ratio (Times)

5.81 2023

7.52 2022 (restated)



Leverage ratio

5.63% 2023

5.57% 2022



NPL ratio

3.10% 2023

2.78% 2022



LCR-DBO

104.64% 2023

104.36% 2022



NPL Coverage ratio

147.61% 2023

168.46% 2022

Core Financials

BDT in million

Total assets

508,554 2023
455,989 2022 ↑ 11.53%



Total loans & advances

353,357 2023
308,916 2022 ↑ 14.39%



Total investment

94,023 2023
90,407 2022 ↑ 4.00%



Total deposits

366,104 2023
317,097 2022 ↑ 15.45%



Total borrowing

71,668 2023
75,996 2022 ↓ -5.70%



Total shareholders' equity

39,767 2023
35,045 2022 ↑ 13.47%



Common equity tier-1 capital

34,015 2023
29,942 2022 ↑ 13.60%



Total regulatory capital

46,890 2023
40,761 2022 ↑ 15.04%



Operating income

20,528 2023
17,789 2022 ↑ 15.40%



Profit before provisions and tax

11,451 2023
10,046 2022 ↑ 13.99%



Profit before tax

9,789 2023
8,095 2022 ↑ 20.93%

Profit after tax

6,109 2023
5,107 2022 ↑ 19.62%

Operational Highlights

Branches

85 2023

83 2022



Sub-branches

33 2023

23 2022



Agent banking outlets

102 2023

63 2022



No. of priority centers

20 2023

18 2022



ATMs & CRMs

296 2023

255 2022



No. of POS

9,500 2023

7,265 2022



No. of foreign correspondents

556 2023

539 2022

Total no. of employees

3,857 2023

3,550 2022



Female representation

18.56% 2023

20.76% 2022



ইবিএল এনআরবি

পৃথিবীর যেকোনো প্রান্তেই হোক না কেন
বাংলাদেশী প্রবাসীদের সাথে আছে
ইবিএল মাতৃভূমি

ইবিএল সঞ্চয় একাউন্ট

- > অনলাইনে এনআরবি কাস্টমারদের টাকা একাউন্ট খোলার সুবিধা
- > আকর্ষণীয় ইন্টারেস্ট রেট

ইবিএল গ্লোবাল

- > বৈদেশিক মুদ্রায় (USD/GBP/EURO) একাউন্ট খোলার সুবিধা
- > সম্পূর্ণ অর্থ দেশের বাইরে পাঠানোর সুবিধা

ইবিএল এনএফসিডি

- > বৈদেশিক মুদ্রায় (USD/GBP/EURO) ১-১২ মাস মেয়াদি ফিক্সড ডিপোজিট খোলার সুবিধা
- > ইন্টারেস্টসহ সম্পূর্ণ অর্থ দেশের বাইরে পাঠানোর সুবিধা



www.ebl.com.bd



 Eastern Bank PLC.

Awards and Recognitions

Unwavering commitment to performance with purpose and steadfast dedication to excellence continued to define our journey. Building upon our previous achievements, we sustained a remarkable track record that garnered recognition from major global and national awards in 2023. Our stability, FinTech innovation, and consistent value creation were once again acknowledged by industry experts and stakeholders alike. We are poised to adapt to dynamic market conditions, embrace innovation, and uphold the principles of good corporate governance. The year 2024 presents both opportunities and challenges, and we are confident that our proactive approach and commitment to excellence will continue to distinguish Eastern Bank PLC. as a leader in the banking sector.

ICSB National Award for Corporate Governance Excellence

EBL has won gold award in general banking category for its outstanding corporate governance practices as well as transparency and accountability in overall management and control in the 10th ICSB National Award 2022 for "Corporate Governance Excellence". Since inception of the award in 2013, EBL is the most awarded financial institution in the category.

ICMAB Best Corporate Award

As a recognition to consistent business and financial performance, EBL has won gold award at the ICMAB Best Corporate Award 2022 in the "Private Commercial Bank" category.

Top tax-paying bank of the country

EBL has been honored as one of the top tax-paying banks in the banking sector by National Board of Revenue (NBR) for the fiscal year 2022-2023.

The Banker Award

EBL has been awarded Bangladesh's "Bank of the Year 2023" by The Banker. EBL is the first local bank to receive the coveted award for the third time 2020, 2021 and 2023.

Asiamoney Awards

For the third consecutive year EBL has won the coveted 'Bangladesh's Best Domestic Bank 2023' award accorded by the Asiamoney. EBL was awarded the Asiamoney Best Corporate and Investment Bank in Bangladesh for three consecutive years from 2018-2020.

International Finance Banking Awards

EBL has won the International Finance Banking Awards 2023 under the category of "Most Innovative Retail Bank" in Bangladesh by the International Finance Magazine. EBL was also the only bank in Bangladesh to be awarded "Fastest Growing Digital Bank" of 2021 by International Finance Banking Awards.

Excellence Awards from VISA

EBL has won Visa Excellence Awards in four categories at the Visa Leadership Conclave - Towards a Cashless, Smart Bangladesh 2023 for our outstanding achievements in Excellence in "E-commerce Acquiring", "Excellence in "Cybersource-Payment Gateway", Excellence in "Co-brand Cards", and Excellence in "Cross-Border Payments".

Excellence Awards from Mastercard

EBL has clinched awards at the "Mastercard Excellence Awards 2023" in three categories- Excellence in "Mastercard Business (Innovation)" for its SkyTrip Credit Card, Excellence in "Mastercard Business (Innovation)" for wearable payment solution, and Excellence in "Mastercard Online Acquiring Business".

Independence Golden Jubilee Award

EBL Securities Ltd., a fully owned subsidiary of EBL, has won the Independence Golden Jubilee Award 2022 given by the Bangladesh Securities and Exchange Commission (BSEC). It won the first prize under the "Stock Broker and Stock Dealer" category for significant contributions to the development and progress of the country's capital market.

e-Commerce Movers Award (eCMA)

EBL wins e-Commerce Movers Award (eCMA) 2023 for its significant contribution to Bangladeshi e-commerce industry.

Euromoney Award

EBL has been adjudged Best Bank in Bangladesh for the fourth time in 2022 by Euromoney for its timely intra-banking model. In 2016, 2017 and 2018, EBL was adjudged the "Best Bank" in Bangladesh for its professionalism, prudence and growth.

PCI DSS Certificate

In 2023, EBL again was assessed by Network Intelligence (I) Pvt. Ltd. and they have found the Bank compliant with PCI DSS on card security. All these are a testimony to our emphasis on card security.

Champion of Financial Cyber Drill

EBL won the Financial Institution Cyber Drill 2022 at the National Cyber Drill 2022 hosted by Bangladesh Government's e-Government Computer Incident Response Team (BGD e-GOV CIRT), Bangladesh Digital Security Agency, Bangladesh Computer Council and Information and Communication Technology Division (Ministry of Posts, Telecommunications and Information Technology).

ADB Award

EBL has been adjudged as the "Best TFP Green Deal (Issuing Bank) Award" by ADB in 2022. Trade and Supply Chain Finance Program (TSCFP) Award of ADB recognizes trade finance initiatives of financial institutions supported by the TSCFP that specifically involves environmental sustainability components according to the selected criteria such as - how the transaction has impact on development, environment, economic growth etc.

Bangladesh FinTech Award

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

IFC Award

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

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

JP Morgan Award

EBL has been awarded the 'Elite Quality Recognition Award' by JP Morgan for prioritizing in using JP Morgan Nostro for settling MT202 payments.

ISO Certification

Our relentless effort to upgrade and update on every account of standardization is reflected in our ISO 9001: 2015 certification of Finance and Accounts division, Operations and Human Resources division of the Bank.

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

Sustainability Rating Recognition by Bangladesh Bank

EBL has been awarded as one of the top ten banks in Sustainability Rating Recognition 2021.



ICSB National Award for Corporate Governance Excellence

ICMAB Best Corporate Award

One of the Top tax-paying banks of the country

The Banker Award

Asiamoney Awards



International Finance Banking Awards

Excellence Awards from VISA

Excellence Awards from Mastercard

Independence Golden Jubilee Award

e-Commerce Movers Award (eCMA)



Euromoney Award

PCI DSS Certificate

Champion of Financial Cyber Drill

ADB Award

Bangladesh FinTech Award



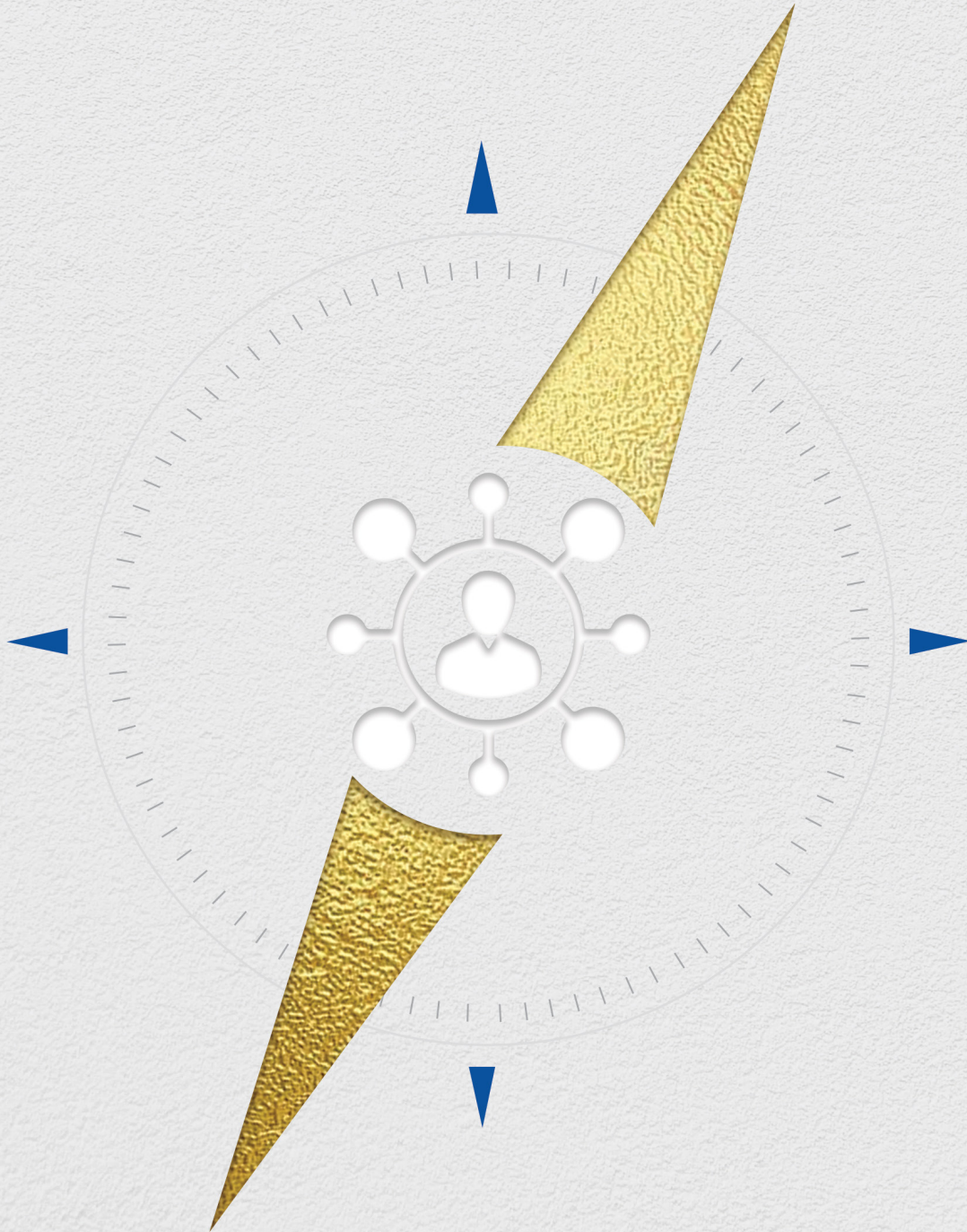
IFC Award

JP Morgan Award

ISO Certification

Sustainability Rating Recognition by Bangladesh Bank

ORGANIZATIONAL OVERVIEW



Vision

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

Mission

- We will deliver service excellence to all our customers, both internal and external.
- We will ensure to maximize shareholders value.
- We will constantly challenge our systems, procedures and training to maintain a cohesive and professional team in order to achieve service excellence.
- We will create an enabling environment and embrace a team based culture where people will excel.

Core Values



Service Excellence

- We will deliver service excellence to all our customers, both internal and external.
- We will ensure to maximize shareholders' value.
- We will constantly challenge our systems, procedures and training to maintain a cohesive and professional team in order to achieve service excellence.
- We will create an enabling environment and embrace a team based culture where people will excel.



Openness

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



Commitment

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



Trust

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



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.



Integrity

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

Code of Conduct and Ethical Guidelines

EBL's commitment to good governance is reflected in our comprehensive code of conduct, which functions as an internal compass as well as our declaration of corporate values and ethical pursuit to stakeholders. Our mission, vision, and values are made clear by this meticulously crafted code, which also conforms to the highest standards of professional conduct. The Bank's values and expectations from employees when interacting with both internal and external stakeholders are clearly outlined.

The code of conduct provides ethical standards that serve as criteria for evaluating the performance of individuals and the Bank as a whole. In essence, it functions as a central guide and point of reference for our employees, aiding them in making informed decisions, particularly when confronted with ethical dilemmas in their daily work. Additionally, it serves as a valuable resource for employees to access relevant documents, services, and other ethical resources within the organization. Following are the key highlights of our code of conduct and ethical guidelines:

Prevention of 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.

Avoidance of 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. 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.

Strategic Priorities



Integrating good governance practices into our business model to mitigate risks, seize opportunities and to grow sustainably.



Intensifying collection drive to improve portfolio health and contain NPL.



Building capacity to offer innovative and useful cash management solutions to improve deposit mix.



Increasing investment for real-time market intelligence and data analytics in order to offer unique value propositions to diverse group of customers.



Continue to improve FCY liquidity to meet unexpected FCY liquidity demands and forecast future cash flows to ensure that sufficient FCY is available to meet obligations.



Diversifying revenue sources to improve profitability and solvency.



Investing in technology to enhance service excellence, widen reach and fight financial crimes.



Hiring and retention of quality people offering performance based reward programs, equitable pay and benefits, defined career path and a mutually beneficial work environment.

Corporate Directory

Name of the company

Eastern Bank PLC.

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. In compliance with Section 11 (Ka) of the Companies (2nd Amendment) Act, 2020, EBL has changed its name to Eastern Bank PLC.

Group composition of EBL

Eastern Bank PLC. (Group)	
Bank	Subsidiaries (fully owned)
Domestic Banking Operation (DBO)	EBL Securities Limited (Stock dealing & brokerage)
Offshore Banking Operation (OBO), Bangladesh	EBL Investments Limited (Merchant banking operations)
Guangzhou Representative Office, China	EBL Asset Management Limited (Asset management i.e. managing mutual funds)
	EBL Finance (HK) Limited (First foreign subsidiary doing trade finance and offshore banking business in Hong Kong)

Our core business

Corporate

A wide array of products and customized solutions is offered to corporate clients through relationship units spread out in Dhaka and Chattogram. These offerings encompass a variety of financial services, including term lending, project financing, working capital financing, trade financing, supply chain financing, cash management solutions, payroll banking, syndication, advisory services etc.

Retail & SME

It offers a diverse portfolio of deposit, loan, and card services, meticulously crafted to align with the ever-changing needs and lifestyle preferences of our clientele. 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 management of fund, cash flow, liquidity and overall asset-liability of the Bank. It also deals with investments in securities, foreign exchange, derivative instruments etc.

Credit rating

Moody's: EBL is the first company (Bangladeshi Bank) in the country rated by Moody's, a renowned global rating agency, for the first time in March 2016. The current rating of the Bank is "B2" with stable outlook.

CRAB: The Bank has been awarded 'AAA' in the long-term and 'ST-1' in the short-term by Credit Rating Agency of Bangladesh Limited (CRAB) in June 2023. AAA is the highest entity credit rating assigned by CRAB. For details, please see 'Credit Rating of EBL' in the section of Information for Stakeholders.

Manpower

Employees	2023	2022
Permanent	2,519	2,202
Trainee	1,338	1,348
Total	3,857	3,550

Board of Directors

Chairman

Md. Showkat Ali Chowdhury

Directors (other than Chairman)

Sl.	Name	Position
1.	M. Ghaziul Haque	Director
2.	Mir Nasir Hossain	Director
3.	Salina Ali	Director
4.	Anis Ahmed	Director
5.	Mufakkarul Islam Khasru	Director
6.	Gazi Md. Shakhawat Hossain	Director
7.	K. J. S. Banu	Director
8.	Zara Namreen	Director
9.	Dr. Toufic Ahmad Choudhury	Independent Director
10.	Ruslan Nasir	Director
11.	Barrister K.M. Tanjib-ul Alam	Independent Director
12.	Khondkar Atique-e-Rabbani FCA	Independent Director
13.	Ali Reza Iftekhar	Managing Director

Company Secretary

Md. Abdullah Al Mamun FCS

Committees of the Board of Directors

Executive Committee (EC)

Sl.	Name	Status with the Committee
1.	Mir Nasir Hossain	Chairman
2.	Salina Ali	Member
3.	Anis Ahmed	Member
4.	Ali Reza Iftekhar	Member

Secretary: Md. Abdullah Al Mamun FCS

Audit Committee (AC)

Sl.	Name	Status with the Committee
1.	Dr. Toufic Ahmad Choudhury	Chairman
2.	Mufakkarul Islam Khasru	Member
3.	Gazi Md. Shakhawat Hossain	Member
4.	Ruslan Nasir	Member
5.	Khondkar Atique-e-Rabbani FCA	Member

Secretary: Md. Abdullah Al Mamun FCS

Risk Management Committee (RMC)

Sl.	Name	Status with the Committee
1.	Mir Nasir Hossain	Chairman
2.	Mufakkarul Islam Khasru	Member
3.	Gazi Md. Shakhawat Hossain	Member
4.	Zara Namreen	Member
5.	Dr. Toufic Ahmad Choudhury	Member

Secretary: Md. Abdullah Al Mamun FCS

Board of Directors of the Subsidiaries

Name of the Subsidiaries	Name of the Directors	Position
EBL Securities Limited (EBLSL)	Mohd. Noor Ali	Chairman
	Ahmed Jamal	Independent Director
	Khondkar Atique-e-Rabbani FCA	Director
	Mufakkarul Islam Khasru	Director
	Ali Reza Iftekhar	Director
	Masudul Hoque Sardar	Director
	Mahmoodun Nabi Chowdhury	Director
	Md. Sayadur Rahman	Managing Director
EBL Investments Limited (EBLIL)	Mufakkarul Islam Khasru	Chairman
	K.J.S. Banu	Director
	Khondkar Atique-e-Rabbani FCA	Director
	Ruslan Nasir	Director
	Ali Reza Iftekhar	Director
	Ahmed Arefin FCA	Managing Director
EBL Asset Management Limited (EBLAML)	Barrister K.M. Tanjib-ul Alam	Chairman
	Gazi Md. Shakhawat Hossain	Director
	Zara Namreen	Director
	Ahmed Shaheen	Director
	Tauhidul Ashraf FCS	Managing Director
EBL Finance (HK) Limited	Ahmed Shaheen	Director
	Ali Reza Iftekhar	Director
	Sohail Murshed	Chief Executive Officer

Ownership composition

As on 31 December 2023, shareholding position of EBL by the directors, general public, institutions and foreign investors is presented below:

Shareholders' group	No. of shares	Shareholding (%)	Amount in BDT
Directors	370,217,723	30.67%	3,702,177,230
General Public	266,204,206	22.05%	2,662,042,060
Institutions	567,517,404	47.01%	5,675,174,040
Foreign investors	3,295,382	0.27%	32,953,820
Total	1,207,234,715	100.00%	12,072,347,150

Stock exchange listing

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

Listing year

Dhaka Stock Exchange PLC.	20 March 1993
Chittagong Stock Exchange PLC.	28 September 2004

Capital (31 December 2023)

Authorized Capital	BDT 25,000,000,000 (face value per share: BDT 10)
Paid-up Capital	BDT 12,072,347,150 (face value per share: BDT 10)

Accounting year

1 January to 31 December

Auditors

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

Corporate governance auditor

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

Tax consultant

ACNABIN
Chartered Accountants (A network member of Bakertilly)

Legal advisors

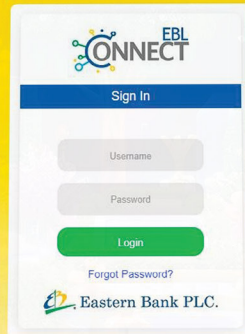
Sadat Sarwat & Associates

Registered office & head office

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



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convenience

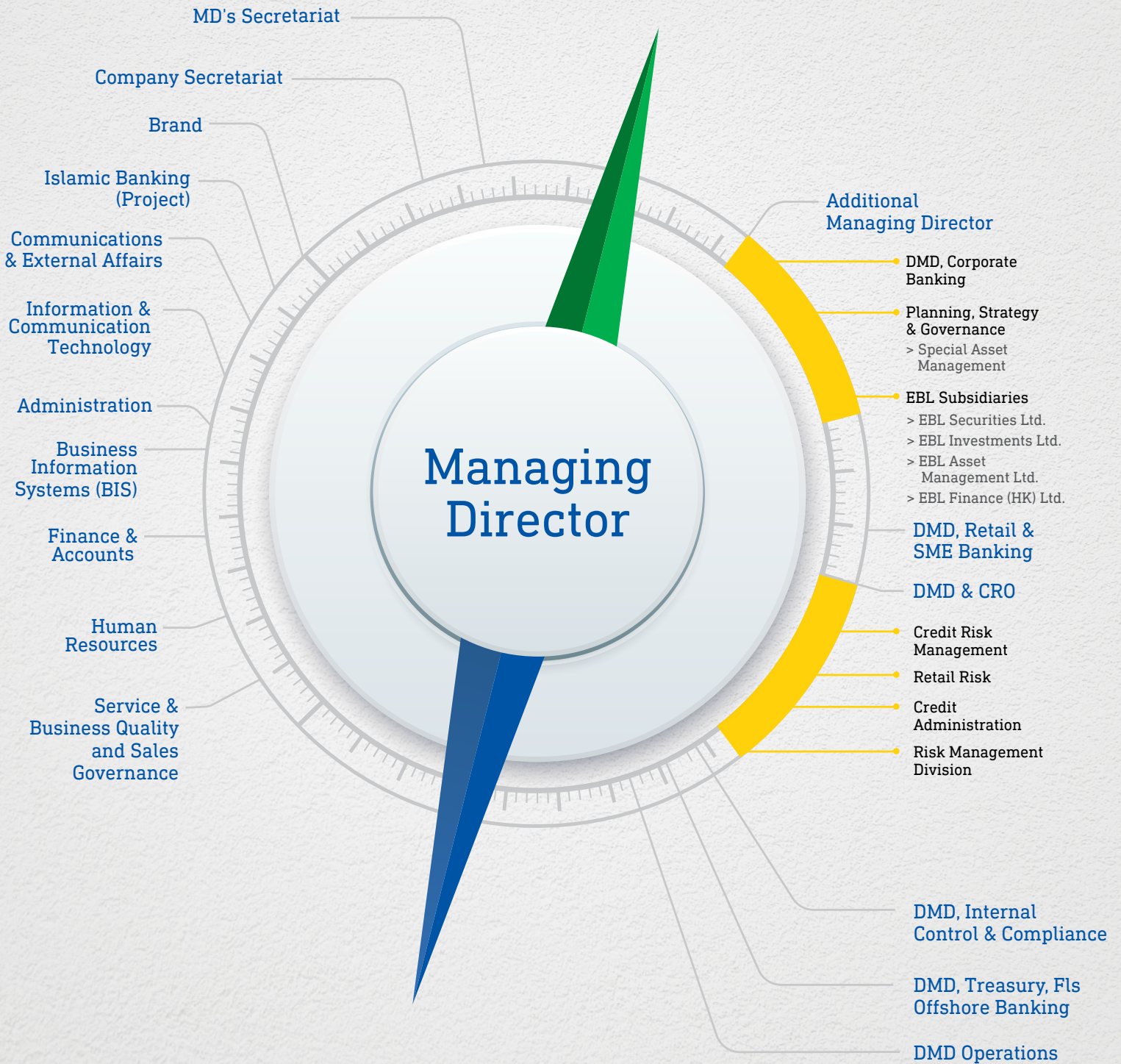


EBLConnect facilitates 24/7 banking
to cater to your payment requirement seamlessly

BEFTN | RTGS | IFT | CARD | CUSTOM DUTY | TAX | VAT



Organizational Structure





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

**EBL deposited the
highest government
payments in 2023
among all PCBs**

Earned highest commission income

ACS Success Stories of EBL



Dedicated ACS team with
expertise in Tax/VAT areas



Served 178 Corporate clients in
Telco, FMCG, MNC, Construction
& Manufacturing sectors



Number of Challans: 35,241
Corporate Tax, VAT and SD: 23,028
Passport Fee & Others: 12,213



Total govt. revenue processed
BDT 72,350 million



EBL earned BDT 72.30 million
fees from govt.



0 (Zero) to 100 (Hundred)
> 0 (Zero) delay in service
> 0 (Zero) compliance issue
> 100% customer satisfaction



Directors of the Board





Profile of Directors of the Board

Md. Showkat Ali Chowdhury

Chairman

A business icon of the country, Md. Showkat Ali Chowdhury is among the nation's most recognized entrepreneurs. He is successfully running a large conglomerate with diverse interests in Ship Recycling, Tea Plantation and Production, RMG Industries, Real Estate, Agency Business and Engineering Services, Inland Container Depot (ICD), Commercial Banking, Insurance and Securities. A founding director of EBL, he joined the Board in 1993.

He is associated with many local and international organizations including SAARC Chamber of Commerce & Industry (SAARC CCI), Bhatiary Golf & Country Club Limited, Chittagong Press Club, Chattogram 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 did his graduation from the University of Chittagong.



M. Ghaziul Haque

Director

M. Ghaziul Haque is the Chairman of MGH Group, a multinational conglomerate headquartered in Singapore with footprint over 23 countries in Integrated Supply Chain, Total Cargo Management (TCM) for Low Cost Carriers (LCC), Global Distribution Systems for Airlines, Cross Border Freight Trains and Satellite Fulfilment Centre (SFC) operators, FM Radio Stations, Tea and Rubber Plantations, Food & Beverage, and Commercial Banking.

He is a founding director of EBL. He joined the Board in 1993 and ever since serving the Board except a brief absence of five years from 2006 to 2011. He was also Chairman of EBL from 2000-2006, and 2013-2018.

After graduating from Chittagong College under University of Dhaka in 1955, he began his career with the reputed British company Bird & Co. Limited and rose to the position of Managing Director in 1976 when the company was changed to Birds Bangladesh Limited.

In 1980, he left the company to start his business and partnered with Aquamarine Limited, a Chattogram based Shipping Company. Later, he formed a joint venture company Maersk Bangladesh Limited with Maersk Lines, Copenhagen, Denmark. He was the Chairman of the company until 1997 leaving a lasting impression in its transformational growth journey.



Mir Nasir Hossain

Director

A preeminent business leader of the country, Mir Nasir Hossain has a diverse range of business interests including Construction, Real Estate, Telecom, ICT, Software Development, Ceramic Tiles Manufacturing, Textile, Liquefied Petroleum Gas (LPG), Banking and Insurance. He excelled as a student and achieved his post-graduation in accounting from the University of Dhaka with distinction. A founding director of EBL, he joined the Board in 1993.

Mir Telecom Limited, a business concern under his dynamic leadership, won the National Export Trophy Gold Category in 2012-2013, 2013-2014, 2016-2017, 2017-2018, 2018-2019, 2019-2020 in service sector and received National Productivity and Excellence Award 2021 for Mir Akhter Hossain Limited. He received the export trophy award from the Honorable Prime Minister of Bangladesh and was declared a CIP (Commercially Important Person) by the Ministry of Industries for 2012, 2013, 2017 and CIP Export 2014, 2015 & 2018 from the Ministry of Commerce for his significant contributions to the industrial growth of the country.

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

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

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



Salina Ali

Director

Salina Ali is the Chairperson of Unique Group, a leading business conglomerate in Bangladesh. The group has business interests in Real Estate, Ceramic Industry, Hospitality & Tourism, Power Plant, Manpower Export, Bank & NBFIs and Human Resources Development. She is also the Chairperson of Borak Real Estate Limited, Unique Hotel and Resorts PLC and involved with hospitality brands such as The Westin Dhaka, The Sheraton Dhaka and Hansa Premium Residence. She is also the Vice-Chairman of the Board of Trustees of Noor Ali Family Trust.

She is a member of the Executive Committee (EC) of the Board of EBL. She did her Honors and Master's from University of Dhaka.

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



Anis Ahmed

Director

Anis Ahmed is the Founder and Group CEO of MGH Group. A large conglomerate headquartered in Singapore with footprint over 23 countries, the group has business interest in Integrated Supply Chain for Global Fashion, Automotive industry and Electronics Brands, Total Cargo Management (TCM) for Low Cost Carriers (LCC), Aviation, Cross Border Freight Trains, Trucking, Satellite Fulfilment Centre (SFC) operators, FM Radio Stations, Tea and Rubber Plantations, Food & Beverage and Commercial Banking. He is also into innovative bootstrapped startup ventures.

He is a member of the Executive Committee (EC) of the Board of Directors of EBL. He earned his BSc. in Finance from University of Utah and MBA from Arkansas State University, USA, and began his career with A.P. Moller Maersk as an intern at its Morristown, New Jersey Headquarters. He later joined his father's business, an A.P. Moller Maersk joint venture in Bangladesh (Maersk Bangladesh Ltd.) and left after four years to establish his own start-up, MGH, named after his father M. Ghaziul Haque, who is currently Director of EBL and Chairman of the MGH Group.

He, along with his wife Suhana, is the Co-Founder, Co-Chair and a Trustee member of Suhana & Anis Ahmed Foundation (SAAF). The foundation is in the process of launching two DristiVans, Bangladesh's first-ever Mobile Eye Diagnostic Clinic built on a 4-ton truck chassis, to reach out to schools and colleges at far-flung areas to help prevent childhood glaucoma and blindness.

The foundation offers 16 scholarships at BRAC University for meritorious but underprivileged students pursuing Computer Sciences (CSE) degrees and provides financial supports to Monwara Islam Tajul Islam Welfare Trust to sustain the old home Shailan Probeen Nibash. The couple has provided financial and operational supports to BSMMU's 31-bed Leukemia ward for children suffering from Blood Cancer.



Mufakkharul Islam Khasru

Director

Mufakkharul Islam Khasru is the Managing Director of Finlay Properties Limited, an affiliate of JF (Bangladesh) Limited. Before taking up the current responsibilities at Finlay Properties in 2010, he was the CEO of SANMAR, a leading business house with diversified business interests in Property Development, Custom Brokerage, Stevedoring and Commodity Trading.

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

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

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 Limited, Bhatiary Golf & Country Club, Chittagong Boat Club, and a life member of Bangladesh Diabetic Society.



Gazi Md. Shakhawat HossainDirector

Gazi Md. Shakhawat Hossain is the CEO of Borak Real Estate Limited. A top business leader, he is Director and member of the Audit Committee (AC), Investment Committee & Nomination and Remuneration Committee (NRC) of Unique Hotel & Resorts PLC. He is also involved with a number of companies as Director of Bay Hill Hotel & Resorts Limited, General Electric Company (BD) Limited and Unique Meghnaghat Power Limited.

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

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



K.J.S. BanuDirector

Kishwar Jahan Sayeeda Banu, aka K.J.S. Banu is known for her philanthropic works. She completed her Master's degree from University of Dhaka in 1966. Apart from her philanthropic works, she is involved with various social development projects in Dhaka and Chattogram and has professional interest in Banking and Healthcare sector.

She joined the Social Welfare Committee of Samorita Hospital in 2000. Currently, she is the Chairman of the Abul Mansur Shaukat Ali Family Trust.

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

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

She is a Director of EBL Investments Limited, a fully owned Subsidiary of EBL. Earlier, she was a member of the Board of Directors of EBL for a 3-year term from 2003 to 2006.



Zara Namreen

Director

Zara Namreen is the Executive Director of JF (Bangladesh) Limited. She is associated with business enterprises such as Namreen Enterprise Limited, Z.N. Enterprise Limited and S.N. Corporation. She is the Managing Director of Finlay Bazar Limited, Managing Partner of BaliSera Ship Recycling and Partner of ShoreLink Ship Recycling. She is a member of the Risk Management Committee (RMC) of the Board of EBL. She heads EBL Foundation as its chairperson.

She did her BSc. from University of Hull, UK and MSc. from Queen Mary University of London.

She is a member of Chittagong Club Limited.



Dr. Toufic Ahmad Choudhury

Independent Director

Dr. Toufic Ahmad Choudhury is a noted economist of the country. He did his Ph.D. from Himachal Pradesh University, Shimla, India under Indian commonwealth scholarship. He is currently serving as the Director General of Bangladesh Academy for Securities Markets (BASM). He is board member of a number of institutions including Palli Karma Sahayak Foundation (PKSF) and Institute for Inclusive Finance and Development (InM). He was Director General of Bangladesh Institute of Bank Management (BIBM) from 2010 to 2019. He also served as the General Secretary of Bangladesh Economic Association (BEA) for consecutive 2 terms from 2010-14.

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

He is the Chairman of the Audit Committee (AC) and also member of Risk Management Committee (RMC) of the Board of EBL.

An expert in Financial Institution Management, Risk Management, International Trade Payment and Finance, he has over 50 publications in national and international journals.



Ruslan Nasir

Director

Ruslan Nasir is the Deputy Managing Director of Mir Ceramic Limited and Director of several enterprises including Mir Telecom Limited, Mir Holdings Limited, Bangla Telecom Limited and Coloasia Limited. Under his dynamic leadership, Mir Telecom Limited won the National Export Trophy Gold Category in 2012-2013, 2013-2014, 2016-2017, 2017-2018, 2018-2019, 2019-2020 and 2020-2021 in service sector. He also won the President's Award for Industrial Development in 2019 & National Productivity and Excellence Award 2021 for Mir Ceramic Limited and Bangabandhu Sheikh Mujib Industrial Award in 2020 for Mir Telecom Limited. He joined the Board of EBL in 2021. He is a member of the Audit Committee (AC) of EBL Board and a Director of EBL Investments Limited, a fully owned subsidiary of EBL. He also serves as a member of the EBL Foundation.

He brings his experience in businesses like Ceramic Tiles, Construction, Telecom, ICT, Real Estate, Food Chain and Banking to the Board of EBL.

He is also serving as a Vice President of Bangladesh Ceramic Manufacturers and Exporters Association (BCMEA) and Director of Bangladesh Chamber of Industries (BCI).

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

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



Barrister K. M. Tanjib-ul Alam

Independent Director

An international arbitrator and a leading corporate and constitutional lawyer, K. M. Tanjib-ul Alam is a Senior Advocate of Supreme Court of Bangladesh. He joined EBL Board as an independent director in 2022. He did his LLB honors from University of London in 1996 and was called to the Bar of England and Wales from prestigious Lincoln's Inn, UK in 1997. Currently, he is the head of the chambers of Tanjib Alam and Associates, an international law firm with offices in Europe and Asia.

In his outstanding career, he served as a Legal Consultant & performed Advisory roles for International Finance Corporation (IFC), PricewaterhouseCoopers (PWC), Dhaka Stock Exchange PLC (DSE), UNDP, Institutional Reform International Inc. (IRIS) USA, and the World Bank. He played pivotal role in drafting two key legislations while acting as the technical consultant for the World Bank funded projects on the reform of Energy and Telecom sectors, which resulted in the enactment of the Bangladesh Energy Regulatory Commission Act and the Bangladesh Telecommunication Act. As the lead Project Consultant of IFC, he prepared the draft Companies Act as part of technical assistance to the Government of Bangladesh for the reform in corporate sector of the country to attract foreign investment. He has won numerous international awards for his contribution in the legal profession in the South East Asia region.

He is the Chairman of EBL Asset Management Limited, a fully owned subsidiary of EBL. He serves as a member of EBL Foundation. He is a Director of Biman Bangladesh Airlines Limited and sits on the Board of a number of multinational companies operating in Bangladesh.



Khondkar Atique-e-Rabbani FCA

Independent Director

Khondkar Atique-e-Rabbani is the Managing Director of The Computers Limited, established in 1983. He did his B.Tech (Hons) in Statistics from University of Bradford, UK.

His unique blend of AI/Block chain/ICT/Software and Financial Accounting/Audit expertise has been acquired and honed over his involvement in these fields for years on end in UK and Bangladesh.

He engaged primarily in AI (Artificial Intelligence), Block chain and 4IR (Fourth Industrial Revolution) consulting. He has conducted numerous seminars/courses on AI, Block chain and 4IR in Government Ministries, Multinationals, Banks, Professional bodies/Institutes since 2018. He is also the proprietor of TCL Computers engaged mainly in ICT training as approved training service provider of IDB-BISEW project.

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

He sits on the Board of Biman Bangladesh Airlines Limited. He is the founder member of both Bangladesh Association of Software and Information Services (BASIS) established in 1997 and Bangladesh Computer Samity (BCS) founded in 1987. He was the former President of Institute of Internal Auditors Inc., Bangladesh Chapter, past Vice President of Dhaka Chamber of Commerce and Industry (DCCI), former Independent Director of number of companies including ICB Securities Trading Company Limited, Energypac Power Generation Limited, ADN Telecom Limited. He was 2 terms Director of Dhaka Chamber of Commerce & Industry (DCCI), Treasurer in both BCS and BASIS, and Secretary of BASIS. He is a life member of Cadet College Club Limited and Mirzapur Ex Cadets Association.

He started his career as a programmer in British American Tobacco & Co., in Southampton, UK during 1977-78 as an industrial placement student from University of Bradford, UK. He articulated with Arthur Young McClelland Moores & Co. (AYMM & Co), Luton, UK and became a member of Institute of Chartered Accountants of Bangladesh (ICAB) in 1989.



Ali Reza Iftekhar

Managing Director

An ardent promoter of sustainable and green growth, Ali Reza Iftekhar has the rare distinction of being the longest serving Managing Director in Bangladesh banking industry. He has successfully introduced international best practices of Corporate Governance and Ethical Banking and transformed Eastern Bank PLC. (EBL) into a leading financial brand in the country.

He was honored with first Kotler CEO of the Year Award in 2023 for his remarkable strides in advancing the marketing and business landscape of Bangladesh.

Under his leadership, EBL has been awarded the Bank of the Year recognition by the Banker Magazine for 3 times, Best Retail Bank in Bangladesh award by The Asian Banker for 6 consecutive years 2013 – 2018, Euromoney Best Bank in Bangladesh for 3 consecutive years, Asiamoney Best Corporate and Investment Bank of Bangladesh for 4 consecutive years, FinanceAsia Best Bank of Bangladesh in 2017 and 2019, the IFC Global Award for the Best Partner for Working Capital Systemic Solution, ICSB National Award for Corporate Governance Excellence; the Best Financial Institution 2010 at the DHL-Daily Star Bangladesh Business Award.

He led the Association of Bankers, Bangladesh (ABB), a forum of Managing Directors of Bangladesh's scheduled banks, for 2 terms 2020-2021 and 2014-2015.

A stellar performer throughout his career spanning over 3 decades, he was awarded CEO of the Year 2012 at Asian HR Leadership Award held in Dubai. In 2022, the World Business Outlook magazine awarded him the Best Banking CEO of the Year of Bangladesh.





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The account for any salaried foreign national residing in Bangladesh

Scan to know more:



MANCOM



Standing from Left to Right

- ▶ **Ahmed Shaheen**
Additional Managing Director
- ▶ **Md. Mokaddas**
SEVP & Head of Trade Operations
- ▶ **Mehdi Zaman**
DMD & Head of Treasury, FIs & Offshore Banking
- ▶ **Ahsan Ullah Chowdhury**
SEVP & Head of Digital Financial Services, Retail & SME Banking
- ▶ **Mohammad Mainul Hasan Faisal**
SEVP & Unit Head, Dhaka, Corporate Banking
- ▶ **Md. Jabedul Alam**
SEVP & Head of Transaction Banking, Corporate Banking
- ▶ **Sanjay Das**
SEVP & Head of Corporate Business, Chattogram
- ▶ **Ashraf-uz-Zaman**
SEVP & Head of Planning, Startegy & Governance
- ▶ **Major Md. Abdus Salam, psc, (Retd.)**
SEVP & Head of Administration & Security
- ▶ **Ziaul Karim**
SEVP & Head of Communications & External Affairs
- ▶ **Md. Abdullah Al Mamun FCS**
EVP & Company Secretary
- ▶ **Mahmoodun Nabi Chowdhury**
DMD & Head of ICC & CAMLCO
- ▶ **M. Khorshed Anowar**
DMD & Head of Retail & SME Banking



Standing from Left to Right

- **Mahiuddin Ahmed**
DMD & Head of Operations
- **Md. Zahid Hossain**
SEVP & Head of Banking Operations
- **Mostafa Sarwar**
EVP & Head of Credit Risk Management
- **Md. Maskur Reza**
EVP & Head of Business Information Systems
- **Riad Mahmud Chowdhury**
DMD & Head of Corporate Banking
- **Zahidul Haque**
SEVP & Chief Technology Officer
- **Mahdiar Rahman**
SEVP & Unit Head, Dhaka, Corporate Banking

- **Masudul Hoque Sardar**
SEVP & Chief Financial Officer
- **Monjurul Alam**
SEVP & Head, Human Resources
- **Syed Zulkar Nayan**
SEVP & Head of Business, Retail & SME Banking
- **M. Khurshed Alam**
DMD & Chief Risk Officer
- **Md. Obaidul Islam**
SEVP & Unit Head, Dhaka, Corporate Banking
- **Ali Reza Iftekhar**
Managing Director

Management Committees

MANCOM

Sl No	Name	Designation	Status in Committee
1	Ali Reza Iftekhar	Managing Director	Chairman
2	Ahmed Shaheen	Additional Managing Director	Vice Chairman
3	Mehdi Zaman	DMD & Head of Treasury, Fls & Offshore Banking	Member
4	Riad Mahmud Chowdhury	DMD & Head of Corporate Banking	Member
5	M. Khorshed Anowar	DMD & Head of Retail & SME Banking	Member
6	Mahmoodun Nabi Chowdhury	DMD & Head of ICC & CAMLCO	Member
7	M. Khurshed Alam	DMD & Chief Risk Officer	Member
8	Mahiuddin Ahmed	DMD & Head of Operations	Member
9	Md. Obaidul Islam	SEVP & Unit Head, Dhaka, Corporate Banking	Member
10	Mahdiar Rahman	SEVP & Unit Head, Dhaka, Corporate Banking	Member
11	Mohammad Mainul Hasan Faisal	SEVP & Unit Head, Dhaka, Corporate Banking	Member
12	Md. Jabedul Alam	SEVP & Head of Transaction Banking, Corporate Banking	Member
13	Sanjay Das	SEVP & Head of Corporate Business, Chattogram	Member
14	Ashraf-uz-Zaman	SEVP & Head of Planning, Startegy & Governance	Member
15	Masudul Hoque Sardar	SEVP & Chief Financial Officer	Member
16	Md. Mokaddas	SEVP & Head of Trade Operations	Member
17	Md. Zahid Hossain	SEVP & Head of Banking Operations	Member
18	Syed Zulkar Nayen	SEVP & Head of Business, Retail & SME Banking	Member
19	Ahsan Ullah Chowdhury	SEVP & Head of Digital Financial Services, Retail & SME Banking	Member
20	Zahidul Haque	SEVP & Chief Technology Officer	Member
21	Major Md. Abdus Salam, psc, (Retd.)	SEVP & Head of Administration & Security	Member
22	Ziaul Karim	SEVP & Head of Communications & External Affairs	Member
23	Monjurul Alam	SEVP & Head, Human Resources	Member
24	Md. Maskur Reza	EVP & Head of Business Information Systems	Member
25	Mostafa Sarwar	EVP & Head of Credit Risk Management	Member
26	Md. Abdullah Al Mamun FCS	EVP & Company Secretary	Member Secretary

Extended Management Team (EMT)

SL No.	Name	Designation	Status in Committee
1	M. Khurshed Alam	DMD & Chief Risk Officer	Chairman
2	Md. Ehetesham Rahman	SEVP & Unit Head, Dhaka, Corporate Banking	Vice Chairman
3	Ashraf Ur Rahman Chowdhury	EVP & Unit Head, Dhaka, Corporate Banking	Member
4	Rasheedul Huque	EVP & Head of Property, Project & Repair Maintenance, Administration	Member
5	Md. Mashuqur Rahman	EVP & Head of ICT Operations, ICT Division	Member
6	Md. Abdul Awal	EVP & Head of Monitoring, ICC	Member
7	Shuvra Kanti Saha	EVP & Head of Operations, Chattogram	Member
8	Md. Enayet Karim Chowdhury	EVP & Head of Export Operations, Trade Operations	Member
9	Tasnim Hussain	EVP & Head of Cards	Member
10	Mohammad Salekeen Ibrahim	EVP & Head of Asset, Retail & SME Banking	Member
11	Sarmin Atik	EVP & Head of Liability & Wealth Management, Retail & SME Banking	Member
12	Farzana Ali	EVP & Branch Area Head, Dhaka, Retail & SME Banking	Member
13	Mohammed Moinul Islam	EVP & Head of Special Asset Management	Member
14	A.K.M. Mizanur Rahman	EVP & Head of Islamic Banking	Member
15	Murtaza Morshed	EVP & Unit Head, Dhaka, Corporate Banking	Member
16	Mohammed Nasir Uddin	EVP & Unit Head, Chattogram, Corporate Banking	Member
17	G.K. Salauddin Ahmed (Kibria)	EVP & Head of Retail Risk	Member
18	Md. Safiqul Islam Zahid	EVP & Head, Financial Operations & Control, Finance and Accounts	Member
19	Md. Syedul Islam	EVP & Head of Audit, ICC	Member
20	Sanjit Dutta	EVP & Head of Technology Development & Transformation, ICT Division	Member
21	Md. Shahjahan Ali	EVP & Head of Compliance & Deputy CAMLCO	Member
22	Istiaq Ahmed	EVP & Branch Area Head, Outstation, Retail & SME Banking	Member



SL No.	Name	Designation	Status in Committee
23	Mesbah Uddin Ahmed	EVP & Branch Area Head, Chattogram, Retail & SME Banking	Member
24	M. Toufiq Imtiaz	EVP & Head of Import Operations, Trade Operations	Member
25	Saiful Islam	EVP & Head of Risk Management Division	Member
26	Riyadh Ferdous	SVP & Head of Brand	Member
27	Md. Mashiur Rahman	SVP & Head of Credit Administration	Member
28	Md. Zahirul Hoque Khan	SVP & Senior Manager, Credit Risk Management	Member
29	Md. Anisuzzaman Molla	SVP & Senior Manager, Credit Risk Management	Member
30	Prashanta Kumar Saha	SVP & Senior Manager, Credit Risk Management	Member
31	Md. Mueyed Hasnayan	SVP & Head of Cards & Digital Banking Operations, Operations	Member
32	Md Tanbeer Dawood	SVP & Head of Payment Services Operations, Operations	Member
33	Abu Rasel Md Masum	SVP & Branch Area Head, Sylhet and Narayangonj, Retail & SME Banking	Member
34	Rabi Sankar Parial	SVP & Head of Collection, Retail & SME Banking	Member
35	Md. Haruner Rashid	SVP & Head of Legal	Member
36	Shah Muntasin Mujtaba	SVP & Head of Markets & Sales, Treasury	Member
37	Abrar Zaman	SVP & Head of Trade Sales, Transaction Banking, Corporate Banking	Member
38	Md. Shabu Munshi	SVP & Head of SME Asset & Regulatory Reporting, Retail & SME Banking	Member
39	Md. Zahed Chowdhury	SVP & Head of Retail Asset, Retail & SME Banking	Member
40	Sharfuddin Mozaffar Ali	SVP & Head of Agent Banking	Member
41	Muhammad Shohidul Islam	SVP & Head of Core Banking System, ICT Division	Member
42	Mohammad Habibul Bari	SVP & Head of Liability Operations, Operations	Member
43	Amin Md. Mehedi Hasan	SVP & Head of Digital Banking	Member
44	Faisal M. Fathe - Ul Islam	SVP & Head of M-Commerce & E-Commerce	Member
45	Md Atiqur Rahman	SVP & Head of Contact Center	Member
46	Trisha Taklim	SVP & Head of Payroll Banking	Member
47	Zaed Bin Hassan	SVP & Head of Supply Chain Financing Business	Member
48	Rajan Kumer Saha	VP & Head, Financial Planning, Analysis & Reporting	Member Secretary
49	Md. Riyad Hossain	VP & Head, People's Acquisition, Human Resources	Member
50	Shamsul Arefin	VP & Head of Cards Compliance, Acquiring & Product Management, Cards	Member
51	Nahid Farzana	VP & Unit Head, Cash Management (Local & Global Corporate)	Member
52	Tanzeri Hoque	VP & Head of Priority & Women Banking	Member
53	Al- Mamun Ansar	VP & Head of Liability Business, Retail & SME Banking	Member
54	Eshrat Mustafa Eshita	VP & Head of Service & Business Quality and Sales Governance	Member
55	Mohammad Mamunur Rashid	VP & Head of International Business, Treasury, FIs & Offshore Banking	Member

Asset Liability Committee (ALCO)

SL NO	Name	Designation	Status in Committee
1	Ali Reza Iftekhhar	Managing Director	Chairman
2	Ahmed Shaheen	Additional Managing Director	Member
3	M. Khorshed Anowar	DMD & Head of Retail & SME Banking	Member
4	Mehdi Zaman	DMD & Head of Treasury, FIs & Offshore Banking	Member Secretary
5	Masudul Hoque Sardar	SEVP & Chief Financial Officer	Member
6	Saiful Islam	EVP & Head of Risk Management Division	Member
7	Md. Talhatul Islam	FAVP & Senior Manager, ALM Desk, Treasury	Member

Purchase Committee (PC)

SL NO	Name	Designation	Status in Committee
1	Ahmed Shaheen	Additional Managing Director	President
2	Masudul Hoque Sardar	SEVP & Chief Financial Officer	Member
3	Zahidul Haque	SEVP & Chief Technology Officer	Member
4	Major Md. Abdus Salam, psc, (Retd)	SEVP & Head of Administration & Security	Member
5	Md. Maskur Reza	EVP & Head of Business Information Systems	Member
6	Md. Abdullah Al Mamun FCS	EVP & Company Secretary	Member

Executive Risk Management Committee (ERMC)

SL NO	Name	Designation	Status in Committee
1	M. Khurshed Alam	DMD & Chief Risk Officer	Chairman
2	Mahmoodun Nabi Chowdhury	DMD & Head of ICC & CAMLCO	Co-Chairman
3	Ahmed Shaheen	Additional Managing Director	Member
4	Riad Mahmud Chowdhury	DMD & Head of Corporate Banking	Member
5	M. Khorshed Anowar	DMD & Head of Retail & SME Banking	Member
6	Mahiuddin Ahmed	DMD & Head of Operations	Member
7	Mehdi Zaman	DMD & Head of Treasury, FIs & Offshore Banking	Member
8	Masudul Hoque Sardar	SEVP & Chief Financial Officer	Member
9	Zahidul Haque	SEVP & Chief Technology Officer	Member
10	Ashraf-uz-Zaman	SEVP & Head of Planning, Strategy and Governance	Member
11	Monjurul Alam	SEVP & Head, Human Resources	Member
12	Mohammed Moinul Islam	EVP & Head of Special Asset Management	Member
13	Mostafa Sarwar	EVP & Head of Credit Risk Management	Member
14	Saiful Islam	EVP & Head of Risk Management Division	Member Secretary
15	Md. Mashiur Rahman	SVP & Head of Credit Administration	Member

Credit Risk Management Committee (CRMC)

SL NO	Name	Designation	Status in Committee
1	M. Khurshed Alam	DMD & Chief Risk Officer	Chairman
2	Ahmed Shaheen	Additional Managing Director	Member
3	M. Khorshed Anowar	DMD & Head of Retail & SME Banking	Member
4	Mehdi Zaman	DMD & Head of Treasury, FIs & Offshore Banking	Member
5	Masudul Hoque Sardar	SEVP & Chief Financial Officer	Member
6	Mohammed Moinul Islam	EVP & Head of Special Asset Management	Member
7	Mostafa Sarwar	EVP & Head of Credit Risk Management	Member Secretary
8	Saiful Islam	EVP & Head of Risk Management Division	Member

Sustainable Finance Committee (SFC)

Sl.	Name	Designation	Status in Committee
1	M. Khurshed Alam	DMD & Chief Risk Officer	Chairman
2	Ahmed Shaheen	Additional Managing Director	Member
3	Mahmoodun Nabi Chowdhury	DMD & Head of ICC & CAMLCO	Member
4	Mehdi Zaman	DMD & Head of Treasury, FIs & Offshore Banking	Member
5	Riad Mahmud Chowdhury	DMD & Head of Corporate Banking	Member
6	M. Khorshed Anowar	DMD & Head of Retail & SME Banking	Member
7	Masudul Hoque Sardar	SEVP & Chief Financial Officer	Member
8	Zahidul Haque	SEVP & Chief Technology Officer	Member
9	Ashraf-uz-Zaman	SEVP & Head of Planning, Strategy and Governance	Member
10	Sanjay Das	SEVP & Head of Corporate Business, Chattogram	Member
11	Monjurul Alam	SEVP & Head, Human Resources	Member
12	Ahsan Ullah Chowdhury	SEVP & Head of Digital Financial Services, Retail & SME Banking	Member
13	Major Md. Abdus Salam, psc, (Retd)	SEVP & Head of Administration & Security	Member
14	Syed Zulkar Nayan	SEVP & Head of Business, Retail & SME Banking	Member
15	Ziaul Karim	SEVP & Head of Communications & External Affairs	Member
16	Md. Maskur Reza	EVP & Head of Business Information Systems	Member
17	Mostafa Sarwar	EVP & Head of Credit Risk Management	Member Secretary
18	Mohammad Salekeen Ibrahim	EVP & Head of Asset, Retail & SME Banking	Member
19	Mohammed Moinul Islam	EVP & Head of Special Asset Management	Member
20	Saiful Islam	EVP & Head of Risk Management Division	Member
21	Md. Mashiur Rahman	SVP & Head of Credit Administration	Member
22	Sheikh Shahriar Amin	VP & Senior Manager, Planning, Strategy & Governance	Member

Supervisory Review Process (SRP) Team

SL NO	Name	Designation	Status in Team
1	Ali Reza Iftekhar	Managing Director	Chairman
2	Ahmed Shaheen	Additional Managing Director	Member
3	M. Khorshed Anowar	DMD & Head of Retail & SME Banking	Member
4	M. Khurshed Alam	DMD & Chief Risk Officer	Member
5	Mahiuddin Ahmed	DMD & Head of Operations	Member
6	Mehdi Zaman	DMD & Head of Treasury, FIs & Offshore Banking	Member
7	Mahmoodun Nabi Chowdhury	DMD & Head of ICC & CAMLCO	Member
8	Masudul Hoque Sardar	SEVP & Chief Financial Officer	Member
9	Zahidul Haque	SEVP & Chief Technology Officer	Member
10	Mostafa Sarwar	EVP & Head of Credit Risk Management	Member
11	Saiful Islam	EVP & Head of Risk Management Division	Member Secretary

Central Compliance Committee (CCC)

SL NO	Name	Designation	Status in Committee
1	Mahmoodun Nabi Chowdhury	DMD & Head of ICC & CAMLCO	Chairman
2	M. Khurshed Alam	DMD & Chief Risk Officer	Member
3	M. Khorshed Anowar	DMD & Head of Retail & SME Banking	Member
4	Mahiuddin Ahmed	DMD & Head of Operations	Member
5	Riad Mahmud Chowdhury	DMD & Head of Corporate Banking	Member
6	Md. Mokaddas	SEVP & Head of Trade Operations	Member
7	Monjurul Alam	SEVP & Head, Human Resources	Member
8	Zahidul Haque	SEVP & Chief Technology Officer	Member
9	Ahsan Ullah Chowdhury	SEVP & Head of Digital Financial Services, Retail & SME Banking	Member
10	Md. Abdul Awal	EVP & Head of Monitoring, ICC	Member
11	Md. Shahjahan Ali	EVP & Head of Compliance & Deputy CAMLCO	Member Secretary
12	Md. Mueeed Hasnayan	SVP & Head of Cards Operations, Operations	Member
13	Muhammad Abul Kalam Azad	SVP & Head of Information Security & Compliance, ICT Division	Member
14	Sazia Afrin	VP & Head of Branch Operation & Support	Member

ICT Steering Committee

Sl No	Name	Designation	Status in Committee
1	Ali Reza Iftekhar	Managing Director	Chairman
2	Ahmed Shaheen	Additional Managing Director	Member
3	Mahmoodun Nabi Chowdhury	DMD & Head of ICC & CAMLCO	Member
4	M. Khurshed Alam	DMD & Chief Risk Officer	Member
5	Riad Mahmud Chowdhury	DMD & Head of Corporate Banking	Member
6	Mehdi Zaman	DMD & Head of Treasury, FIs & Offshore Banking	Member
7	Mahiuddin Ahmed	DMD & Head of Operations	Member
8	M. Khorshed Anowar	DMD & Head of Retail & SME Banking	Member
9	Masudul Hoque Sardar	SEVP & Chief Financial Officer	Member
10	Monjurul Alam	SEVP & Head, Human Resources	Member
11	Zahidul Haque	SEVP & Chief Technology Officer	Member
12	Md. Maskur Reza	EVP & Head of Business Information Systems	Member Secretary
13	Md. Haruner Rashid	SVP & Head of Legal	Member

ICT Security Committee

Sl No	Name	Designation	Status in Committee
1	Zahidul Haque	SEVP & Chief Technology Officer	Chairman
2	Sanjit Dutta	EVP & Head of Technology Development & Transformation, ICT Division	Member
3	Md. Mashuqur Rahman	EVP & Head of ICT Operations	Member
4	Muyeed Hasnayan	SVP & Head of Cards & Digital Banking Operations, Operations	Member
5	Amin Md. Mehedi Hasan	SVP & Head of Digital Banking	Member
6	Faisal M. Fathe - Ul Islam	SVP & Head of M-Commerce & E-Commerce	Member
7	Muhammad Abul Kalam Azad	SVP & Head of Information Security & Compliance, ICT Division	Member Secretary
8	Muhammad Shohidul Islam	SVP & Head of Core Banking System, ICT Division	Member
9	Hasan Riaz	VP & Head of Operations Control, Operations Division	Member
10	Sarwar Al Ahmed	VP & Unit Head, Products & e-Channels, Corporate Banking	Member
11	Tanvir Jubair Islam	VP & Head, Payment Systems, ICT Division	Member
12	Rashedul Islam	SAVP & Head of Audit - Unit 3, ICC	Member
13	Md. Ali Reza	SAVP & Area Head, Branch Operation & Support, Outstation, Sylhet & Narayanganj Area	Member
14	MD. Marzuq Chowdhury	FAVP & Senior Manager, Risk Management Division	Member

ICT Risk Management Committee

Sl No	Name	Designation	Status in Committee
1	Zahidul Haque	SEVP & Chief Technology Officer	Chairman
2	Md. Abdul Awal	EVP & Head of Monitoring, ICC	Member
3	Saiful Islam	EVP & Head of Risk Management Division	Member
4	Md. Mashiur Rahman	SVP & Head of Credit Administration	Member
5	Shabbir Anower	VP & Head of ICT Projects	Member
6	Eshrat Mustafa Eshita	VP & Head of Service & Business Quality and Sales Governance	Member
7	Md. Golam Sarwar	SAVP & Head of ICT Infrastructure & BCP, ICT Division	Member
8	Mohammad Aktarul Hassan	SAVP & Senior Manager, Payment Systems, ICT	Member
9	K. M. Shamsul Huda	SAVP & Head of Cards Account Services, ICT Division	Member
10	Md. Zia Masum Hayder	FAVP & Senior Manager, Core Banking System, ICT Division	Member
11	A. S. M. Mahbubur Rahman	FAVP & Senior Manager, Data Administrator, ICT Division	Member
12	Md. Ohidul Islam	FAVP & Senior Manager, Procurement, Administration	Member
13	A.K.M. Mustafizul Haque	FAVP & Senior Manager, Information Security & Compliance, ICT Division	Member Secretary
14	Md. Khaled Hossain	FAVP & Head of Application Development & Services, ICT Division	Member
15	A.K.M Abdul Halim	AVP & Head of ICT Network	Member

Integrity Committee

Sl No	Name	Designation	Status in Committee
1	M. Khurshed Alam	DMD & Chief Risk Officer	Chairman & Focal Point
2	M. Khorshed Anowar	DMD & Head of Retail & SME Banking	Member
3	Masudul Hoque Sardar	SEVP & Chief Financial Officer	Member
4	Monjurul Alam	SEVP & Head, Human Resources	Member
5	Ziaul Karim	SEVP & Head of Communications & External Affairs	Member
6	Md. Maskur Reza	EVP & Head of Business Information Systems	Member & Deputy Focal Point
7	Eshrat Mustafa Eshita	VP & Head of Service & Business Quality and Sales Governance	Member
8	Rashedul Hoque	SAVP & Head, Organization Development & Capacity Enhancement Center, Human Resources	Member



Cost Olympic Committee (COC)

Sl No	Name	Designation	Status in committee
1	Ahmed Shaheen	Additional Managing Director	Chairman
2	Masudul Hoque Sardar	SEVP & Chief Financial Officer	Member
3	Monjurul Alam	SEVP & Head, Human Resources	Member
4	Syed Zulkar Nayen	SEVP & Head of Business, Retail & SME Banking	Member
5	Zahidul Haque	SEVP & Chief Technology Officer	Member
6	Ahsan Ullah Chowdhury	SEVP & Head of Digital Financial Services, Retail & SME Banking	Member
7	Major Md. Abdus Salam, psc, (Retd)	SEVP & Head of Administration & Security	Member
8	Md. Maskur Reza	EVP & Head of Business Information Systems	Member Secretary
9	Md. Safiqul Islam Zahid	EVP & Head, Financial Operations & Control, Finance and Accounts	Member
10	Sanjit Dutta	EVP & Head of Technology Development & Transformation, ICT Division	Member
11	Riyadh Ferdous	SVP & Head of Brand	Member

Sexual Harassment-Free Workplace Committee

Sl No	Name	Designation	Position
1	Tasnim Hussain	EVP & Head of Cards, Retail & SME Banking	Head
2	Md. Abdul Awal	EVP & Head of Monitoring, ICC	Member
3	Md. Maskur Reza	EVP & Head of Business Information Systems	Member
4	Sabera Sultana Mili	VP & Senior Manager, Monitoring, ICC	Member
5	Sabiha Munir	VP & SRM, Corporate Banking	Member

Products & Services



RETAIL & SME BANKING



Deposit products

Retail Accounts

Savings Account

- EBL Classic Savings
- EBL Power Savings
- EBL Max Saver
- EBL Premium Savings
- EBL Platinum Plus Savings
- EBL 50+ Savings

- EBL Women's Savings
- EBL RFCD
- EBL Insta Savings
- EBL Shakti Savings

Current Account

- EBL Current Account
- EBL Current Plus
- EBL Insta Current

- EBL Personal Retail Account
- EBL Freelancer Account

DPS Account

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

Fixed Deposit Account

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

Business Accounts

Current Account

- Current Deposits
- FCY Account
- Export Retention Quota

- EBL Ovilashi

SND Account

- Short Notice Deposit
- EBL Shubidha
- EBL Super HPA

DPS Account

- EBL Equity Builder

Fixed Deposit Account

- EBL Fixed Deposit
- Extra Value Fixed Deposit

- EBL Alo
- EBL Diamond
- EBL Super FD
- EBL Repeat
- EBL Earn First SME FD



Retail loan products

- EBL Executive Loan
- EBL Women's Loan
- EBL Assure Loan
- EBL Home Loan
- EBL Home Credit
- EBL Mortgage Loan Payment Protection
- EBL Auto Loan
- EBL Two Wheeler Loan
- EBL Fast Loan
- EBL Fast Cash
- EBL Education Finance Pack



SME loan products

- EBL Business Wonder
- EBL Business Solution
- EBL Shomonnoy
- EBL Accelerator
- EBL Mukti
- EBL Uddipon
- EBL Utkorsho
- EBL Udoy
- EBL Asha
- EBL Krishi
- Startup Explorer
- EBL Fleet Financing
- EBL Cash Credit
- EBL E-Loan
- EBL E-Cash



NRB & expat products

NRB Deposit Products

- EBL Global
- EBL NFCD
- EBL Shonchoy

NRB Loan Products

- Personal Secured Loan (Fast Loan)
- Personal Secured Credit (Fast Cash)

Investment

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

Remittances

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

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



Payroll banking services

- EBL Payroll Salary Account - for salary disbursement
- EBL Salary Shield - employee insurance scheme
- EBL Payroll Co-branded Debit Card
- EBL Payroll Co-branded Prepaid Card
- EBL Payroll Prepaid Card - Smart Expense Card
- EBL Connect - secured digital platform for salary disbursement



Priority banking

- Power Banking
- General Priority
- Priority Plus
- Priority Infinity



Student banking products & services

- EBL Junior Account
- EBL Campus Account
- EBL Child Future Plan
- EBL Aspire
- EBL Student File Services



Digital financial services

- EBL Skybanking App & Web
- EBL Contact Center

EBL Self Service Hub

- Account Opening
- Half Yearly & Yearly Statement Download
- Secured Loan Application
- Information Update
- Digital Form-C submission
- Proof of Tax Return Submission

EBL 365

- Automated Teller Machine (ATM)
- Cash Recycling Machine (CRM)
- Real Time Deposit Machine (RTDM)
- DROPBOX

Payment Gateway Service

- EBL SKYPAY Payment Gateway Service
- Visa Credit Card Bill Payment
- Visa Debit Card Fund Transfer

WEAREBLs

- WEAREBL Ring
- WEAREBL Phone Grip
- WEAREBL Phone Holder
- WEAREBL Wristband & Fobs Sleeve



Agent banking

- All types of Account Opening
- Biometric Cash Deposit and Cash Withdrawal
- Cash Withdrawal through POS for EBL Cardholders
- Fund Transfer within EBL
- Fund Transfer to Other Bank
- Inward Foreign Remittance Disbursement
- Utility Bill Payment
- Bill Payment
- Instant Mobile Recharge
- Payment of Salary
- Debit Card and Cheque Book Request & Delivery
- Balance Inquiry
- Loan & Credit Card Application
- Loan EMI Payment etc.



Cards

EBL Credit Cards

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

EBL Corporate Credit Card

- EBL Visa Corporate Credit
- EBL Visa BAT Co-brand Corporate Credit
- EBL Visa Flight Expert Corporate Credit

- EBL Visa GHC Corporate Credit
- EBL Mastercard Basis Corporate Credit
- EBL Visa Acceleron Corporate Credit

EBL Debit Cards

- EBL Visa Classic Debit
- EBL Visa Platinum Debit
- EBL Visa Women Platinum Debit
- EBL Visa Signature Debit
- EBL Visa Priority Signature Debit
- EBL Visa Business Debit
- EBL Visa Global Debit
- EBL Visa Payroll Debit
- EBL Visa Junior Debit
- EBL Mastercard Titanium Debit
- EBL Mastercard World Debit
- EBL Mastercard Payroll Debit

- EBL Mastercard Women Platinum Debit
- EBL UnionPay International Classic Debit

EBL Prepaid Cards

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

Co-brand Cards

- EBL Visa Confidence Group Co-brand Debit
- EBL Visa Daraz Co-brand Platinum Credit
- EBL Visa IAB Co-brand Platinum Credit
- EBL Visa Bangladesh Army Platinum Credit
- EBL Visa Bangladesh Air Force Platinum Credit
- EBL Visa Bangladesh Navy Platinum Credit
- EBL Visa Bangladesh Foreign Service Association Signature Credit
- EBL Diners Club International Vroom Credit
- EBL Visa Marks & Spencer Credit
- EBL Visa Ministry of Textiles and Jute Credit
- EBL Visa Bangladesh Communication Satellite Company Limited Credit
- EBL Visa Bangladesh Doctors Foundation Credit
- EBL Visa Meena Bazar Platinum Credit
- EBL Visa Oil & Gas Credit
- EBL Mastercard SKYTRIP Co-brand Titanium Credit

- EBL Mastercard Wander Woman Co-brand Titanium Credit
- EBL Mastercard Shwapno Titanium Credit
- EBL Mastercard BASIS Titanium Co-brand Credit
- EBL Mastercard Rotary Titanium Credit
- EBL Mastercard JCI Titanium Credit
- EBL Mastercard Oil & Gas Credit
- EBL Visa Healthcare Pharmaceuticals Prepaid
- EBL Visa Daraz Co-brand Prepaid
- EBL Visa Renata Co-brand Payroll Prepaid
- EBL Visa GPL Employee Payroll Prepaid
- EBL Visa Unilever Prepaid
- EBL Visa ACCA Prepaid
- EBL Visa Grameenphone Express Prepaid
- EBL Visa BATA Prepaid
- EBL Visa Netizen Prepaid
- EBL Visa Banglalink Payroll Prepaid
- EBL Mastercard Wander Woman Co-brand Prepaid
- EBL Mastercard BASIS Prepaid
- EBL Mastercard Robi Smart Prepaid
- EBL Mastercard Berger Prepaid
- EBL Mastercard Novo Air Prepaid
- EBL Mastercard Rotary Prepaid
- EBL Mastercard DHL One Prepaid

Facilities

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



CORPORATE BANKING



Digital products & cash management solutions

- Nationwide Collection Service (NCS)
- Virtual Account Solution
- EBL Cheq Pro
- EBLConnect
- Cash Pick-up & Delivery Service
- Veefin for supplier and dealer financing
- Commercial Payments & Solutions (CPS)
- Utility Bills Collection
- Automated Chalan System for tax payment



Working capital solutions

Funded Facilities

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

- Foreign Documentary Bill Purchase (FDBP)
- Export Development Fund
- Export Facilitation Fund
- Export Facilitation Pre-Finance Fund
- Pre-Shipment Credit Refinancing Scheme

Non-Funded Facilities

- Letter of Credit (Cash/Back to Back LC)
- Sight LC

- Usance/Deferred LC

- Structured LC

Guarantee (Open ended/Close ended)

- Performance Guarantee
- Bid Bond
- Advanced Payment Guarantee
- Retention Bond
- Security Bond

**Bridge financing**

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

**Long-term financing**

- Term Loan (Normal/Amortized/Capitalized)
- Term Loan (Bangladesh Bank's Pre/Re- financing Scheme)

**Offshore financing****Foreign Currency Financing**

- Import Loan
- Demand Loan
- Bill Discounting/Financing
- Term Loan
- Guarantee

**Structured financing**

- Local & Foreign Currency Syndicated Term Financing
- Syndicated Working Capital Financing
- Multilateral Financing
- Advisory Services
- Trustee & Agency Services
- Arranging Debt (Bonds/Commercial Paper)
- Preference Share
- Export Credit Agency (ECA) Backed Financing
- Term Loan (Bangladesh Bank's Pre/Re- financing Scheme)

**Supply chain financing**

- Supplier Finance
- Distributor Finance
- Invoice Factoring

**TREASURY****Money Market Products**

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

Fixed Investment Products

- Government Securities to Inter-Bank
- Government Securities to customers
- Subordinated Bond

Foreign Exchange Products

- Inter-bank spot in major currency pairs
- Customers spot in major currency pairs
- Foreign remittance

Derivative products

- Forward contract
- Interest rate swap (IRS)

Timeline

<p>1992</p> <p>08 August Incorporated.</p> <p>16 August Commenced banking operations.</p>	<p>1993</p> <p>20 March Listed with Dhaka Stock Exchange PLC.</p>	<p>2003</p> <p>17 July Launched online banking services across all the branches.</p> <p>2004</p> <p>19 May Commenced Offshore Banking Operations in Bangladesh.</p> <p>28 September Listed with Chittagong Stock Exchange PLC.</p>	<p>2006</p> <p>09 November Partnered with ADB under Trade Finance Facilitation Program (TFFP) to receive guarantee and revolving credit facility.</p> <p>2009</p> <p>30 December Established 'EBL Investments Limited', a fully owned subsidiary to do merchant banking operations (License received in January 2013).</p>	<p>2010</p> <p>01 March Acquired 60% shares of a brokerage house 'LRK Securities Limited' renamed afterwards as 'EBL Securities Limited' and was acquired fully in 2012.</p> <p>04 April Became first bank in Bangladesh to implement 'Universal Banking System (UBS)', world's one of the renowned core banking solutions.</p>
<p>2018</p> <p>22 March Adjudged the 'Best Retail Bank in Bangladesh' for 2018 consecutively for six years by The Asian Banker.</p> <p>24 May As a first Bangladeshi Bank, EBL won Best Transaction Bank in Bangladesh award in two categories: 'Best Cash Management Bank' and 'Best Trade Finance Bank' at the prestigious Asian Banker Business Achievement Awards 2018.</p> <p>24 June EBL moved into its permanent home at 100 Gulshan Avenue, Dhaka. This is a state-of-the-art intelligent building and also an architectural landmark of the city.</p> <p>18 July EBL repeated the performance in 2018 by winning Euromoney Best Bank in Bangladesh award for the third consecutive year.</p> <p>10 November EBL won the gold award at the 'ICSB National Award for Corporate Governance Excellence 2017' in the 'Banking Companies' category by the Institute of Chartered Secretaries of Bangladesh (ICSB).</p>	<p>2019</p> <p>08 September EBL won the Bangladesh Best Employer Brand Award 2019 at the 14th Employer Branding Awards ceremony by the globally renowned Employer Branding Institute.</p> <p>15 December EBL won the prestigious 'ICMAB Best Corporate Award 2018' securing first position in the Private Commercial Bank Category.</p> <p>16 December EBL won the 'Most Innovative Retail Bank - Bangladesh 2019' by the International Finance Magazine.</p>	<p>2020</p> <p>01 April EBL was awarded the Best Corporate and Investment Bank in Bangladesh for four consecutive years from 2017-2020 by Asiamoney.</p> <p>15 October EBL was awarded for its performance in the product innovation and cards business from VISA in three categories - Excellence in Product Innovation, Excellence in E-commerce Acquiring Business and Excellence in Cross-Border Business for the year 2019-2020.</p> <p>28 October EBL was awarded 'Leading SME Trade Bank' by ADB in the year 2020 for its outstanding contribution in supporting small and medium-sized enterprises (SMEs) in Bangladesh.</p> <p>02 December EBL was awarded 'Bank of the Year 2020' for Bangladesh by The Banker.</p>	<p>2021</p> <p>January 17 EBL was awarded by International Finance Corporation (IFC) under World Bank Group as the Best Partner for Equipment Trade in South Asia under Global Trade Finance Program.</p> <p>27 November EBL won the first Bangladesh FinTech award in 2021 in the 'Fintech Innovation of the year-Banks' category for EBLConnect, a solution developed for corporate customers.</p> <p>01 December EBL was awarded the prestigious Bank of the Year 2021 for Bangladesh by The Banker.</p>	





2011

09 January

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

25 June

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

28 November

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

2012

25 September

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

2014

31 July

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

2015

18 January

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

2016

21 March

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

2017

28 December

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

2022

10 January

EBL was awarded Fastest Growing Digital Bank of 2021 by International Finance Banking Awards as the only bank in Bangladesh.

23 June

EBL won Visa Excellence Award in four different categories at the Visa Leadership Conclave-Digital Payments for Smart Bangladesh 2022. The categories are Excellence in Cross-Border Issuing Business, Excellence in E-commerce Acquiring Business, Excellence in CyberSource Processing, and Excellence in Value Added Service (VAS) Products.

30 June

EBL was awarded as one of the top ten banks in Sustainability Rating Recognition 2021 by Bangladesh Bank.

15 December

EBL Managing Director won 'Best Banking CEO of the Year, Bangladesh 2022' from World Business Outlook.

17 December

EBL won gold award in the banking category at the 9th ICSB National Award for Corporate Governance Excellence 2021.

2023

21 June

The Credit Rating Agency of Bangladesh (CRAB) assigned the highest credit rating "AAA", for EBL, which denotes an extremely strong capacity to meet financial commitments.

27 June

EBL was adjudged "Bangladesh's Best Domestic Bank 2023" by Asiamoney.

23 August

EBL successfully closed Bangladesh's first local currency interest rate swap deal with Pran Agro Ltd., a leading player in the manufacturing sector.

03 September

Eastern Bank Limited renamed as Eastern Bank PLC. (EBL).

11 September

EBL officially launched the nation's first wearable payment devices branded WEAREBL.

14 October

EBL won gold award for the fifth time in general banking category at the 10th ICSB National Award 2022 for Corporate Governance Excellence.

07 November

EBL won gold award at the ICMAB Best Corporate Award 2022 in the Private Commercial Bank category.

30 November

EBL was awarded Bangladesh's 'Bank of the Year 2023' by The Banker for the third time.

Key Events 2023



EBL holds webinar on Bangabandhu's Vision of a Developed Bangladesh



EBL has been honored as one of the top tax-paying banks in the banking sector by National Board of Revenue (NBR) for the fiscal year 2022-2023



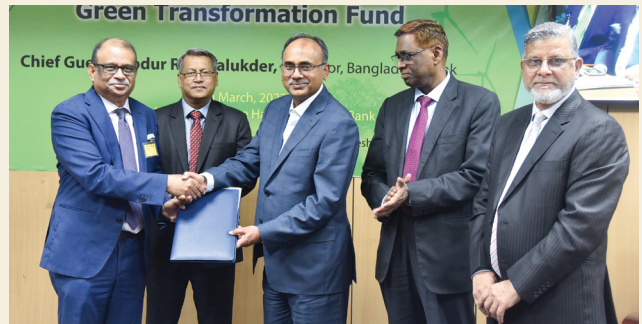
EBL hosts AML and CFT Conference in Sylhet



EBL wins ICMAB Gold Award at the ICMAB Best Corporate Award 2022



EBL wins ICSB Gold Award for Corporate Governance at the 10th ICSB National Award 2022



EBL signs agreement with Bangladesh Bank for participation in GTF



EBL signs refinancing agreement with Bangladesh Bank on disbursement of agriculture loan



EBL Managing Director wins first Kotler CEO of the Year Award



EBL in observance of World Environment Day hosts a seminar titled "Role of Financial Institutions to Address Climate Change Adaptation & Mitigation"



EBL launches co-branded card marking FBCCI's 50 years



ZTE recognizes EBL as 'Best Bank Guarantee Partner in Bangladesh 2022'



Eastern Bank opens India Business Desk



EBL holds town hall meeting on financial security in Rajshahi



EBL opens China Business Desk



EBL and IDEX Biometrics sign agreement to launch world's first biometric metal card



Mastercard, Sharetrip and EBL launch Bangladesh's first co-branded travel credit card



Introducing WEAREBL

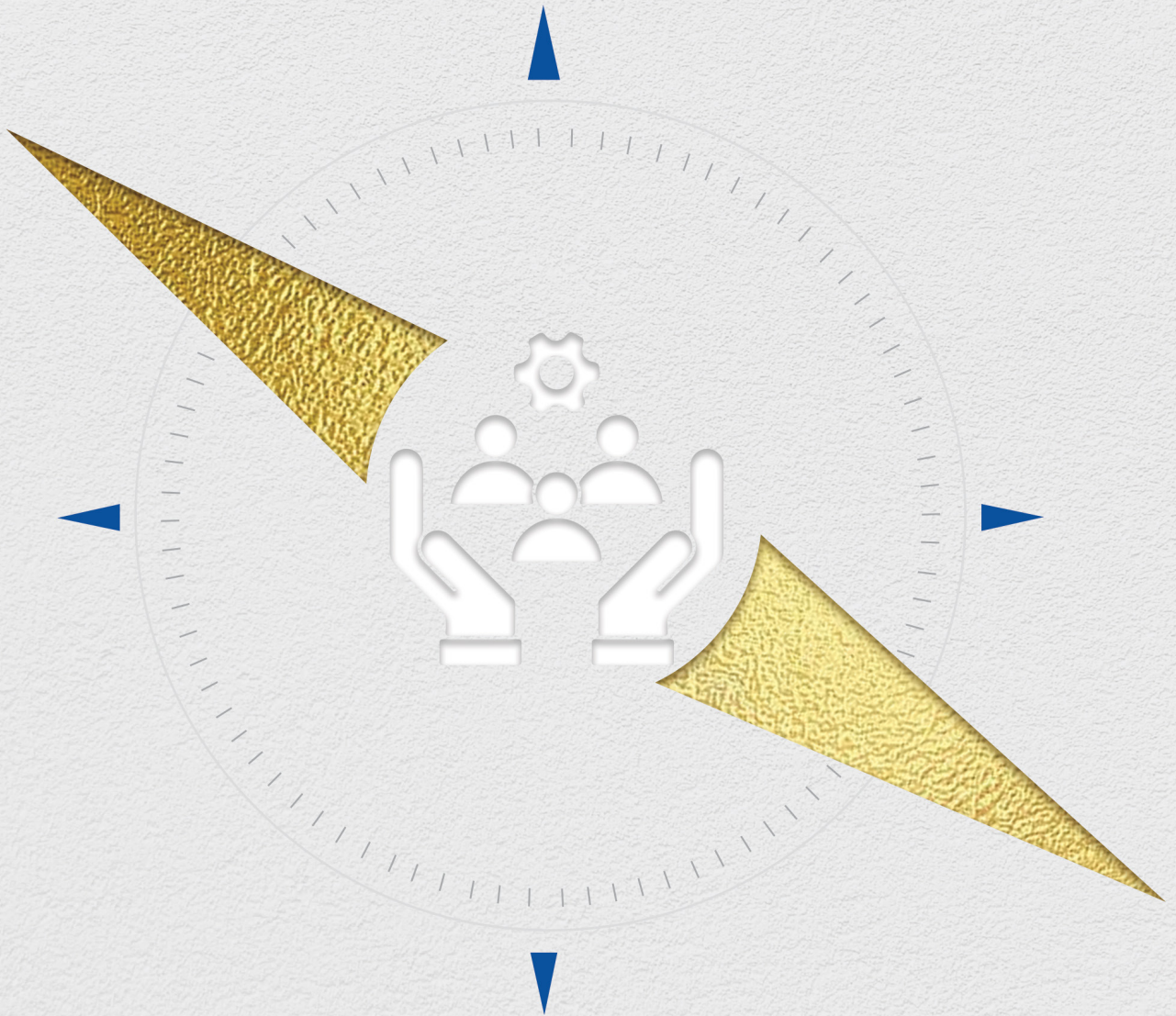
EBL proudly introduces first ever secure contactless wearable devices in Bangladesh, designed to offer a seamless payment experience.



Scan to Explore



STEWARDSHIP



Chairman's Message



▶ **Md. Showkat Ali Chowdhury**
Chairman of the Board of Directors

Last year was indeed a test of our resilience, we endured well because of the inherent strength of our organization. We draw our strength from our strong governance culture, our innovative spirit, and our unwavering dedication to serving our stakeholders.

Dear shareholders,

As Chairman of the Board of Directors it is my honor and privilege to welcome you at the 32nd Annual General Meeting of EBL. The resilience, agility, and innovation demonstrated by our team EBL in the face of unprecedented challenges is a testament to our strength and at the same time it has bolstered my confidence in our collective ability to overcome challenges and achieve greater strategic ambitions. The Annual Report for the year 2023, which is being presented to you today, is a comprehensive reflection of our strong performance, our solid position in the marketplace, and our aspirations to set new standards in service excellence.

Last year was indeed a test of our resilience, we endured well because of the inherent strength of our organization. We draw our strength from our strong governance culture, our innovative spirit, and our unwavering dedication to serving our stakeholders. Through responsible leadership, transparent operations and prudent decision-making, we not only navigated challenges with equanimity but also ensured that our actions are aligned with the best interests of the community we serve. This commitment to good governance is the lifeblood of our organization, empowering us to stand united during challenging times and explore new opportunities. I urge you to review our Annual Report and let us have your constructive feedback to help us chart a roadmap for future growth and transformation.

Economic outlook

Global economic recovery is still sluggish as the aftershocks of the COVID-19 pandemic lingers and further rattled by geopolitical upheavals including Russia-Ukraine war. Though there are early signs of resilience marked by reopening of economies and curbing of inflation from last year's peaks, the road to recovery is far from the desired level.

The geopolitical canvas is marred by ongoing conflicts, such as the Israeli invasion in the Gaza Strip, and the lingering war in Ukraine, alongside rising tensions between global powerhouses like the United States, Russia, and China. These developments cast a long shadow of uncertainty over the global economic outlook. The International Monetary Fund (IMF) places global growth at a modest 3.1% for 2023, a dip from 3.5% in 2022, with expectations of remaining at 3.1% in 2024 before slightly increasing to 3.2% by 2025—still trailing behind the pre-pandemic average of 3.8%. Inflation, however, seems to be retreating more swiftly than anticipated across most geographies, thanks to easing supply chain constraints and tighter monetary policies. IMF predictions indicate that global inflation will fall to 5.8% in 2024, with a further reduction to 4.4% by 2025.

Bangladesh economy has been buffeted by wave of headwinds since 2020—first by the pandemic, followed by the economic fallout of the Russia-Ukraine war. These events have disrupted both domestic and international commerce of the country, leaving a significant mark. A stark example of this impact was the swift depletion of our reserves in 2023 and significant devaluation of Taka against the US Dollar. Moreover, the geopolitical dynamics present a unique challenge, positioning Bangladesh at the nexus of superpower rivalry. Our strategic responses to these dynamics will shape our nation's stability, security, access to markets, and the inflow of aid and investments. The unrest in the Red Sea, disrupting global trade lanes and inflating operational costs, adds another layer of complexity to our external trade environment.

The growth outlook for Bangladesh for the fiscal year 2023-24 diverges from government projections, with international bodies like the World Bank and IMF forecasting more conservative GDP growth rates of 5.6% and 6%, respectively. According to IMF the projected inflation for 2024 is 7.9%. This cautious stance reflects the ongoing challenges as we transition out of 2023.

As we steer through these turbulent times, our commitment to navigating these complexities with prudence, foresight, and unwavering support for our clients and the broader economy remains unshaken. Our resolve is to emerge from the trials and tribulations not just intact but stronger, underscoring our role as a pillar of stability and growth in the community we serve.

Consistent financial performance

The year 2023 was marked by unprecedented challenges that undermined our long-held macro-economic stability, exposing vulnerabilities across various sectors. The banking sector, in particular, faced significant headwinds, including pre-national election economic uncertainty, high inflation, foreign exchange volatility, and pressures on foreign currency reserves. All these have critically impacted the banking industry's profitability, liquidity, solvency, asset quality, and customer confidence.

In the face of these challenges, EBL stood resilient, skillfully navigating through the tumultuous economic climate. We ended the year with a NPL ratio of 3.10%, a slight increase from 2.78% in 2022, attributable to the economic adversities encountered by some businesses, yet markedly below the industry average of 9% as of December 2023. This achievement is a testament to



1.27%
ROA

our strategic focus on efficient balance sheet management and portfolio growth, which not only helped us exceed BDT 350 billion in loans and deposits but also underscored the growing trust in our brand.

Moreover, EBL saw nearly a 20% growth in Profit After Tax (PAT), amounting to BDT 6,109 million in 2023, compared to 2022. This remarkable growth is reflected in our key financial ratios, with a Return on Assets (ROA) of 1.27% and a Return on Equity (ROE) of 16.33%, signifying enhancements from the previous year, and an Earnings Per Share (EPS) increase to BDT 5.06 from BDT 4.23 (restated) in 2022. Furthermore, our Capital to Risk-Weighted Assets Ratio (CRAR) was strengthened to 15.04% in 2023, comfortably above the regulatory requirement of 12.5% providing a cushion to our key stakeholders.



16.33%
ROE



BDT 5.06
EPS



15.04%
CRAR (Bank)



25%
Dividend

We are a AAA rated Bank

Credit Rating Agency of Bangladesh (CRAB) awarded EBL 'AAA' credit rating with 'stable' outlook. This milestone achievement is the result of a rigorous review of our financial performance in 2022, integrating both quantitative assessments and qualitative insights into our operations. It is indeed a remarkable achievement. I truly believe this recognition heralds a new chapter of excellence and trust for EBL, promising enduring value for our customers and shareholders.

Sound governance culture

Our tagline, 'simple math', aptly captures the essence of our approach to corporate governance. It highlights the effective collaboration between our Board and management, our unwavering dedication to transparency, and our firm commitment to regulatory compliance, all of which drive us toward sustainable growth.

In this spirit, I am delighted to share that our unwavering commitment to governance excellence has been recognized with the gold award at the 10th ICSB National Award 2022 for Corporate Governance Excellence. We were also honored with the gold award at the ICMAB Best Corporate Award 2022. These accolades are a testament to our significant contributions to the banking sector and the national economy, affirming our continued legacy of excellence.

We care our people

We have over the years created a working environment and culture that empowers every member to contribute towards our collective vision. We are committed to ensure that our team remains agile, motivated, and well-prepared to navigate the complexities of the banking industry. This dedication to our workforce's professional and personal development

underscores our 'People First' policy—a guiding principle that shapes our HR practices, programs, and initiatives. Our continuous investment in our people sets EBL apart as an 'Employer of Choice.' We strongly believe that together, we grow, innovate, and lead.

We serve the communities

Our commitment to doing business ethically and responsibly is at the cornerstone of all our strategic decisions. Our CSR initiatives, including educational support, healthcare, disaster relief, and sustainable projects, are more than just obligations—they are integral to our identity. By contributing to the Prime Minister's Education Assistance Trust, driving climate action through supporting projects like "Stories of Change", collaborating with icddr,b on waste management, supporting women's education and underprivileged communities, we are making real and positive changes in the communities we operate. These efforts not only demonstrate our dedication to societal and environmental betterment but also reinforce our belief in creating a sustainable future for all stakeholders.

Consistent value creation

It is with great pleasure that we announce the Board's proposal for 25% dividend (cash and stock 12.5% each) for the year 2023. Our commitment lies in maintaining a strategic equilibrium—rewarding our shareholders consistently while fortifying the Bank's capital position for sustained growth.

The deliberation over these dividends was comprehensive and meticulous. We undertook an in-depth analysis of our financial health and prospective outlook, all within the stringent regulatory frameworks. This careful consideration is a testament to our overarching strategy to ensure the Bank's robustness and progress. It underscores our pledge to be a dependable institution for our shareholders for today and tomorrow.

Passion for performance

Our performance has been stellar in 2023 by any measure. We must remain vigilant and at the same time flexible as we navigate through uncertain times. The Board is committed to lend its supervision lens and work in tandem with management, striking a delicate balance between capturing growth prospects and enforcing robust risk management protocols.

I wish to express profound thanks to the entire EBL team, under the dynamic stewardship of Managing Director Ali Reza Iftekhar, for their unwavering loyalty to our brand and continuous quest for excellence. I would also like to express my sincere gratitude to our regulators particularly Bangladesh Bank and the Bangladesh Securities and Exchange Commission for their consistent support and guidance contributing significantly to our ongoing success.

Md. Showkat Ali Chowdhury
Chairman of the Board of Directors



দেশের সর্বপ্রথম লাইফ ও নন লাইফ ইন্স্যুরেন্স সেবা নিয়ে এলো ইস্টার্ন ব্যাংক

ইবিএল গ্রাহকরা এখন খুব সহজেই মেটলাইফ ও গ্রীন ডেল্টা ইন্স্যুরেন্স পলিসির সুরক্ষা ইবিএলের বিভিন্ন শাখা থেকে গ্রহণ করতে পারবেন



মেটলাইফ মাই চাইল্ড'স এডুকেশন প্রটেকশন প্ল্যান



মেটলাইফ থ্রি পয়েন্ট গ্ল্যান (এমথ্রিপিসি)



মেটলাইফ লাইফলাইব



গ্রীন ডেল্টা ট্রাডেল ইন্স্যুরেন্স



গ্রীন ডেল্টা নিবেদিতা



গ্রীন ডেল্টা মোটর ইন্স্যুরেন্স



গ্রীন ডেল্টা সুরক্ষা অলরাউন্ডার



গ্রীন ডেল্টা প্রতিশ্রুতি



গ্রীন ডেল্টা পিপলস পার্সোনাল এক্সিডেন্ট পলিসি



বিস্তারিত জানতে স্ক্যান করুন



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Eastern Bank PLC.

Managing Director's Review



▶ **Ali Reza Iftikhar**
Managing Director

EBL continues to grow as a preferred bank for customers for its track record of championing compliance. In 2023, EBL achieved the milestone of exceeding BDT 6 billion Profit after Tax (PAT). In a commendable continuity, our PAT increased by 19.61% to BDT 6,109 million, reflecting efficient ALM practice, prudent risk management and varied cost rationalization measures during persistently high inflation.

The big picture

Bangladesh is facing unprecedented macroeconomic pressures since 2022 which are reflected in unabated inflation, rapid depletion of foreign exchange reserves and mounting pressure on foreign exchange liquidity. Low Tax to GDP ratio is limiting government's ability to sufficiently finance its infrastructure and human development initiatives and social protection programs. Import constraint emerging out of import control initiatives and acute shortage of foreign exchange supply is hurting GDP growth and private sector investment. Consequently, Private sector credit growth shrank to 10.13% in December 2023 compared to 12.89% in December 2022. Confidence in the macro economy has been weakened hurting FDI inflows and causing downgrade of the country's credit ratings. All these made the already fragile banking sector very weak. Lack of good governance, liquidity crisis and high loan default rate made the banking sector to yield subpar performance putting the overall economy at risk. Bangladesh economy though managed to grow at 5.78% in FY 2023, according to Bangladesh Bureau of Statistics (BBS), which is lower than previous fiscal year (FY 2022 : 7.10%).

Navigating inclement economic weather in 2023, EBL delivered remarkable financial performance supported by a diversified asset liability portfolio, service excellence, and a steadfast commitment to good governance practices and enhanced compliance with regulatory norms and instructions.

Strong financial performance

When customer confidence in low performing banks dwindled last year mainly due to governance concerns, EBL continued to grow as a preferred bank for customers for its track record of championing compliance. In 2023, EBL achieved the milestone of exceeding BDT 6 billion Profit after Tax (PAT). In a commendable continuity, our PAT increased by 19.61% to BDT 6,109 million, reflecting efficient ALM practice, prudent risk management and varied cost rationalization measures during persistently high inflation. In 2023, Net interest income increased by 21.62% to BDT 8,148 million mainly due to increase of return on loans (following SMART) at a faster pace than the pace of growth of cost of deposits during 2023 compared to those of 2022 associated with quality loan growth. Additionally, income growth from investment in govt. securities by 14.56% and from fees and commission by 7.48% steered the positive growth of operating income. Despite difficult business environment, EBL demonstrated notable growth in balance sheet. By the end of the year, our total loans and advances grew by 14.39% reaching to BDT 353 billion and deposit base expanded by 15.45% reaching to BDT 366 billion compared to those of previous year.

Our consistent adherence to rigorous credit policies and underwriting practices in lending and customer selection along with vigorous collection and monitoring drive helped us close the year with a decent NPL ratio of 3.10% (2.78 % in 2022), which is far below the industry average of 9.00% in Dec-23. We ensured compliance in all the regulatory ratios including liquidity and solvency ones. Being a AAA rated bank, Bank's CET-1 ratio and CRAR stood at 10.91% and 15.04% respectively. Other key ratios were also in comfort zone i.e. AD ratio (79.45% ≤ 87%), LCR (104.64% ≥ 100%), NSFR (107.61% > 100%), leverage ratio (5.63% ≥ 3%), MCO (12.25% ≤ 16.5%), and capital market exposure (18.15% ≤ 25%). We closed the year with EPS of BDT 5.06 and NAV (per share) of BDT 32.94.

(For details, please go to the section- Information for Stakeholders, Management Discussion and Analysis, Risk Management Report and notes to the Financial Statements of this annual report).

Customer delight

In service industry there is no alternative to service excellence in winning trust of customers and staying competitive. We are working tirelessly to ensure a consistent, seamless, and compelling experience across all touchpoints of EBL. We value our relationship with customers and take timely care of all their banking needs. We are consistent in innovating, enhancing our products and services and streamlining our processes to give better, improved, and seamless banking experience to our customers. In 2023, we have launched WearEBL, country's first wearable devices, offering our customers a new way of hassle-free, secure, lifestyle enhancer and efficient mode of conducting transactions. By adopting next-generation technology, EBL has not only distinguished itself in the market but also established new benchmarks for service excellence. To cater to a diverse range of customers in our commitment to financial inclusivity, we are set to launch EBL Islamic Banking window in 2024. This year, EBL added another feather in the cap by launching Bancassurance, first of its kind in the banking industry in terms of offering both life and non-life insurance products to the customers. This has opened up a world of opportunities for both our customers and the bank. Now customers can conveniently access top-tier insurance products right



3.10%
NPL Ratio



44.22%
Cost to Income
Ratio



104.64%
LCR-DBO



107.61%
NSFR-DBO

here at EBL without the hassle of going through multiple channels. This move is a testimony to EBL's responsiveness to evolving market demands.

Rationalizing cost

In 2023, our cost rationalization initiatives were challenged by inflation and volatile FX rates. However, our focus on cost rationalization continued through effective role of 'Purchase Committee (PC)' played in procurement of goods and services and by encouraging re-use/recycling. Our specialized committee on cost rationalization called 'Cost Olympic Committee (COC)' along with all senior business leaders stepped up to take responsibility to monitor and maintain cost awareness, share cost savings initiatives and transform innovative savings ideas into action. Throughout the year we have implemented cost rationalization ideas like developing multiple in-house ICT applications, using social media instead of newspaper ads, optimizing usefulness of fixed assets and deepening our long standing relationship with stakeholders etc. to contribute in the overall cost savings journey. Eventually, we managed to maintain our cost to income ratio at 44.22% in 2023.

Motivating employees

A motivated employee is more likely to deliver service excellence that eventually leads to a more satisfying customer experience and increased customer loyalty. At EBL, we are committed to create a positive work environment that

promotes employee engagement and satisfaction. We continuously invest in learning and development opportunities designed to enhance skill set of our employees and inspire them to better contribute to organizational success. We have established a culture of recognizing and rewarding good work, setting clear expectations and goals, encouraging teamwork and promoting healthy work-life balance through various awareness programs. We believe that every employee is a brand ambassador of EBL. We prioritized the well-being of our staff through ensuring regular increment of salary and other benefits along with a newly introduced 'Critical illness fund' by contributing BDT 20 lac/month to meet any unfortunate medical treatment costs that exceeds regular entitlement of an employee.

Embracing digital transformation

Investing in digital capabilities is one of our key policy decisions. We are consistently upgrading our systems and implementing automation to offer our customers comfortable, easy and safe banking experience. This is allowing us to deliver a more personalised digital experience, reduce cost and create additional capacity support to our customers. Through incorporating innovative products and services and process automation, we are promoting sustainable growth of banking business and accelerating technological advancement in the industry.

As a part of our digital journey, we are reducing the dependency on physical card to lower the risk of card skimming and theft. We have

already implemented Bangla QR for initiating transactions through Skybanking app. To make remittance inflow process easy and swift, we have integrated instant remittance disbursement facility with bKash & Nagad. Updating static data through Skybanking is now on the fingertips of our banking app users.

Commitment towards sustainability

We drive business innovation for consistent growth with a focus on developing our digital and sustainability capabilities. As one of the leading banks of the country, EBL is committed to finance environment and energy efficient projects. In 2023, EBL made significant progress in furthering the UN Sustainable Development Goals (SDGs). Our initiatives encompassed enhancing financial inclusion through agent and sub-branch outlets, conducting webinars on education and gender equality and creating affordable products for women entrepreneurs. We allocated significant funds towards green financing and sustainable projects, underscoring our dedication to environmental preservation and societal advancement. We have implemented an Environment and Social Risk Management System to assess project risks and promote cleaner energy financing in alignment with our climate change mitigation efforts. Collaborating with multilateral organizations like IFC, DEG, ADB; EBL continues to uphold sustainable banking practices. We also encourage green initiatives in our daily activities.

Looking ahead

Despite stiff challenges, Bangladesh economic outlook for FY 2024 remains positive. Policy actions taken by Bangladesh Bank such as introduction of corridor based SMART rate plus suitable margin and increasing policy rate, are likely to impact positively on the banking industry. However, the possibility of introducing stringent classification criteria by Bangladesh Bank in 2024 may have an adverse impact on the overall financial health of the sector. In every situation, we are committed to cater to our customers by offering better banking experience and reward our shareholders with better performance. Our financial performance is an affirmation that the strategy that we adopted in 2023 has worked for us. In future also we will be working on creating competitive advantage following on our sustainable growth path. Our objective is to grow in a strong, safe and sustainable manner, while managing costs through operational efficiencies and earning revenue utilizing different investment opportunities.

Acknowledgement

My sincere gratitude to the Chairman of the Board of Directors for his guidance and continuous support, as well as to the entire Board of Directors for their invaluable advice and timely direction. I am ever grateful to the Governor and officials of Bangladesh Bank and other regulatory bodies for their prudent guidance. I also thank my team for their commitment and passion that drive EBL to move forward through thick and thin. Last but not the least, I want to express my heartfelt appreciation to our esteemed shareholders, business partners, customers, and other stakeholders for their unwavering trust in us and for being a constant source of inspiration.

Ali Reza Iftekhar
Managing Director



WEAREBL

EBL SKYPAY
ONLINE PAYMENT
GATEWAY SERVICE

Contactless
Payment

EBL SELF
SERVICE

ডিজিটাল বাংলাদেশ
বিনির্মাণে গর্বিত অংশীদার
ইস্টার্ন ব্যাংক



Eastern Bank PLC.

Directors Report 2023

The Board of Directors welcomes you all to the 32nd Annual General Meeting (AGM) and is pleased to present before you the Annual Report comprising the Audited Financial Statements of the Bank for the year 2023. A review of business and financial performance and the underlying forces affecting those have been briefly pointed out.

Global economic outlook

Global economy has continued to demonstrate sustained pace of recovery from certain natural, man-made and socio-economic perils. Inflation has declined more rapidly than anticipated from its peak in 2022, with a lesser impact on employment and activity than initially forecasted. This is attributed to positive supply-side advancements and various policy measures taken by central banks to contain inflation. However, high interest rates to combat inflation and reduced fiscal support are expected to pull down the economic growth rate in 2024. Global inflation, which was 6.8% (annual average) in 2023, is expected to fall up to 5.8% in 2024.

According to IMF, global economy grew at 3.1% in 2023, and is projected to remain same in 2024 before rising modestly to 3.2% in 2025. The forecast for global growth in 2024 and 2025 is anticipated to be lower than the pre-COVID annual average of 3.8%, influenced by restrictive monetary policies, reduced fiscal support, and low underlying productivity growth. Advanced economies are expected to experience a slight decrease in growth in 2024, followed by an uptick in 2025. The euro area is anticipated to bounce back from low growth in 2023, while growth in the United States is expected to decelerate. Emerging markets and developing economies are likely to experience steady growth from 2024 to 2025, although there may be differences in growth rates among regions. However, global growth can be disrupted if commodity price spikes due to escalation of geopolitical conflicts and global trade flow gets disrupted.

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

Particulars	2023	2024p	2025p
World	3.1	3.1	3.2
Advanced Economies	1.6	1.5	1.8
USA	2.5	2.1	1.7
Euro Area	0.5	0.9	1.7
Emerging Markets and Developing Economies	4.1	4.1	4.2
China	5.2	4.6	4.1
India	6.7	6.5	6.5

Source: IMF World Economic Outlook Update (January 2024); p for projection.

An overview of Bangladesh economy

In 2023, the economy of Bangladesh navigated through a host of challenges originating both from the domestic and global fronts across multiple areas. Global supply chain disruptions and surge in fuel and commodity prices continued to heighten inflationary pressures. While many countries have effectively controlled inflation through suitable policy actions, Bangladesh is still struggling to do the same. Furthermore, the nation is confronted with various issues such as a fragile banking sector, financial account deficit, exchange rate volatility, diminishing foreign exchange reserves, rising

income inequality and the demand-supply imbalance in the energy sector. Due to these challenges, the macroeconomic stability that Bangladesh enjoyed for a long time due to high growth, relatively low inflation rate and strong external sector has been weakened.

Industrial production decelerated because of interruptions in raw material imports, increased energy costs, and shortages of power and gas. Private consumption and investment growth also slowed down due to elevated inflation and growing economic uncertainty. Consequently, GDP growth slowed to 5.78% in FY 2023 (Source: BBS) from 7.10% in FY 2022. CPI based 12-month average inflation rate ascended to 9.48% (2021-22 base year) in December 23 while it was 7.70% (base year 2005-06) in previous year. A surge in inflation curtailed consumer purchasing power, contributing to a deceleration in estimated private consumption and investment growth. The revenue-GDP ratio is arguably the most disappointing indicator in the context of Bangladesh's development trajectory. Revenue-to-GDP declined to an estimated 7.9% in FY 2023 compared to 8.5% in FY 2022, remaining among the lowest in the world. Trade-related taxes (which accounted for almost one-third of total taxes) declined due to a sharp fall in imports.

Increased trade deficit with a surge in import payment, fluctuations in global commodity prices, widened financial account deficit, economic uncertainties in global markets --- all these caused pressure on the country's FX reserve. At the end of 2023, FX reserve stood at USD 27.13 billion which amounted to USD 21.87 billion as per BPM6 that excludes other foreign currency assets like Export Development Fund (EDF). Remittance flows could have potentially been a lifeline for Bangladesh amidst declining foreign exchange reserves and the resulting challenges. However, despite the rise of migrant workers, number in Gulf and middle-east countries, the amount of remittance inflows decreased due to active informal channel/hundi which offered higher rate than official one. Remittance growth in FY2023 was only 2.75% – lower than the rate of migration growth, 11.38%. To encourage the remittance inflows through the banking channel, Bangladesh government and Bangladesh Bank have taken number of measures including commercially important person (CIP) awards to remittance senders, expansion and simplification of remittance disbursement process, increasing incentive amount, tax incentive for IT freelancers etc.

During July-November 2023, financial account deficit stood at USD 5.40 billion, compared to a surplus of USD 1.26 billion in the same period in 2022, which put pressure on the balance of payments (BoP) despite having a current account surplus. This deficit mainly arose due to slowdown in private foreign borrowings amid global interest rate hikes, economic uncertainties, and delayed repatriation of certain export earnings. The overall BoP deficit stood at USD 4.90 billion during July-November 2023 from USD 6 billion in July-November 2022. The country's total export growth (y-o-y) increased by a modest 6.67% in FY 2023 reaching USD 55.56 billion and in H1, FY 2024 it increased marginally by 0.84% compared to previous periods. On the other hand, total import decreased sharply by 15.81% in FY 2023 and 19.91% in H1 of FY 2024. The fall in imports is the outcome of tighter import controls and shortage of FCY liquidity in the markets.

An overview of banking industry

Banking industry in Bangladesh is highly fragmented into two broad spectrums (state-owned commercial banks and local and foreign

private commercial banks), having marked difference in mode of operations, service quality, profitability and financial soundness indicators (governance, asset quality, capital adequacy etc.). In 2023, this industry struggled in many fronts mainly due to lack of good governance, shortage of FCY liquidity, loan irregularities and a depreciating local currency which eventually undermined macroeconomic stability. Relaxation of loan classification and rescheduling rules combined with a culture of impunity, have fostered fraudulent activities that resulted in a significant rise in non-performing loans (NPL) in the banking sector.

Dollar sale by the central bank impacting reserve, low deposit growth, limited growth of official remittance inflows, and weak loan recovery put pressure on the liquidity of many banks. Some banks, particularly Shariah-based ones, experienced significant liquidity shortages due to declining confidence of depositors requiring liquidity support from BB. With the official exchange rate of BDT against USD at 110, much lower than that of informal market, at the end of December 2023, BB continued to intervene in the foreign exchange market through net selling of foreign currency amounting to USD 5.69 billion during July-December 2023 to reduce the demand-supply gap in the market. In addition to import restrictions, BB took various measures to stop depletion of FCY reserves by reduction of the size of Export Development Fund (EDF) and implementing stringent eligibility criteria, alternative currency arrangements for trade transactions, ensuring timely receipt of export earnings, providing flexibility to banks for transferring capital between their offshore and domestic operations etc.

Bangladesh Bank (BB) has been continuing with contractionary monetary policy to reduce inflation. However, private sector credit growth decelerated due to tighter liquidity conditions, reduced demand for trade finance, and rising economic and political uncertainty. Public sector credit growth surged due to the government's heightened borrowing from the banking sector, partially the result of a shift away from National Savings Certificates (NSCs). Liquidity in the banking system remained under pressure due to dollar sale by BB and low deposit growth, driven by negative real interest rates and weak depositor confidence. Various policy measures taken by BB includes increasing policy rate to 7.75%, removing lending rate cap and introducing "Six-Month Moving Average Rate of Treasury Bill (SMART)" with a suitable margin, ceasing devolvement for lending to govt. etc. In December 2023, domestic credit growth was 11.89% compared to 14.98% in December 2022 against deposit growth of 11.04% (y-o-y) in December 2023. Advance to Deposit Ratio (ADR) was 80.38% at the end of December 2023, well below the maximum allowable limit by BB. NPL ratio stood at 9% in December 2023 compared to 8.16% at the end of 2022. This huge pileup of bad loans may choke the credit supply channel of the economy with due repercussions on the resilience of the private sector.

The overall solvency, reflected mainly through Capital to Risk Weighted Assets Ratio (CRAR), in the banking sector had been above the minimum regulatory requirement of 10%, providing adequate capital buffers to absorb uncertainties and risks. The overall CRAR slightly decreased to 11.08% at the end of September 2023 from 11.19% in June 2023. The banking sector as a whole maintained the required level of Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) and other liquidity ratios i.e. Liquidity Coverage ratio (LCR), Net Stable Funding Ratio (NSFR) as on 31 December 2023.

In line with governments "Smart Bangladesh Vision", Bangladesh Bank has initiated the "Cashless Bangladesh" program to accomplish 75% cashless transaction by 2027. Initiatives like awarding Digital Bank license, Binimoy, QR Code transactions, TakaPay have been

introduced to integrate the unbanked and marginalized population into the formal banking system.

Business, economy and banking system outlook 2024

Global growth for the year 2024 is predicted to be resilient but will experience slower growth. Geopolitical tensions have become the single most important risk confronting the global economy. Wars are now raging in two regions critical to the world's food and energy supply—Eastern Europe and the Middle East. Geopolitical tensions heighten uncertainty, which hurts investment and economic growth. Conflicts and wars create global supply chain bottlenecks, potentially leading to inflationary pressure. Moreover, if the conflict in the Middle East escalates, oil prices could increase and will fuel inflation further which in turn may slow the growth of world economy. China's slowdown due to stress in the property sector, can hurt a large number of advanced and developing economies having trade ties with China.

IMF projects 6% GDP growth for Bangladesh in the FY 2024. Despite having an initial aspiration of 7.5% GDP growth in the FY 2024, Bangladesh government has revised it downwards to 6.5% later on. In the World Economic Situation and Prospects 2024 Report produced by the United Nations Department of Economic and Social Affairs (UN DESA), it has been projected that Bangladesh will see a decline in inflation to 6.8% in 2024 from a provisional 9.6% in 2023. In 2024 major areas of focus for Bangladesh should be managing inflation, boosting revenue collection to improve revenue-GDP ratio, stabilizing the exchange rate, and enhancing foreign exchange reserves. Without sufficient fiscal room, the government may lack the flexibility to assist those vulnerable groups mainly impacted by high inflation. Government borrowing from the central bank in FY 2023 fueled inflation by increasing money supply which needs to be avoided in 2024. In addition to cutting operational and administrative expenses to decrease the budget deficit, enhancing the efficiency of institutions tasked with overseeing economic performance and accountability is crucial for the economy of Bangladesh.

Due to huge financial outflow, depreciation of BDT against USD is expected to continue in 2024. The adoption of several policy initiatives for promoting exports and remittances, strong FDI inflows, and improvement in the trade balance may stabilize the exchange rates of BDT in the coming months. However, downside risk may arise from the disruption in the global energy and food markets, the adoption of unprecedented monetary policy by nations to combat decades-high inflation, and slower-than-expected growth in the global economy. Moreover, the tightening of global financial conditions may trigger broad-based capital outflows and affect the cross-border portfolio, lower foreign direct investment flows, increasing borrowing costs and debt hardship. As higher inflation remained a challenge for Bangladesh economy, current monetary and fiscal policies have placed utmost importance on addressing inflationary pressures.

As a provider of investible funds to both public and private sector, commercial banks have been playing an important role in the economic development of Bangladesh. Yet, lack of discipline in this sector in recent years has overshadowed progress, calling for an urgent need for reforms of this sector. Bangladesh Bank has issued Prompt Corrective Action (PCA) framework for implementation from March 2025 based on year-end audited financial indicators of 2024 and is persuading for mergers and acquisitions among financial institutions with necessary guidelines and policy supports. However, transparency, accountability and sound management practices need to be prioritized to bring stability in the banking sector.

Financial performance highlights of EBL

Despite facing intensified challenges, EBL managed its portfolio efficiently closing the year 2023 with a NPL of 3.10% (2.78% in 2022) which is lower than that of industry average (9.0% as of December 2023).

Our focus in 2023 was to pursue digital transformation initiatives to enhance customer experience, intensify collection drive of classified and written off loans, mobilize deposits with extensive focus on non-resident Bangladeshis, freelancers and mid-tier customer segments, manage foreign currency liquidity, and rationalize costs. A brief review of financial performances of the Bank (solo) is as follows:

- Net interest income (NII) which contributed 40% of total operating income increased by 22% in 2023 compared to previous year driven mainly by removal of interest rate cap and introducing SMART rate from July 2023 and increase of Bank's loan portfolio. However, non-interest income which contributed rest 60% increased by 12% primarily due to growth of income from investment in 2023 compared to previous year (increase of income from government securities 15%).
- Operating income increased by 15% while operating expense increased by 17% for inflationary pressure, channel expansion, increased cost of utilities, new headcount and routine increment & promotion of employees. Operating profit increased by 14% and reached to BDT 11,451 million in 2023.
- Total provision charged against loans, investments and other assets decreased by 15% in 2023 compared to that of

2022. Downgrading of one of the large contracts previously rescheduled having full provision built-up has shot up the volume of classified loans in 2023 without creating any pressure on provision requirement. Moreover strong monitoring and recovery drive arrested the forward flow of past due loans. As a result, the specific provision charged (net of write-off recovery) in 2023 experienced a sharp fall by around 62% compared to that of 2022. However, general provision for loans increased significantly mainly due to growth of loans and building additional provision buffer. Special General Provision (GP) for Covid-19 maintained against some accounts that enjoyed payment by deferral (PBD) facilities in 2020 and 2021 were settled partly in 2023 causing release of provision by BDT 161 million. In 2023, BDT 162 million provision was charged against quoted securities mainly due to tightening of provision requirement against mutual funds and BDT 61.5 million was charged for building start-up fund as per central bank instruction.

- Total tax provision increased by 23% in 2023 compared to previous year due to increase in revenue and non-deductible expenses, and decrease of income in concessional tax bucket in 2023.
- Finally Bank's profit after tax (PAT) increased by BDT 1,002 million or 20% to BDT 6,109 million in 2023 compared to that of 2022. This is the first time EBL has crossed BDT 6 billion landmark of PAT.

BDT in million

Particulars	Group			Bank		
	2023	2022	% Change	2023	2022	% Change
Net interest income (NII)	8,183	6,860	19%	8,148	6,699	22%
Non-interest income	12,780	11,593	10%	12,380	11,090	12%
Total operating income	20,963	18,453	14%	20,528	17,789	15%
Total operating expense	9,363	8,004	17%	9,077	7,744	17%
Operating profit (Profit before provision and tax)	11,600	10,448	11%	11,451	10,046	14%
Specific provision	491	1,281	-62%	491	1,278	-62%
General provision	1,156	464	149%	1,119	464	141%
Special general provision for Covid-19	(161)	(225)	-28%	(161)	(225)	-28%
Other provision charged	221	679	-67%	212	432	-51%
Total provisions	1,708	2,199	-22%	1,662	1,950	-15%
Profit before tax for the year	9,893	8,249	20%	9,789	8,095	21%
Tax provision for the year	3,770	3,128	21%	3,680	2,988	23%
Profit after tax (PAT)	6,122	5,121	20%	6,109	5,107	20%
Earnings per share (EPS) in BDT (2022 restated)	5.07	4.24	20%	5.06	4.23	20%

ROA and ROE have increased in 2023 due to higher growth of PAT compared to growth of equity/asset. Cost to income ratio has increased to 44.22% mainly due to higher growth of operating expense (17.22%) than that of operating income (15.39%). The Capital to risk weighted assets ratio (CRAR) has increased to 15.04% in 2023 from 14.61% in 2022. Following table presents some of the key financial ratios:

Particulars	Bank	
	2023	2022
Return on average equity (PAT/Average Equity)	16.33%	15.46%
Return on average assets (PAT/Average Assets)	1.27%	1.21%
Cost to income ratio (operating expense/ operating income)	44.22%	43.53%
Capital to risk-weighted assets ratio (CRAR)	15.04%	14.61%
NPL ratio	3.10%	2.78%
EPS in BDT (2022 restated)	5.06	4.23
Price to book value ratio (2022 restated)	89.25%	109.54%

Status of asset quality

As on 31 December 2023, NPL ratio of the banking industry stood at 9% which was 8.16% in December 2022. In contrast, the NPL ratio of EBL was 3.10% at year-end 2023 which was 2.78% at the end of 2022. The status of unclassified and classified loans of the Bank is as follows:

BDT in million

Particulars	2023	2022	% Change
Unclassified loans:	342,416	300,337	14.01%
Standard (Including staff loan)	338,008	296,136	14.14%
Special Mention Accounts (SMA)	4,408	4,200	4.94%
Classified loans:	10,941	8,579	27.53%
Sub-standard (SS)	1,152	1,352	-14.76%
Doubtful (DF)	877	594	47.49%
Bad/loss (BL)	8,912	6,633	34.36%
Total loans	353,357	308,916	14.39%
NPL %	3.10%	2.78%	

Appropriation of profit

Profit after tax (PAT) of the Bank stands at BDT 6,109 million during the year out of which a deferred tax income of BDT 605 million arisen on specific provision made against Bad/Loss loans and cannot be distributed as dividend as per BRPD Circular No.11 dated 12 December 2011 of Bangladesh Bank. BDT 1,341 million was transferred to statutory reserve in 2023 to equalize statutory reserve with paid-up capital of the Bank. Thus, current year's profit available for distribution stands at BDT 4,163 million out of which the Board of Directors recommended 12.5% cash dividend and 12.5% stock dividend amounting to BDT 3,018 million for the year 2023.

Dividend History

Year	No. of AGM	Held on	Cash Dividend	Stock Dividend
1992	1st AGM	09th December 1993	-	-
1993	2nd AGM	24th December 1994	-	-
1994	3rd AGM	14th December 1995	-	-
1995	4th AGM	28th November 1996	-	-
1996	5th AGM	20th November 1997	-	-
1997	6th AGM	12th November 1998	10.00%	-
1998	7th AGM	30th August 2000	10.00%	-
1999	8th AGM	05th August 2001	-	20.00%
2000	9th & 10th AGM	14th December 2002	30.00%	-
2001		14th December 2002	30.00%	-
2002	11th AGM	08th December 2003	20.00%	15.00%
2003	12th AGM	30th June 2004	20.00%	-
2004	13th AGM	19th July 2005	43.00%	-
2005	14th AGM	21th May 2006	40.00%	-
2006	15th AGM	12th June 2007	20.00%	25.00%

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 in the comfort zone against the requirement of 12.5% (Minimum total capital ratio plus capital conservation buffer) and ended at 15.04% on 31 December 2023. For details please see Disclosures on Risk Based Capital (BASEL-III) section of this annual report.

Year	No. of AGM	Held on	Cash Dividend	Stock Dividend
2007	16th AGM	25th May 2008	-	34.00% & 2:1R Share at par
2008	17th AGM	28th April 2009	-	20.00%
2009	18th AGM	30th March 2010	20.00%	17.00%
2010	19th AGM	30th March 2011	-	55.00%
2011	20th AGM	28th March 2012	-	35.00%
2012	21st AGM	31st March 2013	20.00%	-
2013	22nd AGM	31st March 2014	20.00%	-
2014	23rd AGM	31st March 2015	20.00%	-
2015	24th AGM	19th May 2016	20.00%	15.00%
2016	25th AGM	27th April 2017	20.00%	5.00%
2017	26th AGM	05th June 2018	20.00%	-
2018	27th AGM	23rd May 2019	20.00%	10.00%
2019	28th AGM	05th August 2020	15.00%	-
2020	29th AGM	30th May 2021	17.50%	17.50%
2021	30th AGM	19th May 2022	12.50%	12.50%
2022	31st AGM	31st May 2023	12.50%	12.50%
2023	32nd AGM	29th April 2024	12.50% (proposed)	12.50% (proposed)

Management discussion and analysis

A separate section titled "Management discussion and analysis" has been presented in this annual report. Under that section, a comparative analysis of financial performance (2019-2023) of the Bank has been presented with analytics. A brief highlights of EBL business units namely Corporate Banking, Retail & SME Banking and Treasury, FIs and Offshore Banking have 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 2023. A brief review of subsidiaries business during 2023 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 relevant 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 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 practices and mechanism.

The risk management system of EBL has been described in “**Risk Management Report**” section and the major areas focused by RMC in 2023 have been presented in “**Report of the Risk Management Committee of the Board**” section of this annual report. Also the major areas focused by ERM in 2023 have been described in “**Report of the Executive Risk Management Committee**” section of this annual report.

Financial reporting

- Proper books of account as required by law have been maintained by EBL.
- Appropriate accounting policies have been consistently applied in preparation of the financial statements.
- Accounting estimates and underlying assumptions are made on reasonable ground applying prudent judgment, and are reviewed on an ongoing basis.
- The Financial Statements (FS) of the Bank are prepared in accordance with applicable International Financial Reporting Standards (IFRSs) and relevant circulars/instructions issued by Bangladesh Bank (BB) and any departure from IFRS due to BB regulation has been adequately disclosed in the notes to the FS.
- A discussion on related party transactions has been stated in the ‘Corporate Governance Report’ and a statement with amount of related party transactions has been presented in the Annexure C1 of the FS 2023.
- 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 2023 present fairly, in all material respects, its state of affairs, the results of its operations, cash flows and changes in equity.
- There is no significant doubt upon the Bank’s ability to continue as a going concern. EBL has neither intention nor the need to liquidate or curtail materially the scale of its operations. Hence, the financial statements of the Bank have been prepared on going concern basis and the Bank will continue to operate for the foreseeable future.

Corporate governance compliance

As a responsible corporate citizen, EBL duly complied with the provisions of corporate governance guidelines issued by Bangladesh Securities and Exchange Commission (BSEC), Bangladesh Bank, Companies Act-1994 and Bangladesh Secretarial Standards (BSS). The compliance status of EBL on the said guidelines has been presented in the section ‘**Corporate Governance Report**’. A. Qasem & Co., Chartered Accountants, has certified the compliance status of EBL on the BSEC’s corporate governance guidelines during 2023 which is mentioned in page 132 of this annual report.

CSR activities

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

- For treatment of underprivileged people we contributed BDT 175 million to Begum Fazilatunnesa Medical College & Hospital in favor of Bangabandhu Memorial Trust.
- We donated BDT 40 million to Prime Minister’s Office for “Ashrayan Project-2” through Bangladesh Association of Banks (BAB).
- To aid underprivileged meritorious medical students to continue their study and to develop capable work force in the health sector we contributed BDT 25 million to Begum Fazilatunnesa Medical College & Hospital.
- We provided financial assistance of BDT 13 million for establishing an Intensive Care Unit (ICU) at the Diabetic Association Medical College Hospital at Faridpur.
- We have partnered with icddr,b for a project of sustainable solid biohazardous waste management project and contributed BDT 3.20 million.
- To support the government’s efforts of providing financial assistance to underprivileged students in the country, we donated BDT 2.70 million to the Prime Minister’s Education Assistance Trust.
- We donated 100,000 pieces of blankets to the Prime Minister’s Relief and Welfare Fund for cold effected people.

Contribution to national exchequer

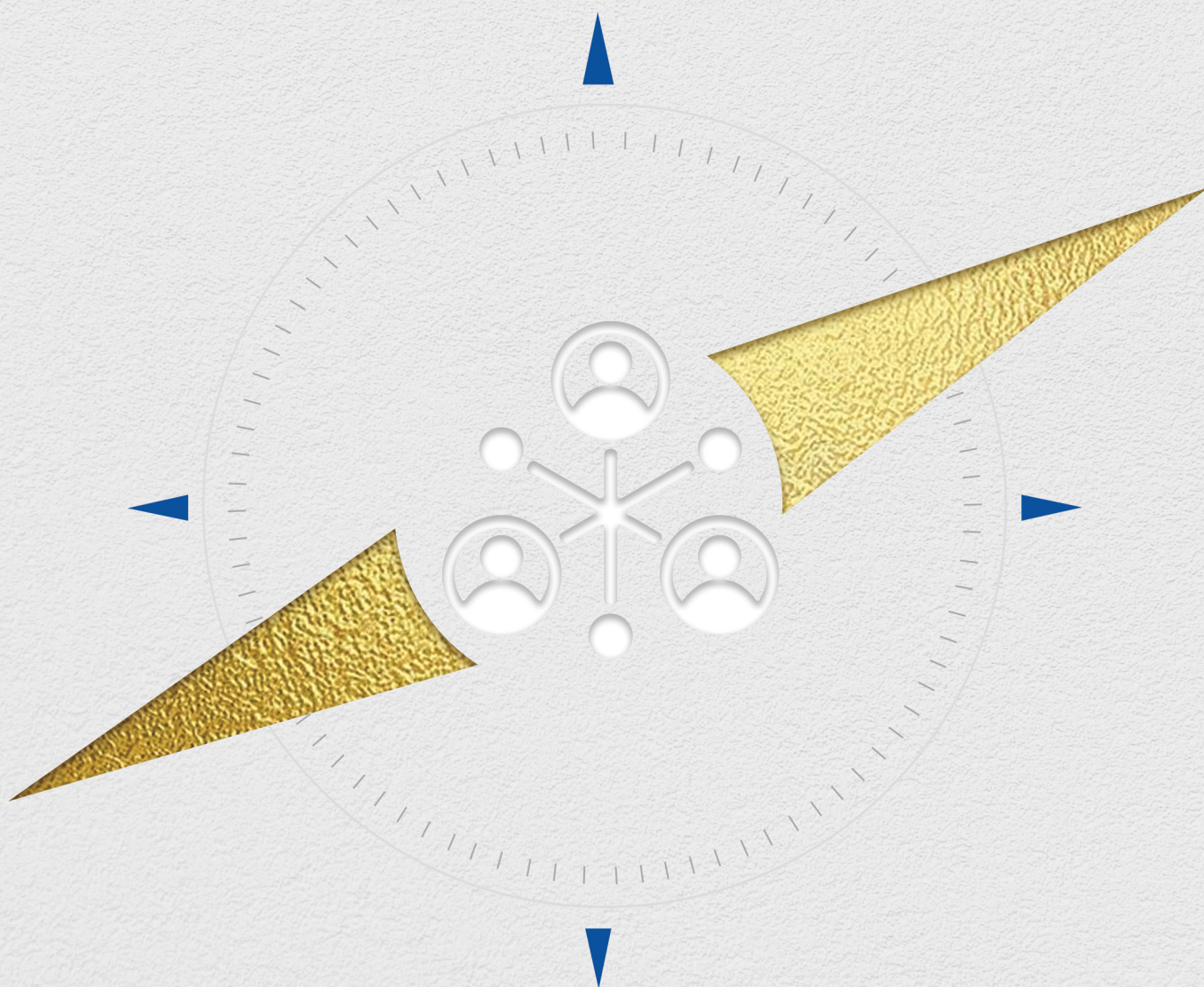
EBL regularly pays corporate tax on time, sometime even before it falls due if demanded by the tax authority. We also deposit excise duty, tax and VAT to govt. exchequer on time deducted from customers, employees’ salary as well as on bills from third parties including vendors. During the calendar year 2023, we contributed BDT 10,646 million to national exchequer as tax, VAT and excise duty which was BDT 9,566 million in 2022.

On behalf of the Board of Directors,

Md. Showkat Ali Chowdhury

Chairman of the Board of Directors
Dhaka, 27 March 2024

INFORMATION FOR STAKEHOLDERS





Highlights of Key Financials

BDT in million

Particulars	Group			Bank		
	2023	2022	Change (%)	2023	2022	Change (%)
Performance during the year						
Net interest income	8,183	6,860	19.28%	8,148	6,699	21.62%
Non-interest income including investment income	12,780	11,593	10.24%	12,380	11,090	11.63%
Operating income	20,963	18,453	13.60%	20,528	17,789	15.39%
Operating profit	11,600	10,448	11.03%	11,451	10,046	13.99%
Profit after tax	6,122	5,121	19.56%	6,109	5,107	19.61%
Net operating cash flow (NOCF)	9,547	12,434	-23.22%	9,695	12,397	-21.79%
Year-end financial position						
Loans and advances	355,905	311,085	14.41%	353,357	308,916	14.39%
Total investment	97,661	93,032	4.98%	94,023	90,407	4.00%
Deposits	364,765	316,327	15.31%	366,104	317,097	15.45%
Shareholders equity	40,526	35,762	13.32%	39,767	35,045	13.47%
Total asset	513,758	459,868	11.72%	508,554	455,989	11.53%
Information per ordinary share						
Earnings per share (BDT) (2022 restated)	5.07	4.24	19.56%	5.06	4.23	19.61%
Price earnings ratio (times) (2022 restated)	5.80	7.50	-22.68%	5.81	7.52	-22.71%
Net asset value per share (BDT) (2022 restated)	33.57	29.62	13.32%	32.94	29.03	13.47%
Market price per share (BDT)	29.40	31.80	-7.55%	29.40	31.80	-7.55%
Net operating cash flow per share (NOCFPS) BDT (2022 restated)	7.91	10.30	-23.22%	8.03	10.27	-21.79%
Ratios (%)						
Capital to RWA ratio (CRAR) (as per Basel III)	14.78%	14.43%	-	15.04%	14.61%	-
Non performing loan	3.19%	2.91%	-	3.10%	2.78%	-
Cost to income ratio	44.66%	43.38%	-	44.22%	43.53%	-
Return on equity (ROE)	16.05%	15.19%	-	16.33%	15.46%	-
Return on assets (ROA)	1.26%	1.20%	-	1.27%	1.21%	-

Five-year Progression of Financials

BDT in million

Particulars	2023	2022	2021	2020	2019
Balance sheet metrics					
Authorized capital	25,000	25,000	12,000	12,000	12,000
Paid up capital	12,072	10,731	9,539	8,118	8,118
Reserves and surplus	27,695	24,314	21,478	20,858	17,449
Shareholders' equity/total shareholder's fund	39,767	35,045	31,017	28,976	25,567
Borrowings	71,668	75,996	63,187	44,286	50,821
Deposits	366,104	317,097	268,019	242,358	240,164
CASA (excluding SND) as a percentage of total deposits	25.88%	27.53%	30.29%	29.19%	22.85%
Total investment	94,023	90,407	66,653	63,949	39,797
Investment in govt. securities	70,339	64,604	41,229	50,518	31,928
Investment in govt. securities to total investment	74.81%	71.46%	61.86%	79.00%	80.23%
Investment in capital market including special fund	5,162	4,722	4,260	3,628	4,170
Loans and advances	353,357	308,916	269,394	228,944	232,051
Fixed assets	8,517	8,501	7,632	7,711	7,349
Total assets	508,554	455,989	388,815	336,936	335,163
Contingent liabilities and other commitments	199,235	165,096	141,831	104,060	99,781
Earning assets	463,483	416,387	355,273	307,845	301,214
Earning assets to total assets	91.14%	91.32%	91.37%	91.37%	89.87%
Liabilities to shareholders' equity (times)	11.79	12.01	11.54	10.63	12.11
Interest bearing assets	445,914	398,837	339,290	301,793	294,508
Debt-equity ratio (borrowing/shareholders' equity)	180.22%	216.85%	203.72%	152.84%	198.77%
Income statement metrics					
Net interest income (excluding investment income)	8,148	6,699	7,761	5,930	8,159
Income from investments	7,682	6,705	6,089	5,049	2,752
Fees, commission, brokerage and other operating income	4,698	4,385	3,308	3,155	3,687
Operating income	20,528	17,789	17,158	14,134	14,597
Operating expense	9,077	7,744	6,690	6,441	6,387
Operating profit (profit before provision and tax)	11,451	10,046	10,468	7,692	8,210
Provision charged for loans, investment and other assets (net off w/off recovery)	1,662	1,950	2,260	1,001	1,954
Profit before tax (PBT)	9,789	8,095	8,208	6,691	6,256
Profit after tax (PAT)	6,109	5,107	4,654	4,103	4,008
Net interest income ratio (%) (net interest income/operating income)	39.69%	37.66%	45.23%	41.96%	55.89%
Net interest income to operating expense (%)	89.76%	86.51%	116.01%	92.07%	127.73%
Net Interest Margin (NIM) (%)	3.23%	3.28%	3.85%	3.15%	3.71%
Capital metrics					
Risk weighted assets (RWA)	311,849	279,016	253,388	217,654	207,437
Minimum capital requirement (MCR) (10% of RWA)	31,185	27,902	25,339	21,765	20,744
Tier-1 capital	34,015	29,942	26,136	23,467	20,719
Tier-2 capital	12,874	10,819	9,538	9,678	9,850
Total regulatory capital (Tier 1 and Tier 2)	46,890	40,761	35,674	33,144	30,569
Capital surplus (Over MCR)	15,705	12,859	10,335	11,379	9,825
Tier - 1 capital to RWA	10.91%	10.73%	10.31%	10.78%	9.99%
Tier - 2 capital to RWA	4.13%	3.88%	3.76%	4.45%	4.75%
Capital to risk weighted assets ratio (CRAR)	15.04%	14.61%	14.08%	15.23%	14.74%
Leverage ratio	5.63%	5.57%	5.69%	5.97%	5.28%
Capital growth/appreciation (%)	15.04%	14.26%	7.63%	8.43%	24.02%
Liquidity metrics					
High quality liquid assets (HQLA)	91,619	86,375	60,090	66,510	52,124
Short-term liabilities (not more than 12 months term)	267,006	229,673	181,903	162,969	181,728
High quality liquid assets to total deposits	25.03%	27.24%	22.42%	27.44%	21.70%
High quality liquid assets to short-term liabilities	34.31%	37.61%	33.03%	40.81%	28.68%

BDT in million

Particulars	2023	2022	2021	2020	2019
AD Ratio - DBO	77.64%	70.67%	74.71%	74.13%	77.20%
Government securities to total loan ratio	19.91%	20.91%	15.30%	22.07%	13.76%
Statutory liquidity reserve ratio (SLR) (at close of the year)	20.85%	21.75%	17.86%	21.84%	13.97%
Cash reserve ratio (CRR) (at close of the year)	3.99%	4.71%	5.22%	4.56%	5.63%
Maximum cumulative outflow (MCO) (Regulatory limit ≤16.50%)	12.25%	14.68%	14.51%	13.51%	15.27%
Liquidity coverage ratio (LCR) - DBO (Regulatory limit ≥100%)	104.64%	104.36%	144.97%	210.90%	338.22%
Net stable funding ratio (NSFR) - DBO (Regulatory limit >100%)	107.61%	105.53%	104.40%	105.49%	114.45%
Asset quality metrics					
Non performing/classified loans (NPL)	10,941	8,579	9,979	6,226	7,771
NPL Ratio	3.10%	2.78%	3.70%	2.72%	3.35%
Loans and advances to total assets	69.48%	67.75%	69.29%	67.95%	69.24%
Large loan exposure (funded & non-funded)*	145,372	161,610	116,449	80,388	104,833
Large loan exposure (%)*	25.07%	31.00%	33.28%	28.62%	37.21%
Total CMSME loan	29,751	32,531	33,554	34,534	31,366
CMSME loan to total loan	8.42%	10.53%	12.46%	15.08%	13.52%
General provision for loans and OBS exposures (cumulative)	6,854	5,869	5,538	3,678	3,350
Specific provision for loans (cumulative)	9,296	8,583	8,562	7,499	6,009
Total provision for loans and OBS exposure	16,151	14,452	14,101	11,177	9,358
Provision surplus	1,219	915	889	1,768	240
NPL coverage ratio [(specific provision + general provision)/gross NPL]	147.61%	168.46%	141.31%	179.51%	120.42%
Business growth metrics (y-o-y)					
Loans and advances	14.39%	14.67%	17.67%	-1.34%	10.87%
Deposits	15.45%	18.31%	10.59%	0.91%	20.31%
Export	0.27%	38.10%	25.77%	-11.14%	9.06%
Import (LC)	0.01%	1.79%	63.70%	-7.82%	-3.26%
Inward remittance	75.18%	31.81%	-31.69%	-34.29%	14.59%
Channel expansion through ATM (%)	16.08%	12.33%	3.18%	6.28%	3.50%
Channel expansion through branch and sub-branch (%)	11.32%	17.78%	0.00%	2.27%	3.53%
Credit rating					
Credit rating agency (local)	CRAB	CRISL	CRISL	CRISL	CRISL
Long term (local)	AAA	AA+	AA+	AA+	AA+
Short term (local)	ST-1	ST-1	ST-1	ST-1	ST-1
Outlook (local)	Stable	Stable	Stable	Developing	Stable
Rating by Moody's	B2	B1	B1	B1	B1
Trade business and remittance metrics					
Export	227,976	227,359	164,629	130,898	147,306
Import (LC)	267,320	267,297	262,593	160,413	174,027
Guarantee	30,058	17,867	12,226	12,601	7,572
Inward remittance	50,323	28,726	21,793	31,902	48,551
Contribution to CSR & national exchequer					
CSR contribution	280	141	183	183	141
CSR contribution to net income (%)	4.59%	2.76%	3.93%	4.46%	3.52%
Corporate income tax	3,628	4,177	2,285	3,582	1,683
Withholding income tax	5,208	4,020	3,497	2,929	2,683
Excise duty on loans & deposits	776	503	436	352	234
Value added tax (VAT)	1,033	866	694	599	597
Total contribution to national exchequer	10,646	9,566	6,912	7,463	5,197
Efficiency Indicators					
Return on average risk weighted assets	2.07%	1.92%	1.98%	1.93%	1.95%
Return on average equity (ROE)	16.33%	15.46%	15.51%	15.04%	16.52%
Return on average assets (ROA)	1.27%	1.21%	1.28%	1.22%	1.30%
Net profit margin (PAT/gross income)	15.70%	16.66%	18.18%	14.72%	13.54%
Cumulative written off loans (total claim) (A)	19,636	19,081	15,754	15,618	13,465
Cumulative recovery from written off loans (B)	5,562	5,089	4,295	3,932	3,206

* As per BRPD circular, Bangladesh Bank

BDT in million

Particulars	2023	2022	2021	2020	2019
Cumulative recovery to written off loans ratio (C = B / A)	28.33%	26.67%	27.26%	25.18%	23.81%
Cost of fund (interest expense/simple average of borrowing and deposits)	4.43%	3.55%	2.73%	4.76%	5.58%
Cost to income ratio	44.22%	43.53%	38.99%	45.58%	43.76%
Weighted average interest rate of loan (year-end) (A)	9.22%	7.85%	7.29%	8.22%	10.83%
Weighted average interest rate of deposits (year-end) (B)	4.67%	3.91%	3.25%	3.70%	6.16%
Year-end Spread (C = A - B)	4.55%	3.94%	4.04%	4.52%	4.67%
Operating income per employee (permanent)	8.15	8.08	8.69	7.45	7.72
Operating cost per employee (permanent)	3.60	3.52	3.39	3.40	3.38
Operating profit per employee (permanent)	4.55	4.56	5.30	4.06	4.34
Employee growth (permanent) (in %)	14.40%	11.49%	4.17%	0.21%	10.32%
Share based metrics					
Earnings per share (EPS) in BDT (earlier years not restated)	5.06	4.76	4.88	5.05	4.94
Operating profit per share in BDT (earlier years not restated)	9.48	9.36	10.97	9.48	10.11
Market price per share in BDT as on close of the year at DSE	29.40	31.80	38.50	36.00	33.20
Price earnings ratio (times)	5.81	6.68	7.89	7.12	6.72
NAV (book value) per share in BDT (earlier years not restated)	32.94	32.66	32.52	35.69	31.49
Market capitalization (at close of year)	35,493	34,125	36,724	29,225	26,952
Market price to NAV per share (times)	0.89	0.97	1.18	1.01	1.05
Dividend payment metrics					
Dividend (%) (proposed for 2023)	25.00	25.00	25.00	35.00	15.00
Cash (%) (proposed for 2023)	12.50	12.50	12.50	17.50	15.00
Stock (%) (proposed for 2023)	12.50	12.50	12.50	17.50	-
Dividend per share (DPS) in BDT	2.50	2.50	2.50	3.50	1.50
Dividend coverage ratio (times) (EPS/DPS)	2.02	1.90	1.95	1.44	3.29
Dividend payout ratio (DPS/EPS)	49.40%	52.53%	51.24%	69.26%	30.38%
Dividend yield (%)	8.50%	7.86%	6.49%	9.72%	4.52%
Unclaimed dividend amount	48.09	35.81	31.59	83.54	73.41
Other Information (actual figure)					
Number of employees (permanent)	2,519	2,202	1,975	1,896	1,892
Number of branches	85	83	85	85	85
Number of AD branches	18	18	18	18	18
Number of sub-branches	33	23	5	5	3
Number of priority centers	20	18	16	16	15
Number of agent banking outlets	102	63	46	29	26
Number of CDMs	38	68	70	67	61
Number of ATMs & CRMs	296	255	227	220	207
No. of ATM booths	272	240	214	208	198
Number of deposit accounts	792,367	712,031	666,591	631,516	620,793
Number of loan accounts	183,388	163,304	169,153	163,913	163,795
Number of foreign correspondents	556	539	524	512	489

Financial Goals and Performance (Bank)

Particulars	Goals 2024	Actual 2023	Actual 2022
Capital to risk weighted assets ratio (CRAR)	15% Plus	15.04%	14.61%
Return on average equity (ROE)	16% Plus	16.33%	15.46%
Return on average assets (ROA)	1.20% Plus	1.27%	1.21%
Cost to income ratio	Less than 45%	44.22%	43.53%
NPL (%)	3%	3.10%	2.78%
Year-end deposits (BDT million)	433,174	366,104	317,097
Year-end loans and advances (BDT million)	406,360	353,357	308,916

Horizontal Analysis

Balance sheet

Particulars	2023		2022		2021		2020		2019	
	BDT mn	Δ%	BDT mn	Δ%	BDT mn	Δ%	BDT mn	Δ%	BDT mn	Δ%
Property and assets										
Cash in hand and balances with Bangladesh Bank and its agent bank(s)	20,940	-1.02%	21,156	13.32%	18,669	18.92%	15,699	-20.27%	19,690	20.52%
Balances with other banks and financial institutions	18,053	52.30%	11,854	-27.14%	16,270	25.12%	13,003	-55.09%	28,957	70.75%
Money at call and on short notice	3,100	-51.86%	6,440	309.36%	1,573	2522.00%	60	-89.90%	594	100.00%
Investments	94,023	4.00%	90,407	35.64%	66,653	4.23%	63,949	60.69%	39,797	43.57%
Loans and advances	353,357	14.39%	308,916	14.67%	269,394	17.67%	228,944	-1.34%	232,051	10.87%
Fixed assets	8,517	0.19%	8,501	11.38%	7,632	-1.02%	7,711	4.92%	7,349	10.73%
Other assets and non banking assets	10,563	21.19%	8,716	1.07%	8,624	13.93%	7,569	12.56%	6,725	22.47%
Total assets	508,554	11.53%	455,989	17.28%	388,815	15.40%	336,936	0.53%	335,163	18.66%
Liabilities and equity										
Borrowing from banks, financial institutions and agents	71,668	-5.70%	75,996	20.27%	63,187	42.68%	44,286	-12.86%	50,821	8.75%
Deposits and other accounts	366,104	15.45%	317,097	18.31%	268,019	10.59%	242,358	0.91%	240,164	20.31%
Other liabilities	31,015	11.36%	27,850	4.73%	26,593	24.76%	21,316	14.53%	18,611	41.81%
Total liabilities	468,787	11.37%	420,944	17.65%	357,798	16.18%	307,960	-0.53%	309,596	19.31%
Shareholders' equity										
Paid-up capital	12,072	12.50%	10,731	12.50%	9,539	17.50%	8,118	0.00%	8,118	10.00%
Statutory reserve	12,072	12.50%	10,731	12.50%	9,539	17.50%	8,118	0.00%	8,118	10.00%
General reserve	603	0.00%	603	0.00%	603	0.00%	603	0.00%	603	0.00%
Other reserve	2,418	-2.28%	2,474	4.82%	2,360	-33.55%	3,552	17.21%	3,031	2.21%
Surplus in profit and loss account	12,601	19.95%	10,506	17.05%	8,975	4.56%	8,584	50.66%	5,697	22.85%
Total shareholders' equity	39,767	13.47%	35,045	12.99%	31,017	7.04%	28,976	13.33%	25,567	11.33%
Total liabilities and shareholders' equity	508,554	11.53%	455,989	17.28%	388,815	15.40%	336,936	0.53%	335,163	18.66%
Total off-balance sheet items	199,235	20.68%	165,096	16.40%	141,831	36.30%	104,060	4.29%	99,781	-15.17%
Net asset value per share (not restated)	32.94	0.87%	32.66	0.44%	32.52	-8.90%	35.69	13.33%	31.49	1.21%

Profit and loss account

Particulars	2023		2022		2021		2020		2019	
	BDT mn	Δ%	BDT mn	Δ%	BDT mn	Δ%	BDT mn	Δ%	BDT mn	Δ%
Interest income	26,541	35.63%	19,569	20.75%	16,206	-17.60%	19,667	-15.09%	23,164	16.86%
Interest paid on deposits and borrowings	18,393	42.92%	12,869	52.39%	8,445	-38.52%	13,737	-8.45%	15,005	21.84%
Net interest income	8,148	21.62%	6,699	-13.68%	7,761	30.87%	5,930	-27.31%	8,159	8.69%
Non-interest income	12,380	11.63%	11,090	18.02%	9,397	14.55%	8,203	27.41%	6,439	14.30%
Total operating income	20,528	15.39%	17,789	3.68%	17,158	21.40%	14,134	-3.18%	14,597	11.10%
Total operating expenses	9,077	17.22%	7,744	15.75%	6,690	3.86%	6,441	0.85%	6,387	6.54%
Profit before provisions	11,451	13.99%	10,046	-4.03%	10,468	36.08%	7,692	-6.31%	8,210	14.92%
Provision for loans and off-balance sheet exposures	1,449	-4.51%	1,518	-42.76%	2,652	142.57%	1,093	-16.64%	1,311	-40.06%
Other provision	212	-50.89%	432	-210.45%	(391)	327.09%	(92)	-114.27%	643	73.43%
Total provisions	1,662	-14.80%	1,950	-13.71%	2,260	125.68%	1,001	-48.74%	1,954	-23.62%
Profit before tax for the year	9,789	20.92%	8,095	-1.37%	8,208	22.67%	6,691	6.95%	6,256	36.42%
Total provision for taxation	3,680	23.15%	2,988	-15.92%	3,554	37.31%	2,588	15.13%	2,248	49.36%
Profit after tax for the year	6,109	19.61%	5,107	9.75%	4,654	13.44%	4,103	2.36%	4,008	30.10%
Earnings per share (not restated)	5.06	6.32%	4.76	-2.45%	4.88	-3.46%	5.05	2.36%	4.94	18.27%

Vertical Analysis

Balance sheet

Particulars	2023		2022		2021		2020		2019	
	BDT mn	Mix %	BDT mn	Mix %	BDT mn	Mix %	BDT mn	Mix %	BDT mn	Mix %
Property and assets										
Cash in hand and balances with Bangladesh Bank and its agent bank(s)	20,940	4.12%	21,156	4.64%	18,669	4.80%	15,699	4.66%	19,690	5.87%
Balances with other banks and financial institutions	18,053	3.55%	11,854	2.60%	16,270	4.18%	13,003	3.86%	28,957	8.64%
Money at call and on short notice	3,100	0.61%	6,440	1.41%	1,573	0.40%	60	0.02%	594	0.18%
Investments	94,023	18.49%	90,407	19.83%	66,653	17.14%	63,949	18.98%	39,797	11.87%
Loans and advances	353,357	69.48%	308,916	67.75%	269,394	69.29%	228,944	67.95%	232,051	69.24%
Fixed assets	8,517	1.67%	8,501	1.86%	7,632	1.96%	7,711	2.29%	7,349	2.19%
Other assets and non banking assets	10,563	2.08%	8,716	1.91%	8,624	2.22%	7,569	2.25%	6,725	2.01%
Total assets	508,554	100.00%	455,989	100.00%	388,815	100.00%	336,936	100.00%	335,163	100.00%
Liabilities and equity										
Borrowing from banks, financial institutions and agents	71,668	14.09%	75,996	16.67%	63,187	16.25%	44,286	13.14%	50,821	15.16%
Deposits and other accounts	366,104	71.99%	317,097	69.54%	268,019	68.93%	242,358	71.93%	240,164	71.66%
Other liabilities	31,015	6.10%	27,850	6.11%	26,593	6.84%	21,316	6.33%	18,611	5.55%
Total liabilities	468,787	92.18%	420,944	92.31%	357,798	92.02%	307,960	91.40%	309,596	92.37%
Shareholders' equity										
Paid-up capital	12,072	2.37%	10,731	2.35%	9,539	2.45%	8,118	2.41%	8,118	2.42%
Statutory reserve	12,072	2.37%	10,731	2.35%	9,539	2.45%	8,118	2.41%	8,118	2.42%
General reserve	603	0.12%	603	0.13%	603	0.16%	603	0.18%	603	0.18%
Other reserve	2,418	0.48%	2,474	0.54%	2,360	0.61%	3,552	1.05%	3,031	0.90%
Surplus in profit and loss account	12,601	2.48%	10,506	2.30%	8,975	2.31%	8,584	2.55%	5,697	1.70%
Total shareholders' equity	39,767	7.82%	35,045	7.69%	31,017	7.98%	28,976	8.60%	25,567	7.63%
Total liabilities and shareholders' equity	508,554	100.00%	455,989	100.00%	388,815	100.00%	336,936	100.00%	335,163	100.00%
Total off-balance sheet items	199,235	39.18%	165,096	36.21%	141,831	36.48%	104,060	30.88%	99,781	29.77%

Profit and loss account

Particulars	2023		2022		2021		2020		2019	
	BDT mn	Mix %	BDT mn	Mix %	BDT mn	Mix %	BDT mn	Mix %	BDT mn	Mix %
Interest income	26,541	68.19%	19,569	63.83%	16,206	63.30%	19,667	70.57%	23,164	78.25%
Interest paid on deposits and borrowings	18,393	47.26%	12,869	41.98%	8,445	32.98%	13,737	49.29%	15,005	50.69%
Net interest income	8,148	20.93%	6,699	21.85%	7,761	30.31%	5,930	21.28%	8,159	27.56%
Non-interest Income	12,380	31.81%	11,090	36.17%	9,397	36.70%	8,203	29.43%	6,439	21.75%
Total operating income	20,528	52.74%	17,789	58.02%	17,158	67.02%	14,134	50.71%	14,597	49.31%
Total operating expenses	9,077	23.32%	7,744	25.26%	6,690	26.13%	6,441	23.11%	6,387	21.58%
Profit before provisions	11,451	29.42%	10,046	32.77%	10,468	40.88%	7,692	27.60%	8,210	27.73%
Provision for loans and off-balance sheet exposures	1,449	3.72%	1,518	4.95%	2,652	10.36%	1,093	3.92%	1,311	4.43%
Other provision	212	0.55%	432	1.41%	(391)	-1.53%	(92)	-0.33%	643	2.17%
Total provisions	1,662	4.27%	1,950	6.36%	2,260	8.83%	1,001	3.59%	1,954	6.60%
Profit before tax for the year	9,789	25.15%	8,095	26.40%	8,208	32.06%	6,691	24.01%	6,256	21.13%
Total provision for taxation	3,680	9.45%	2,988	9.75%	3,554	13.88%	2,588	9.29%	2,248	7.59%
Profit after tax for the year	6,109	15.70%	5,107	16.66%	4,654	18.18%	4,103	14.72%	4,008	13.54%

Note: Profit and loss account items have been presented as percentage of gross income (interest income + non-interest income).

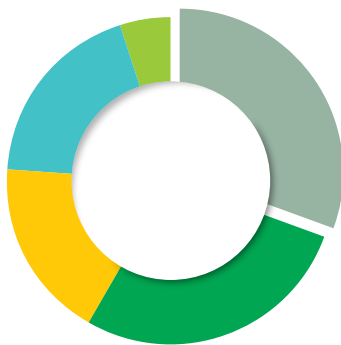
Value Added Statement (VAS)

This statement presents the amount of wealth accretion made by the Bank through providing banking and other financial services in 2023 for its employees, directors, government and shareholders in the form of salaries & allowances, fees, duties & taxes, net profit after tax respectively and also indicates value of use of fixed assets through depreciation.

Value added for the year ended 31 December

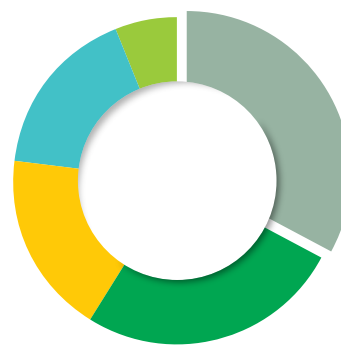
Particulars	Amount in BDT	
	2023	2022
Wealth creation		
Revenue from banking services (interest income)	26,541,023,589	19,568,667,364
Less: Cost of services & supplies	(20,054,228,915)	(14,129,285,116)
	<u>6,486,794,673</u>	<u>5,439,382,248</u>
Other financial revenue	12,379,875,372	11,090,134,995
Provision for loans & other assets	(1,661,603,215)	(1,950,187,563)
Total wealth creation	<u>17,205,066,831</u>	<u>14,579,329,680</u>
Wealth distribution		
Employees & directors		
Employees as salaries & allowances	5,370,854,828	4,874,580,930
Directors as fees	3,458,296	3,594,810
Government	4,797,823,441	3,778,173,539
Corporate tax	3,679,727,905	2,987,927,205
Service tax/value added tax	327,533,704	273,587,086
Municipalities/local taxes	14,076,795	14,129,448
Excise duties	776,485,037	502,529,800
Shareholders		
Dividend to shareholders (Proposed for 2023)	3,018,086,788	2,682,743,813
Retention for future business growth		
Retained earnings	3,091,113,656	2,424,713,851
Depreciation and amortization	923,729,822	815,522,738
Total wealth distribution	<u>17,205,066,831</u>	<u>14,579,329,680</u>

Wealth distribution (%) 2023



To employees as salaries & allowances **31%**
 To directors as fees **0%**
 To government as tax **28%**
 To shareholders as dividend **18%**
 Retained earnings **18%**
 Depreciation and amortization **5%**

Wealth distribution (%) 2022



To employees as salaries & allowances **33%**
 To directors as fees **0%**
 To government as tax **26%**
 To shareholders as dividend **18%**
 Retained earnings **17%**
 Depreciation and amortization **6%**

Market Value Added (MVA) Statement

This statement reflects the company's performance evaluated by the market through the share price. Difference between market capitalization and book value of the shares outstanding is measured to shed light on financial solvency as perceived by the market.

Market Value Added as at 31 December

Particulars	2023	2022
Face Value per share (BDT)	10.00	10.00
Market value per share (BDT)	29.40	31.80
Number of shares outstanding	1,207,234,715	1,073,097,525
Total market capitalization (BDT million)	35,493	34,125
Book value of paid up capital (BDT million)	12,072	10,731
Market value added (BDT million)	23,420	23,394

Economic Value Added (EVA) Statement

This statement measures the financial performance of an entity based on an underlying principle that since management of a company deploys equity capital to earn profit; it must pay for the use of it. This measurement tool is useful to shareholders in particular and other stakeholders in general to take decision for increasing wealth.

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

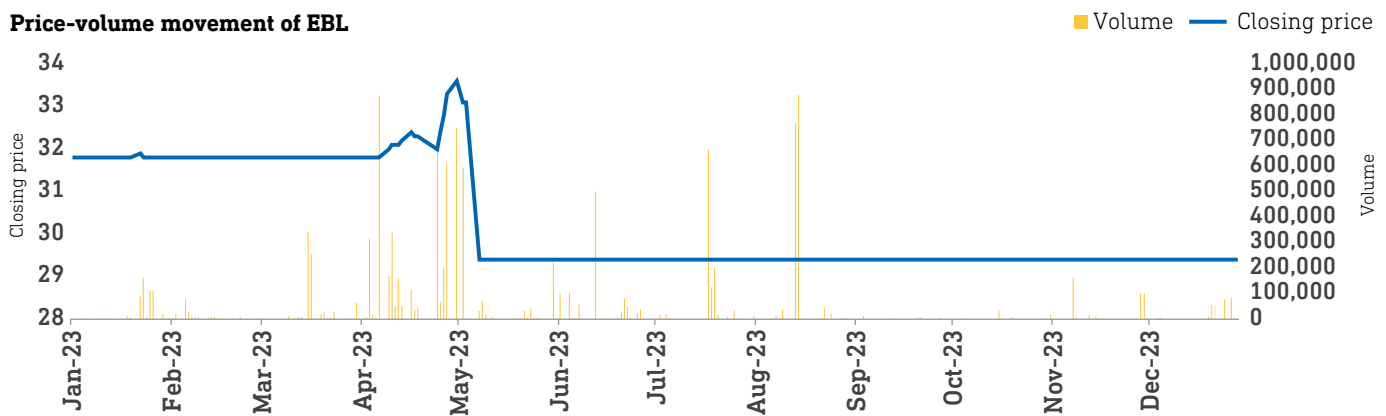
EVA for the year ended 31 December

Particulars	2023	2022
Shareholders' equity	39,767,446,008	35,045,444,496
Add: accumulated provision for loans & advances and other assets	17,404,980,245	15,494,074,456
Capital deployed	57,172,426,252	50,539,518,952
Average capital deployed / shareholders' equity (A)	53,855,972,602	48,133,185,167
Earnings		
Profit after tax	6,109,200,443	5,107,457,663
Add: Provision for loans & advances and other assets charged during the year	1,661,603,215	1,950,187,563
Less: Written off interest suspense during the year	59,273,366	236,622,454
Net earnings (B)	7,711,530,291	6,821,022,772
Cost of equity (C)		
Average cost of equity (Based on weighted average rate of 10 years treasury bond issued by the Bangladesh Government) plus 2% risk premium	12.82%	10.33%
Capital charge (cost of average equity) (D=A x C)	6,904,335,688	4,972,158,028
Economic value added (B-D)	807,194,604	1,848,864,745

Stock Performance

Month	DSE			CSE			Total volume on DSE and CSE
	Month high (BDT)	Month low (BDT)	Total volume (number)	Month high (BDT)	Month low (BDT)	Total volume (number)	
Jan-23	31.9	31.8	565,091	32.3	32.2	16,680	581,771
Feb-23	31.8	31.8	216,833	32.2	32.2	13,103	229,936
Mar-23	31.8	31.8	791,907	32.2	32.2	24,782	816,689
Apr-23	33.6	31.8	4,523,978	33.5	32.2	11,027	4,535,005
May-23	33.1	29.4	1,057,158	32.9	29.3	34,401	1,091,559
Jun-23	29.4	29.4	1,011,825	30.0	29.3	6,344,740	7,356,565
Jul-23	29.4	29.4	1,120,164	29.8	29.3	938,550	2,058,714
Aug-23	29.4	29.4	1,805,542	30.0	29.3	29,413	1,834,955
Sep-23	29.4	29.4	54,685	29.3	29.3	1,130,975	1,185,660
Oct-23	29.4	29.4	78,507	29.7	29.3	1,924,383	2,002,890
Nov-23	29.4	29.4	413,713	29.7	29.3	42,053	455,766
Dec-23	29.4	29.4	318,545	29.8	29.3	23,160	341,705

Price-volume movement of EBL



Share price sensitivity analysis using key variables (i.e. interest rate and currency) with the consequent impact on EBL's earnings

Share price of EBL in Dhaka Stock Exchange PLC. and Chittagong Stock Exchange PLC. mostly stayed in floor price throughout 2023 and was barely impacted by changes in key variables such as interest rate, currency etc. and consequent change in earnings. Even while out of floor price, the share price of EBL has been mostly stable owing to its consistent performance of business, profitability, liquidity and solvency.

The BDT/USD exchange rate for EBL was 103.2927 as at year-end 2022, which increased by 6.25% to 109.7500 as at year-end 2023. Moreover, average interest rate on loan increased by 1.37% (2023: 9.22% vs 2022: 7.85%) and average deposit rate increased by 0.76% (2023: 4.67% vs 2022: 3.91%) in 2023 compared to those of 2022. Partially due to changes in mentioned variables, EBL's profit after tax grew to BDT 6,109 million in 2023 from BDT 5,107 million in 2022 (19.61% increase).

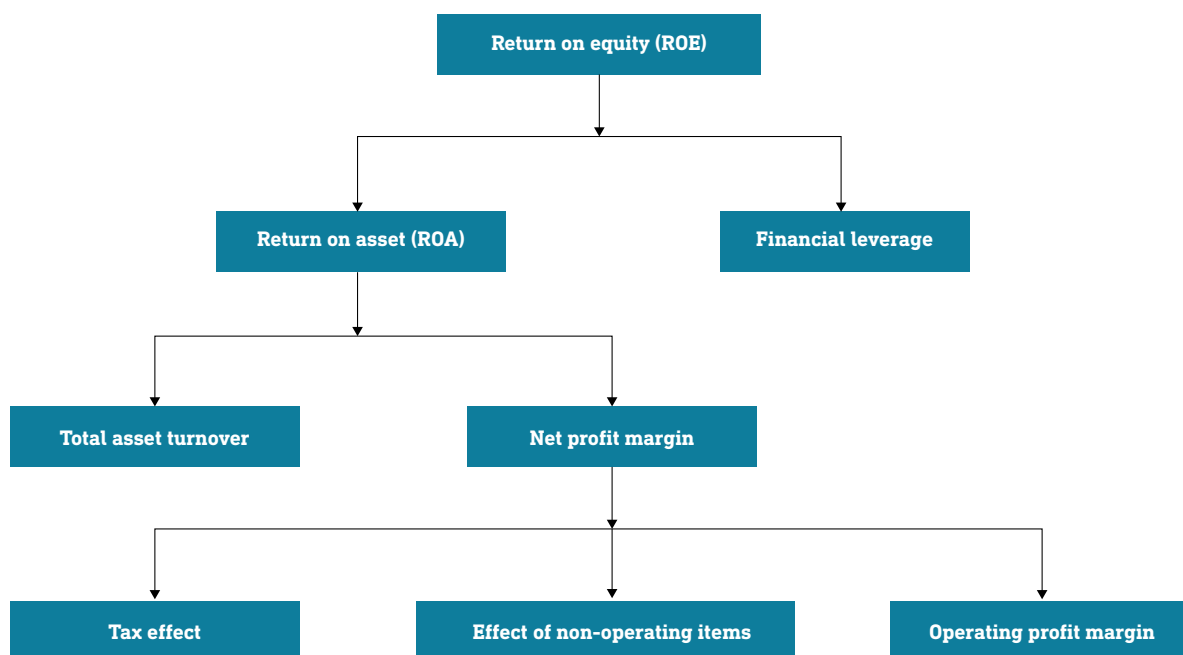
However, the change in EBL's earnings barely had any impact on its share price, as it mostly stayed at the floor price of BDT 31.8 per share, which changed to BDT 29.4 per share after bonus share adjustment.

Stock details

Particulars	DSE	CSE
Stock Symbol	EBL	EBL
Company Code	148	22025
Listing Year	1993	2004
Market Category	A	A
Electronic Share	Yes	Yes
Market Lot (Nos)	1	1
Face Value (Taka)	10	10
Total Number of Securities (Nos)	1,207,234,715	1,207,234,715

DuPont Analysis

DuPont analysis is another extended tool to examine the return on equity (ROE) of a company in details by analysing net profit margin, asset turnover, and financial leverage. It gives a broader view to the management in earnings on shareholders' equity by breaking down the ROE to analyze how corporate can increase the return for their shareholders.



Particulars		2023	2022
Tax effect (in %)	PAT/PBT	62.41%	63.09%
Effect of non-operating items (in %)	PBT/profit before provisions	85.49%	80.59%
Operating profit margin (in %)	Profit before provisions and tax/gross income*	29.42%	32.77%
Net profit margin (in %)	Tax effect x effect of non-op. items x op. profit margin	15.70%	16.66%
Total asset turnover (in times)	Gross income*/average total assets	0.08	0.07
Return on asset (in %)	Net profit margin x total asset turnover	1.27%	1.21%
Financial leverage (in times)	Average total assets/average shareholders' equity	12.89	12.79
Return on equity (in %)	Return on asset x financial leverage	16.33%	15.46%

Primarily due to 3.35% lower operating profit margin, net profit margin was 0.96% lower in 2023 compared to that of 2022. However, due to higher financial leverage and 0.06% higher return on assets resulting from 11.19% increase in total asset turnover, return on equity increased by 0.87% in 2023 compared to that of 2022.

*Gross income = interest income + non-interest income.

Review of Capital Market Portfolio

The year 2023 was a gloomy year for the capital market of Bangladesh, with DSEX mostly in the sideways increasing by only 39 points (0.63%). This increase is mostly attributable to small-cap stocks, as most blue chip stocks remained at floor price; thereby average trade volume fell by 40% in 2023 compared to that of 2022. Moreover, depreciation of BDT and high inflation led to overall low profitability of many listed companies, causing them to announce low dividend.

However, with strong fundamentals scrips in the basket, EBL managed the portfolio well enough to generate decent dividend income from the capital market portfolio.

Return on investment

EBL managed to make revenue of BDT 210 million from the capital market portfolio comprising a net capital gain of BDT 10 million and dividend income of BDT 200 million in 2023, where major income was generated from mutual funds, bank and insurance sectors.

BDT in million

Particulars	2023	2022
Investment (average)	4,942	4,491
Gain from sale of shares & MFs (net off loss)	10	73
Dividend income	200	239
Total income	210	311
Return on investment (ROI)	4.24%	6.93%

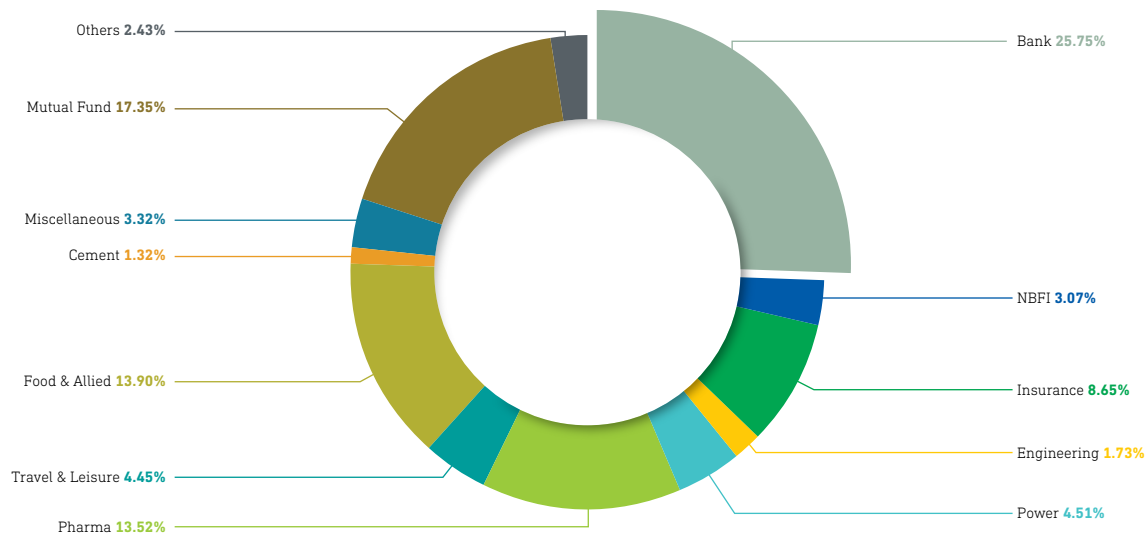
Capital market exposure

EBL kept capital market investment exposure within the regulatory limit (i.e. 25% on solo basis and 50% on consolidated basis) and complied with relevant regulatory guidelines given by Bangladesh Bank. EBL maintained a diversified exposure in different sectors within set limit to minimize unsystematic risk with the guidance of EBL Investment Committee.

BDT in million

Particulars	Consolidated		Bank	
	2023	2022	2023	2022
Total of capital components	32,509	28,582	31,968	28,053
Exposure other than Special Fund	12,500	11,866	5,802	6,915
Exposure under Special Fund	1,065	1,103	750	750
Total exposure	13,565	12,969	6,552	7,665
Exposure in Capital Market (in %) (excluding Special Fund)	38.45%	41.52%	18.15%	24.65%

Exposures in different sectors by the Bank in 2023



Way forward

With the expectation that the capital market of Bangladesh will be vibrant in 2024, EBL will ensure its active participation, continue to focus on detailed analysis on the capital market while maintaining a healthy portfolio composed of fundamental scrips with excellent dividend history and future prospect to generate good return, while complying with the prescribed rules and limit set by the regulators.

Credit Rating of EBL

Rating by local agency: Credit Rating Agency of Bangladesh Limited (CRAB)

Date of Rating : June 21, 2023	Valid up to: June 30, 2024	
Particulars	Long term	Short term
Entity Rating	AAA	ST-1
Outlook	Stable	

The long term rating "AAA" signifies that EBL has extremely strong capacity to meet its financial commitments. 'AAA' is the highest issuer credit rating assigned by CRAB. AAA is judged to be of the highest quality, with minimal credit risk.

Rationale

Credit Rating Agency of Bangladesh Limited (CRAB) has assigned AAA rating in the long term and ST-1 rating in the short term to Eastern Bank PLC. based on audited financial statements up to 31/12/2022, 1st quarter 2023 management results and other relevant information up to the date of rating declaration.

Rating strength

- Sustainable business performance over the periods.
- Stable asset quality supported by prudent and conservative risk management.
- Sound liquidity backed by its healthy funding profile.
- Stable trend of low cost deposit base.
- Maintenance of sizeable additional provision as cushion.
- Ownership structure, Board composition and experienced top management.
- Increasing trend of ability to provide integrated financial services under the broadest coverage along with its subsidiaries.

Rating by international agency: Moody's

EBL is the first company in the country (Bangladeshi bank) rated by Moody's, a renowned global rating agency, for the first time in March 2016. The current rating of the Bank is "B2" with stable outlook.

Credit rating of subordinated bond

2nd subordinated bond of EBL (CRAB)

Date of rating : November 29, 2023	Valid up to May 31, 2024
Bond rating (long term)	AA1 (Hyb)
Outlook	Stable

The Long Term Rating "AA1 (Hyb)" signifies very strong capacity to meet financial commitments. This is judged to be of very high quality, subject to very low credit risk.

Rationale

CRAB has affirmed the long term rating of Eastern Bank's issue of non-convertible 2nd subordinated bond (BDT 5,000 million) at "AA1 (Hyb)" in line with CRAB's standard notching practices. CRAB performed the rating based on updated financial statements, past trend and other relevant information up to the date of rating declaration.

3rd subordinated bond of EBL (CRISL)

Date of rating : April 18, 2023	Valid up to April 17, 2024
Bond rating	Long term
	AA (Indicative)

The long term rating "AA" (Indicative) signifies that the bond is adjudged to be of high credit quality and offers higher safety. This level of rating indicates a security with sound credit profile and strong protection factors.

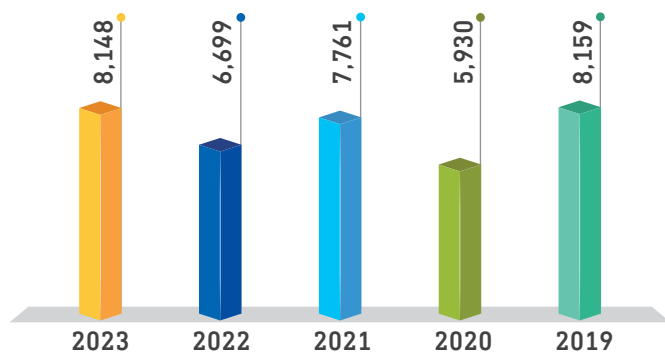
Rationale

Credit Rating Information and Services Limited (CRISL) has assigned the issue rating "AA" (Indicative) to Eastern Bank's issue of non-convertible 3rd subordinated bond (BDT 5,000 million) in consideration of the fundamentals of the issue that include attractive coupon rate, a trustee-administered payment mechanism for the bonds, projected earnings support, regular repayment of obligations etc. CRISL also gives due weightage to the EBL's sound credit profile, diversified business mix, good financial performance, good capital adequacy, good liquidity, experienced top management, etc.

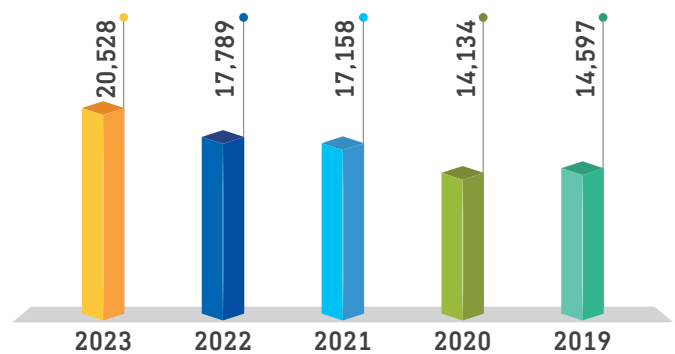
Key Financials in Graphs

Net interest income

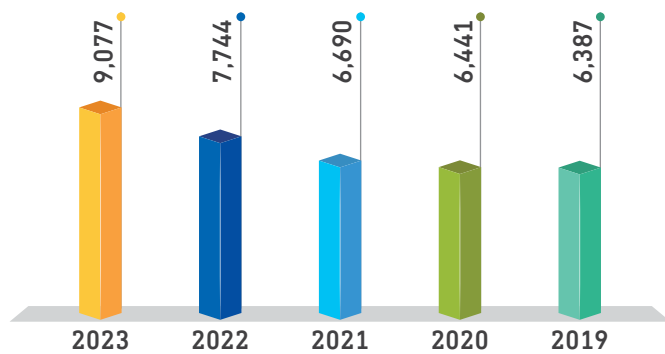
BDT in million


Operating income

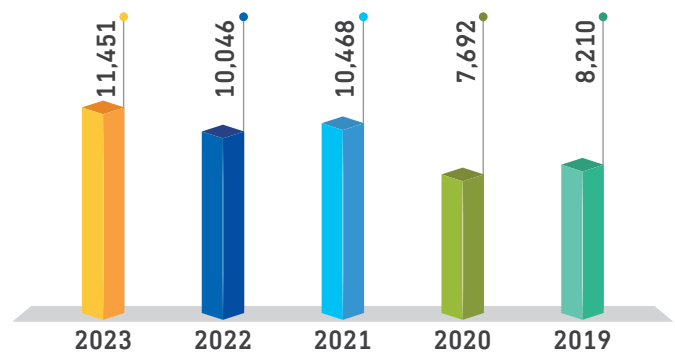
BDT in million


Operating expense

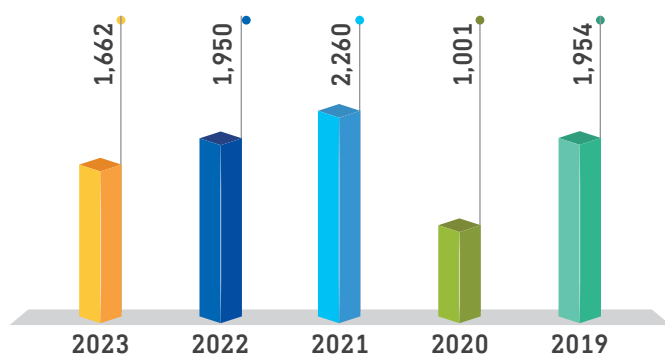
BDT in million


Operating profit

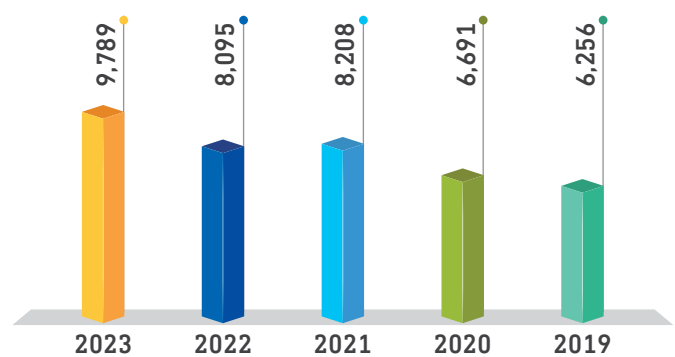
BDT in million


Total provision charged

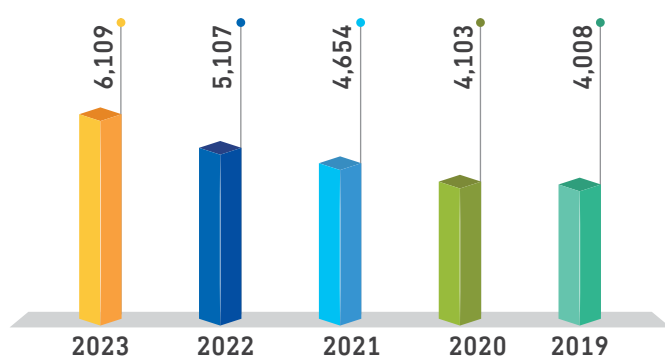
BDT in million


Profit before tax

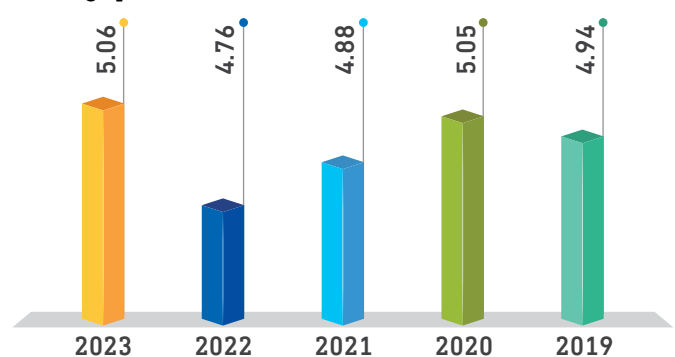
BDT in million

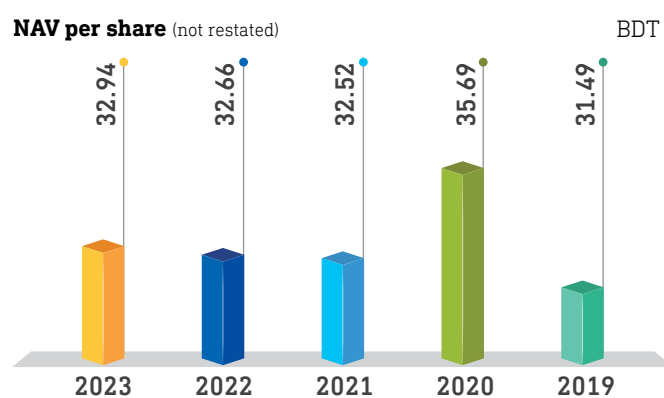
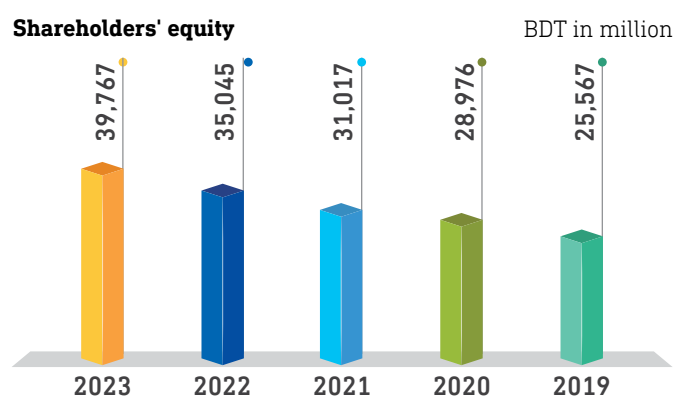
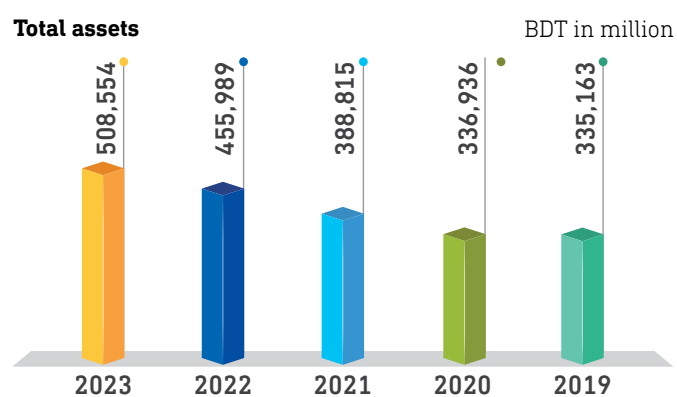
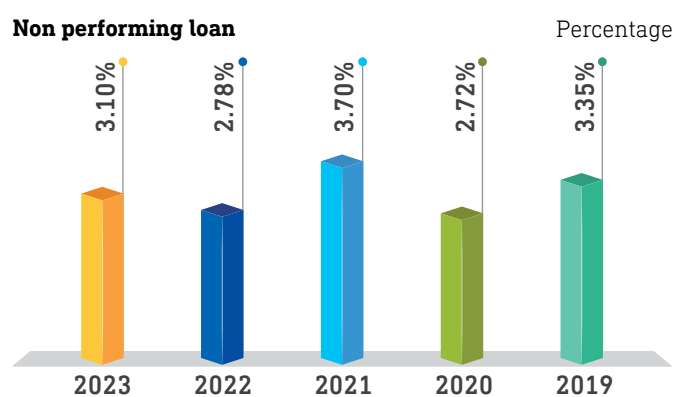
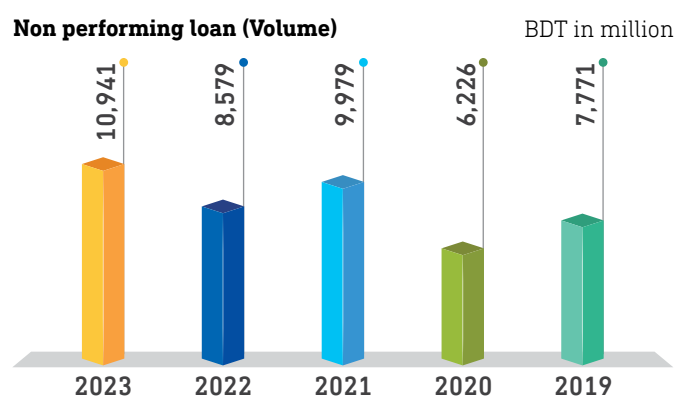
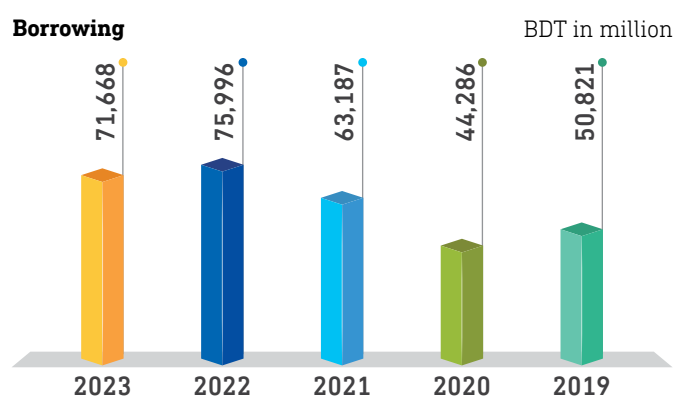
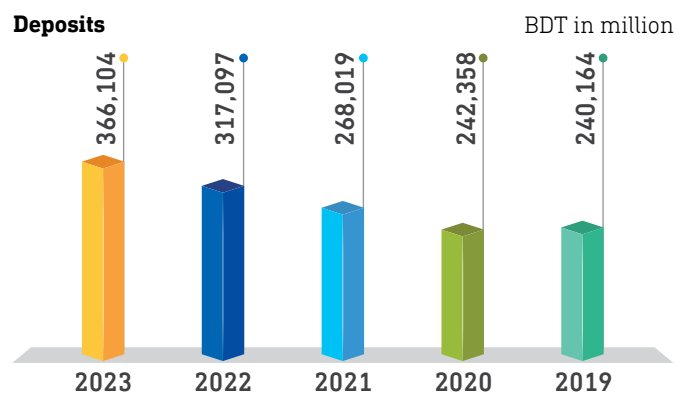
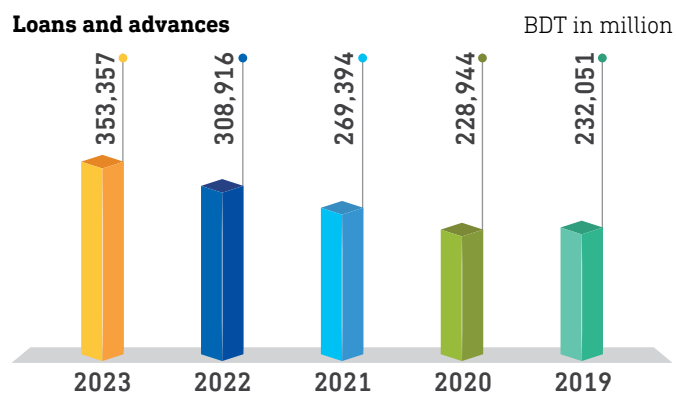

Profit after tax

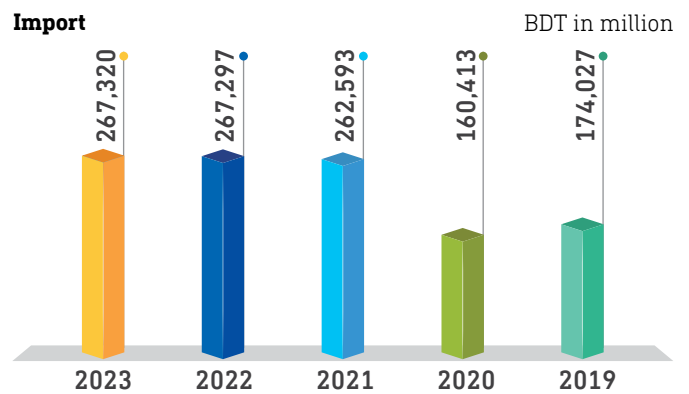
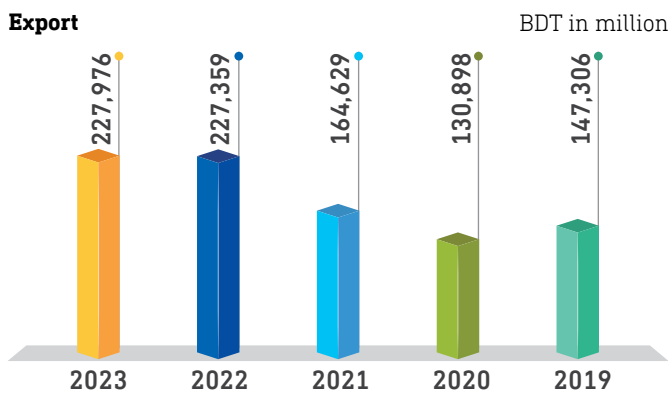
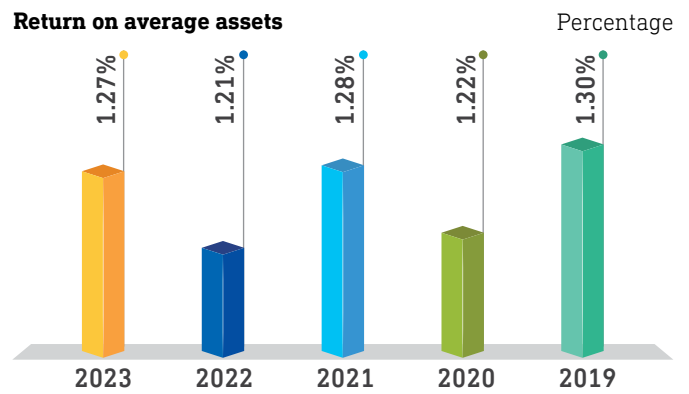
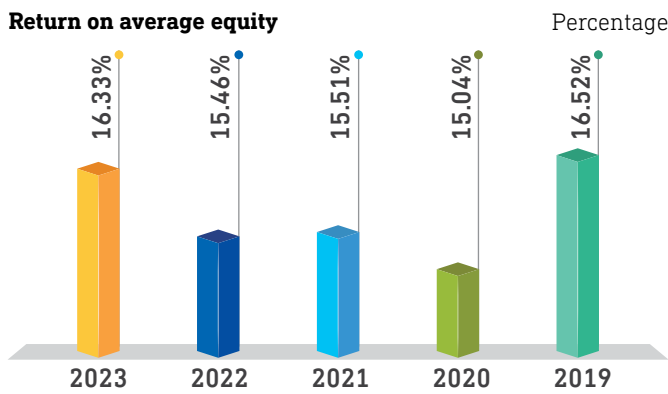
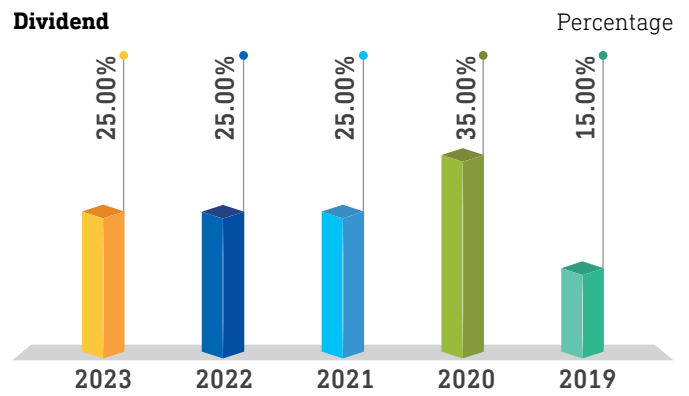
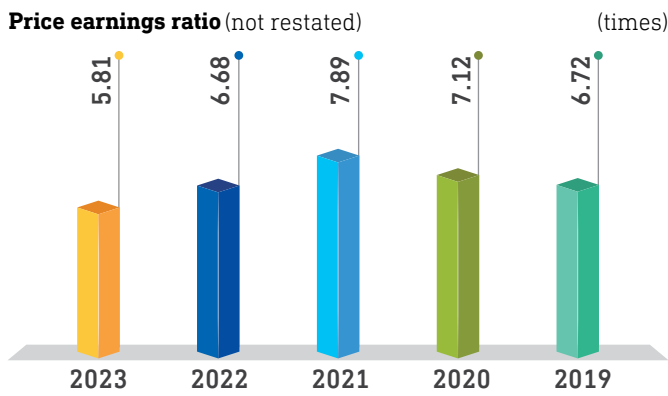
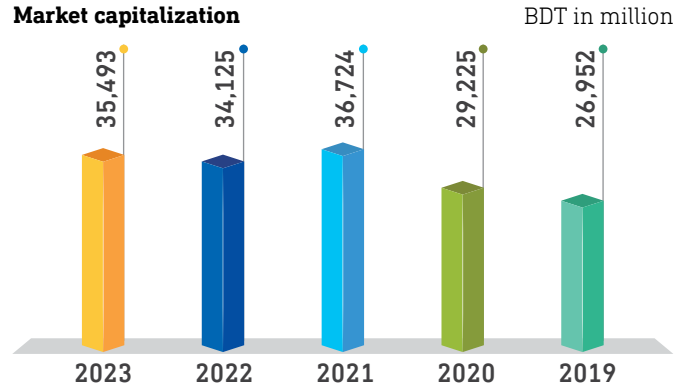
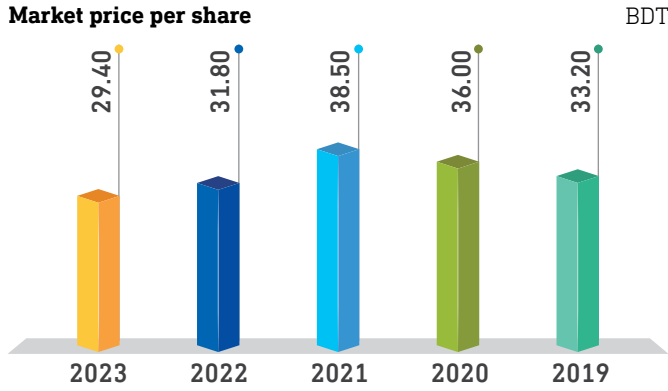
BDT in million


Earnings per share (not restated)

BDT







Financial Calendar 2023

Quarterly results

Particulars	Submission date to BSEC
Un-audited financial statements for the 1 st Quarter ended on 31 March 2023	11 May 2023
Un-audited financial statements for the 2 nd Quarter ended on 30 June 2023	31 July 2023
Un-audited financial statements for the 3 rd Quarter ended on 30 September 2023	30 October 2023

Dividend Information of 2022

Date of Notice of the 31 st Annual General Meeting of Eastern Bank PLC. for the year ended 31 December 2022	16 April 2023
Dividend Rate for the year ended 31 December 2022	12.50% Cash Dividend
	12.50% Stock Dividend
Record Date for Shareholders for entitlement of the declared dividends	03 May 2023
AGM Date (Dividend approved by the Shareholders')	31 May 2023
Date of Dividend Disbursement	Cash Dividend 31 May 2023
	Stock Dividend 13 June 2023

Information sensitive to share price

Particulars	Date of disclosure
Corporate disclosure for the submission of letter to Bangladesh Bank for getting permission for dividend declaration for the financial year 2022	23 March 2023
Corporate disclosure for obtaining consent from Bangladesh Bank for declaring dividend for the year ended 31 December 2022	29 March 2023
Corporate disclosure upon approval of annual audited financial statements 2022, recommendation of dividend, record date for dividend entitlement of the 31 st AGM (31.05.2023) of EBL	05 April 2023
Corporate disclosure of 1 st quarter financial information (un-audited) of EBL ended on 31 March 2023	09 May 2023
Corporate disclosure for achieving "AAA" Credit Rating of EBL rated by CRAB	22 June 2023
Corporate disclosure for purchasing an exchange house in Dubai, UAE, subject to approval by the respective regulatory authorities	25 June 2023
Corporate disclosure of 2 nd quarter financial information (un-audited) of EBL ended on 30 June 2023	27 July 2023
Corporate disclosure for investment of an amount of Tk. 12,50,00,000 for becoming a Sponsor of Digi10 Bank PLC	09 August 2023
Corporate disclosure for selling own plots of land of EBL at the prevailing market price	27 August 2023
Corporate disclosure of 3 rd quarter financial information (un-audited) of EBL ended on 30 September 2023	26 October 2023

Tax on dividend

Stock dividend is tax exempted for shareholders. In compliance with Section 117 and Section 119 of Income Tax Act 2023, at the time of paying cash dividend to a shareholder, EBL shall deduct tax on the amount of such dividend, in the following manner:

Types of shareholders	Applicable tax rate
If the shareholder is a resident or non-resident Bangladeshi person other than a company	10% (where the person receiving such dividend furnishes E-TIN to EBL) 15% (where the person receiving such dividend fails to furnish E-TIN to EBL)
If the shareholder is a company (resident/non-resident Bangladeshi company)	20%
If the shareholder is a non-resident company, fund or trust	20%
If the shareholder is any other person not being a company, fund or trust (non-resident)	30%



Charge of tax on stock dividend

As per Section 23 of Income Tax Act 2023, 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% 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 section 22 of Income Tax Act 2023, 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% of the net income after tax, tax shall be payable at the rate of 10% on the total amount so transferred in that income year.

Officials at investors' relation department

EBL places top priority on issues related to shareholders. Our Investor Relations Department remains dedicated to providing relevant assistance to shareholders promptly. Investors may contact the Share Department of Eastern Bank PLC. for any inquiries or issues related to shareholding. The address of the Investor Relations Department is as follows:

Share department

Eastern Bank PLC. (EBL)

Z Tower (6th Floor)

Holding No.04, Road No. 132

Gulshan-1, Dhaka-1212.

E-mail: sharedepartment@ebl-bd.com

Telephone: 9892260 (Direct)

Mobile No. +8801673726485

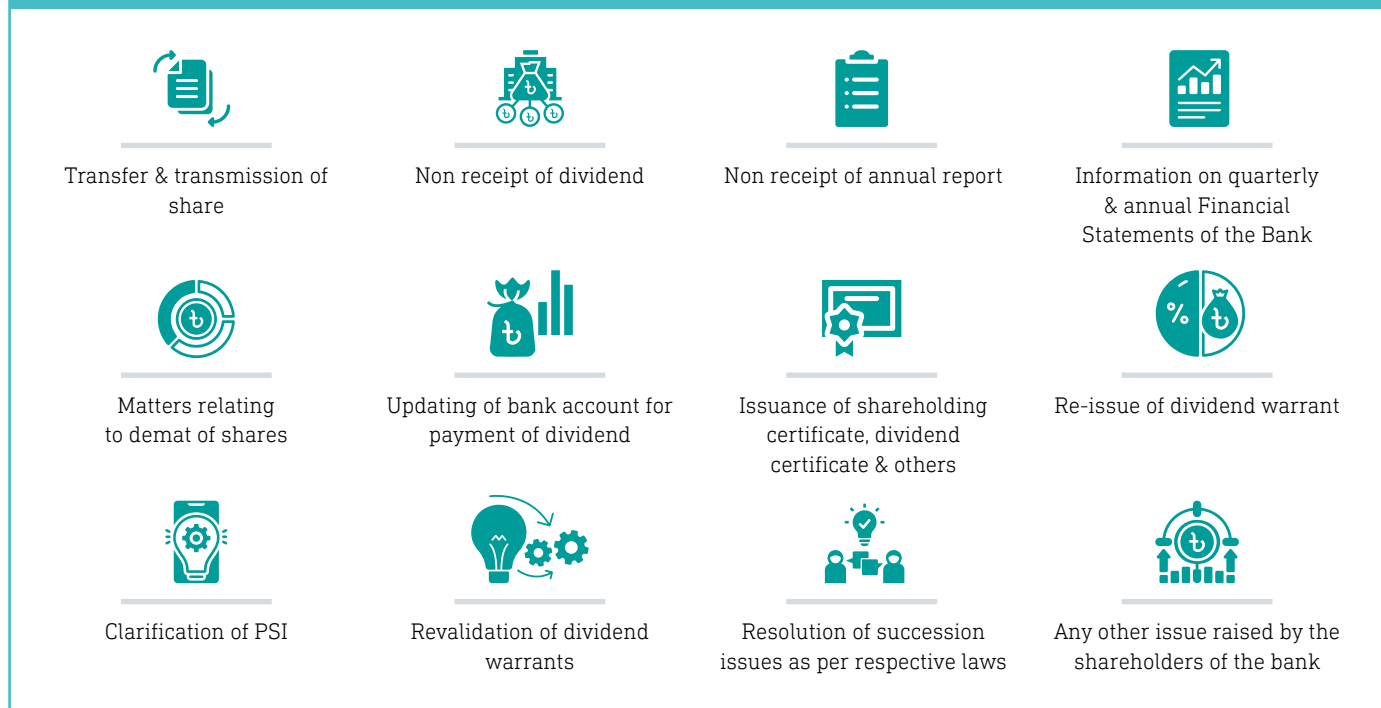
Accessibility of annual report 2023

Annual Report 2023 and other information about EBL is available on EBL's website www.ebl.com.bd. EBL provides copies of Annual Report to the Bangladesh Securities and Exchange Commission, Bangladesh Bank, Dhaka Stock Exchange PLC. and Chittagong Stock Exchange PLC. as directed.

Redressal of Investors Complaints

Being a responsible corporate entity, EBL always prioritizes the legitimate rights and interests of its investors. In line with this commitment, EBL has established a robust investor complaints redressal mechanism designed to protect investors' interests and ensure that their grievances related to investments are addressed timely and effectively. The mechanism involves providing investors with a channel to raise their complaints, such as a dedicated helpline, email address, and online portal through stock exchanges. The complaints are then registered and investigated by the concerned department, and appropriate action is taken to resolve the issue. It plays an important role in maintaining the confidence of investors in brand EBL and promoting a transparent and fair investment environment. The Company Secretary of EBL plays a pivotal role as the Chief Compliance Officer to resolve queries/complaints of the shareholders & investors of the bank.

Common areas of redressal



EBL's mechanism for redressal

The management of the Bank has assigned a designated officer to receive complaints from the shareholders. The investors/shareholders of the Bank can make their complaints through the following modes:

- Email address
- Dedicated helpline
- Through Online portal of Stock Exchanges
- Courier, etc.

The Process for Redressal of Investors' Complaints

- **Lodging a Complaint:** The investor has to lodge first a complaint to the Bank through the above-mentioned modes or to the designated email at sharedepartment@ebl-bd.com.
- **Acknowledgement:** The concerned officer acknowledges the receipt of the complaint, and maintains a complaints register to resolve the queries of the shareholders.
- **Investigation:** The concerned officer/authority investigates the complaint and verify the details provided by the investor. It may involve contacting the concerned parties, examining relevant documents, and conducting other necessary checks.
- **Communication:** The concerned officer communicates with the investor regarding the status of the complaint and any further information or clarification required.
- **Resolution:** Based on the findings of the investigation, the Bank then takes appropriate action to resolve the complaint.
- **Closure:** Once the complaint is resolved to the satisfaction of the investor, then the issue is closed.

**Investors' complaints/queries are received through the following addresses**

Registered Office Address	First contact point	Escalation point
Eastern Bank PLC. 100 Gulshan Avenue Dhaka-1212 Phone: +88 09666777325 e-mail: info@ebl-bd.com Web: www.ebl.com.bd	Share Department Eastern Bank PLC. (EBL) Z Tower (6th Floor) Holding No.04, Road No. 132 Gulshan-1, Dhaka-1212. E-mail: sharedepartment@ebl-bd.com Telephone: 02-22292260 Mobile No. 01673-726485	Md. Abdullah Al Mamun FCS Company Secretary Eastern Bank PLC. Head Office 100 Gulshan Avenue Dhaka-1212 E-mail: abdullah.al.mamun@ebl-bd.com Mobile No. 01819-412340

Redressal of investors' complaints during the year 2023

- Credited 13,36,37,350 bonus shares to the respective BO accounts of shareholders.
- Re-issued pay orders as requested by the shareholders.
- Issued dividend notice to the shareholders of the bank after holding AGM for income tax purpose.
- Met up any other requirements of the shareholders under direct supervision of company secretary.

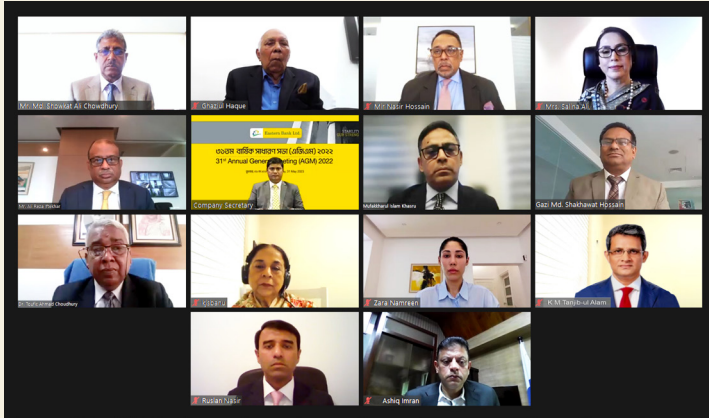
Synopsis of Q & A session of the last AGM

At the 31st Annual General Meeting (AGM) of EBL, some shareholders of the Bank raised various questions on audited financial statements of the Bank and put forward their suggestions. The shareholders lauded management for consistent business and financial performance and dividend payout for the year 2022. Some issues of queries and suggestions are outlined below:

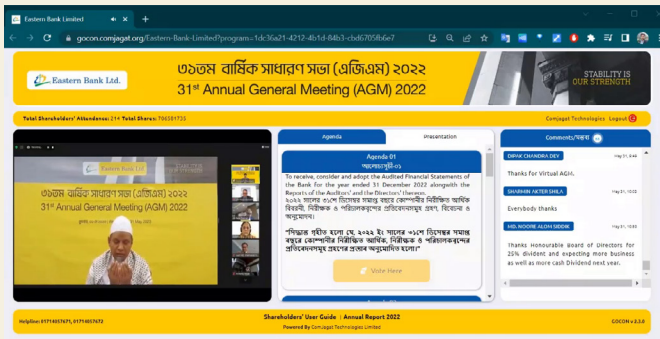
- Causes of decrease of net interest income compared to those of the previous year 2021.
- Drivers of Loan and Deposit growth of the Bank in 2022.
- Causes of increase of interest expense as well as Cost of fund of the bank in 2022.
- Causes of increase of borrowing from other Banks, FIs, Agents in 2022 from that of the previous year 2021.
- Drivers of growth in Contingent Liability & Commitment in 2022 from that of the previous year 2021.
- Underlying drivers of Operating income growth of the bank in 2022.
- Non-Interest Earning Asset increased from that of the previous year 2021.

On behalf of the BoD, Managing Director of the Bank answered the questions to the shareholders explaining with relevant facts & figures to their satisfaction.

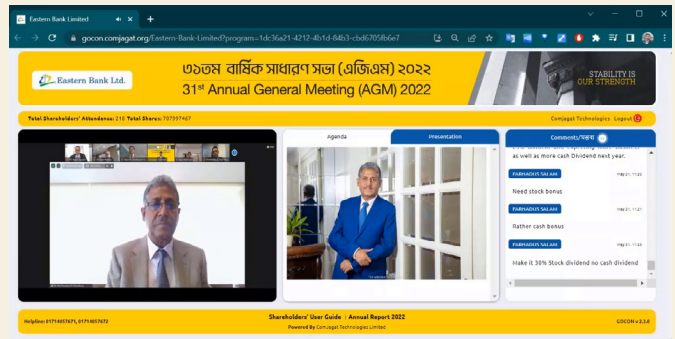
Glimpses from the 31st AGM



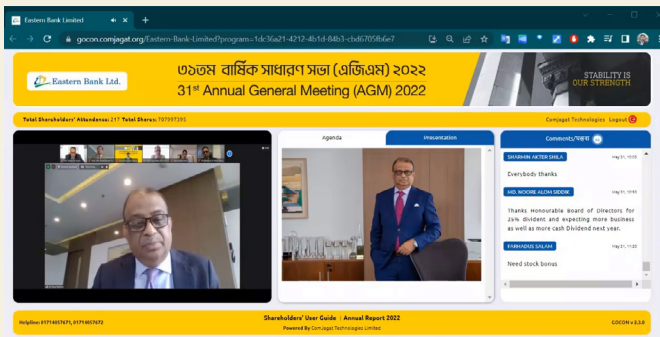
Md. Showkat Ali Chowdhury, Chairman of the Board of Directors of EBL, presides over the 31st AGM of the Bank. EBL directors, M. Ghaziul Haque, Mir Nasir Hossain, Salina Ali, Mufakkarul Islam Khasru, Gazi Md. Shakhawat Hossain, K. J. S. Banu, Zara Namreen, Ashiq Imran, Dr. Toufic Ahmad Choudhury, Ruslan Nasir, and Barrister K. M. Tanjib-ul Alam, are seen in the photo. Ali Reza Iftekhar, Managing Director, and Md. Abdullah Al Mamun FCS, Company Secretary are also seen in the photo



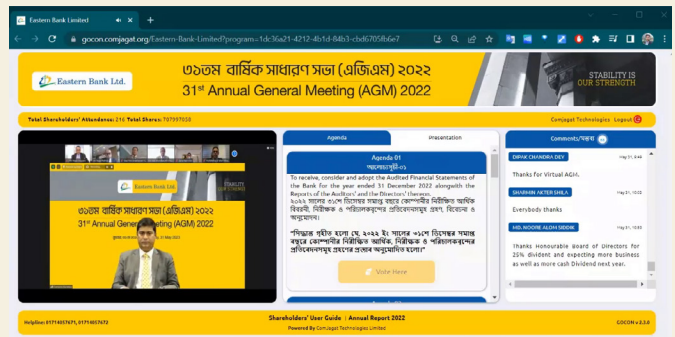
Prayers offered in memory of the deceased shareholders at the 31st AGM of EBL



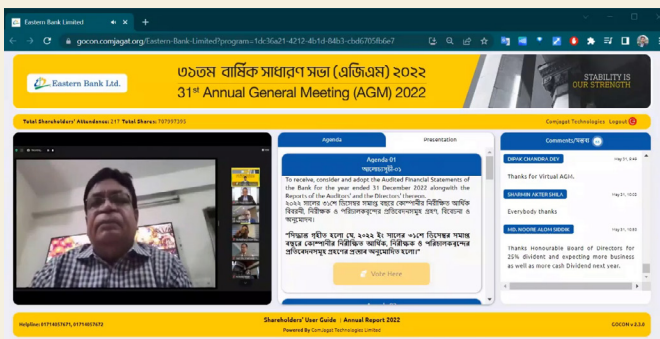
Chairman of EBL Md. Showkat Ali Chowdhury addressing the shareholders during the 31st AGM



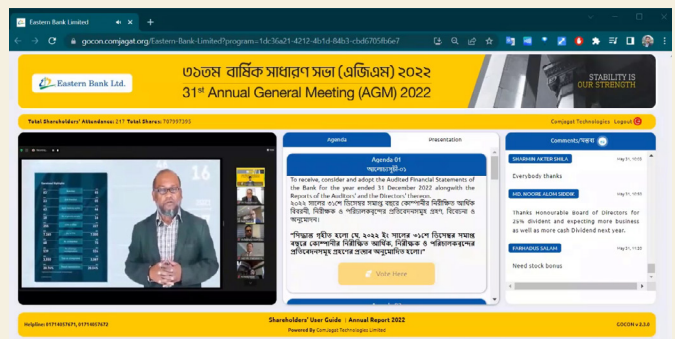
MD of EBL Ali Reza Iftekhar responds to the queries of shareholders at the 31st AGM



Company Secretary of EBL Md. Abdullah Al Mamun FCS gives his welcome speech at the 31st AGM

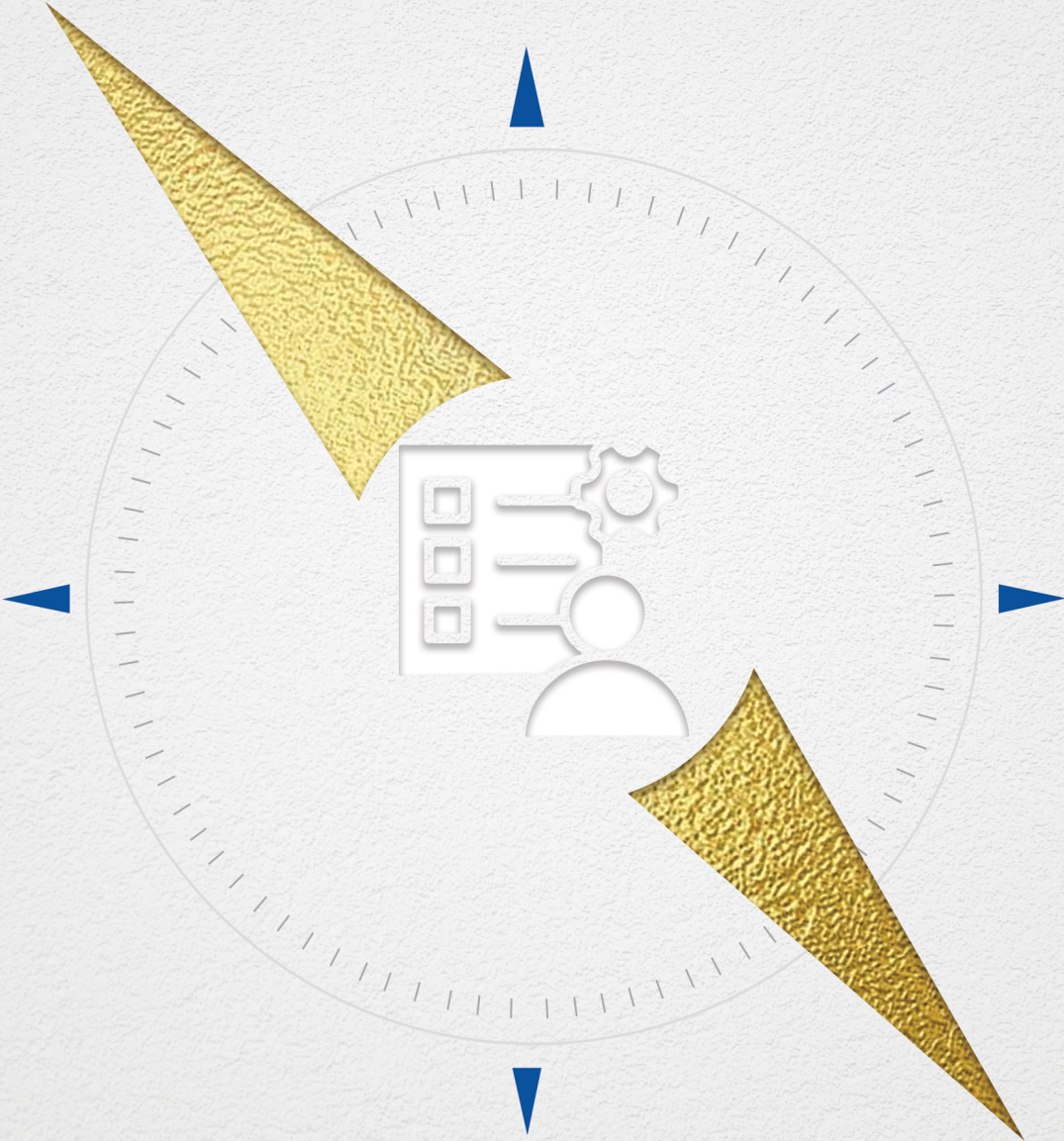


A shareholder gives his feedback on the performance of EBL



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

GOVERNANCE REPORTS



Directors Responsibility Statement

Among other oversight responsibilities, Board of Directors (BoD) has to ensure that the Financial Statements of the Bank and its subsidiaries are prepared in accordance with applicable International Financial Reporting Standards (including International Accounting Standards), relevant provisions of the Companies Act 1994 (amendment up to date), Bank Company Act 1991 (with subsequent amendments), 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 2023' 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 2023 and Management Discussion and Analysis (MD&A) section with relevant analytics and outlook.
- **Any recommended reserve in the balance sheet:** An amount of BDT 1,341.37 million has been transferred to 'Statutory Reserve' to equalize with the paid up capital as per section 24 of Bank Company Act 1991.
- **Recommended dividend:** The Board has recommended 12.5% cash dividend and 12.5% stock dividend for the completed year 2023.
- **Any event after balance sheet date which may affect company's financial condition:** Nothing significant.
- **Any change in Bank's activities, subsidiaries' activities etc.:** No major change in strategy and actions in the Bank and Subsidiaries experienced in 2023.

In compliance with BSEC Corporate Governance Code dated 03 June 2018 Board of 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 has been presented in the Directors Report 2023.
- **Segment-wise or product-wise performance:** Business-wise performance has been presented in the Management Discussion & Analysis section.
- **Risks and concerns:** A detailed discussion regarding risks and management of the same has been presented in "Risk Management Report" section of this annual report.
- **Discussion on operating performance:** A brief narrative has been presented in "Financial Performance Highlights of EBL" part of the Directors Report 2023.
- **Discussion on continuity of any extra-ordinary gain or loss:** EBL has not experienced any extra-ordinary gain or loss in 2023. EBL's Five Year Progression presented in the "Information for Stakeholders" 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 2023.

- **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, BDT 5,000 million, and BDT 4,020 million through issuance of 7-year non-convertible subordinated bonds in 2015, 2019 and 2023 respectively. The proceeds were utilized to generate liquidity and provide additional cushion to projected business growth.
- **Deterioration of financial results after the company goes for IPO, RPO, Rights Offer, Direct Listing, etc.:** The Bank issued Right Share in 2009 but after that financial results of the Bank did not deteriorate.
- **Explanation of variances between quarterly and annual financial performance:** No major variances have been observed between quarterly and annual performance.
- **Remuneration to directors including independent directors:** Remuneration provided to directors has been presented in the Corporate Governance Report and Note 33 to the Financial Statements 2023.
- **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 2023 present fairly, in all material respects, its state of affairs, the results of its operations, cash flows and changes in equity. The external auditor, Howladar Yunus & Co., Chartered Accountants also provided their opinion on the same by issuing an unqualified audit report.
- **Maintenance of proper books of account:** Proper books of account as required by law have been kept by EBL. The external auditor, Howladar Yunus & Co., Chartered Accountants also provided their opinion on the same by issuing an unqualified 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 therefrom has been adequately disclosed:** Details description including disclosure of departures has been presented in Note 2.1 to the Financial Statements 2023.

- **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 2023.
- **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 protect interest of all the shareholders including minority ones. The Bank has a sound governance practices in place based on integrity, openness, fairness, professionalism and accountability which fosters confidence among stakeholders. However, any complaint, received at AGM or throughout the year, from any shareholders, is resolved lawfully in time.
- **Significant doubts upon the Bank's ability to continue as a going concern:** None.
- **Explanations to significant deviations from the last year's operating results:** Significant deviations of operating results in 2023 have been adequately discussed in the Directors Report 2023 and Management Discussion & Analysis section.
- **Summarization of last five year's key operating and financial data:** Please see 'Five-year Progression of Financials' in the section of Information for Stakeholders.
- **Declaration of dividend or not:** Declared 12.5% cash dividend and 12.5% stock dividend for the year 2023.
- **Declaration of bonus share or stock dividend as interim dividend:** No bonus share or stock dividend was declared as interim dividend in 2023.
- **Number of Board meetings and directors' attendance in 2023:** 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 2023.

- **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 Directors of the Board' section of this report and Annexure C of the Financial Statements 2023.
- **Management's discussion and analysis signed by MD:** Please see 'Managing Director's Review' and 'Management Discussion and Analysis' section of this annual report.
- **Certification by the MD and CFO:** The certification by MD 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 A. Qasem & 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 2023 together with the Directors Report and the Financial Statements have been prepared in compliance with applicable governing acts, rules, regulations, guidelines and laws of various regulatory bodies including Bangladesh Bank and BSEC.

On behalf of the Board of Directors

Md. Showkat Ali Chowdhury
Chairman of the Board of Directors

Report of the Audit Committee of the Board

In the realm of bank governance, the Audit Committee of the Board (ACB) stands tall, playing a crucial role in oversight through close examination of audit performance, independence, and fairness. Through careful evaluation and monitoring, the ACB strengthens financial reporting and internal controls safeguarding the bank's reputation. With a dedication to transparency and accountability, it boosts confidence among stakeholders.

The report of the Audit Committee has been prepared in compliance with condition 5 (7) of the Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018; titled as "Corporate Governance Code 2018".

Composition of the Audit Committee and meeting attendance in 2023

The Audit Committee, comprising five Directors, including two independent ones with expertise in Accounting, Finance, Economics, Banking, and Strategy, adheres to the requirements of the Code of Corporate Governance issued by Bangladesh Bank and BSEC. Chaired by an Independent Director having extensive knowledge, experience and insight, the Committee ensures effective oversight.

Below are the names and educational backgrounds of the committee members, along with their attendance records in the committee meetings:

Sl	Name	Status with the Bank	Status with the Committee	Educational Qualification	Meeting Attendance
1	Dr. Toufic Ahmad Choudhury	Independent Director	Chairman	Ph. D, Master in Economics	7/7
2	Mufakkarul Islam Khasru	Director	Member	MBA (IBA)	7/7
3	Gazi Md. Shakhawat Hossain	Director	Member	M.com (Accounting)	7/7
*4	Ruslan Nasir	Director	Member	MBA	2/4
**5	Ashiq Imran	Independent Director	Member	Master of Science in Architecture	5/5

* Ruslan Nasir, Director, joined EBL Board on 25 August 2021 and Audit Committee of the Board on 06 July 2023.

** Ashiq Imran, Ex-Independent Director resigned from the office of Director on 20 October 2023. Khondkar Atique-e-Rabbani was appointed as an Independent Director of the Bank on 31 January 2024.

The Company Secretary of the bank is the secretary of the Board Audit Committee.

Participation of non-members

MD, Head of ICC, Head of Audit and CFO being the representatives of Management also attend the Audit Committee meetings on invitation.

Access to the committee

Head of Audit, being an administrative part of ICC, reports directly and is accountable to the Audit Committee of the Board and has access to the committee on any matter.

Committee governance

The Committee ensures that the Board is well informed and provides guidance on matters related to financial reporting requirements, internal control, and the issues raised by external auditors. Meetings of the Committee typically precede those of the Board, facilitating the timely and organized presentation of its findings and recommendations to the Board. Additionally, the Board receives copies of Committee agenda and meeting minutes.

The Committee Secretary maintains regular communication with the Chair to ensure the Committee meet its governance obligations effectively. This includes incorporating stakeholder input into finalizing meeting agenda and monitoring progress on action items and Committee priorities.

Roles and responsibilities of the Audit Committee

The Audit Committee diligently fulfills its oversight responsibilities in accordance with the directives of the Board, ensuring compliance with the Corporate Governance Code of BSEC, Guidelines of Bangladesh Bank and pertinent laws and directives issued by regulatory authorities.

01 Internal control	<ul style="list-style-type: none"> Assess the bank's compliance culture to ensure all employees understand their roles and responsibilities clearly. Review management's arrangements for developing and maintaining a suitable Management Information System (MIS). Evaluate the implementation of internal control strategies recommended by the internal and external auditors. Review reports on fraud, forgery, and internal control deficiencies detected by auditors and regulatory inspectors, and present findings to the Board after verifying whether corrective measures have been taken by the management.
02 Financial reporting	<ul style="list-style-type: none"> Evaluate the completeness and accuracy of the financial statements, ensuring compliance with prevailing rules, regulations, and financial reporting standards. Collaborate with management and external auditors to review annual financial statements before submission to the Board for approval. Scrutinize quarterly and half-yearly financial statements with management prior to submission to Board for approval. Examine management discussion and analysis content for inclusion in the annual report. Review significant related party transactions (RPTs) submitted by management. Ensure proceeds from Initial Public Offering (IPO) or Rights Share Offer are utilized in accordance with purposes outlined in approved offer documents or prospectuses endorsed by the Commission.
03 Internal audit	<ul style="list-style-type: none"> Evaluate and oversee the independence of internal audit functions. Review the activities, structure, and conduct of internal audit functions to prevent unjustified restrictions or limitations. Assess the annual internal audit plan and the effectiveness of the internal audit function. Ensure appropriate implementation of internal auditors' recommendations to address any irregularities detected.
04 External audit	<ul style="list-style-type: none"> Recommend external auditors' appointments, re-appointments, and removals for approval by the shareholders in the AGM, including overseeing new auditor selection and investigating any factors leading to auditor resignations. Oversee the relationship with external auditors, including approving their remuneration, assessing independence, and preventing conflicts of interest. Conduct regular meetings with external auditors for pre-audit planning and post-audit discussions, including holding annual meetings without management presence to address audit matters. Review external auditors' findings and ensure prompt management action on detected irregularities.
05 Compliance with existing laws and regulations	<ul style="list-style-type: none"> Review compliance with laws and regulations set by the regulatory authorities and internal policies approved by the Board to ensure management's adherence.
06 Other responsibilities	<ul style="list-style-type: none"> Submit quarterly Compliance Reports to the Board, detailing errors, irregularities, fraud, forgery, and anomalies highlighted by Internal and External Auditors and Bangladesh Bank Inspection Team. Provide evaluation reports on internal and external auditors and oversee additional assignments delegated by the Board, while conducting regular self-assessments of the Committee's performance.

Reporting to the Board

The Audit Committee routinely updates the Board of Directors after each meeting and promptly notifies them of any of the following occurrences:

- Report on conflict of interests, if any.
- Report suspected or presumed fraud, irregularity or material defect in the Bank's internal control system.
- Report suspected infringement of laws, including securities related laws, rules and regulations.
- Report any other matters deemed necessary by the ACB.

Meetings of the Audit Committee

The Audit Committee held seven meetings in 2023, exceeding the Bangladesh Bank's requirement of at least four meetings per year. Detailed discussions and reviews were conducted with

the Head of Audit, Head of Internal Control & Compliance, and External Auditors to address findings and remedial suggestions. The Committee instructed management to implement these suggestions and monitor progress accordingly. Meeting dates are provided below:

SL	Meetings	Date of Meeting
1	142 Audit Committee Meeting	16 February 2023
2	143 Audit Committee Meeting	05 April 2023
3	144 Audit Committee Meeting	09 May 2023
4	145 Audit Committee Meeting	27 July 2023
5	146 Audit Committee Meeting	26 September 2023
6	147 Audit Committee Meeting	26 October 2023
7	148 Audit Committee Meeting	27 December 2023

Major issues reviewed by the Audit Committee in 2023

Matters reviewed/approved	Audit Committee's meeting no.						
	142	143	144	145	146	147	148
Reporting							
• Draft annual, half yearly and quarterly financial statements		√	√	√		√	
• Operating expense variances			√	√		√	
Internal audit							
• Risk based internal audit plan-2024							√
• Summary of internal audit reports, including high-risk audit findings across branches, departments, and subsidiaries.	√	√	√	√	√	√	√
External audit							
• Recommendation for external and corporate governance auditors' appointment and remuneration.		√					
• Management Letter and its subsequent compliance thereof.					√		
Internal control							
• Policies relating to various functions.	√	√	√	√	√	√	√
• Responsibilities of company secretary, CFO, and audit/compliance head.	√						
Compliance issues & others							
• Bangladesh Bank inspection and compliance reports.	√			√			
• Annual Health Report -2022.					√		
• Quarterly Operational Report and Loan Documentation Checklist.	√		√		√		√
• List of corporate banking portfolio credit policy exceptions			√				
• Half-yearly complaints received by the bank		√			√		√

Internal audit and effective implementation of internal controls

The Internal Audit function's independence is ensured with the Head of Internal Audit reporting directly to the Audit Committee Chair. Work scope aligns with Audit Committee/regulatory guidelines to review all significant bank activities based on risk-based audit plans/internal audit standards. Internal Audit performance is assessed through periodic reports, including key findings summaries. The Head of Internal Audit has direct access to the Audit Committee Chair, with regular meetings held, with or without management present.

The Audit Committee of the Board ensures that there are no restrictions on Internal Auditors' access to people, information, processes, properties, records, and systems, to allow them to perform their audit activities with objectivity.

Focus of future activities

In the coming year, the committee anticipates a focus on risk governance and controls, the robustness of the bank's cybersecurity

arrangements, digitalization, automation, and Artificial Intelligence (AI), as well as customer data security. Additionally, the bank aims for its internal audit function to become more agile, robust, and innovative in surfacing risks it may encounter from time to time.

Acknowledgement

The Audit Committee extends its cordial appreciation to the esteemed members of the Board, management, and auditors for their invaluable support. Additionally, the Committee expresses sincere gratitude to regulatory bodies, notably the Bangladesh Bank and the Bangladesh Securities and Exchange Commission, for their invaluable direction and guidance, which significantly facilitated the fulfillment of its duties and responsibilities.

On behalf of the Audit Committee,



Dr. Toufic Ahmad Choudhury

Chairman, Audit Committee of the Board

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

Risk and rewards are inherent in banking business; as such modern risk management is integrated into business planning, credit decision making, internal control mechanism and day to-day operations. The Risk Management Committee (RMC) of the Board oversees the overall risk governance in the Bank to ensure that there is an effective infrastructure in place to manage risk. This committee also conducts management efficacy and promptness in identifying, assessing, controlling and monitoring risks. RMC of the Board is committed to ensure a sound risk management system that promotes sustainability and resilience capability of the Bank in the long run.

Formulation of the committee

Pursuant to Section 15 Kha (3) of the Bank Company Act, 1991 (amended up to 2023) and in compliance with guidelines of Bangladesh Bank, the Board of Directors (BoD) formed the Risk Management Committee (RMC) of the Board on 07 November

2013 which was last reconstituted on 06 July 2023 to carry out an effective role in mitigating impending risks arising out of strategies and policies formulated by the Board.

The objective of the committee is also to ensure proper risk governance; overseeing, directing and setting policies and reducing probable risks arising during implementation of policies, procedures and strategies. Periodic review of adequacy of capital and provisions against the identified risks are the focus area of RMC of the Board.

Composition of the committee

The Risk Management Committee of the Board comprises 5 non-executive directors solely nominated by the Board of Directors in compliance with the relevant provisions of Bangladesh bank. The qualification of members, their status in RMC and attendance in the meetings are noted below:

Sl.	Name	Status with the Bank	Status with the Committee	Educational Qualification	Meeting Attendance
1	Mir Nasir Hossain	Director	Chairman	M.Com (Accounting)	4/4
2	Mufakkarul Islam Khasru	Director	Member	MBA (IBA)	4/4
3	Gazi Md. Shakhawat Hossain	Director	Member	M.Com (Accounting)	4/4
4	Zara Namreen	Director	Member	Master of Science in Business Finance	3/4
5	Dr. Toufic Ahmad Choudhury	Independent Director	Member	Ph. D, Master in Economics	3/4

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

Participation of non-members

Representatives from the risk management team participated in the meetings of the RMC of the Board held in 2023. The Managing Director, Additional Managing Director, Deputy Managing Director & Chief Risk Officer, Head of Risk Management Division (RMD), Head of Planning, Strategy and Governance, Head of Special Asset Management Division (SAMD), Head of Legal attend the meetings of the committee, together with other concerned members of the management, as determined or invited by the committee.

How the RMC of the Board operates

To ensure effective discharge of the responsibilities by the RMC, an annual forward calendar linked with the Terms of Reference (ToR) of the committee is approved beforehand by the committee. The Company Secretary and the Chief Risk Officer assist the chairman of the committee in drafting the agenda for each committee meeting. Following each committee meeting, a formal report is presented to the Board by the chairman of the committee describing the

discussions, decisions and recommendations along with any other issues those need to be brought to the notice of the Board.

Roles and responsibilities of RMC

The roles and responsibilities of RMC have been framed in line with the provisions of Bangladesh Bank, Risk Management Guidelines for Banks vide DOS Circular no. 04, dated 08 October 2018 and other best practices. Some important roles and responsibilities are highlighted below:

- It is the responsibility of RMC to identify and assess risks and guide management to formulate strategies for minimizing/controlling risks. The committee (RMC) reviews the risk management policy and modifies the same as required from time to time.
- In order to mitigate risks, RMC ensures that a suitable risk governance structure is in place. RMC monitors the activities of separate management committees to ensure compliance with risk management guidelines related to credit risk, operational risk, foreign exchange risk, internal control and compliance risk, money laundering risk and information and communication technology risk.

- RMC reviews 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 status and quality of loan portfolio and guide management as required.
- The committee monitors implementation status of risk management policy of the Bank and examines whether remedial measures have been taken to minimize credit risk, market risk and operational risk.
- The committee reviews various decisions and recommendations made by different risk committees of management for onward submission to Board of Directors.
- The committee complies with different directives/guidelines as issued by Regulators from time to time.
- Ensuring articulation and review of risk appetite and limits, and recommending these to the Board for their subsequent review and approval.
- Analyzing comprehensively existing and probable risk issues in the meeting, taking appropriate decisions for sufficient risk mitigation, incorporating the same in the meeting minutes and engaging in follow-up of decisions for ensuring appropriate implementation.
- Reviewed concerning accounts including unclassified and re-scheduled (pre or post classification) ones which may have been classified if payment deferral/classification pause had not been in place allowed during the pandemic. RMC also reviewed ownership structure of those entities exposed to succession risk and total liability position of those borrowers based on CIB report with analysis of total debt (composition of working capital and term loan), annual turnover, total assets and net worth to assess risks.
- Reviewed ICAAP (Internal Capital Adequacy Assessment Process) policy for 2023 and SRP (Supervisory Review Process) return for 2022 for onward submission to Board of Directors for consideration.
- Reviewed risk performance against approved Risk Matrix (Key Risk Indicators) for the year ending December 2022, half year ending June 2023 and month ending positions from January to October 2023.
- Reviewed the reports on Risk Management Policies of EBL and effectiveness of risk management functions in the Bank for the year 2022.
- Reviewed and endorsed Bank's risk appetite/internal limits for 2023 on major risk areas to place before Board of Directors for approval. RMC recommended growth in thrust sectors and advised to be cautious in few sectors considering their inherent and emerging risks.
- Reviewed risk performance against the risk appetite on quarterly interval and endorsed exposures exceeding the risk appetite with an advice to bring down those exposures within limit.
- The RMC of the Board discussed and oversaw issues related to climate change and green transition. In 2023 the RMC in its meetings also discussed disclosure reports, new alignment targets and advised to enforce energy audit of imported machineries financing.
- Reviewed Internal Audit Report On Post Import Finance (PIF) till Q1, 2023 and report of PIF Monitoring Unit till Q3, 2023 in Compliance with BRPD Circular 12, Dated June 13, 2021.
- Periodically reviewed Top 50 credit exposure (Group) of EBL in terms of limit offered to counterparties and advised management to closely monitor the account performance and to pay special attention to the vulnerable accounts.
- RMC highly focused on collection and recovery from delinquent accounts and reviewed implementation status of the strategies adopted in meetings. Throughout the year RMC regularly monitored position of classified, special mention, written-off and compromised settlement accounts, recovery status therefrom and progress of the law suits.
- Reviewed and revised the Foreign Exchange Value at Risk (VaR) limit for January and September 2023.
- Reviewed and endorsed Enterprise Risk Management (ERM) Guideline, Internal Capital Adequacy Assessment Process (ICAAP) Policy, Key Risk Indicators (KRI) limits, Terms of Reference of Sustainable Finance Committee.

Meeting of RMC of the Board held in 2023

Bangladesh Bank advised RMC to hold at least 4 meetings in a year. In line with the same, RMC held 4 (Four) meetings during 2023 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 No.	Meetings	Date of Meeting
01.	44 th RMC Meeting	28 February 2023
02.	45 th RMC Meeting	23 May 2023
03.	46 th RMC Meeting	19 September 2023
04.	47 th RMC Meeting	13 December 2023

Major areas focused by RMC in 2023

In 2023 a total of 55 agenda were discussed in 4 meetings of RMC along with periodic status of implementation of RMC meeting's decisions. Major issues and areas of interest are noted below:

- Reviewed monthly Risk Management Reports, half yearly Comprehensive Risk Management Reports (CRMR) and recommendations of Executive Risk Management Committee (ERMC) made during December 2022 to October 2023 and with certain directions endorsed the same for onward submission to Bangladesh Bank (BB).
- Reviewed Stress Test Reports from quarter ending December 2022 to quarter ending September 2023 and endorsed the same for onward submission to BB. Four stress scenarios were considered in addition to minimum regulatory requirement aligning with risk profile of EBL.

Recommendations of the Risk Management Committee (RMC) placed to the Board for ratification

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

SL	Meeting No.	Ratification in Board Meeting
1	Recommendation of 44 th Meeting of RMC of the Board	732 nd Board Meeting held on April 5, 2023
2	Recommendation of 45 th Meeting of RMC of the Board	736 th Board Meeting held on June 25, 2023
3	Recommendation of 46 th Meeting of RMC of the Board	743 rd Board Meeting held on October 11, 2023
4	Recommendation of 47 th Meeting of RMC of the Board	748 th Board Meeting held on December 27, 2023

Future roadmap

RMC meetings are always conducted through constructive dialogue; disseminating various suggestions and recommendations to the

management that are also placed before the Board. RMC has laid increased emphasis on the impact of global economic scenarios as well as major regulatory amendments. The committee is mindful of the need to continue to foster its inquisitorial capacity into stressed assets and recovery therefrom, and to maintain an 'effective and aware' risk culture and discipline. Considering these, RMC has increased its focus on implementing a risk control strategy to mitigate future uncertainty. In 2024, the Committee will continue to monitor the execution of the transition initiatives underway at the Bank and its impact on the risk and control environment.

Acknowledgement

The Risk Management Committee of EBL's Board of Directors extends its heartfelt appreciation to the members of the Board, the management team, and the different Risk Committee for their unwavering and constructive support. We look forward to continued cooperation and support for strengthening the Bank's risk governance and control practices.

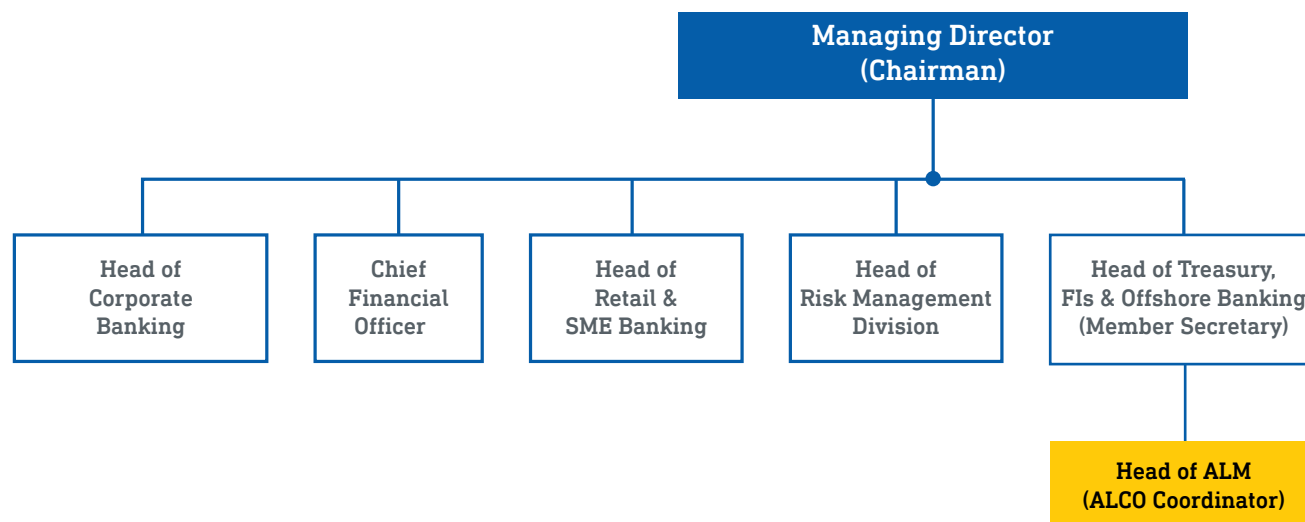
Mir Nasir Hossain

Chairman of the Risk Management Committee (RMC)

Report of the Asset Liability Committee (ALCO)

An Asset Liability Committee (ALCO) comprising senior officials of a bank and led by Managing Director is responsible for overseeing and mitigating risks associated with a bank's assets and liabilities. This committee, commonly known as ALCO, is mandated to convene a meeting at least once a month to analyze, review, and strategize

for effective balance sheet management. Its primary objective is to identify any mismatches or potential pitfalls that could jeopardize the safety of customers' deposits and undermine the institution's credibility. The composition of ALCO is as follows:



ALM (Asset liability management) Desk

ALM desk prepares the ALCO pack, ALCO meeting minutes, and circulates the approved minutes. Moreover, monitoring developments of local and international market and updating ALCO about the changes in the market are responsibilities of ALM desk. In addition, ALM desk is also responsible for calculation of balance sheet mismatch, preparation of cash flow and balance sheet forecast, interest rate forecast and spread calculation. Maintaining

regulatory limits, managing liquidity & market risk of the bank and understanding the market dynamics i.e. competition, potential target markets etc. for expansion of the business are certain other roles played by ALM desk.

Meetings of the ALCO

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

Roles and responsibilities of ALCO

Major areas	Roles and responsibilities
ALCO management & reporting	<ul style="list-style-type: none"> Retaining records of ALCO meetings and monitoring implementation status of the actions taken in ALCO meetings. Reviewing the interest rate risk and liquidity risk status of the Bank and focusing on action plan to achieve goals. Assessing liquidity gap and interest-rate risk. Holding a formal meeting (usually once in a month). Informal meetings are held on requirement basis. Monitoring and discussing the status and results of decisions taken in the previous ALCO. Confirmation of last ALCO Minutes. Reporting ALCO minutes to the Board along with market commentary and latest ALM indicators.
Balance sheet planning	<ul style="list-style-type: none"> Preparing forecasted balance sheet. Discussing innovative ideas to boost growth at minimum risk per unit of return. Reviewing the decisions taken by investment committee and actions of money market, fixed income trading desk to capture the short term trading and interest rate arbitrage opportunities. Setting up annual plan and reviewing it on quarterly basis. Decision making on choosing ideal yield curve for fund transfer pricing.

Major areas	Roles and responsibilities
Core asset-liability management	<ul style="list-style-type: none"> Interest income projections. Interest rate sensitivity analysis. Concentration of different asset classes based on liquidity concern in the balance sheet. Reviewing limits on structural gap in LCY & FCY on annual basis and ensuring compliance with the limits on monthly basis. Developing parameters for the pricing and maturity distribution of deposits, loans and investments. Net interest margin on current balance sheet and forecasted balance sheet.
Liquidity risk management	<p>Liquidity management strategy</p> <ul style="list-style-type: none"> Setting up limits that guide liquidity management of the Bank and ensuring compliance on regular basis. Reducing dependency on volatile liability and ensuring funding diversification. Managing loanable funds. <p>Liquidity management under stress situation</p> <ul style="list-style-type: none"> Complying predesigned contingency funding plan. Review contingency funding plan on regular interval. Monitoring liquidity ratios and their skewedness towards contingency situation described in the contingency funding plan.
Interest rate risk management	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Formulating transfer pricing system and policy. Fixing the yield curve. Measuring customer wise and business segment wise profitability.

Major areas focused by ALCO in 2023



Liquidity Management



Managing maturity mismatch



NRB business expansion for sourcing foreign remittance



Upholding Asset Quality



Emphasis on investment in Government Securities



Balance sheet growth

31 December 2023					1 st Fortnight of Dec'23	2 nd Fortnight of Dec'23
ALM Ratios	79.45%	104.64%	107.61%	12.25%	13.78%	8.68%
	Advance to Deposit Ratio (ADR)	Liquidity Coverage Ratio (LCR)-DBO	Net Stable Funding Ratio (NSFR)-DBO	Maximum Cumulative Outflow (MCO)-DBO	Wholesale Borrowing (WB)-DBO	
BB Limit	≤87%	≥100%	>100%	≤16.50%	≤80%	

On behalf of the Asset Liability Committee



Ali Reza Iftekhar
 Managing Director
 Chairman of the Asset Liability Committee

Report of the Executive Risk Management Committee (ERMC)

The Executive Risk Management Committee (ERMC) of Eastern Bank PLC. is structured to oversee all significant risks inherent to the Bank. This encompasses establishing and implementing effective risk tolerance limits and triggers, offering valuable input and feedback on risk mitigation strategies, and ensuring that risk-taking endeavors harmonize with risk appetite and overarching strategic objectives of the Bank.

The ERMC is committed to aiding the risk management functions in identifying, measuring, prioritizing, and managing both current and emerging risks that may affect strategic objectives. Cultivating a risk-aware culture throughout the entire Bank stands as the committee's paramount objective.

Composition of the committee

The chairman of the committee is Chief Risk Officer (CRO). Head of ICC & CAMLCO plays the role of co-chairman and Head of Risk Management Division (RMD) acts as the Member Secretary of the committee.

Composition of the Committee is as follows

Sl No	Designation	Position in ERMC
01	DMD & Chief Risk Officer (CRO)	Chairman
02	DMD & Head ICC	Co-chairman
03	Additional Managing Director	Member
04	DMD & Head of Corporate Banking	Member
05	DMD, Head of Retail & SME	Member
06	DMD, Treasury, FIs and Offshore Banking	Member
07	DMD, Operations	Member
08	Chief Financial Officer	Member
09	Chief Technology Officer	Member
10	Head, Human Resources	Member
11	Head of Planning, Strategy and Governance	Member
12	Head of Special Asset Management	Member
13	Head of Credit Risk Management	Member
14	Head of Risk Management Division	Member Secretary
15	Head of Credit Administration	Member

Non-members composition

A standing invitation is extended to the Head of Audit and the Head of Business Information Systems. Moreover, members have the option to bring guests of relevance to the meeting.

Meetings of ERMC in 2023

ERMC meetings occur monthly, with the chairman having the authority to convene emergency meetings as needed. In the chairman's absence, the Head of ICC & CAMLCO presides over the meeting. The Terms of Reference (TOR), approved by the Risk Management Committee (RMC) of the Board, outline ERMC's responsibilities. A quorum requires at least two-thirds of the members' presence. If a member is unavailable due to prior commitments, medical reasons, or leave, they nominate an alternate representative.

The ERMC convened a total of twelve (12) times during 2023.

Roles and responsibilities of the committee

- ERMC's responsibility is to submit recommendations or reports to the competent authority (MD or RMC of the Board). If decisions are based on these recommendations, ERMC oversees their timely and effective implementation through respective departments/divisions.
- Review and recommend risk assessment policies, methodologies, guidelines, and procedures in line with Bangladesh Bank guidelines for risk identification, measurement, and monitoring.
- The Committee oversees the assessment and maintenance of adequate capital and provisions to support risk-taking. It also reviews and recommends the maintenance of supervisory capital as part of the Supervisory Review Process (SRP) through RMD.
- The Committee directs and assists in developing an effective information system/MIS and data management capabilities to support the Bank's risk management functions.
- The Committee establishes principles for identifying, measuring, managing, and reporting Bank-wide risks, recommending actions to control and mitigate them.
- The Committee periodically reviews the Key Risk Indicators (KRIs) of all the departments/divisions across the Bank and advice corrective actions to departments/divisions where there is any deviation.
- The Committee annually reviews all risks systematically to maintain risk exposures within Board-set limits, ensuring adequate control and reasonable risk-adjusted returns.
- ERMC can request information on any risk-related issues from any individual/unit/department/division of the Bank, in any format, and respondents must provide accurate and timely information.
- ERMC ensures arrangement of the Annual Risk Conference of the Bank.

Major areas focused by ERMC in 2023

- Formed a Sub-committee to review the merit and gravity of all the 'High' and 'Medium' risk issues identified by Internal Audit and to update the ERMC chairman on periodic basis.
- Initiated capturing of top 3 risks of each divisions. Each members submitted top 3 risks associated with their Divisions.
- A total 71 risks have been captured by the ERMC. Risk Management team working as a coordinator and ensuring proper follow up.
- Reviewed all risk related reports (CRMR, RMR, KRI, Stress Test etc.) throughout the year and adopted suitable mitigating measures.
- Ensured periodic follow-up of different risk sectors.
- Reviewed the Operational Risk Management Policy, securing the requisite approval from the esteemed Board of Directors.

On behalf of the Executive Risk Management Committee.



M. Khurshed Alam
DMD & Chief Risk Officer
Chairman of the ERMC



Directors Responsibility Statement to Establish Appropriate System of Internal Control

The Board of Directors of Eastern Bank PLC. (EBL) acknowledges its responsibility to establish a robust internal control system and has delegated the overall supervision role to the Audit Committee. The Board actively reviews internal audit report, external auditor's report including management report and Bangladesh Bank inspection report to ensure compliance and management due diligence. It assesses the qualifications of external auditors and verifies the effectiveness of the Bank's internal control systems, emphasizing continuous risk identification and management.

This control system not only helps the Bank achieve its goals consistently but also ensures compliance with local laws, regulations, and internal/external policies, reducing the risk of unexpected loss or damage. Additionally, EBL conducts anti-fraud control self-assessments twice a year, following Bangladesh Bank's DOS Circular Letter No. 10 dated 09 May 2017. The results are shared with Bangladesh Bank to confirm our compliance.

Details have been discussed under Directors Report 2023, Report of the Audit Committee of the Board, and Corporate Governance Report.

On behalf of the Board of Directors,

Md. Showkat Ali Chowdhury

Chairman of the Board of Directors

Directors Statement on Adequacy of Internal Control System

Eastern Bank PLC. (EBL) has implemented a strong internal control system aimed at ensuring compliance with regulations and upholding sound corporate governance. The internal control and compliance division conducts periodic audits and ensures adherence to corporate and business laws, as well as established internal policies. The Board of Directors follows up on the status of the Bank's governance practices using various tools, including a comprehensive internal control strategy, and relevant legislations such as the Bank Company Act, 1991 (amendment up to date), the Companies Act, 1994 (amendment up to date), and various Securities Laws.

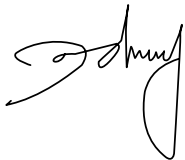
The Board has delegated its responsibilities to three committees namely the Executive Committee, Audit Committee, and Risk Management Committee. These committees play a crucial role in overseeing accounting records, ensuring accurate and fair financial representation, effective risk management, and strengthening internal controls.

The audit committee of the Board oversees the effectiveness of internal control systems, ensuring compliance with laws, ethical codes, and best practices. EBL has so far established various written policies including the Internal Control & Compliance Policy, EBL Compliance Policy, EBL Audit Policy & Process Guideline, Fraud & Theft Prevention and Management Policy, Incident Reporting Process Guideline, EBL Money Laundering & Terrorist Financing Risk Management Policy (AML Policy), and AML Solution End User Guide, among others. These policies, guidelines, and manuals are regularly updated and communicated to all employees.

An internal audit & compliance mechanism evaluates and monitors the operational activities, with an approved risk-based audit plan. The Board reviews the internal control and compliance system, providing recommendations for improvement.

The Board reviews internal control's soundness, does continuous monitoring, and assures the accuracy of financial records. Financial statements, prepared on a going concern basis, are considered reliable by the Board, complying with international financial reporting standards and relevant regulatory guidelines.

On behalf of the Board of Directors,



Md. Showkat Ali Chowdhury
Chairman of the Board of Directors

Corporate Governance Report

Corporate Governance Practices at EBL

Good governance is a pre-requisite for existence and sustenance of institutions like banks as it deals with public money and trust. Banks play a crucial role in the economy by channeling funds from depositors to entrepreneurs and businesses leading to economic growth. EBL's corporate governance practices prioritize varied stakeholder interests through ethical and responsible business conduct, adhering to legal and regulatory compliance in all its business and operational processes. The Board approves governance policies and practices, delegates authority to committees and management to ensure operational integrity, ethical standards, transparency, accountability, and foster a culture of integrity across the organization.

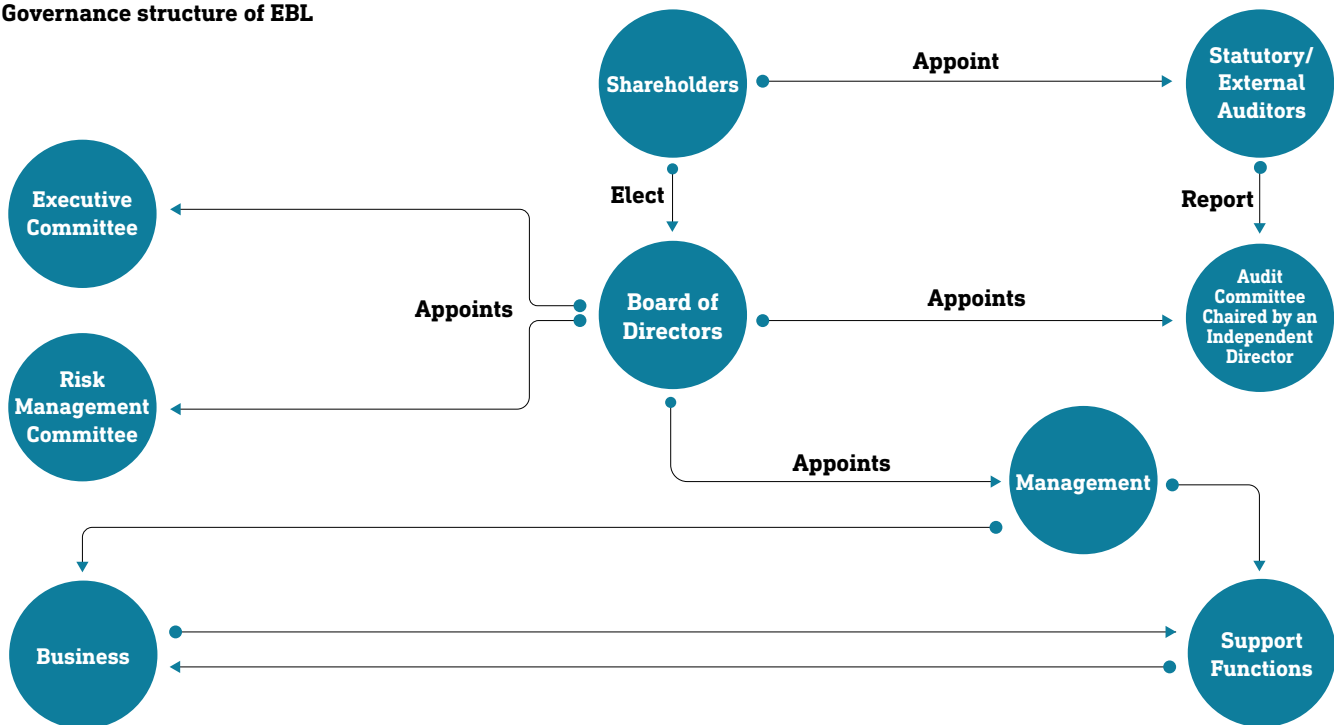
The Board is committed to meeting expectations of diverse stakeholders and fulfilling its obligations across multiple domains including business, ethics, governance, CSR and regulatory compliances. As a publicly listed company, EBL meticulously discloses its governance practices annually in its report, with compliance status duly certified by professional accountants or chartered secretaries, as required by the BSEC Code of Corporate Governance. Compliance certificate can be viewed in the page 132.

Governance Structure

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

'Tone at the top' - 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 responsibility of setting strategic pursuits and goals of the company is also on the Board. The management of EBL as an extended wing of the Board executes policies and procedures set by the Board for the greater interest of shareholders and other stakeholders. The risk management and overall support functions of the Bank has been designed and kept fully independent from Business to guard against any unforeseen events that undermine the brand value of the Bank.

Governance structure of EBL



The Bank makes sure to follow strong moral values and rules in its business. The Board encourages a culture of honesty, respect and openness. EBL has a set of rules and code of conducts that everyone who works here has to follow. These rules make sure everyone treats each other, suppliers, shareholders, and investors fairly.

Guiding Philosophy of Governance Practices

We prioritize governance principles, essential reforms, and adherence to laws, regulations, and international best practices recommended by various authorities with a view to achieving long-term growth and sustainability. Our corporate governance

practices are aligned with relevant guidelines, acts, codes, and policies, including the Bank Company Act, 1991, and the Companies Act, 1994 (with subsequent amendments).

However, the Bank's corporate governance philosophy encompasses not only regulatory and legal compliances 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 exercise sound governance practices based on integrity, openness, fairness, professionalism and accountability in building confidence among stakeholders.

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

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

Structure of the Board

According to Clause 94 of the Articles of Association of EBL, the Board of Directors (BoD) currently comprises 14 directors among whom 13 are Non-executive directors including the Chairman and 1 is the Managing Director (Ex-Officio). BoD of the Bank appointed 3 Independent Directors as prescribed in the BSEC Corporate Governance Code and Section 15 of Bank Company Act 1991.

Policy on appointment of Directors

Directors are appointed as per respective provisions, sections and regulations of Companies Act, Bank Company Act, Bangladesh Bank, Bangladesh Securities & Exchange Commission and Articles of Association of the Bank (EBL).

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, information technology, accounting, economics, marketing, administration and law. Their rich and diverse backgrounds have given the Board a vantage point in directing and monitoring the Bank to achieve its desired goals.

Retirement and election of Directors

According to clauses 105 and 106 of the Articles of Association of the Bank (EBL), following directors retired at the 31st Annual General Meeting (AGM) held on 31 May 2023. Being eligible for re-election, all four of them got re-elected by the shareholders in the same AGM.

Sl.	Name of Director	Mode of Change
1.	Mufakharul Islam Khasru Representing: ZS Holding Ltd.	Re-elected
2.	Gazi Md. Shakhawat Hossain Representing: Purnima Construction (Pvt.) Ltd.	Re-elected
3.	K.J.S. Banu	Re-elected
4.	Zara Namreen Representing: Namreen Power Ltd.	Re-elected

Pursuant to section 92 of the companies Act, 1994 and as per clauses 105 & 106 of the Articles of Association of the Bank, 1/3 (one third) of

the following Directors shall retire by rotation from the office of the Directors in the forthcoming AGM and will be eligible for re-election.

- Md. Showkat Ali Chowdhury
- M. Ghaziul Haque
- Mir Nasir Hossain
- Salina Ali

The Board appointed Khondkar Atique-e-Rabbani as Independent Director of the Bank after 31st AGM which will be placed in the next AGM (29 April 2024) for shareholders' approval in compliance with Corporate Governance Code of BSEC & Articles of Association of the Bank.

Non-Executive Directors

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

Independent Directors

EBL encourages effective representation of independent directors in its Board to infuse diverse knowledge and core competencies relevant to banking business. The BoD has appointed 03 independent directors in compliance with relevant Corporate Governance Code of BSEC. The independent directors being conversant in the field of financial, information technology, regulatory and corporate laws enjoy full freedom to carry out their assigned roles. With them they have brought in more than 10 years of corporate management/ professional experiences for meaningful contribution to the BoD.

Board meeting and attendance

The Board of Directors holds meetings on regular basis: usually twice in a month but emergency meetings are called as and when required. Management provides information, references and detailed working papers for each item of agenda to all the Directors well ahead of time fixed for the BoD meeting for consideration. In the meeting, the Chairman of the BoD allocates sufficient time for the Directors to consider each item of the agenda and allow them to discuss, inquire, and express opinions freely on the items of interest so that they can fulfill their duties to the best of their abilities. During the year 2023, a total of 24 Board Meetings were held; the attendance records are as follows:

Sl.	Name	Position	No. of Meetings attended
1.	Md. Showkat Ali Chowdhury	Chairman	23/24
2.	M. Ghaziul Haque	Director	13/24
3.	Mir Nasir Hossain	Director	21/24
4.	Salina Ali	Director	17/24
5.	Anis Ahmed	Director	4/24
6.	Mufakharul Islam Khasru	Director	21/24
7.	Gazi Md. Shakhawat Hossain	Director	22/24
8.	K.J.S. Banu	Director	21/24
9.	Zara Namreen	Director	17/24
10.	Dr. Toufic Ahmad Choudhury	Independent Director	21/24
11.	Ruslan Nasir	Director	19/24

Sl.	Name	Position	No. of Meetings attended
12.	Barrister K. M. Tanjib-ul Alam	Independent Director	22/24
13.*	Ashiq Imran	Independent Director	18/19
14.	Ali Reza Iftexhar	Managing Director	24/24

*Mr. Ashiq Imran, former Independent Director, resigned from EBL Board on 20 October 2023. Subsequently, Mr. Khondkar Atique-e-Rabbani was appointed as an Independent Director of the Bank on 31 January 2024.

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 2023, the Directors of EBL held 30.67% of total shares whereas General Public, Institutions & Foreign investors held 22.05%, 47.01% and 0.27% respectively:

Sl.	Composition	31.12.2023		31.12.2022	
		No of shares held	% of total Shares	No of shares held	% of total Shares
1	Directors	370,217,723	30.67%	329,082,425	30.67%
2	General Public	266,204,206	22.05%	223,463,019	20.82%
3	Institutions	567,517,404	47.01%	514,801,129	47.97%
4	Foreign Investors	3,295,382	0.27%	5,750,952	0.54%
Total		1,207,234,715	100%	1,073,097,525	100%

Directors shareholding status

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

Shareholding structure of directors is as follows:

Sl.	Name	Position	31-12-2023	
			No of Shares Held	% of total shares
1	Md. Showkat Ali Chowdhury Representing Namreen Enterprise Ltd.	Chairman	47,857,293	3.97%
2	M. Ghaziul Haque	Director	38,765,518	3.21%
3	Mir Nasir Hossain Representing Mir Holdings Ltd.	Director	36,047,617	2.99%
4	Salina Ali Representing Borak Real Estate Ltd.	Director	57,906,365	4.79%
5	Anis Ahmed Representing MGH Healthcare Limited	Director	24,625,073	2.04%
6	Mufakkharul Islam Khasru Representing ZS Holding Ltd.	Director	24,150,656	2.00%
7	Gazi Md. Shakhawat Hossain Representing Purnima Construction (Pvt.) Ltd.	Director	36,468,949	3.03%
8	K.J.S. Banu	Director	32,264,929	2.67%
9	Zara Namreen Representing Namreen Power Limited	Director	24,150,656	2.00%
10	Dr. Toufic Ahmad Choudhury	Independent Director	-	-
11	Ruslan Nasir Representing Coloasia Limited	Director	47,980,667	3.97%
12	Barrister K.M. Tanjib-ul Alam	Independent Director	-	-
13	Ali Reza Iftexhar	Managing Director	-	-
Total			370,217,723	30.67%

Free Float Shareholding

Particulars		As on 31.12.2023		As on 31.12.2022	
1. Total number of Shares			1,207,234,715		1,073,097,525
Less:	a. Shares held by Directors	370,217,723		329,082,425	
	b. Shares held by Government	NIL		NIL	
	c. Strategic shareholding by private Corporate Bodies/ Individuals (Holding more than 5% shares by an individual/company, be considered as Strategic)	120,399,655		107,021,916	
	d. Shares held by Associate Companies (Cross Holding)	NIL		NIL	
	e. Any other Locked-in Shares (Directors Personal Holding)	70,098,793		62,310,040	
2. Subtotal (a to e)			560,716,171		498,414,381
Total Free Float Shares (1-2)			646,518,544		574,683,144
No. of Sponsors			NIL		NIL
% of free float shares in respect of total shares			53.55%		53.55%

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

Please refer to Note 14.1 to the Financial Statements of 2023.

Separation of Chairman and Managing Director Roles

In compliance with the guidelines of Bangladesh Bank and BSEC, 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 Managing Director.

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 MD's authority and aspects of the Bank's corporate strategy, financial performance, core risks and credit policy, corporate governance, CSR and organizational structure, human resources policy, customer service strategies, procurement policy, etc.

On the other hand, MD, being the Head of management team, is accountable to the Board and its Committees to run and manage the Bank in accordance with the prescribed policies, principles

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

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

Roles and responsibilities of the Board of Directors

The major roles and responsibilities of the Board, among others, are to set the vision, mission and policies of the Bank and to determine the goals, objectives and strategies to ensure efficient utilization of the Bank's resources. The roles and responsibilities of the Board of Directors are outlined below (but not limited to) in compliance with the guidelines of Bangladesh Bank:

Major roles and responsibilities	Brief Particulars
Work planning and strategic management	<ul style="list-style-type: none"> • Determining the objectives and goals and chalk out strategies and work plans. • Making strategies relating to structural change and reformation for enhancement of institutional efficiency and other relevant policy matters. • Analyzing/monitoring the status of implementation of the work plans. • Setting the Key Performance Indicators (KPIs) for the MD & officers immediate two tiers below the MD, and have it evaluated from time to time.
Credit and risk management	<ul style="list-style-type: none"> • Formulating 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. • Delegating lending authority to MD and his designated executives prudently. • Framing policies for risk management and monitoring compliance of the guidelines of Bangladesh Bank regarding key risk management.
Internal control management	<ul style="list-style-type: none"> • Keeping vigilance on the internal control system of the bank in order to attain and maintain satisfactory qualitative standard of its loan portfolio. • Establishing internal control system in such a way so that the internal audit process can be conducted independently from the management. • Reviewing reports submitted by its audit regarding compliance of recommendations made in internal and external audit reports and Bangladesh Bank inspection reports.

Major roles and responsibilities	Brief Particulars
Human resources management and development	<ul style="list-style-type: none"> • Framing policies relating to recruitment, promotion, transfer, disciplinary measures, human resources development etc. and service rules. • Refraining from any interference 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 MD in compliance with the service rules. • Paying 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). • Establishing a Code of Ethics for every tier and promote healthy code of conducts for upholding a compliance culture.
Financial management	<ul style="list-style-type: none"> • Finalizing and approving annual budget and periodic financial statements. • Reviewing/monitoring 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. • Framing policies and procedures for bank's purchase and procurement activities and accordingly approving Delegation of Authority to MD for 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. • Reviewing whether an Asset-Liability Committee (ALCO) has been formed and is working as per Bangladesh Bank guidelines.
Appointment of Managing Director (MD)	<ul style="list-style-type: none"> • Appointing an honest, efficient, experienced and suitable Managing Director with the approval of Bangladesh Bank.
Formation of supporting committees	<ul style="list-style-type: none"> • Forming an executive committee, an audit committee and a risk management committee with the directors. Board can not form any other sub-committee except the mentioned three committees.

Responsibilities of the Chairman of the Board

To fix following responsibilities, guidelines of Bangladesh Bank and BSEC have 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 policies and aspirations 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 MD.
- 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 MD, CFO, CS and HIAC

The Board of Directors of EBL clearly defines and approves the respective roles, responsibilities and duties of Managing Director (MD), Chief Financial Officer (CFO), Company Secretary (CS) and Head of Internal Audit & Compliance (HIAC).

To set out the following responsibilities of MD, guidelines of Bangladesh Bank and BSEC have been taken into consideration.

- In terms of financial, business and administrative authorities vested upon him by the BoD, the MD shall discharge his own responsibilities. He shall remain accountable for achievement of financial and business targets by means of business plan and its efficient implementation and prudent administrative and financial management.
- The MD 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 MD shall point out if there is any deviation from the Bank Company Act 1991 and other relevant laws and regulations.

- The MD 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 MD. 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 MD, shall rest on him. Besides, under the purview of the 'EBL people management policy' approved by the BoD, he shall nominate officers for training and other related issues.

Appointment of CFO, Head of ICC and CS

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

Independence of Non-Executive Directors

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

Annual appraisal of the Board's performance

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

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

Annual evaluation of MD by the Board

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

- Compliance status of various assignments given by the Board to MD and his team from time to time.
- Variance analysis of budget vs. actual result and steps taken by MD to achieve the budgeted target.
- Among the financial parameters, NPL ratio, growth of loan & deposit, return on equity and return on assets, cost to income

ratio, loans write off and its recovery, capital to risk weighted assets ratio, credit to deposit ratio etc. are the common ones.

Training of Directors

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

Directors' knowledge and expertise in Finance and Accounting

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

Compliance with corporate governance guidelines

The status of our compliance of Corporate Governance Code issued by BSEC, Bangladesh Bank, Companies Act-1994 and Bangladesh Secretarial Standards (BSS) has been presented in page 112-131, and 139-140. A. Qasem & Co., Chartered Accountants, duly certified the compliance status of corporate governance code and issued a report which is presented in page 132.

Vision, Mission and Strategy of the Bank

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

Board Committees and their Responsibilities

To ensure good governance in bank management, Bangladesh Bank issued a circular allowing banks to form maximum three committees or sub-committees of the Board.

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

Executive Committee (EC)

- **Appointment and composition:** In Compliance with Section 15 Kha (2) of Bank Company Act 1991 and guidelines of Bangladesh Bank, the Board of Directors of EBL has re-constituted the Executive Committee (EC) of the Board in 2022 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 of the Bank. Details of EC members are stated in 'Corporate Directory' Section of this annual report.

- **Meeting and responsibilities of EC:** The EC of a larger sized BoD usually acts as a proxy for full BoD; attends a meeting with short notice and takes decisions to ensure smooth flow of banking businesses. However, any decision taken by the committee has to be subsequently ratified by the full Board.

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 guidelines of Bangladesh Bank and BSEC's Corporate Governance Code, Audit Committee (AC) of EBL Board has been re-constituted by the BoD from time to time to review and oversee company's financial reporting, non-financial corporate disclosures, internal control systems and compliance to governing laws, rules and regulations etc. independently. Details of AC members are stated in "Corporate Directory" Section of this annual report.
- **Chairman of the AC:** Chairman of the AC is an Independent Director who performs his duties with full freedom.
- **Members are Non-Executive Directors:** All members of the AC are Non-executive Directors. No Executive of the Bank is eligible to become a member of the AC. Also, no member of EC is nominated as the member of the AC.
- **Qualification of members of AC:** All members of the AC are financially literate with degree in economics, accounting and business administration. Moreover, all members of the AC have reasonable knowledge in 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 Bangladesh bank, BSEC's Corporate Governance Code 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 any issues arising from the internal audits carried out.
- **Objectives and activities of the AC:** The AC regularly reviews the internal control system of the Bank and the quarterly, half yearly and annual financial statements of the Bank before submission to the Board for consideration. The objectives and activities of the AC have been described in "Report of the Audit Committee" section of this annual report.

- **Meeting of the Audit Committee:** The Audit Committee of EBL held 7 (seven) meetings in 2023 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 2023 have been presented in "Report of the Audit Committee" section of this annual report.

Risk Management Committee (RMC)

- **Appointment and composition:** In Compliance with guidelines of Bangladesh Bank, the Board of Directors of EBL has re-constituted the Risk Management Committee of the Board in 2023 with 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 "Corporate Directory" Section of this annual report.
- **Roles and responsibilities of RMC:** It is the responsibility of RMC to identify and assess risk and guide management to formulate action plans for minimizing/controlling risks. 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 2023 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 MD, Chief Risk Officer (CRO) or any other executive to attend the committee meeting. The RMC held 4 (four) meetings during 2023 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 2023 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: 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 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 practice 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 2023 have been presented in "Report of the Risk Management Committee of the Board" section of this report.

Appointment of Independent Scrutinizer for the 32nd AGM of EBL

Mohammad Sanaullah & Associates has been appointed as an Independent Scrutinizer in compliance with the directive of BSEC dated 10 March 2021 to scrutinize the e-voting system and to ensure other rights of the shareholders in the ensuing 32nd Annual General Meeting (AGM) of the Bank (EBL). Independent Scrutinizer shall have to submit the authenticated report on process of election & voting results to the Bangladesh Securities & Exchange Commission (BSEC) within 48 (forty eight) hours from the conclusion of Annual General Meeting (AGM) of the Bank (EBL).

Appointment of external auditors

The shareholders of EBL in the 31st AGM held on 31 May 2023 appointed Howladar Yunus & Co., Chartered Accountants, as the statutory auditors for the year 2023.

Services not provided by external auditors

In compliance with the provision 7 of BSEC Corporate Governance Code, we declare that Howladar Yunus & Co., Chartered Accountants, was not engaged in any of the following services during 2023 while conducting statutory audit:

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

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

Highlights on Central Bank Inspection

Crucial role of Central Bank Inspection is well recognized by the BoD and management of EBL. Bangladesh Bank conducted a comprehensive inspection in 2023 covering Head Office, selected branches, core risks and departments of EBL like earlier years. A total of 46 inspection reports were furnished by Bangladesh Bank during the course of 2023. Our compliance status was highly commendable, reflecting a proactive response to the observations made in the inspection reports. Timely and precise responses were provided for major issues. The Board, in turn, directed the management to meticulously adhere to the recommendations put forth by Bangladesh Bank.

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. 12 dated 15 June 2022. Following Bangladesh Bank BRPD circular -12 dated 15 June 2022 (restricting banks from procuring goods or services from "related parties"), EBL discontinued procuring goods and services (i.e. courier, internet, refreshment items etc.) from respective related party entities except Unique Hotel & Resorts PLC and replaced all those by suitable alternatives. However, EBL Skylounge situated at HSIA, Dhaka of which service is taken from Unique Hotel & Resorts PLC (UHRL) is yet to be replaced due to its unique nature of propositions and absence of ready and suitable alternatives. Considering the business sensitivity (especially cards business) and unavailability of suitable alternative for replacing UHRL, EBL applied and got permission from Bangladesh Bank to continue with the UHRL till 30th June 2024.

Please refer to Annexure C1 of financial statements for details of related party transactions.

Compliance of Code of Conduct and Ethical Guidelines

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

All the employees are committed to adhere to the Code of Conduct and are expected to demonstrate highest level of ethical standards.

They are also expected to undertake at all times to comply with or adhere to all applicable laws and regulations of the country, policies and instructions of the Bank, wherever they operate.

Board's Review on the organization's disaster recovery plan

EBL prioritizes operational resilience to ensure uninterrupted service even during unforeseen events which can be both localized natural disasters i.e. fires, floods, earthquakes, or man-made disasters i.e. power outages, connectivity failures, and explosions. Approved Disaster Recovery Plan (DRP) of ICT delineates a comprehensive and consistent set of actions to be executed before, during, and after such crisis. EBL boasts two geographically dispersed Disaster Recovery Sites (DRS) – Dilkusha as near DR for immediate restoration and Jashore as far DR for long-term continuity. We implement data backups and retention strategies tailored to each system's criticality, minimizing the risk of information loss. In 2023, a significant milestone has been achieved by completing the replication of Agent Banking System across all DRS locations, ensuring data consistency and redundancy. As a part of ongoing commitment to resilience and preparedness, the Bank conducts comprehensive DR drills every year, simulating real-world disruptions of varying scales. In 2023, the scope of the drill was expanded by testing the ability to resume critical operations even in the event of a complete data center failure. Valuable insights from these simulations give information regarding continuous improvement of the DRP, reinforcing for preparedness and confidence in navigating any challenge.

Board's Policy on ICT Governance

EBL recognizes the transformative power of information and communication technology. To fully harness its potential, efficient and effective ICT governance is prioritized, ensuring it seamlessly aligns with the broader enterprise framework. ICT governance adopts a comprehensive approach that takes into account stakeholder needs, evaluates various options, establishes priorities, and monitors performance and compliance against predefined objectives and directions. The Board of Directors has officially endorsed the Information Security Policy and ICT Risk Management Policy to achieve the following governance objectives:

- Alignment with enterprise governance.
- Oversight of the ICT environment through the implementation of global standards.
- Compliance with regulatory requirements.
- Allocation of resources in a judicious manner to meet current and future ICT needs.
- Ensuring transparency in procurement procedures.

In essence, EBL's ICT governance policy serves as a catalyst for innovation and transformation, fostering sustainable growth at a reasonable cost.

Effective anti-money laundering and anti-terrorist financing program

EBL has established a definitive stance against money laundering and terrorist financing, demonstrating a commitment to a Zero Tolerance approach. The Board and senior management have placed utmost priority to the Anti-Money Laundering (AML) and Anti-Terrorism Compliance Program. To build a vigorous anti-money laundering and anti-terrorism program, EBL has deployed necessary resource and manpower.

Central Compliance Committee (CCC) has been reconstructed with

14 crucial department/division heads so that they can actively contribute to AML/CFT compliance program. Triple C is chaired by CAMLCO who is responsible for overall AML & CFT Compliance of the bank. A dedicated department "Anti Money Laundering Department (AML)", headed by Deputy CAMLCO, acts as an executive arm of Triple C.

Responsibilities of the Central Compliance Committee (Triple C)

- Define and develop AML/CFT compliance policies, strategies & programs aligned with international and national standards and regulations and evaluate the same time to time.
- Supervise for effective implementation of AML/CFT annual program of Anti Money Laundering Department (AML) held jointly with CAMLCO.
- Meet at least quarterly to review policies, assess overall compliance status of the Bank and issue directives in this regard.
- Submit half yearly Reports to MD on progress of implementation of AML/CFT related measures with recommendations.
- Direct AMLD to issue instructions for adherence by branches and departments relating to policy and procedures on KYC/CDD/EDD, Transaction Monitoring/Screening, etc. and nominate 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 quarterly and decisions taken in those meetings have been implemented timely. Specialized trainings have been arranged for BAMLCOs/DAMLCOs for AML/CFT measures.

AML has implemented 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 a Board-approved "EBL Prevention of Trade Based Money Laundering Policy" (TBML Policy) to subject trade transactions to greater scrutiny.

Whistleblowing and Anti-Fraud program

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

In order to develop an environment that assists in preventing Fraud, including Misappropriation, Abuse & Corruption and Theft risks across the Bank, EBL has prepared and implemented Fraud and Theft Risk Prevention and Management Policy. This policy has outlined the measures to prevent fraud and theft to safeguard the bank.

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

Compliance with Secretarial Standards

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

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

Governance of Board of Directors of Subsidiary Companies

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

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

Cash Dividend

Sl.	Year	Amount in BDT	Remarks
1	Cash Dividend for the year 1997 to 2017	62,472,595.57	Transferred to the Capital Market Stabilization Fund (CMSF)
2	Cash Dividend for the year-2018	7,707,926.30	Necessary instructions and guidelines are yet to receive from the primary regulator regarding the transfer of the cash dividend to CMSF.
3	Cash Dividend for the year-2019	9,540,422.11	
4	Cash Dividend for the year-2020	10,165,660.82	
5	Cash Dividend for the year-2021	6,269,384.84	
6	Cash Dividend for the year-2022	12,503,697.69	

The details discussion on the Bank's Human Capital has been presented in "eblHR: The Trendsetter in Caring HR Practices" 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 have effective communication with its shareholders and other stakeholders. Shareholders and other stakeholders of the Bank may contact to this Department during office hour for any sort of information and queries. Common services include but not limited to allow or rejection of transfer or transmission of shares, issue of duplicate certificates, allotment of shares issued from time to time, opening and operation of bank accounts for payment of dividend, redemption of paper shares and the listing of securities on stock exchanges etc. Furthermore, EBL provides updated information in its website from time to time for the shareholders and other stakeholders of the Bank.

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

The Glimpses of the 31st AGM have been presented in "Information for Stakeholders" 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, timeliness of dividend receipts 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. The details discussion has been presented in "Redressal of Investors' Complaints" section under "Information for Stakeholders" section of this annual report.

Unclaimed dividend

Unclaimed dividend is the residual amount of declared dividend which has not yet been paid to or claimed by the shareholders. As on 31 December 2023, unclaimed dividend amount of EBL was BDT 48,094,321.31.

Summary of Unclaimed/Undistributed/Unpaid Stock Dividend and Cash Dividend and/or Fractional Dividend as on 31.12.2023.

Stock Dividend

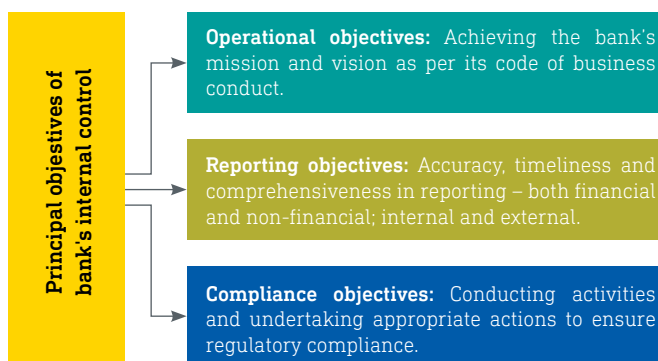
Sl.	Year	No. of Shares	Remarks
1	Stock Dividend for the year-2006 to 2018	2,574,791	Necessary instructions and guidelines are yet to receive from the primary regulator regarding the transfer of the stock dividend to CMSF.
2	Stock Dividend for the year-2020	529,104	
3	Stock Dividend for the year-2021	444,065	
4	Stock Dividend for the year-2022	499,840	

Disclosures of dividend information to the Shareholders

Investors' relation department of EBL publishes/discloses dividend related information in the Annual Report, official website, daily newspaper as well as online news portal from time to time in a befitting manner in order to meet the regulatory requirements and to facilitate the shareholders of the Bank (EBL).

- Published the Dividend Distribution Policy of EBL in the Annual Report and Website of the Bank.
- Published year-wise summary of unpaid or unclaimed dividend in the website of the Bank.
- Disclosed summary of unpaid or unclaimed dividend of the Bank in the Annual Report.
- Presented information of unpaid or unclaimed dividend in the Annual/Quarterly financial statements of the Bank.
- Published dividend distribution compliance report in the website of the Bank (EBL).
- Intimated the shareholders for payment of cash dividend & distribution of bonus shares for the year 2023 through publishing daily newspaper and online news portal.

- Meeting targets of planned activities, goals and objectives.
- Continuous improvement in the quality and efficacy of the bank's control processes.



The internal control system of the Bank is designed to mitigate risks of failure to achieve business objectives. It can, therefore, only provide reasonable and not absolute assurance against material misstatement and losses. A comprehensive governance and control framework has been implemented to ensure effectiveness and efficiency of operations, compliance and reliability of financial reporting. Adequate systems, processes and controls have been put in place to identify and mitigate the risk of failure to achieve the overall objectives of the Bank. There is a continuous monitoring system in place to oversee the improvement of Bank's control environment. The Bank shall continue in its endeavor to further enhance its internal control design and assessment process in accordance with the industry best practices.

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 control system

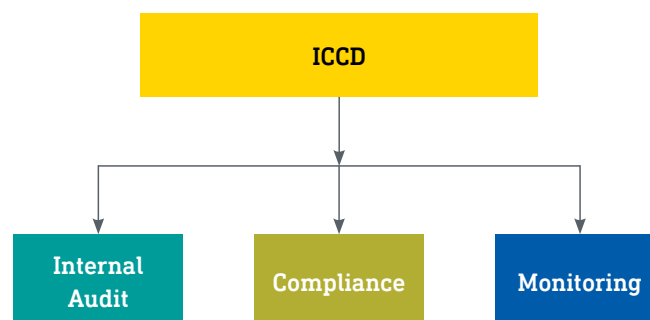
In an increasingly digitized world, the risk and control environment struggle to keep pace with the abrupt changes that undermine the efficacy of established control processes. To ensure a robust control environment that meets financial, operational, regulatory and legal requirements, the Internal Control & Compliance Division (ICCD) of EBL has been entrusted with the assessment of whether the risk management, control and governance processes of the bank is adequate and functioning in a manner to ensure:

- Adequacy and effectiveness of risk management systems.
- Dissemination of significant financial, managerial and operational information in an accurate, reliable and timely manner.
- All the activities of the employees are in compliance with policies, standards, procedures, laws and regulations.
- Use of acquired resources economically, efficiently and diligently.

Structure of ICCD

As per '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. 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 three departments namely: Audit, Monitoring, and Compliance.



Internal audit department

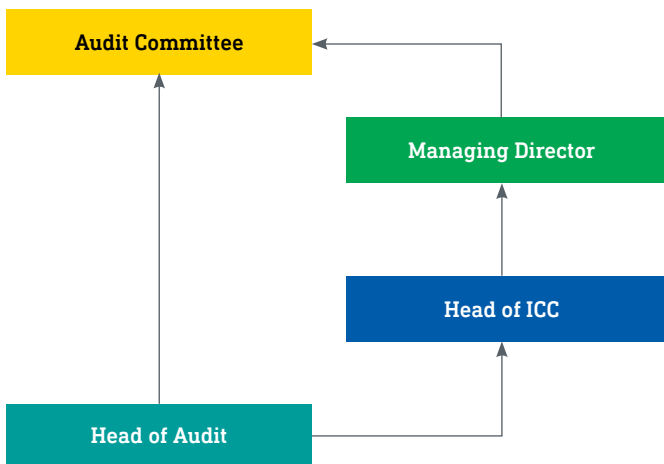
Internal Audit is an integral part of corporate governance framework and plays an important role in enhancing management and accountability both in financial and non-financial affairs of the Bank. It is the key component in EBL's assurance structure. While all assurance mechanisms are important, coordination of various assurance activities provides a holistic environment in which internal audit features prominently. Internal audit provides key stakeholders with a range of risk-based audit activities to assess whether the bank is in line with compliance norms and good governance standards. Internal stakeholders include the Board of Directors, Audit Committee, Managing Director and senior executives while external stakeholders are shareholders, regulators, customers and the general public at large.

Internal audit of EBL is suitably equipped with professionally qualified and competent resources from auditing, accountancy, information security, management professions. The department has a diverse range of roles including audit of Retail & SME Banking-branches & sub-branches, agent banking, Corporate banking, credit risk & administration, trade operations, treasury, AML, core risks, information systems, subsidiaries, centralized operations and regulatory assignments entrusted by regulator on need basis.

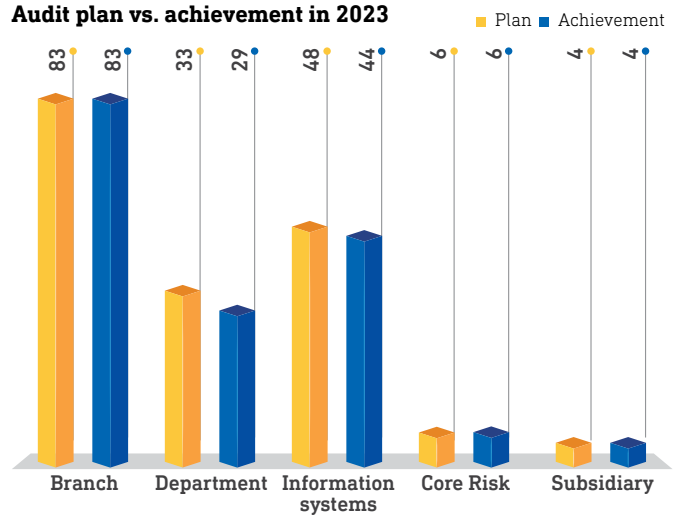
Independence of audit

Even though internal audit is a part of the Bank, reporting structures are designed in such a way that allow it to operate without inappropriate interference. The internal audit function of EBL is typically established by the authority of the Board of Directors and Bangladesh Bank regulations. Its responsibilities are defined in the audit policy & process guidelines and internal audit charter of the Bank which is approved by the Board of Directors. The internal audit charter is the mandate for internal audit to conduct its work and require:

- Full, free, and unrestricted access to all records, data, personnel and assets at the time they are relevant for performance of internal audit work.
- Free and unrestricted access to the Chair of the Audit Committee.



Audit plan vs. achievement in 2023



In addition, internal audit department conducted some audit activities in 2023 such as audit on 14 sub-branches, 09 surprise visits, 83 AML audit, 10 AML special audit, 11 agent outlets, on line FX transaction monitoring system, quarterly PIF, cash incentive, etc.

Risk based internal audit plan for 2024

After thorough discussion and analysis, with prime focus on risk based audit approach, internal audit plan 2024 of EBL and its subsidiaries was prepared and presented by head of internal audit to the ACB. The ACB in its 148th meeting approved the following plan:



Additionally, special assignments instructed by the regulator and senior management on need basis will be conducted. Internal audit submits periodic internal reports and summaries thereof to the senior management, MD as well as the Chairman of the Audit Committee. The head of internal audit provides at least quarterly updates to the Audit Committee or more frequently as appropriate. Internal audit, monitoring and compliance department coordinate its operations with the activities of the external auditor for maximum effect.

Internal audit in the era of disruptive technological advancements

The digital landscape is evolving at a rapid pace, and disruptive innovation is likely to continue to generate profound advancements over the next decade. The radical digital transformation will continue over the next decade through Edge Computing, Digital-only Banks, Cybersecurity, Artificial Intelligence, Big Data Analytics, Biometrics, Block-chain, Conversational Commerce, Dark Web, Internet of Things (IoT), and Robotic Process Automation (among others).

EBL enhances the skillset of the internal audit function by aligning with future business and technology strategies. The Information System Audit team comprises skilled staff with professional certifications, technical expertise, and industry knowledge in information and cybersecurity.

Monitoring department

Monitoring Department contributes to ensure overall efficiency of EBL's internal control mechanism on a perpetual basis through monitoring of departments and branches. This department is entrusted to protect and enhance EBL's brand value by assuring the appropriate practice of internal control system and tools, provide advice and comprehensions to the senior management and the Board. Control activities are designed and implemented to address the risks generated from operational process that the Bank identified through the risk assessment process.

Monitoring activities

Management reviews: Reports are submitted to Audit Committee of the Board and senior management on a regular basis regarding operations exceptions and deficiencies of documentations.

Activity controls: Department or division level management receives and reviews standard performance and exception reports periodically. Functional reviews occur more frequently than top-level reviews and usually are more detailed. Departments like Business Units (Corporate, Retail & SME), Credit Risk Management, Treasury, Operations are the major areas under monitoring department's surveillance.

Physical controls: Physical controls generally focus on restricting access to tangible assets, including cash and securities. Control activities include physical limitations, dual control for custodians and periodic checking of portfolio.

Compliance with exposure limits: The establishment of prudent limits on risk exposures is an important aspect of risk management. An important aspect of internal controls is a process for reviewing compliance with all limits and follow-up on instances of non-compliance. Compliance with limits for borrowers and other counterparties reduces the Bank's credit risk and helps to diversify its risk profile. Implementation of effective monitoring system helps EBL to maintain low non-performing asset in its asset portfolio.

Approvals and authorizations: Requiring approval and authorization for transactions over certain limits ensures that an appropriate level of management is aware of the transaction or situation and helps to establish accountability.

Verifications and reconciliations: Verifications of transaction details and activities and the output of risk management models used by EBL are important control activities. Periodic reconciliations, comparing transactions to account records and statements, help

identify activities and records that need to rectify. Consequently, the results of these verifications are reported to the appropriate levels of management whenever any deviation from approved process occurs.

Applied scope for Monitoring

Offsite supervision

Monitoring Team supervises regular operational activities of the Bank without physical presence to the department with the help of IT platform like core banking system, business object, data management system, e-doc software etc.

Regulatory

1. Department Control Function Checklist (Daily/Weekly/Monthly/ Quarterly)
2. Quarterly Operations Report.
3. Loan documentation Checklist
4. Self- Assessment of Anti-Fraud Internal Controls Report to Bangladesh Bank as per DOS-10

Spot visit

Monitoring team visits Division/Departments/Branches physically to check whether control process, documentation, vouchers and other activities are conducted complying with applicable process guidelines.

Compliance Department

Compliance department is entrusted with the responsibility of upholding compliance culture throughout the bank by following rules, regulations, guidelines and policies from regulators and bank itself. This department ensures compliance of compulsory laws, rules, and guidelines in every unit of the bank and provide required guidance. This department keeps liaison with regulators at all levels and informs the concerned units/departments regarding the regulatory changes.

Some major roles of this department are as follows

- Work as contact point of Bangladesh Bank and other regulators;
- Ensure proper enactment of all regulatory policies of Bangladesh Bank;
- Respond to queries of Bangladesh Bank and ensure meticulous compliance of their recommendations;
- Ensure compliance of Internal & External Audit observations and follow-up, if necessary;
- Ensure compliance of queries of regulatory bodies like-National Board of Revenue, Anti-Corruption Commission, Ministry of Finance, Law enforcing agencies and other regulators;
- Advise and guide departments and branches in resolving 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 conflicting responsibilities.

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/CMRRC/2006-158/ 207/Admin/80 dated 03 June 2018 (amended up to 2023) 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 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 2 (two) directors or one-fifth (1/5) of the total number of Directors, whichever is higher, should be Independent Directors.	✓		
1(2) (b)	Independent Director means a director-			
1(2)(b)(i)	Who does not hold any Share in the Company or holds less than One Percent (1%) Shares of the total Paid-Up Shares of the Company;	✓		
1(2)(b)(ii)	Who is not a Sponsor of the Company or is not connected with the Company's any Sponsor or Director or Nominated Director or Shareholder of the Company or any of its Associates, Sister Concerns, Subsidiaries and Parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the Company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the Company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law, and daughter-in-law shall be considered as family members;	✓		
1(2)(b)(iii)	Who has not been an executive of the Company in immediately preceding 2 (two) financial years;	✓		
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the Company or its Subsidiary or Associated Companies.	✓		
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) Holder, Director or Officer of any Stock Exchange;	✓		
1(2)(b)(vi)	Who is not a Shareholder, Director excepting Independent Director or officer of any member or TREC Holder of Stock Exchange or an Intermediary of the Capital Market;	✓		
1(2)(b)(vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned Company's Statutory Audit firm or Audit Firm engaged in Internal Audit Services or audit firm conducting special Audit or Professional certifying compliance of this Code.	✓		
1(2)(b)(viii)	Who is not Independent Director in more than 5 (five) listed Companies.	✓		
1(2)(b)(ix)	Who has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for non-payment of any loan or advance or obligation to a bank or a financial institution.	✓		
1(2) (b) (x)	Who has not been convicted for a Criminal Offence involving moral turpitude.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
1(2) (c)	The Independent Director (s) shall be appointed by the Board and approved by the Shareholders in the Annual General Meeting (AGM);	✓		
	Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of the recommendation of the Nomination and Remuneration Committee (NRC) of the company;			N/A
1(2) (d)	The post of Independent Director (s) cannot remain vacant for more than 90 (ninety) days; and	✓		
1(2)(e)	The tenure of office of an Independent Director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only.	✓		
1(3)	Qualification of Independent Director			
1(3)(a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business.	✓		
1(3)(b)	Independent Director shall have following qualifications:			
1(3)(b)(i)	Business Leader who is or was a Promoter or Director of an unlisted Company having minimum paid-up capital of Tk.100.00 million or any listed Company or a member of any national or international chamber of commerce or business association; or	✓		
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted Company having minimum paid up capital of Tk.100.00 million or of a listed Company; or			N/A
1(3)(b)(iii)	Former or existing official of government or statutory or autonomous or regulatory body in a 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: In case of appointment of existing officials as independent directors, it requires clearance from the organization where he or she is in service;			N/A
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	✓		
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;	✓		
1(3)(c)	The Independent Director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	✓		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.			N/A
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the Company shall be filled by different individuals;	✓		
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed Company shall not hold the same position in another listed Company;	✓		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive Directors of the Company;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
1(4)(d)	The Board shall clearly define respective Roles and Responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	✓		
1(4)(e)	In the absence of the Chairperson of the Board, the remaining Members may elect one of themselves from non-executive Directors as Chairperson for that particular Board's Meeting; the reason of absence of the regular Chairperson shall be duly recorded in the Minutes of the Board Meeting.	✓		
1(5)	The Directors' Report to Shareholders			
1(5)(i)	An industry outlook and possible future developments in the industry;	✓		
1(5)(ii)	The segment-wise or product-wise performance;	✓		Please refer to Management Discussion & Analysis Section
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓		
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓		Discussion on interest income, expense, operating and net profit provided.
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);			N/A
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓		Please refer to Annexure C & C1
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;			No such instance
1(5)(viii)	An explanation if the financial results deteriorate after the Company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;			No such instance
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;			No such significant variance.
1(5)(x)	A statement of remuneration paid to the Directors including Independent Directors;	✓		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;	✓		
1(5)(xii)	A statement that proper books of account of the issuer Company have been maintained;	✓		
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓		
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓		Departure has been adequately explained in Note 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;	✓		
1(5)(xvi)	A statement that minority Shareholders have been protected from abusive actions by, or in the interest of, controlling Shareholders acting either directly or indirectly and have effective means of redress;	✓		Please refer to Directors Responsibility Statement



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
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 thereof shall be disclosed;	✓		No doubts upon EBL's ability to continue as a Going Concern.
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer Company shall be highlighted and the reasons thereof shall be explained;	✓		Please refer to Directors Report
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		
1(5)(xx)	An explanation on the reasons if the issuer Company has not declared dividend (cash or stock) for the year;			N/A
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;			N/A
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each Director;	✓		
1(5)(xxiii)	A Report on the pattern of Shareholding disclosing the aggregate number of Shares (along with name-wise details where stated below) held by:			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	✓		
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	✓		Please refer to Note 14.1 of the FS.
1(5)(xxiii)(c)	Executives; and	✓		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);	✓		Please refer to Note 14.1 of the FS.
1(5)(xxiv)(a)	A brief Resume of the Director;	✓		
1(5)(xxiv)(b)	Nature of his or her expertise in specific functional areas; and	✓		
1(5)(xxiv)(c)	Names of companies in which the person also holds the Directorship and the membership of committees of the Board;	✓		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:	✓		Please refer to Managing Director's Review and Management Discussion & Analysis Section.
1(5)(xxv)(a)	Accounting Policies and estimation for preparation of Financial Statements;	✓		
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	✓		
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓		
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	✓		
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the Company; and	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
1(5)(xxv)(g)	Future Plan or Projection or forecast for Company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the Shareholders in the next AGM;	✓		
1(5)(xxvi)	Declaration or Certification by the MD and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A;	✓		
1(5)(xxvii)	The Report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	✓		
1(5)(xxviii)	The Directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality.	✓		
1(6)	Meetings of the Board of Directors			
1(6)	The Company shall conduct the Board Meetings and record the Minutes of the Meetings as well as keep required Books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓		
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7) (a)	The Board shall lay down a Code of Conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other Board Members and Chief Executive Officer of the Company;			Please refer to the Condition No. 6
1(7)(b)	The Code of Conduct as determined by the NRC shall be posted on the website of the Company.			
2.	Governance of Board of Directors of Subsidiary Company			
2(a)	Provisions relating to the composition of the Board of the holding Company shall be made applicable to the composition of the Board of the subsidiary Company;	✓		
2(b)	At least 1 (one) Independent Director on the Board of the holding Company shall be a Director on the Board of the subsidiary Company;	✓		
2(c)	The Minutes of the Board meeting of the subsidiary Company shall be placed for review at the following Board meeting of the Holding Company;	✓		
2(d)	The Minutes of the respective Board meeting of the holding Company shall state that they have reviewed the affairs of the subsidiary Company;	✓		
2(e)	The Audit Committee of the holding Company shall also review the Financial Statements, in particular the investments made by the subsidiary Company.	✓		
3.	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)			
3(1)	Appointment			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓		



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		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;	✓		
	Provided that CFO or CS of any listed company may be appointed for the same position in any other listed or non-listed company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission;			N/A
	Provided further that the remuneration and perquisites of the said CFO or CS shall be shared by appointing companies proportionately;			N/A
3(1)(d)	The Board shall clearly define respective Roles, Responsibilities and Duties of the CFO, the HIAC and the CS;	✓		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and Stock Exchange (s).	✓		
3(2)	Requirement to attend Board of Directors' Meetings			
3(2)	The MD or CEO, CS, CFO and HIAC of the Company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓		
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed Financial Statements for the year and that to the best of their knowledge and belief:			
3(3)(a)(i)	Financial Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		Please refer to the Declaration by MD & CFO on Financial Statements
3(3)(a)(ii)	Financial Statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company's Board or its members;	✓		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4.	Board of Directors' Committee			
4(i)	Audit Committee; and	✓		
4(ii)	Nomination and Remuneration Committee.	-		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;	✓		
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the Financial Statements reflect true and fair view of the state of affairs of the Company and in ensuring a good monitoring system within the business;	✓		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		
5(2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non- executive Directors of the Company excepting Chairperson of the Board and shall include at least 1 (one) Independent Director ;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
5(2)(c)	All members of the Audit Committee should be 'Financially Literate' and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓		
5(2)(d)	When the term of service of the Committee member expires, Board shall appoint new Committee member immediately or not later than 60 (sixty) days from the date of vacancy .	✓		
5(2)(e)	The Company Secretary shall act as the secretary of the Committee;	✓		
5(2)(f)	The Quorum of the Audit Committee meeting shall not constitute without at least 1 (one) Independent Director.	✓		
5(3)	Chairperson of the Audit Committee			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an Independent Director ;	✓		
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the Minutes.	✓		
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM);	✓		
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least four meetings in a financial year:	✓		
5(4)(b)	The Quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an Independent Director is a must.	✓		
5(5)	Role of Audit Committee			
5(5)(a)	Oversee the financial reporting process.	✓		
5(5)(b)	Monitor choice of accounting policies and principles.	✓		
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report.	✓		
5(5)(d)	Oversee hiring and performance of external auditors.	✓		
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption.	✓		
5(5)(f)	Review along with the management, the annual financial statements before submission to the Board for approval.	✓		
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval.	✓		
5(5)(h)	Review the adequacy of internal audit function.	✓		
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report.	✓		
5(5)(j)	Review statement of all related party transactions submitted by the management.	✓		
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors.	✓		
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors and	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
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.			No such event
5(6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall Report on its activities to the Board.	✓		
5(6)(a)(ii)	The Audit Committee shall immediately Report to the Board on the following findings, if any:			
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 If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the Management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall Report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	-		No such instance
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)	Not applicable for Banking Company as per guidelines of Bangladesh Bank		
6(1)(a)	The Company shall have a Nomination and Remuneration Committee (NRC) as a sub- committee of the Board;	-		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of Directors and top level executive as well as a policy for formal process of considering remuneration of Directors, top level executive.	-		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the Condition No. 6(5) (b).	-		
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	-		
6(2)(b)	All members of the Committee shall be non-executive Directors;	-		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	-		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	-		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	-		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	-		
6(2)(g)	The Company secretary shall act as the secretary of the Committee;	-		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	-		
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the Company.	-		
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	-		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	-		
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the Shareholders;	-		
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	-		
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;	-		

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

Bangladesh Bank Corporate Governance Guidelines: Our Compliance Status

This report (comprising Part-I, Part-II, and Part-III) is intended to exhibit our compliance status of corporate governance practice in line with the relevant circulars issued by Banking Regulation and Policy Department (BRPD) of Bangladesh Bank. These circulars outline the guidelines pertaining to the establishment, functions, and obligations of the Board of Directors, the appointment and duties of the Managing Director, and the contractual engagement of Advisors and Consultants.

PART-I

Formation & Responsibilities of Board of Directors of a Bank Company

As of 31 December 2023

Reference	Provision	Compliance Status
1	<p>Formation of Board of Directors</p> <p>Section 15 of the Bank Company Act (BCA), 1991 (Amended up to 2023), incorporates provisions requiring prior approval from Bangladesh Bank for the appointment, dismissal, termination, or removal of any bank director. The section also outlines criteria for a director's fit and proper test, establishes a maximum number of directors, mandates the appointment of independent directors, and limits the appointment of a maximum of three members from the same family as directors.</p>	Complied
1.1	<p>Appointment of New director</p> <p>Pursuant to section 15(4) of the BCA 1991 (amended up to 2023), each banking company, excluding specialized banks, is required to submit the following documents along with the application when seeking prior approval from Bangladesh Bank for the appointment or reappointment of directors:</p> <ol style="list-style-type: none"> Personal information of the nominated person (Appendix-ka); Nominated person's declaration (Appendix-kha); 'Declaration for confidentiality' by the nominated person (Appendix-ga); In case of Independent director, the approval letter from Bangladesh Securities and Exchange Commission; In case of Independent Director, a declaration of the director concerned as Appendix-gha (he will also submit declaration under Appendix-ka, kha & ga); CIB report of the nominated person; Updated list of the directors. 	Complied
1.2	<p>Vacation of office of Director</p> <ol style="list-style-type: none"> The office of director shall be vacated according to the instructions specified in section 108(1) of the Companies Act, 1994. Besides, when a bank director becomes defaulter and does not repay the loan within two months after getting a notice under the section 17 of the BCA 1991; provides false statement at the time of appointment; or fails to fulfil the minimum eligibility criteria, the office of the director will be vacated. If the office of a director is vacated by a notice under the section 17 of BCA, 1991, the person will not be eligible to become a director of the bank or any other bank or any financial institution for one year from the date of repayment of the total amount due to the bank. It is mentionable here that the dues can be adjusted with the shares held by the director in that bank. When a director receives a notice under section 17 of BCA, 1991, he/ she can't transfer his/her shares of that bank until he/she repays all the liabilities of the noticed bank or financial institution. Besides, Bangladesh Bank can remove a director or chairman of a bank, except state owned banks, for conducting any kind of activities that is detrimental to the interest of the banks depositors or against the public interest under Section 46 and can supersede the board of a banking company under Section 47 of BCA, 1991. 	No such instance
1.3	<p>Removal of Directors from office</p> <p>According to section 108(2) of the Companies Act, 1994, with the prior approval of Bangladesh Bank, a bank director other than specialized banks can be removed from his office for the reason specified in its Articles of Association. For this purpose, the reason and grounds of the dismissal/removal and copy of the decision of the board and list of directors should be submitted to Bangladesh Bank. In this case, the removal will be effective from the date of Bangladesh Bank's approval.</p>	No such instance

Reference	Provision	Compliance Status
1.4	<p>Appointment of Alternate Director</p> <p>Subject to compliance of section 101 of the Companies Act, 1994, an alternate director can be appointed to act for a director during his absence for a continuous period of not less than three months from Bangladesh. In this context, the following instructions should be followed:</p> <ol style="list-style-type: none"> a. Bank has to collect and properly maintain the documentary evidences relating to departure and arrival of the original director. If there is any exception, the Managing Director (MD)/Chief Executive Officer (CEO) should immediately inform it to Bangladesh Bank. b. The copy of the decision of the board regarding appointment of alternate director, with original director's probable returning date from abroad should be sent to Bangladesh Bank within 7 days of taking the decision and the director's arrival date must be intimated to Bangladesh Bank immediately after his return. c. Any loan defaulter or any person who is not eligible to become a director as per any rules & regulation will not be appointed as an alternate director. d. As appointment of alternate director is a temporary measure; therefore, he/she will not be included in any kind of committee constituted by the board. e. While in the office, an alternate director or his/her affiliated organization will not get any kind of loan facilities from his bank. In case of previous loan, enhancement of limit or extension of time period or any kind of exemption or interest waiver will not be allowed. Moreover, all restrictions applicable to directors according to rules & regulations will also be applicable to the alternate director. 	Not Applicable
2.	<p>Depositor Director</p> <p>As the previous provisions regarding appointment of Depositor Directors of the BCA 1991 has been amended; appointment of director from depositors is no longer required. But, after complying regulation under sec 15(9) of the BCA 1991 (amended up to 2013) bank can consider the tenure of existing depositor director or may appoint them as independent director.</p>	Not Applicable
3	<p>Information regarding directors</p> <p>Banks are advised to take the following steps regarding director information:</p> <ol style="list-style-type: none"> a. Every bank should keep an updated list of bank directors, b. Banks should send a directors' list to other banks or financial institutions immediately after the appointment or release of director. c. Banks should display a list of directors in the website and update it on a regular basis. 	Complied
4	<p>Responsibilities of the Board of Directors</p>	
4.1	<p>Responsibilities and authorities of the Board of Directors</p>	
(a)	<p>Work planning and strategic management</p> <ol style="list-style-type: none"> i. Shall determine the objectives and goals and to this end shall chalk out strategies and work-plans on annual basis. It shall specially engage itself in the affairs of making strategies consistent with the set objectives and goals and in the issues relating to structural change and reorganization for enhancement of institutional efficiency and other relevant policy matters. It shall analyze/monitor at quarterly rests the development of implementation of the work-plans ii. The board shall have its analytical review incorporated in the Annual Report as regard to the success/failure in achieving the business and other targets as set out in its annual work-plan and shall apprise the shareholders of its opinions/recommendations on future plans and strategies. It shall set the Key Performance Indicators (KPIs) for the Managing Director and other senior executives and have it evaluated at times. 	Complied
(b)	<p>Credit and risk management:</p> <ol style="list-style-type: none"> i. The policies, strategies, procedures etc. in respect of appraisal of loan/investment proposal, sanction, disbursement, recovery, reschedule and write-off thereof shall be made with the board's approval under the purview of the existing laws, rules and regulations. The board shall specifically distribute the power of sanction of loan/investment and such distribution should desirably be made among MD and his designated executives as much as possible. No director, however, shall interfere, directly or indirectly, into the process of loan approval. ii. The board shall frame policies for risk management and get them complied with and shall monitor the compliance at quarterly rests and review the concerned report of the risk management team and shall compile in the minutes of the board meeting. The board shall monitor the compliance of the guidelines of Bangladesh Bank regarding key risk management. 	Complied
(c)	<p>Internal control management:</p> <p>The board shall be vigilant on the internal control system of the bank in order to attain and maintain satisfactory qualitative standard of its loan/investment portfolio. The board will establish such an internal control system so that the internal audit process can be conducted independently from the management. It shall review the reports submitted by its audit committee at quarterly rests regarding compliance of recommendations made in internal and external audit reports and the Bangladesh Bank inspection reports.</p>	Complied

Reference	Provision	Compliance Status
	<p>(d) Human resources management and development</p> <p>i. Policies relating to recruitment, promotion, transfer, disciplinary and punitive measures, human resources development etc. and service rules shall be framed and approved by the board. The chairman or the directors shall 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. No member of the board of directors shall be included in the selection committees for recruitment and promotion to different levels. Recruitment, promotion, transfer & punishment of the officers immediate two tiers below Managing Director shall, however, rest upon the board. Such recruitment and promotion shall have to be carried out complying with the service rules i.e., policies for recruitment and promotion.</p> <p>ii. The board shall focus its special attention to the development of skills of bank's staff in different fields of its business activities including prudent appraisal of loan/investment proposals, and to the adoption of modern electronic and information technologies and the introduction of effective Management Information System (MIS). The board shall get these programs incorporated in its annual work plan.</p> <p>iii. The board will compose Code of Ethics for every tier and they will follow it properly. The board will promote healthy code of conducts for developing a compliance culture.</p>	Complied
	<p>(e) Financial management</p> <p>i. The annual budget and the statutory financial statements shall be finalized with the approval of the board. It shall at quarterly rests 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.</p> <p>ii. The board shall frame the policies and procedures for bank's purchase and procurement activities and shall accordingly approve the distribution of power for making such expenditures. The maximum possible delegation of such power of expenditures shall rest on the Managing Director and his subordinates. The decision on matters relating to infrastructure development and purchase of land, building, vehicles etc. for the purpose of bank's business shall, however, be taken with the approval of the board.</p> <p>iii. The board will review whether an Asset-Liability Committee (ALCO) has been formed and it is working according to Bangladesh Bank guidelines.</p>	Complied
	<p>(f) Appointment of Managing Director (MD)/Chief Executive Officer (CEO)</p> <p>In order to strengthen the financial base of the bank and obtain confidence of the depositors, one of the major responsibilities of the board of directors is to appoint an honest, efficient, experienced and suitable Managing Director (MD)/Chief Executive Officer (CEO). The Board of Directors will appoint a suitable MD/CEO with the approval of Bangladesh Bank.</p>	Complied
	<p>(g) Other responsibilities of the Board</p> <p>The Board should follow and comply with the responsibilities assigned by Bangladesh Bank.</p>	Complied
	<p>4.2 Meeting of Board</p> <p>Board of Directors may meet once or more than once in a month if necessary. But Board of directors shall meet at least once in every three months. Excessive meetings are discouraged.</p>	Complied
	<p>4.3 Responsibilities of the Chairman of the Board of Directors</p> <p>a. Since the Chairman of the Board of Directors, or Chairman of any committee formed by the Board, or any Director, does not personally possess the authority to apply policy or executive-decisions, they shall refrain from participating in or interfering with the administrative, operational, and routine affairs of the bank.</p> <p>b. The chairman may conduct on-site inspection of any bank-branch or financing activities under the purview of the oversight responsibilities of the board. He may call for any information relating to bank's operation or ask for investigation into any such affairs; he may submit such information or investigation report to the meeting of the board or the executive committee and if deemed necessary, with the approval of the board, he shall effect necessary action thereon in accordance with the set rules through MD. However, any complaint against MD shall have to be apprised to Bangladesh Bank through the board along with the statement of MD.</p> <p>c. The chairman may be offered an office-room, a personal secretary/assistant, one peon/MLSS, one telephone at the office, one mobile phone to use inside the country and a vehicle in the business interest of the bank subject to the approval of the Board.</p>	Complied
5	<p>Formation of committees from the Board of Directors</p> <p>Each bank company can form one Executive Committee, one Audit Committee, and one Risk Management Committee with the directors. The Board cannot form any other permanent, temporary, or sub-committee except the three committees mentioned above.</p>	Complied
	<p>5.1 Executive committee</p> <p>Executive committee should be formed with the members of the board to continue the urgent and daily or routine works between the intervals of two board meetings. Executive committee will perform according to their terms of reference determined by the board of directors</p>	Complied



Reference	Provision	Compliance Status
(a)	<p>Organizational structure</p> <ul style="list-style-type: none"> i. Members of the committee will be nominated by the board of directors from themselves; ii. The executive committee will comprise of maximum 07 (seven) members; iii. Members may be appointed for a 03-year term at office; iv. Chairman of the Board of Directors can be the chairman of executive committee; v. Company secretary of the bank will be the secretary of the executive committee. 	Complied
(b)	<p>Qualifications of the Members</p> <ul style="list-style-type: none"> i. Integrity, dedication, and opportunity to spare time in the functions of committee will have to be considered while nominating a director to the committee; ii. Each member should be capable of making valuable and effective contributions in the functioning of the committee; iii. To perform his or her role effectively each committee member should have adequate understanding of the detailed responsibilities of the committee membership as well as the bank's business, operations and its risks. 	Complied
(c)	<p>Roles and Responsibilities of the Executive Committee</p> <ul style="list-style-type: none"> i. The executive committee can decide or can act in those cases as instructed by the Board of directors that are not specifically assigned on full board through the Bank Company Act, 1991 and other laws and regulations. ii. The executive committee can take all necessary decisions or can approve cases within power delegated by the board of directors. iii. All decisions taken in the executive committee should be ratified in the next board meeting 	Complied
(d)	<p>Meetings</p> <ul style="list-style-type: none"> i. The executive committee can sit any time as it may deem fit. ii. The committee may invite MD, Head of internal audit or any other Officer to its meetings, if it deems necessary; iii. To ensure active participation and contribution by the members, a detailed memorandum should be distributed to committee members well in advance before each meeting; iv. All decisions/observations of the committee should be noted in minutes. 	Complied
5.2	<p>Audit Committee</p> <p>The board will approve the objectives, strategies and overall business plans of the bank and the audit committee will assist the board in fulfilling its oversight responsibilities. The committee will review the financial reporting process, the system of internal control and management of financial risks, the audit process, and the bank's process for monitoring compliance with laws and regulations and its own code of business conduct.</p>	Complied
(a)	<p>Organizational structure</p> <ul style="list-style-type: none"> i. Members of the committee will be nominated by the board of directors from the directors; ii. The audit committee will comprise of maximum 05 (five) members, with minimum 2 (two) independent directors; iii. Audit committee will comprise with directors who are not executive committee members; iv. Members may be appointed for a 03-year term at office; v. Company secretary of the bank will be the secretary of the audit committee. 	Complied
(b)	<p>Qualifications of the Member</p> <ul style="list-style-type: none"> i. Integrity, dedication, and opportunity to spare time in the functions of committee will have to be considered while nominating a director to the committee; ii. Each member should be capable of making valuable and effective contributions in the functioning of the committee; iii. To perform his or her role effectively each committee member should have adequate understanding of the detailed responsibilities of the committee membership as well as the bank's business, operations and its risks. iv. Professionally Experienced persons in banking/financial institutions specially having educational qualification in Finance, Banking, Management, Economics, Accounting will get preference in forming the committee. 	Complied

Reference	Provision	Compliance Status
(c)	<p>Roles and Responsibilities of the Audit Committee</p> <p>(i) Internal Control</p> <ol style="list-style-type: none"> Evaluate whether management is setting the appropriate compliance culture by communicating the importance of internal control and the management of risk and ensuring that all employees have clear understanding of their roles and responsibilities; Review management's actions in building computerization of the bank and its applications and bank's Management Information System (MIS); Consider whether internal control strategies recommended by internal and external auditors have been implemented by the management; Consider reports relating to fraud, forgery, deficiencies in internal control or other similar issues detected by internal and external auditors and inspectors of the regulatory authority and place it before the board after reviewing whether necessary corrective measures have been taken by the management. 	Complied
	<p>(ii) Financial Reporting</p> <ol style="list-style-type: none"> Audit committee will check whether the financial statements reflect the complete and concrete information and determine whether the statements are prepared according to existing rules & regulations and standards enforced in the country and as per relevant prescribed accounting standards set by Bangladesh Bank; Discuss with management and the external auditors to review the financial statements before its finalization. 	Complied
	<p>(iii) Internal Audit</p> <ol style="list-style-type: none"> Audit committee will monitor whether internal audit is working independently from/the management. Review the activities of the internal audit and the organizational structure and ensure that no unjustified restriction or limitation hinders the internal audit process; Examine the efficiency and effectiveness of internal audit function; Examine whether the findings and recommendations made by the internal auditors are duly considered by the management or not. 	Complied
	<p>(iv) External Audit</p> <ol style="list-style-type: none"> Review the performance of the external auditors and their audit reports; Examine whether the findings and recommendations made by the external auditors are duly considered by the management or not. Make recommendations to the board regarding the appointment of the external auditors. 	Complied
	<p>(v) Compliance with existing laws and Regulations</p> <p>Review whether the laws and regulations framed by the regulatory authorities (central bank and other bodies) and internal rules and policies approved by the board are being complied with.</p>	Complied
	<p>(vi) Other Responsibilities</p> <ol style="list-style-type: none"> Submit compliance report to the board on quarterly basis on regularization of the omission, fraud and forgeries and other irregularities detected by the internal and external auditors and inspectors of regulatory authorities; External and internal auditors will submit their related assessment report, if the committee solicits; Perform other oversight functions as desired by the Board of Directors and evaluate the committee's own performance on a regular basis. 	Complied
(d)	<p>Meetings</p> <ol style="list-style-type: none"> The audit committee should hold at least 4 meetings in a year and it can sit any time as it may deems fit; The committee may invite MD, Head of internal audit or any other Officer to its meetings, if it deems necessary; To ensure active participation and contribution by the members, a detailed memorandum should be distributed to committee members well in advance before each meeting; All decisions/observations of the committee should be noted in minutes. 	Complied
5.3	<p>Risk Management Committee (RMC)</p> <p>To play an effective role in mitigating impending risks arising out of strategies and policies formulated by the Board and to carry out the responsibilities efficiently, a risk management committee will be formed. After identifying and assessing several risk factors like credit risks, foreign exchange risks, internal control and compliance risks, money laundering risks, information and communication Technology risks, operational risks, interest risks, liquidity risks etc.; the risk management committee will scrutinize whether appropriate risk management measures are being put in place and applied and whether adequate capital and provision is being maintained against the risks identified.</p>	Complied



Reference	Provision	Compliance Status
	<p>(a) Organizational Structure</p> <ol style="list-style-type: none"> Members of the committee will be nominated by the board of directors from themselves; The Risk Management Committee will comprise of maximum 05 (five) members; Members may be appointed for a 03-year term at office; Company secretary of the bank will be the secretary of the Risk Management Committee. 	Complied
	<p>(b) Qualifications of the Members</p> <ol style="list-style-type: none"> Integrity, dedication, and opportunity to spare time in the functions of committee will have to be considered while nominating a director to the committee; Each member should be capable of making valuable and effective contributions in the functioning of the committee; To perform his or her role effectively each committee member should have adequate understanding of the detailed responsibilities of the committee membership as well as the bank's business, operations and its risks. 	Complied
	<p>(c) Roles and Responsibilities of the RMC of the Board</p>	
	<p>i) Risk identification & control policy</p> <p>Formulation and implementation of appropriate strategies for risk assessment and its control is the responsibility of Risk Management Committee. RMC will monitor risk management policies & methods and amend it if necessary. The committee will review the risk management process to ensure effective prevention and control measures.</p>	Complied
	<p>ii) Construction of organizational structure</p> <p>The responsibility of RMC is to ensure an adequate organizational structure for managing risk within the bank. The Risk Management Committee will supervise formation of separate management level committees and monitor their activities for the compliance of instructions of lending risk, foreign exchange transaction risk, internal control & compliance risk, money laundering risk, information & communication technology risk including other risk related guidelines.</p>	Complied
	<p>iii) Analysis and approval of Risk Management policy</p> <p>Risk management policies & guidelines of the bank should be reviewed annually by the committee. The committee will propose amendments if necessary and send it to the Board of Directors for their approval. Besides, other limits including lending limit should be reviewed at least once annually and should be amended, if necessary</p>	Complied
	<p>iv) Storage of data & Reporting system</p> <p>Adequate record keeping & reporting system developed by the bank management will be approved by the RMC. The committee will ensure proper use of the system. The committee will minute its proposal, suggestions & summary in a specific format & inform the Board of Directors.</p>	Complied
	<p>v) Monitoring the implementation of overall Risk Management Policy</p> <p>RMC will monitor proper implementation of overall risk management policies. They will monitor whether proper steps have been taken to mitigate all risks including lending risk, market risk, and management risk.</p>	Complied
	<p>vi) Other responsibilities</p> <ol style="list-style-type: none"> Committee's decision and suggestions should be submitted to the Board of Directors quarterly in short form; Comply instructions issued time to time by the controlling body; Internal & external auditor will submit respective evaluation report whenever required by the committee. 	Complied
	<p>d) Meetings</p> <ol style="list-style-type: none"> The risk management committee should hold at least 4 meetings in a year and it can sit any time as it deems fit; The committee may invite MD, Chief Risk Officer and any other Officers to its meetings, if it deems necessary; To ensure active participation and contribution by the members, a detailed memorandum should be distributed to committee members well in advance before each meeting; All decisions/observations of the committee should be noted in minutes. 	Complied
6	<p>Training for the Directors</p> <p>The directors shall make themselves fully aware of the banking laws and other related rules and regulations for performing his duties properly.</p>	Complied

PART-II

Appointment and Responsibilities of Managing Director/Chief Executive Officer of a Bank Company

As of 31 December 2023

Reference	Provision	Compliance Status
A.	Rules and regulations for appointing Managing Director/CEO	
	1. Moral Integrity In case of appointment to the post of MD/CEO, satisfaction in respect of the concerned person should be ensured to the effects that- a. He has not been convicted by any Criminal Court of Law; b. He has not been punished for violating any rules, regulations or procedures/norms set by any Controlling Authority; c. He was not associated with any such company/organization, registration or license of which has been cancelled.	Complied
	2. Experience and Suitability a. For appointment as MD/CEO, the concerned person must have experience in banking profession for at least 15 (fifteen) years as an active officer and at least 02 (two) years' experience in a post immediate below the MD/CEO of a bank. b. He must at least have a Master's degree from any recognized university. Higher academic education in the field of Economics, Banking and Finance or Business Administration will be treated as additional qualification for the concerned person. c. In respect of service, the concerned person should have excellent record of performance. d. Satisfaction should be ensured that the concerned person was not dismissed from service when he was chairman/director/official of any company; e. Any director of any bank or financial institution or any person who has business interest in the bank concerned will not be eligible for appointment to the post of MD/CEO.	Complied
	3. Transparency and Financial Integrity Before appointment as MD/CEO, satisfaction should be ensured to the effects that: a. The concerned person was not involved in any illegal activity while performing duties in his own or banking profession; b. He has not suspended payment to creditors or has not compromised with his creditors to be relieved from debt or he is not a loan defaulter; c. He is not a tax defaulter; d. He has never been adjudicated an insolvent.	Complied
	4. Age limit No person crossing the age of 65 years shall hold the post of MD/CEO of a bank.	Complied
	5. Tenure The tenure of MD/CEO shall be for at least 03 (three) years, which is renewable. If the candidate has less than 3 years left to attain 65 years, he/she can be appointed for that period.	Complied
	6. Guidelines in fixing the salary and allowances Banks are required to follow the guidelines stated below while determining the salary and allowances of MD/CEO and submitting such proposal to Bangladesh Bank:- a. In fixing the salary and allowances of MD/CEO, financial condition, scope of operation, business volume and earning capacity of the bank; qualifications, achievement of the candidate in the past, age and experience and the remuneration paid to the persons occupying same position in the peer banks shall have to be taken into consideration. b. Total salary shall be comprised of direct salary covering 'Basic Pay' and 'House Rent' and allowances as 'Others'. The allowances (e.g., provident fund, utility bill, leave-fare assistance) in 'Others' head should be specified in amount/ceiling. Besides, other facilities (e.g., car, fuel, driver etc.), as far as possible, shall have to be monetized and thus determining monthly total salary, it shall have to be mentioned in the proposal to be submitted to Bangladesh Bank. In the proposal, Basic Pay, House Rent, Festival Allowance, other allowances and other facilities shall have to be specified in Taka amount. c. Without improving the bank's major economic indicators like CAMELS annual salary increment will not be payable. d. Terms of salary-allowances and other facilities as specified in the terms and conditions of appointment cannot be changed during the tenure. In case of renewal, proposal may be made for re-fixation of the salary considering the job performance of the incumbent MD/CEO. e. The MD/CEO so appointed shall not get any other direct or indirect facilities (e.g., dividend, commission, club expense, etc.) other than the salary-allowances and other facilities as enumerated in clause (b) above. f. The bank shall not pay any income tax for the MD/CEO.	Complied
	7. Incentive Bonus Subject to the payment of incentive bonuses to all staffs/employees, the MD/CEO will be eligible to get such bonus. However, the amount of MD/CEO's incentive bonus will not cross Taka 10.00 (ten) lac per year.	Complied



Reference	Provision	Compliance Status
	<p>8. Honorarium for Board Meeting As MD/CEO is a salaried official of the bank, he will not get any honorarium for attending the Board meeting or the meeting of any Committee formed by the Board.</p>	Complied
	<p>9. Evaluation Report While reappointing MD/CEO, an evaluation report approved by the board of directors should be submitted to Bangladesh Bank by the chairman of the Board.</p>	Complied
	<p>10. Prior approval from Bangladesh Bank Prior approval from Bangladesh Bank is mandatory before appointing MD/CEO as per section 15(4) & (5) of the Bank Company Act 1991 (Amended up to 2023). For processing such approval, along with the proposal signed by the chairman of the board, the selected person's complete resume, offer letter (mentioning the direct & indirect remuneration and facilities) and copy of board's approval must be submitted to Bangladesh Bank. The selected person must also submit declarations as per Annexure-ka & Annexure-kha to Bangladesh Bank.</p>	Complied
	<p>11. Decision of Bangladesh Bank regarding appointment of MD/CEO will be treated as final and such appointed MD/CEO cannot be dismissed, released and removed from his office without prior approval from Bangladesh Bank.</p>	Complied
B.	<p>Duties and Responsibilities of MD/CEO The MD/CEO of the bank, whatever name called, shall discharge the responsibilities and exercise the authorities as follows:</p> <ol style="list-style-type: none"> In terms of the financial, business and administrative authorities vested upon him by the board, the MD/CEO shall discharge his own responsibilities. He shall remain accountable for achievement of financial and other business targets by means of business plan, efficient implementation thereof and prudent administrative and financial management. The MD/CEO shall ensure compliance of the BCA 1991 and other relevant laws and regulations in discharging routine functions of the bank. At the time of presenting any memo to the Board Meeting or Board Committee Meeting, the MD/CEO must point out if there is any deviation from the BCA 1991 and other relevant laws and regulations. The MD/CEO shall report to Bangladesh Bank any violation of the BCA 1991 or 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 MD/CEO. He shall act in such cases in accordance with the approved service rules on the basis of the human resources policy and strength of employees as approved by the board. The authority relating to transfer of and disciplinary measures against the staff, except those at two tiers below the MD/CEO, shall rest on him, which he shall apply in accordance with the approved service rules. Besides, under the purview of the human resources policy as approved by the board, he shall nominate officers for training etc. 	Complied

PART-III

Contractual appointment of Advisor and Consultant in a Bank Company

As per BRPD circular letter no. 19 dated 27 October 2013

Reference	Provision	Compliance Status
A.	<p>Appointment of Advisor</p>	
	<p>1. Experience and Suitability: For appointment as advisor, the concerned person will have to fulfil the following requirements with regard to experience and qualifications:</p> <ol style="list-style-type: none"> Experience in Banking or Administration for at least 15 (fifteen) years or have a long experience in social activities; Higher academic qualification in the field of Economics, Banking and Finance or Business Administration will be treated as additional qualification for the concerned person; Satisfaction should be ensured that the concerned person was not dismissed from his service when he was Chairman/Director/Official of any company; A person who is working in any bank or financial institution or who has business interest in that bank will not be considered eligible for appointment to the post of advisor; Satisfaction should be ensured that the concerned person is not a loan defaulter or tax defaulter and has never been adjudicated an insolvent by the court. 	Not Applicable
	<p>2. Responsibilities The responsibilities or terms of reference of advisor should be specified. The Advisor can advise the Board of Directors or the Managing Director/Chief Executive Officer only on those matters that are specified in the appointment letter. Routine works or general works will not be included in his term of reference. He can't exercise any kind of power or can't participate in the decision making process of financial, administrative, operational or any other activities of the bank.</p>	Not Applicable

Reference	Provision	Compliance Status
	<p>3. Prior approval from Bangladesh Bank</p> <p>Prior approval from Bangladesh Bank is mandatory before appointing advisor. For such appointment, the justifications of the post of advisor, responsibilities or terms of reference, complete resume of the concerned person, terms of appointment (mentioning remuneration and facilities) and copy of board's approval must be submitted to Bangladesh Bank. The nominated person has to make a declaration as per Annexure-ka. This declaration must also be submitted to Bangladesh Bank.</p>	Not Applicable
	<p>4. Remuneration and other facilities</p> <p>The post of advisor is not a fixed or substantive post in the bank's organization structure. Advisor will not be entitled to salaries and allowances as regular employee except gross amount of remuneration, transport and telephone facilities. Remunerations inconsistent with terms of reference of the advisor will not be considered as acceptable by Bangladesh Bank.</p>	Not Applicable
	<p>5. Tenure</p> <p>The tenure of the advisor shall be maximum 1(one) year, which is renewable. An evaluation report (Signed by the chairman and is approved by the board of directors) of previous tenure should be submitted to Bangladesh Bank along with the re-appointment proposal.</p>	Not Applicable
	<p>6. Appointment of Ex-officials</p> <p>For good governance any former director, MD/CEO or any official will not be eligible to become an advisor in the same bank immediately after his/her retirement or resignation. But, after 1 year from such retirement or resignation he/she will be eligible for appointment as advisor.</p>	Not Applicable
B.	Appointment of Consultant	
	<p>1. Terms of Reference</p> <p>Consultant can be appointed for specialized tasks like tax, law & legal procedures, engineering & technical works, information technology, etc. Consultants' appointment should be avoided as much as possible for those works that could be done by regular employees of the bank.</p>	Not Applicable
	<p>2. Responsibilities</p> <p>The responsibilities or term of reference of consultant should be specified. He/she shouldn't be involved beyond his/her terms of references and he/she cannot exercise any kind of power in bank operation or cannot participate in the decision making process.</p>	Not Applicable
	<p>3. Appointment</p> <p>Consultant can be appointed with the approval of Board of Directors. After such appointment the bank shall send the consultant's complete resume, terms of reference and details of remuneration to Bangladesh Bank immediately.</p>	Not Applicable
	<p>4. Tenure</p> <p>The tenure of consultant should be consistent with the terms of reference, but would not exceed 2 (two) years. Generally, consultant's appointment will not be renewable, but to complete unfinished tasks, the contract can be extended up to maximum 1 year with the approval of Bangladesh Bank. An evaluation report (Signed by the chairman and is approved by the board of directors) of previous period should be submitted to Bangladesh Bank.</p>	Not Applicable
	<p>5. Remuneration/honorarium</p> <p>The consultant's remuneration should be in the form of monthly or single lump-sum payment, he is not entitled to any other facilities.</p>	Not Applicable
	<p>6. Appointment of Ex-officials</p> <p>For ensuring good governance any former director, MD/CEO or any official will not be eligible to become a consultant in the same bank immediately after his/her retirement or resignation. But, after 1 year from such retirement or resignation he/she will be eligible for appointment as consultant.</p>	Not Applicable

Note 1: There was no advisor or consultant appointed in the Bank during the reporting period.

Note 2: Banking Regulation and Policy Department (BRPD) of Bangladesh Bank (BB) has repealed the aforementioned circulars by issuing new Circulars: BRPD Circular No. 02, dated February 11, 2024, BRPD Circular No. 05, dated February 27, 2024, and BRPD Circular Letter No. 27, dated May 12, 2021. The status of compliance with these new circulars will be presented in our Annual Report of 2024.

Status of Compliance with the Companies Act, 1994 (amended up to 2020)

This status report is prepared in compliance with Section 184 of the Companies Act, 1994 (Act No. XVIII of 1994), which mandates the inclusion of the following additional statements in the Directors Report.

Sl.	Particulars	Status
a	Industry outlook and possible future developments in the industry	√
b	Segment-wise or product-wise performance	Please refer to Management Discussion & Analysis section
c	Risks and concerns	√
d	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin	Discussion on interest income, expense, operating and net profit provided.
e	Discussion on continuity of any Extra-Ordinary Gain or loss	The Bank did not make any extra-ordinary Gain or loss in 2023
f	Basis for related party transactions- a statement of all related party transactions should be disclosed in the annual report	√ Please refer to Annexure C and C1
g	Utilization of proceeds from public issues, rights issues and/or through any others instruments	The bank did not go for any public issues and right issues in 2023
h	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.	No such instance
i	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements the management shall explain about the variance on their Annual Report	Quarterly financial performance remained consistent with the figures presented in the annual financial statements, showing no notable variance.
j	Remuneration to directors including independent directors	Please refer to Note 33 of Financial Statements.
k	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	√
l	Proper books of account of the issuer company have been maintained.	√
m	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	√
n	International Accounting Standards (IAS)/International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed	Departure has been adequately explained in Note 2.1 to the Financial Statements.
o	The system of internal control is sound in design and has been effectively implemented and monitored	√
p	There are no significant doubts 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 thereof should be disclosed	No doubts upon EBL's ability to continue as a Going Concern.
q	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained	√
r	Key operating and financial data of at least preceding 5 (five) years shall be summarized	√
s	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given	The Bank has consistently declared dividends every year.
t	The number of Board meetings held during the year and attendance by each director shall be disclosed	√
u	The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by:- a) Parent/Subsidiary/ Associated Companies and other related parties (name wise details); b) Directors, Managing Director/Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details); c) Executives; d) Shareholders holding ten percent (10%) or more voting interest in the company (name wise details)	√ Please refer to Note 14.1 of the Financial Statements.
v	In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders:- a) a brief resume of the director; b) nature of his/her expertise in specific functional areas; c) names of companies in which the person also holds the directorship and the membership of committees of the board	√ Please refer to Annexure C of the Financial Statements.



**Report to the Shareholders of Eastern Bank PLC.
on compliance on the Corporate Governance Code**

We have examined the compliance status to the Corporate Governance Code by Eastern Bank PLC. (the bank) for the year ended on 31 December 2023. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018 (amended up to 2023) 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 the 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.

For **A. Qasem & CO.**
Chartered Accountants


Ziaur Rahman Zia FCA
Partner
Enrollment No.: 1259

Place: Dhaka
Dated: 14 March 2024



BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES



Ref. No: **CM-2024/062**

Date of issue : **January 22, 2024**

Renewed Certificate

This is to certify that

EASTERN BANK PLC.

*is an Ordinary Member of Bangladesh Association of Publicly Listed Companies
and is entitled to all the rights and privileges appertaining thereto.*

This certificate remains current until 31st December 2024.



Secretary General

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. 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 is to 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 declaration of dividend. Dividend shall be approved by the Shareholders in the 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 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 declare 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. The Shareholders whose names would appear in the Register of Members of the Company on the 'Record Date' will be entitled for the 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 will be 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 and final dividend 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 other 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 “ডিপজিটরি (ব্যবহারিক) প্রবিধানমালা, ২০০৩ এর প্রবিধান ৪৬” 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/her 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 Bangladesh Securities and Exchange Commission (BSEC) and Dhaka Stock Exchange PLC. (DSE) and Chittagong Stock Exchange PLC.

- 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.

Report on Dividend Distribution Compliance

Under Clause (6) of the Directive No.BSEC/CMRRCD/2021-386/01, dated 13/01/2021

1	Name of the Issuer/Securities/Mutual Fund	Eastern Bank Limited		
2	Particulars of Issuer DP	148		
3	Type of Dividend (Annual/Interim) (Put tick mark (a) on the recommended option)	<input checked="" type="checkbox"/> a) Annual	<input type="checkbox"/> b) Interim	
4	Whether audited or not for Interim Dividend (Put tick mark (a) on the recommended option)	<input checked="" type="checkbox"/> a) Audited	<input type="checkbox"/> b) Unaudited	
5	Date of recommendation of Dividend by the Board of Directors/ Trustee:(Enclosed copy of PSI)	5 April 2023		
6	Whether Dividend was recommended to other than directors or sponsors or any other classes (Put tick mark (a) on the recommended option)	<input type="checkbox"/> a) Yes	<input checked="" type="checkbox"/> b) No	
7	Record date for entitlement	03 May 2023		
8	Rate of Dividend recommended by the Board of Directors/Trustee	25% Dividend (12.50% Cash & 12.50% Stock)		
9	Dividend recommended -Type (Put tick mark (a) on the recommended option)	<input checked="" type="checkbox"/> a) Cash	<input checked="" type="checkbox"/> b) Stock	
10	Securities/mutual fund traded under which categories (Put tick mark (a) on the recommended option)	<input checked="" type="checkbox"/> (a) A	<input type="checkbox"/> (b) B	<input type="checkbox"/> (c) G <input type="checkbox"/> (d) N <input type="checkbox"/> (e) Z
11	Date of transfer to a separate bank account (Pls. mention bank details) or provisional credit of shares/units by CDBL	13 April 2023		
12	Date of approval of Dividend at AGM	31 May 2023		
13	Rate of Dividend approved at AGM- details at Annexure, (if any change)	25% Dividend (12.50% Cash & 12.50% Stock)		
14	Date of commencement of disbursement of Cash and Stock Dividend	Cash Dividend (31 May 2023), Stock Dividend (13 June 2023)		
15	Mode of disbursement of Cash Dividend (Put tick mark (a) on the recommended option)	<input checked="" type="checkbox"/> a) BEFTN	<input checked="" type="checkbox"/> b) Bank Transfer	<input checked="" type="checkbox"/> c) MFS <input checked="" type="checkbox"/> d) Dividend Warrant <input checked="" type="checkbox"/> e) Any other mode
16	Date of completion of disbursement of Cash Dividend and Stock Dividend [Enclosed Bank statements and Corporate Action Processing Report (DP 70)]	Cash Dividend (25 June 2023) Stock Dividend (13 June 2023)		
17	Paid-up-capital of the issuer- before corporate action/entitlement	BDT10,730,975,250		
18	Numbers of securities/shares outstanding-before corporate action/entitlement:	1,073,097,525 Shares		
19	Total cash in taka or stock (no. of shares) dividends as per corporate declaration	BDT 134,13,71,906.25	134,137,190 shares	
20	Distribution/Disbursement details of Cash & Stock Dividend:	Cash (Tk)	Stock (nos)	Annexures
	A. Mode of Dividend payment/credit for the concerned year:			
	a) through BEFTN or directly credited to respective BO	1,071,448,528.75	131,453,821	
	b) through Banks Transfer other than entitled BO-Margin loan	227,998,762.50		
	c) through Banks Transfer	29,851,932.50		
	d) through Mobile Financial Service (MFS)	-		
	e) through any other mode as approved by Bangladesh Bank	-		
	f) through transfer to Suspense Account for dematerialized Shares (BO wise detailed with reason should be maintained and submitted)		37	
	g) through issuance of Dividend Warrant or issue of shares to Suspense Account for non-dematerialized securities	12,072,682.50	2,683,332	
21	Total Dividend paid/credited for the concerned year	BDT 1,318,543,003.11	134,137,190	
22	Total unpaid/undistributed Dividend/accrued during the period (19-21)	BDT 22,828,903.14		
23	Total unpaid/undistributed Dividend/accrued as on 1st day of Accounting year (as per Audited Accounts) [01.01.2023]	BDT 35,810,491.00		
24	Transfer to Suspense Account for Demate Shares or any other reasons during the concerned year	-		
	A. Mode of Dividend Receipts/payment/credit for the previous years:			
	a) through BEFTN or directly credited to respective BO			
	b) through Banks Transfer			
	c) through Mobile Financial Service (MFS)			
	d) through any other mode as approved by Bangladesh Bank (Payment Order/ Dividend Warrant)	BDT 93,640.45		
	e) through transfer to/from Suspense Account for Demate Shares or any other reasons			

	f) through issuance of Dividend Warrant or issue of shares to Suspense Account for non-dematerialized securities/shares/units			
	g) transfer of cash or stocks to the Fund as prescribed or directed by Commission after 3 years or forfeit of share to Suspense Account for non-dematerialized securities			
25	Total Dividend paid/credited for previous years:	BDT 93,640.45		
26	Total unpaid/undistributed Dividend for previous years (23-25) Taka/ Nos	BDT 35,716,850.55		
27	Grand Total of unpaid/undistributed Dividend (22+26)	BDT 58,545,753.69		
28	Aging of grand Total of unpaid/undistributed Dividend for previous years:			
	More than 3 years; balance (31.12.2019 `)	BDT 9,583,489.07		
	More than 4 years; balance (31.12.2018)	BDT 7,709,271.00		
	More than 5 years & above; balance (31.12.2017)	NIL		
	Total of unpaid/undistributed Dividend for previous years	BDT 35,810,491.00	3,547,960	
	(Supporting bank statements and balances of securities with the Depository)			
Note: Issuer shall maintain BO wise detailed information for all transfers/credit to suspended Accounts with reasons and submit along with bank statements and other supporting documents. The issuer shall fill up all the applicable field.				

Statement on Ethics and Business Code of Conduct

Our corporate governance philosophy is rooted in responsible value creation, ensuring fairness, and compliance with laws and best practices. Transparency and accountability, guided by the principle ‘when in doubt, disclose,’ define our commitment to stakeholders. Having embraced a trusteeship model and maintained a strong system of control and risk management, we have established a business model intertwined with responsible wealth management and sustained operational resilience. Details have been discussed in “Guiding philosophy of governance practices” under Corporate Governance Report.

EBL upholds a strong compliance culture through its Code of Conduct and Ethical Guidelines, applicable to employees. Key highlights of EBL’s Code of Conduct and Ethical Guidelines include adherence to anti-money laundering laws, promoting honesty and integrity, avoiding conflicts of interest, and prohibiting bribery. These code and guidelines emphasize responsible business and financial practices, discourage speculation in stocks, prohibit participation in political activities, and outline ethical principles for handling customer complaints. EBL is committed to maintain the highest standards of conduct and integrity across all levels of the Bank. Details have been discussed in “Code of Conduct and Ethical Guidelines” under Corporate Governance Report.

The Managing Director, as the head of the management team, is accountable to the Board for running the Bank in line with established policies and regulatory guidelines. Management’s key duties include safeguarding stakeholder interests, implementing Board approved policies and strategic direction, and maintaining a strong internal control system to ensure legal and regulatory compliance. Details have been discussed in “Separation of Chairman and Chief Executive Officer Roles” under Corporate Governance Report.

EBL’s Code of Conduct serves as both an internal guide and external commitment of corporate values to its stakeholders. It articulates the mission, vision, and values while defining expected behaviors from employees in dealing with internal and external stakeholders. The code sets ethical benchmarks for measuring individual and organizational performance, acting as a central reference for employees in day-to-day decision-making and navigating ethical dilemmas. It stands as a valuable resource, aiding employees in accessing relevant documents, services, and resources maintain ethical code of business and operation across EBL. Details have been discussed under “Code of Conduct” under Organizational Overview.

Statement of Non-Compliance with Mandatory Requirements and Regulatory Statutes

We are pleased to inform our esteemed shareholders that, upon a comprehensive review of our operations for the year 2023, Eastern Bank PLC. (EBL) has found no known instances of non-compliance with applicable regulatory statutes that may have material impact on the Bank's ability to create value in the short, medium and long term for the shareholders.

In the ever-evolving regulatory landscape of the financial industry, maintaining compliance is a top most priority for EBL. Our Internal Control & Compliance team remains vigilant in staying abreast of regulatory changes, and we continue to invest in strong internal controls to ensure ongoing adherence to the ethical standards and regulatory requirements.

We put importance of regulatory compliance in maintaining the trust and confidence of our shareholders, and we are committed to uphold these standards in all aspects of our business operations.

We thank you for your continued support and trust in EBL.



Md. Abdullah Al Mamun FCS
Company Secretary

Disclosure on Governance under Bangladesh Secretarial Standards (BSS)

EBL follows the Bangladesh Secretarial Standard (BSS) set by the Institute of Chartered Secretaries of Bangladesh (ICSB). The Company Secretariat Division thoroughly implements all necessary requirements and procedures, mentioned under the BSS for ensuring a good corporate governance. It has been discussed under the section Corporate Governance Report.

BSS- 1 : Board of Directors meeting

Clause	Particulars	Compliance Status
1.	Convening of a meeting	Complied
2.	Frequency of meetings	Complied
3.	Quorum	Complied
4.	Attendance at meetings	Complied
5.	Chairman	Complied
6.	Passing of resolution by circulation	Not Required in 2023
7.	Minutes	Complied
8.	Attendance in meetings and their recording in the minutes	Complied
9.	Preservation of minutes and supporting papers	Complied
10.	Disclosure	Complied
11.	Effective date	-

BSS- 2 : General meeting

Clause	Particulars	Compliance Status
1.	Convening of a meeting	Complied
2.	Frequency of meetings	Complied
3.	Quorum	Complied
4.	Presence of directors and auditors	Complied
5.	Chairman	Complied
6.	Voting	Complied
7.	Proxies	Complied
8.	Conduct of poll	Not Required in 2023
9.	Withdrawal of resolutions	Not Required in 2023
10.	Rescinding of resolutions	Not Required in 2023
11.	Modifications to resolutions	Not Required in 2023
12.	Reading of report/certificate	Complied
13.	Distribution of gifts	Complied
14.	Adjournment of meetings	Not Required in 2023
15.	Minutes	Complied
16.	Recording in the minutes	Complied
17.	Preservation of minutes and other records	Complied
18.	Disclosure	Complied

BSS- 3 : Minutes

Clause	Particulars	Compliance Status
1.	Maintenance	Complied
2.	Contents	Complied
3.	Recording	Complied
4.	Alteration/modification	Complied
5.	Finalization & signing	Complied
6.	Inspection	Complied
7.	Preservation	Complied

BSS- 4: Dividend

Clause	Particulars	Compliance Status
1.	Declaration/recommendation of dividend	Complied
2.	Dividend out of profits	Complied
3.	Dividend out of reserves	Not Required in 2023
4.	Entitlement to dividend	Complied
5.	Payment of dividend	Complied
6.	Unpaid/Unclaimed dividend	Complied

BSS- 5 : Meeting through electronic modes

Clause	Particulars	Compliance Status
Standards for Board and committee meeting		
1.	Convening meeting	Complied
2.	Special cares to be taken for conducting meeting	Complied
3.	Conducting meeting	Complied
4.	Minutes and proceedings of meeting	Complied
Standards for Members Meetings		
5.	Guidance for General Meeting	Complied
6.	Standards for convening and conducting meeting	Complied

BSS- 6 : Resolution by circulation

Clause	Particulars	Compliance Status
1.	Authority	Not Required in 2023
2.	Procedure	Not Required in 2023
3.	Approval	Not Required in 2023
4.	Recording	Not Required in 2023
5.	Validity	Not Required in 2023

Governance Disclosure on the Process of Holding the Last Annual General Meeting (AGM)

EBL followed the necessary process, procedures, and regulatory requirements for holding its Annual General Meeting (AGM). The 31st AGM was conducted in accordance with the rules and regulations, ensuring members had the opportunity to exercise their voting rights. During the meeting, members of the company approved the financial statements including dividends declared by the Board, appointed directors, statutory auditors, and compliance auditors, determined their remuneration, and passed special resolutions, among others.

Compliance Phases	Particulars	Compliance Status
Pre-meeting compliances	Conduction of Board meeting for holding AGM	Complied
	Finalization and confirmation of the Financial Statements	Complied
	Fixation of the record date	Complied
	Declaration of dividends	Complied
	Collection of NOC from the exchanges regarding stock dividend	Complied
	Dissemination of Price Sensitive Information (PSI)	Complied
	Preparation of Annual Report	Complied
	Serving notice of AGM to the shareholders through email	Complied
	Serving Annual Report to the shareholders through email	Complied
	Communication with shareholders and other stakeholders through print media	Complied
	Appointment of the Scrutinizer for AGM	Complied
Opening of the voting line for the shareholders to vote on the agenda	Complied	
During the meeting compliances	AGM starts in due time and process	Complied
	Closing of voting line	Complied
	Declaration of agenda-wise voting result	Complied
	Question & Answer session for the shareholders	Complied
	Speech of meeting Chairman, Managing Director, and others	Complied
	Vote of thanks	Complied
After meeting compliances	Collection of the scrutinizer's Report and submission to the Commission	Complied
	Submission of audio visual to the exchanges and commission	Complied
	Submission of minutes and attendance record to the exchange and commission in due time	Complied
	Appointment of auditors	Complied
	Submission of Annual Return, Form XV to the RJSC	Complied
	Dividend calculation & disbursement the same to the shareholders	Complied
	Dissemination of the Dividends Compliance Report to the exchanges and commission	Complied
	Circulation of dividend notice	Complied

Information on Important Policies and Practices

EBL adheres to all the laws and regulations relevant to its operations as a banking company. It has established a comprehensive set of internal policies and procedures to ensure consistent practices of compliance and good governance. EBL abides by a wide range of laws, policies, and practices, including but not limited to the following:

<ul style="list-style-type: none"> • Companies Act, 1994 (with subsequent amendments) • Bank Company Act 1991 (with subsequent amendments) • Bangladesh Bank Order, 1972 • Securities and Exchange Ordinance, 1969 • Securities and Exchange Rules, 2020 • Securities and Exchange Commission Act, 1993 • Corporate Governance Code, 2018 (with subsequent amendments) of BSEC • Dhaka Stock Exchange (Listing) Regulation, 2015 	<ul style="list-style-type: none"> • Chittagong Stock Exchange (Listing) Regulation, 2015 • CDBL Bye Laws • Prudential Regulations for Banks : Selected Issues (Issued by Bangladesh Bank) • Material Information & PSI Policy of EBL • Dividend Distribution Policy of EBL • Bangladesh Secretarial Standards (BSS) issued by ICSB • National Integrity Strategy (NIS) issued by the Government of Bangladesh.
<ul style="list-style-type: none"> • Money Laundering Prevention Act, 2012 • Money laundering Prevention Rules 2019 • Anti-Terrorism Act, 2009 • Anti-Terrorism Rules, 2013 • EBL Money Laundering & Terrorist Financing Risk Management Policy (AML Policy) 2023 • EBL Money Laundering & Terrorist Financing Risk Assessment Policy 2023 • Prevention of Trade Based Money Laundering Policy (TBML)-2022 of EBL • EBL Compliance Policy 	<ul style="list-style-type: none"> • Internal Control & Compliance Policy 2023 of EBL • Fraud & Theft Prevention and Management Policy of EBL • EBL Audit Policy & Process Guideline • Incident Reporting Process Guideline of EBL • BFIU AML/CFT Guidelines • BFIU Circulars/ Circular Letters
<ul style="list-style-type: none"> • Income Tax Act, 2023 • VAT and SD Act 2012 • Financial Reporting Act 2015 • First Schedule (section 38) of the Bank Company Act, 1991 • Negotiable Instruments Act, 1881 • The Customs Act, 1969 	<ul style="list-style-type: none"> • International Financial Reporting Standards (IFRS) • Procurement & Disposal Policy of EBL • GL Control and Reconciliation Policy
<ul style="list-style-type: none"> • Enterprise Risk Management (ERM) Guideline of EBL • Sustainable Banking-Environmental & Social Risk Management (ESRM) policy of EBL • Key Risk Indicators (KRI) & Management Action Triggers (MAT) • Value at Risk (VaR) Policy • Other applicable laws and regulations. • Credit Instruction Manual • Credit Policy Manual (CPM) of EBL • Agent Banking Operation Policy of EBL 	<ul style="list-style-type: none"> • Contingency Planning Policy and Crisis Management Plan • Corporate Social Responsibility policy 2022 of EBL • Post Import Financing (PIF) Policy of EBL • Rate Appropriateness Policy of EBL • Foreign Exchange Risk Management Policy of EBL • Investment Policy of EBL • Fixed Asset Policy of EBL
<ul style="list-style-type: none"> • EBL ICT Security Policy • ICT Risk Management Policy • Project Management Policy 	<ul style="list-style-type: none"> • Data Management Policy of EBL • EBL Cloud Computing Policy • EBL Laptop Policy
<ul style="list-style-type: none"> • EBL People Management Policy • EBL Service Excellence Guidelines (GAP Policy) • Guideline on fire & Security of EBL • Code of Conducts of EBL 	<ul style="list-style-type: none"> • Green Office Guide for EBL • Medi Aid • E-mail etiquette • Telephone etiquette

Disclosure on National Integrity Strategy

In accordance with the decision of the Government of the People's Republic of Bangladesh and subsequent instructions from Bangladesh Bank regarding implementation of the National Integrity Strategy (NIS), Eastern Bank PLC. (EBL) established an Integrity Committee on 01 December 2013. The current members of the Integrity Committee are as follows:

Sl. No.	Name	Designation	Status in Committee
1.	M. Khurshed Alam	DMD & Chief Risk Officer	Chairman & Focal Point
2.	Md. Maskur Reza	Head of Business Information Systems	Member & Deputy Focal Point
3.	M. Khorshed Anowar	DMD & Head of Retail & SME Banking	Member
4.	Ziaul Karim	SEVP & Head of Communications & External Affairs	Member
5.	Masudul Hoque Sardar	SEVP & Chief Financial Officer	Member
6.	Monjurul Alam	SEVP & Head, Human Resources	Member
7.	Eshrat Mustafa Eshita	Head of Service & Business Quality and Sales Governance	Member
8.	Rashedul Hoque	Head, Organization Development & Capacity Enhancement Center, Human Resources	Member

Every year EBL formulates its National Integrity Strategy work plan and reports to Bangladesh Bank on a quarterly basis. The Integrity Committee holds meetings in each quarter, ensuring that the minutes and relevant documents are submitted to Bangladesh Bank. Besides, a selection of Integrity Rhymes sourced from the book 'Chorai Chorai Shudhdhachar' is curated and shared on the EBL website to promote integrity awareness among employees and other stakeholders. The Integrity Committee also oversees various activities such as conducting training programs for employees to raise awareness on integrity, disseminating information about integrity and ethics to stakeholders, and publishing integrity-related information and rhymes on the website, etc.

Eastern Bank PLC. maintains a strong Code of Conduct, actively combats money laundering and terrorism financing, and upholds transparency across all its operations. Employees who demonstrate exceptional integrity in the workplace receive recognition through Integrity Awards. Through these initiatives, Eastern Bank PLC. reaffirms its commitment to integrity and ethical conduct, adopting sustainable business practices.

Statement on Protection of the Interest of Minority Shareholders

Eastern Bank PLC. (EBL) is committed to ensure protection of shareholders' interests, particularly the interests of minority shareholders. EBL adheres to all applicable national laws and regulations, particularly the provisions of the Bank Company Act, 1991, The Companies Act, 1994, Corporate Governance Code 2018, Memorandum & Articles of Association, and other applicable provisions related to minority shareholders' interests.

Shareholders' legitimate concerns are promptly addressed with a commitment to lawful resolution through our "Redressal of Investors Complaints" mechanism. We have strong governance mechanisms and practices aimed at ensuring integrity, fairness, and accountability, thereby enhancing stakeholders' confidence.

The management of the Bank has assigned a designated officer to receive complaints from shareholders. Investors/shareholders of the Bank can lodge their complaints through various channels, including email, dedicated helpline, online portal of Stock Exchanges, courier, etc. A well-established process is in place for the redressal of investors' complaints. Through ongoing communication and information dissemination, we uphold our commitment to safeguarding the interests of all shareholders, including minorities.

Going Concern and Viability

Key financial indicators (Bank Only)

Particulars	2023	2022	2021	2020	2019
Return on average assets (ROA)	1.27%	1.21%	1.28%	1.22%	1.30%
Return on average equity (ROE)	16.33%	15.46%	15.51%	15.04%	16.52%
Cost to income ratio	44.22%	43.53%	38.99%	45.58%	43.76%
Capital to risk weighted assets ratio (CRAR)	15.04%	14.61%	14.08%	15.23%	14.74%
NPL ratio	3.10%	2.78%	3.70%	2.72%	3.35%
EPS (BDT) not restated	5.06	4.76	4.88	5.05	4.94

Good governance for sustainability

Board of Directors of EBL plays a pivotal role in shaping the 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. Our well-functioning Board provides judicious guidance and support to MD and his team to carry out business. We uphold strong and effective corporate governance practices to cultivate a culture of accountability, integrity, transparency, sound financial management, which ultimately leads to sustainable business and financial performance. The Bank management proactively supports establishing simple and efficient processes focusing on compliance and relevant regulations in order for sustainable value creation. These efforts have well been recognized by the ICMAB Best Corporate Award and the ICSB National Award for Corporate Governance Excellence for a number of times.

Credit rating

CRAB has assigned their top notch long term rating "AAA" and short-term rating "ST-1" to EBL on 21 June 2023. This rating indicates stable business performance over the periods, good asset quality, sound liquidity, experienced top management, Basel-III compliant capital adequacy (with strong core capital), diversified business portfolio, good non-funded business, strong brand image, sound IT infrastructure, efficient operational performance etc. Even during the pandemic, the Bank showed its resilient performance.

Consistency in dividend payments

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

Dividend	2023*	2022	2021	2020	2019
Cash dividend (%)	12.50	12.50	12.50	17.5	15
Stock dividend (%)	12.50	12.50	12.50	17.5	-
Total	25%	25%	25%	35%	15%

* Proposed

Regulatory compliance

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

Ratios	Regulatory limit	2023	Status
AD ratio (Solo)	≤87%	79.45%	Complied
MCO (DBO)	≤16.5%	12.25%	Complied
LCR (DBO)	≥100%	104.64%	Complied
NSFR (DBO)	>100%	107.61%	Complied
Capital market exposure (Solo)	≤25%	18.15%	Complied
Leverage ratio (Solo)	≥3%	5.63%	Complied

Capital management

The Bank has been maintaining adequate capital consistently above its regulatory requirement. Minimum capital requirement of the Bank as of 31 December 2023 was BDT 31,185 million whereas EBL maintained BDT 46,890 million that led to CRAR 15.04% of which core capital to RWA was 10.91% that indicates how efficiently and optimally EBL manages its capital and maintains a strong capital base to meet up regulatory requirements and cushion business growth.

BDT in million

Particulars	31/12/2023	31/12/2022
Risk weighted assets	311,849	279,016
Minimum capital requirement (MCR)	31,185	27,902
Capital Maintained	46,890	40,761
Surplus (Over MCR)	15,705	12,859
CRAR	15.04%	14.61%

Service excellence

We are committed to provide convenient and standardized customer service consistently. In doing so we have been enhancing our service excellence through maximum use of technology and process re-engineering. Recognizing the ongoing digitization transforming the banking sector, we have positioned ourselves to become a leading force in digital banking. This strategic move has enhanced customer experience by improving connectivity in a holistic approach. We appreciate customer feedback as it aids us in comprehending evolving customer needs and meeting their expectations. This helps us in creating and maintaining strong bondages with our customers.

Data security and privacy

Foundation of banking lies in nurturing trust and credibility. Cyber security is key for Banks to keep customers' money safe and secure. As the banking transaction moves towards cashless, now it is very crucial for us to ensure that managing cybersecurity issues is in right place to protect data and confidentiality. We have taken several preventive controls to safeguard the Bank from data breach. To provide customers with the comfort and reliability to use digital channels for transactions, our all-out efforts to maintain transactional security is undefeated. Our PCI-DSS certification for consecutive eight years recognizes our constant effort to minimize vulnerabilities in cardholder data domain for providing reliability to customers for using our payment cards. Our achievement of ISO/IEC 27001:2013 certification for the fifth time in a row recognizes our compliance with Information Security Management Systems (ISMS), a risk management framework developed jointly by ISO and IEC. With the rise of digitization, cyber resilience is an important feature for the banks. Winning Financial Institution Cyber Drill 2022 at the National Cyber Drill 2022 reconfirms our preparation for cyber security related incident handling.

Strong brand image

Our continuous effort to offer innovative service and products along with service excellence has made us a strong financial brand in the market. Recognition from various local and international bodies validates this. To name a few, Bank of the Year for three consecutive years 2020-2022 by The Banker, Best Partner for Equipment Trade in South Asia under Global Trade Finance Program by IFC, Best Domestic Bank in the 2021 by Asiamoney, Fintech Innovation of the year for 2021 by FinTech, ICMAB Best Corporate Award, Superbrands Award for 2018-2020 by the Superbrands Bangladesh etc. Also, EBL is also well-accepted by the multi-lateral Institutions such as- DEG, FMO, ADB, IFC etc. for its proven track record of success.

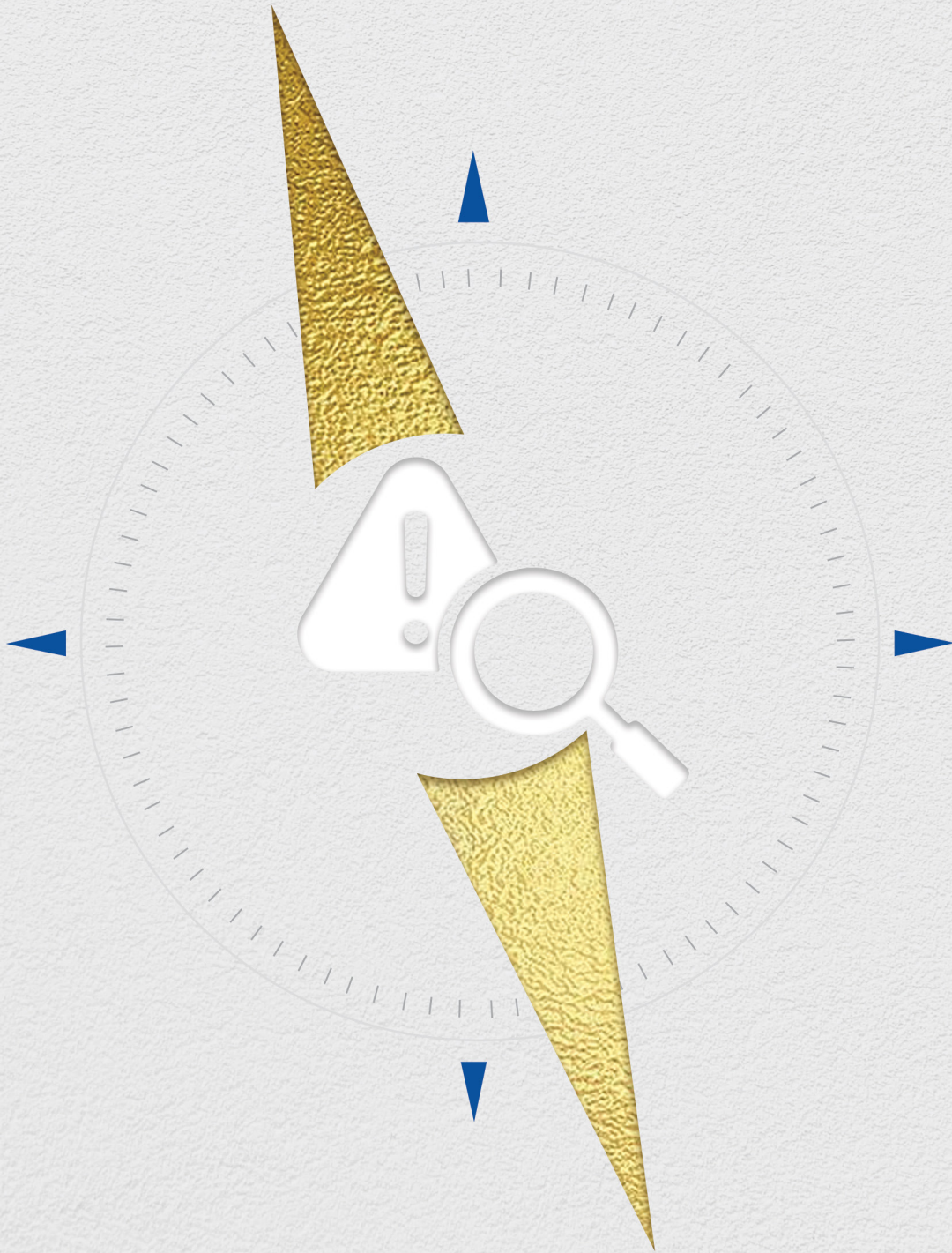
Caring for employees

Satisfied employees have higher productivity and provide better customer service. EBL has created an equitable, enabling and discrimination-free working environment which provides equal opportunity, ensures work life balance, creates employee engagement, helps in personal development, and offers health and safety for its employees which in return increases Bank's productivity and reduces conflict between employees and management. This has eventually reduced turnover with enhanced loyalty towards the Bank along with retention of talents. We believe in connecting with our people to win loyalty, promoting employee engagement and motivating them to excel in our journey to build a strong and vibrant brand. As a part of recognition, EBL has received Bangladesh Best Employer Brand Award by the globally renowned Employer Branding Institute.

Our going concern ability remains unchallenged

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 and the Bank will continue to operate for the foreseeable future. Hence, the financial statements of the Bank have been prepared on going concern basis.

RISK MANAGEMENT

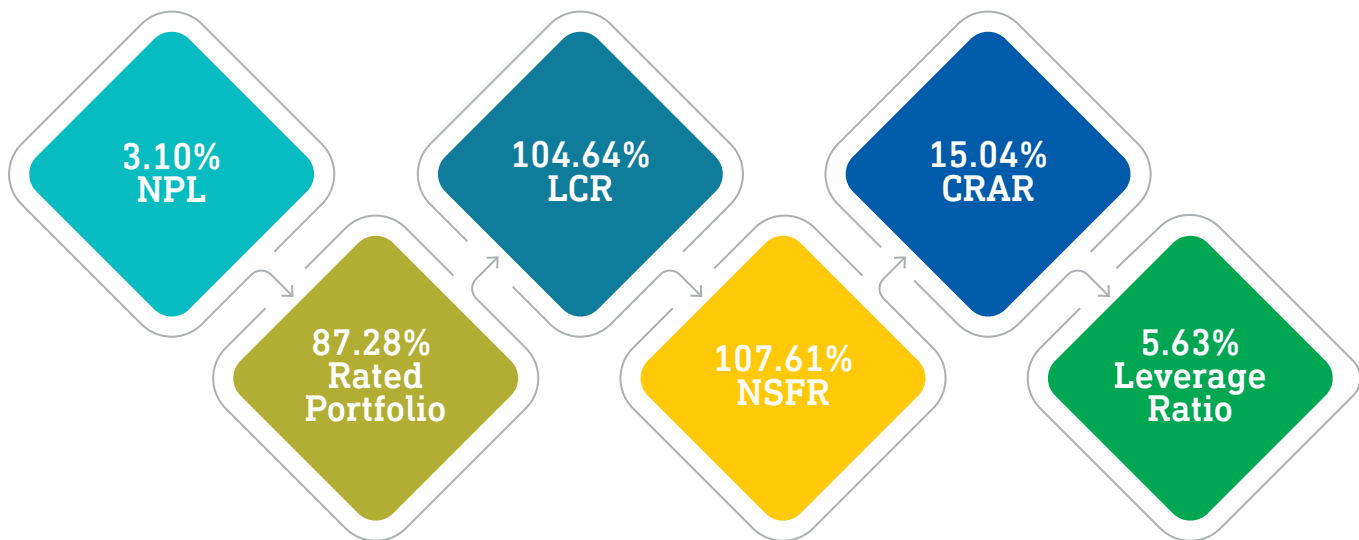


From the Desk of Chief Risk Officer (CRO)

It is my great pleasure as the Chief Risk Officer of EBL to reflect on our journey through an eventful year 2023. With the robust risk management frameworks and vigilant oversight, we consistently try to identify, assess, and address risks across all aspects of EBL's operations. By prioritizing stakeholder interests, EBL has demonstrated its trademark resilience over the years in the face of evolving challenges, ensuring stability and continuity of its operations. This persistent dedication to effective risk management not only protects our assets but also lays the foundation for sustained growth and value creation. At EBL, risk management is not limited to just meeting the regulatory compliance; it is embedded in the organizational culture, influencing every aspect of the bank's operations. With a proactive approach, EBL continually evaluates emerging risks and tunes its strategies and protocols accordingly. This holistic methodology not only enhances the bank's resilience against uncertainties but also fosters trust among stakeholders,

solidifying EBL's reputation as a dependable and forward-thinking financial institution.

Bangladesh's banking industry has been undergoing numerous challenges. From regulatory shifts to macro-economic stability, from technological disruptions to geopolitical uncertainties, the sector is filled with myriad of complexities that demand vigilance, adaptability, and foresight. EBL, however, has navigated these challenges with resilience, innovation, and the continued commitment to prudent risk management practices. Despite facing obstacles, we have maintained strong financial health, achieved commendable growth, and upheld our reputation as a trusted financial partner. This success is supported by our strong corporate governance and unwavering focus on managing risks effectively, ensuring the safety and soundness of our operations, and delivering sustainable value to our stakeholders.



Yet, as we celebrate our achievements, we must remain vigilant about the evolving regulatory landscape and its implications for our industry. Ongoing geopolitical tensions and escalating rivalries among key global powers continue to cast shadows on commodity markets including trade uncertainties with a natural spillover effects on Bangladesh's economy, causing disruptions in supply chains and shifts in trade dynamics.

Apart from tightening monetary controls, the Central Bank has taken up some strong reform measures and changes in regulations requiring banks to adapt swiftly and proactively to emerging requirements. The Central Bank's efforts to enhance the classification and provisioning norms for NPLs necessitate a diligent reassessment of our credit risk management framework. We must ensure greater rigor and transparency in identifying, measuring, and mitigating credit risks to align with these revised standards. Similarly, the revised guidelines on written-off loan management demand heightened attention to asset quality and recovery strategies. As a positive force of financial stability, we are committed to adopting best practices in loan recovery while upholding ethical standards and responsible banking.

Moreover, the impact on Interest Rate Risk movement in the Banking Book (IRRBB) poses a significant challenge in the current interest rate environment. As interest rate dynamics changed from fixed cap regime to SMART one, we remain vigilant in monitoring and managing our interest rate exposures to mitigate potential adverse impacts on our earnings and capital adequacy. Furthermore, the Prompt Corrective Action (PCA) framework introduced by the Central Bank underlines the importance of maintaining sound capital levels and asset quality. EBL remains focused in its commitment to prudential risk management, capital optimization, and operational excellence to ensure compliance with PCA thresholds while sustaining growth and profitability.

With a commitment to responsible lending, we meticulously assess the creditworthiness of our clients, ensuring that loans are extended only to individuals and businesses with a sound financial standing and strong repayment capability. By adhering to strict risk management protocols and conducting thorough due diligence, EBL minimizes the likelihood of default, safeguarding the interests of both the bank and its customers.

EBL also has a prudent market risk management practice to safeguard its assets and ensure financial stability. Utilizing the risk assessment tools and methodologies, we continuously monitor and evaluate market risks arising from fluctuations in interest rates, foreign exchange rates, and other pertinent factors. By maintaining diversified investment portfolios and implementing robust hedging strategies, potential adverse impacts on its financial performance is mitigated. Additionally, the bank prioritizes regulatory compliance and adherence to best practices in risk management, thereby enhancing transparency and accountability. Through vigilant approach to market risk management, EBL fortifies its resilience against external volatility, bolstering stakeholders' confidence and long-term sustainability.

EBL demonstrates a firm commitment to prudent operations risk management, recognizing its importance in mitigating potential disruptions to its business activities. EBL deploys comprehensive risk assessment frameworks and rigorous internal controls to identify, assess, and mitigate operational risks across its operations. By implementing robust contingency plans and investing in advanced technology infrastructure, EBL ensures resilience against a wide range of operational threats, including cyber-attacks, system failures, and human errors. Moreover, the bank prioritizes staff training and awareness programs to foster a culture of risk awareness and compliance across the organization. Through its proactive approach to operations risk management, EBL strengthens its operational resilience, safeguarding its reputation and maintaining the trust of its customers and stakeholders.

EBL conducts regular assessments of its capital position, ensuring compliance with regulatory requirements and alignment with strategic objectives. By balancing capital adequacy with profitability

targets, EBL efficiently allocates capital across its business lines, prioritizing investments in areas that generate optimal returns while managing risk effectively. EBL also emphasizes capital preservation through sensible lending practices and careful investment decisions. Through its diligent capital management practices, EBL strengthened its resilience to economic fluctuations and enhances its ability to weather unforeseen challenges which ultimately contributes to long-term value creation for its stakeholders.

In the face of these regulatory imperatives, EBL remains resolute in its commitment to excellence. We embrace these challenges as opportunities to fortify our risk management capabilities, enhance our operational resilience, and reinforce our position as a leading financial institution in Bangladesh. As we embark on the journey ahead, we do so with confidence, guided by our core values of integrity, transparency, and customer-centricity. Together, we will keep facing abrupt change and challenges seizing opportunities for innovation and growth and continue to deliver sustainable value to our shareholders and communities we serve. I extend my heartfelt thanks and gratitude to our shareholders, customers, regulators, and employees for their unwavering support and dedication in our journey towards sustainable growth.

Sincerely,



M. Khurshed Alam
DMD & Chief Risk Officer

Risk Management Report

Risk management at EBL

EBL's risk management philosophy and practice have been crafted into the fabric of its operations, serving as a cornerstone of all the strategic choices made. Through comprehensive framework and vigilant oversight, EBL consistently identifies, assesses and mitigates risks across all the areas of its activities. By prioritizing stakeholder interests, EBL remains resilient in the face of evolving challenges, ensuring the stability and sustainability of its operations. This commitment to rigorous risk management not only safeguards the bank's assets but also underpins its capacity for enduring growth and value creation. At EBL, risk management

transcends mere compliance to an ingrained culture that combines every aspect of the bank's operations. With a proactive attitude, EBL continually evaluates emerging risks, adapting its strategies and protocols. This holistic approach not only fortifies the bank against uncertainties but also cultivates trust among stakeholders, reinforcing EBL's reputation as a dependable and forward-thinking financial institution.

Key initiatives by EBL in 2023

Considering global and national risk trends, EBL took following initiatives in 2023 to mitigate risks without hindering growth potential:

	EBL has taken several initiatives to support the clients. Extension of maturity of loans, credit limits, 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.
	Initiating clearer segmentation to identify potential vulnerable industries / customer clusters and accordingly modifying risk mitigation processes. Also, initiating impact estimation under various scenarios to determine potential provision needs.
	Digitalizing documentation process to reduce lead time of credit appraisal and disbursement.
	Additional 7 Sustainable Finance Help Desk in focused branches throughout Bangladesh were introduced in 2023 making the total to 17 help desks to promote and enhance green and sustainable finance awareness and disbursement.
	IFC conducted Risk Management Diagnosis of the risk functions of EBL based on IFC's Risk Assessment Framework and proposed process improvement to better cater our clients.
	To quantify the impact, emission and recourse savings, "Energy Efficiency Audit" by Association of Energy Engineers (AEE) certified auditor also enlisted by Sustainable and Renewable Development Authority (SREDA) of 12 clients were conducted for imported capital machineries financed by EBL during 2023.
	To identify portfolio wise sectoral carbon emission (scope 1, 2 & 3), employment generation, contribution to GDP, EBL is working with JIM foundation in carbon accounting project.

Risk management framework

Broader risk management objectives

The primary objectives of risk management encompass ensuring alignment between the outcomes of risk-taking activities and

the Bank's overarching strategies and risk tolerance, while also maintaining a prudent equilibrium between risk exposure and potential rewards to enhance shareholder value. EBL's Enterprise-wide Risk Management Framework serves as a guide to fulfill these objectives effectively.

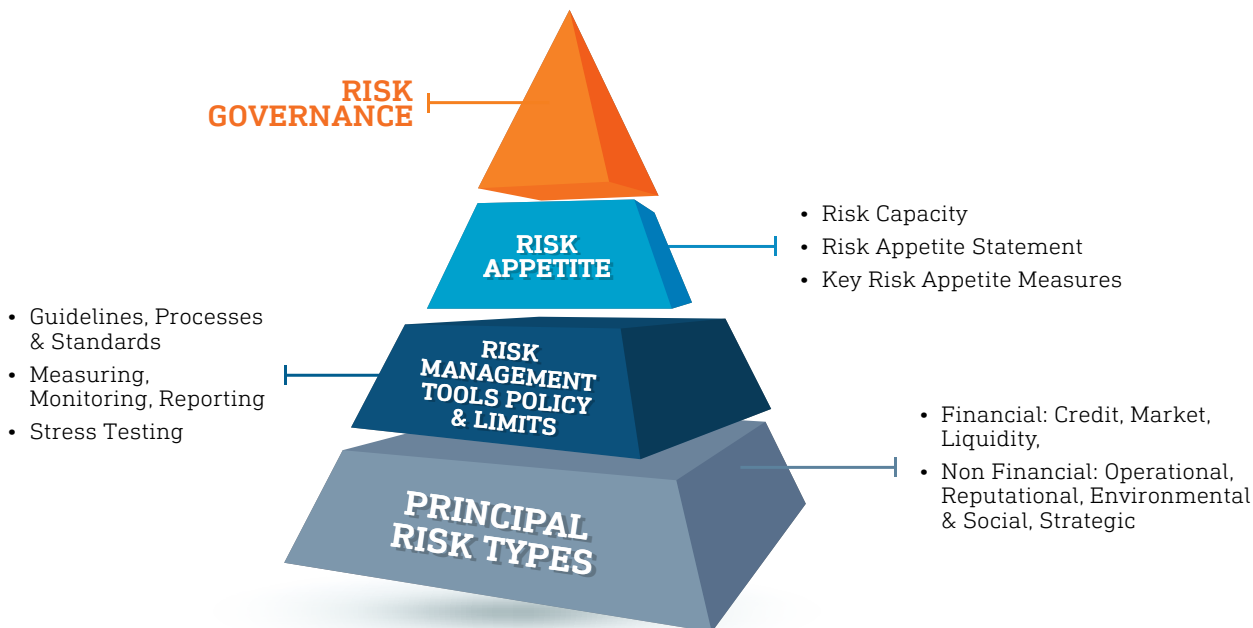


Bank's risk management policy

It is imperative not only to meet regulatory requirements but also to improve financial performance and soundness indicators of the bank. Consequently, the risk management policy has evolved into a pivotal component of the organizational structure, playing a crucial role in ensuring the long-term stability of the bank. EBL maintains a

comprehensive approach to risk management, with all risk-related activities guided by the bank's overarching risk management policy, which provides a cohesive vision for the entire enterprise. This policy encompasses detailed guidelines for sound risk management, adhering to industry best practices at both national and international levels.

Bank's risk management framework



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

Lines of Defense	Definition	Key responsibilities include
The First Line of Defense (First LoD)	Refers to those roles in the Bank whose activities generate risks, whether financial or non-financial, and who own and are accountable for these risks. Management control is the First LoD.	<ul style="list-style-type: none"> • Identify and highlight the risks required to undertake revenue-generating activities. • Identify, assess, monitor and escalate risks and issues to the second line and senior management and promote a healthy risk culture. • Manage risks within Risk Appetite, set and execute remediation plans and ensure compliance of regulatory requirements.
The Second Line of Defense (Second LoD)	Refers to the roles in the Bank which define the risk management framework for specific risk types. Risk control and compliance oversight functions established by EBL management are the Second LoD.	<ul style="list-style-type: none"> • Identify, monitor and escalate risks and issues to the Chief Risk Officer, senior management and the Board and promote a healthy risk culture. • Oversee and challenge first-line risk-taking activities and review first-line risk proposals. • Propose Risk Appetite to the Board, monitor and report adherence to Risk Appetite and intervene to curtail business if it is not in line with existing or adjusted Risk Appetite, there is material non-compliance with policy requirements or when operational controls do not effectively manage risk. • Ensure that there are appropriate controls to comply with applicable laws and regulations, and escalate significant non-compliance matters to senior management and the appropriate committees.
The Third Line of Defense (Third LoD)	Refers to the Independent Internal Audit and Assurance, which is accountable for providing independent and objective assurance on the adequacy of the design, operating effectiveness and efficiency of the risk management system and systems of internal control.	<ul style="list-style-type: none"> • Independently assess whether management has identified the key risks in the businesses and whether these are reported and governed in line with the established risk management processes. • Independently assess the adequacy of the design of controls and their operating effectiveness.

Risk management outline in EBL

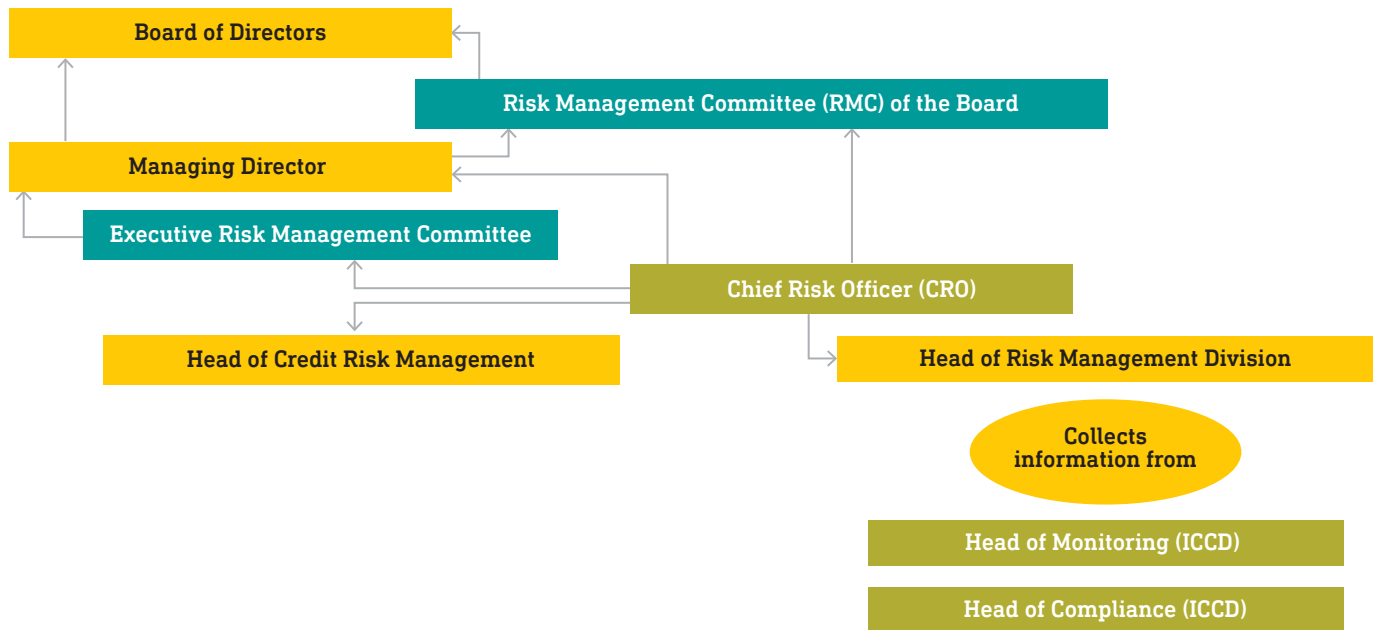
- Each of the three lines of defense plays distinct roles in EBL's broader governance framework.
- Every employee of EBL is to act consistently in line with our risk appetite, risk management standards and values.
- The Management approved risk appetite is cascaded and adhered to across all dimensions of the Bank, with appropriate consequences in the event of a breach.
- Within EBL's Risk Management Framework, Risks are first identified and assessed and then actively managed via appropriate risk mitigation and effective internal control systems.

- Risks are measured and escalated with accurate, complete and timely data using approved models.
- Regular stress tests are carried out against adverse scenarios and appropriate crisis response planning are thus established.

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

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

Governance structure of risk management



Risk management committees

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

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

Role of the Board

The operations of EBL (at home and abroad) are clearly aligned with the objectives and directives set forth by the Board. The Board is instrumental in establishing comprehensive strategies and policies regarding risk concentration, risk management, and business conduct. These strategies and policies are meticulously designed to align with specific risk parameters, ensuring the organization's adherence to its overarching goals and regulatory requirements.

Central to its responsibilities, the Board ensures the formulation of comprehensive business policies that encompass effective risk management practices and compliance with regulatory standards and internal protocols. To facilitate efficient governance in risk matters, the Board has instituted the Risk Management Committee (RMC) as the primary forum for policy formulation, review, and decision-making on all risk-related issues within the Bank. The RMC

convenes at least quarterly and delegates certain responsibilities to the Executive Risk Management Committee (ERMC).

Risk Management Committee (RMC) of the Board supervises:

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

Risk culture at EBL

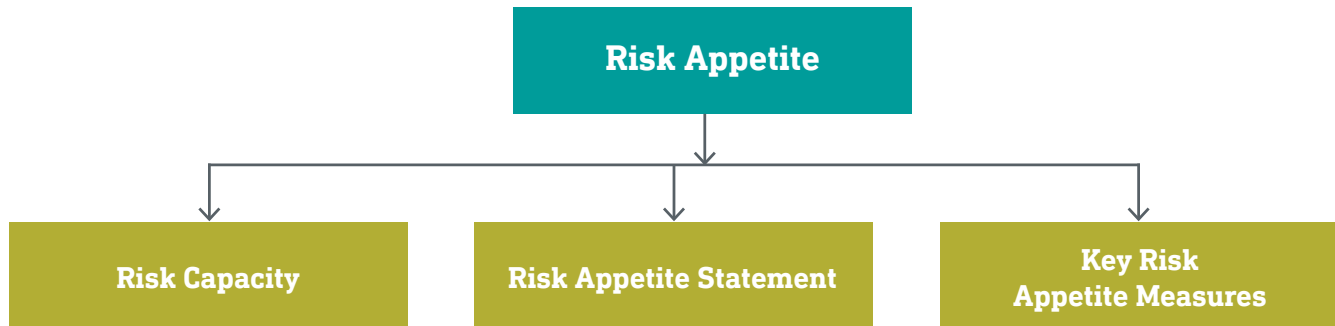
Risk-taking and risk management activities across EBL are guided by the following ideas:



Risk appetite & strategies

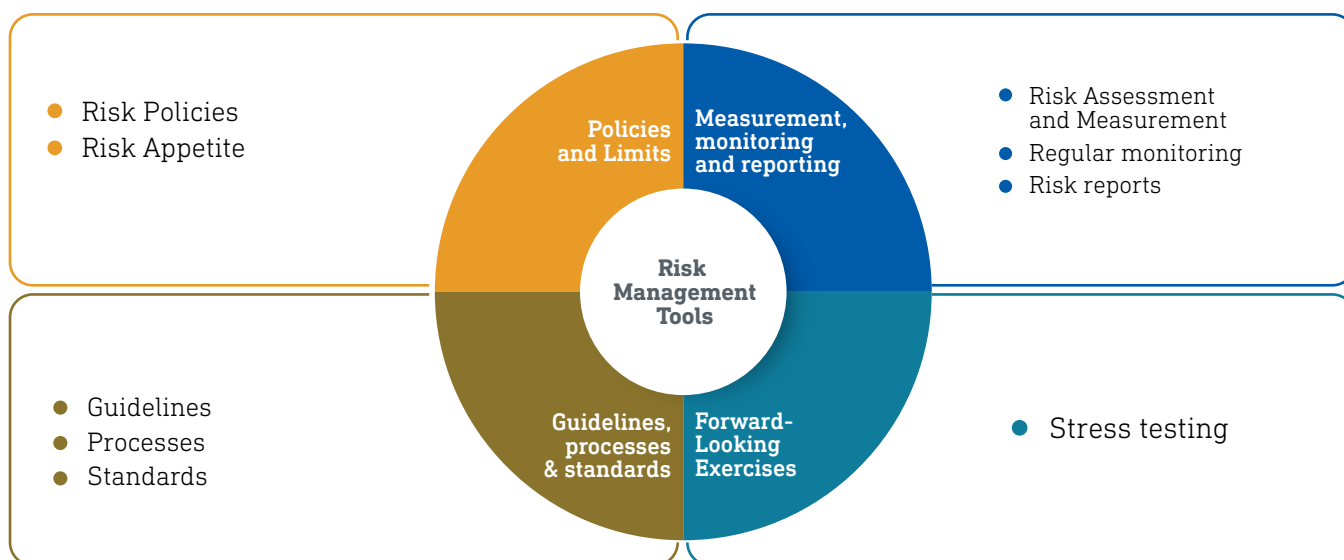
EBL's risk appetite framework comprises risk capacity, risk appetite statement, and key risk appetite measures. The implementation of the risk appetite statement and the monitoring of key risk appetite

measures are instrumental in ensuring that the Bank operates within suitable risk thresholds. Furthermore, the Bank's credit risk appetite delineates its risk tolerance concerning lending activities, counterparty credit risk, and other credit exposures, including investments.



Risk Appetite Criteria	Appetite	EBL's position	
		2023	2022
Credit risk			
Non-Performing Loans (NPL)	Less than 3.50%	3.10%	2.78%
Net NPL (Gross NPL less specific provision & interest suspense)	Less than 1.40%	0.82%	0.88%
NPL Coverage Ratio	More than 100%	147.61%	168.46%
Large loan concentration	Less than 46%	25.07%	31.00%
Loan concentration on top 20 borrowers	Less than 30%	24.16%	26.89%
Off balance sheet exposure as percentage of total assets	Less than 45%	39.18%	36.21%
Percentage of portfolio with credit rating	More than 65%	87.28%	84.50%
Market risk			
Impact on net interest income due to change in interest rate	Less than 10%	5.59%	3.30%
Value at Risk (VAR) BDT in million	Less than BDT 40 million	3.92	18.52
Concentration on top 10 depositors	Less than 20%	5.64%	7.47%
Capital Market exposure	Less than 25%	18.15%	24.65%
Liquidity risk			
Advance to Deposit Ratio (AD)	Less than 87%	79.45%	77.83%
Liquidity Coverage Ratio (LCR)	100% or more	104.64%	104.36%
Net Stable Funding Ratio (NSFR)	More than 100%	107.61%	105.53%
Maximum Cumulative Outflow (MCO)	Less than 16.5%	12.25%	14.68%
Operational risk			
Internal fraud	0.20% of last 3 years' avg. operating profit	0.00%	0.00%
External fraud	0.80% of last 3 years' avg. operating profit	0.00%	0.00%
Employment practice and workplace safety	0.10% of last 3 years' avg. operating profit	0.00%	0.00%
Clients, products, and business practice	0.10% of last 3 years' avg. operating profit	0.00%	0.00%
Damage to physical assets	0.20% of last 3 years' avg. operating profit	0.00%	0.00%
Business disruption and system failure	0.15% of last 3 years' avg. operating profit	0.00%	0.00%
Execution, delivery and process management	0.45% of last 3 years' avg. operating profit	0.00%	0.00%
Overall operational risk	2% of last 3 years' avg. operating profit	0.00%	0.00%
Capital management			
Capital to risk weighted assets (RWA) ratio (CRAR)	More than 12.50%	15.04%	14.61%
Leverage ratio	More than 3%	5.63%	5.57%
Tier-1 Capital ratio (including Capital Conservation Buffer)	More than 8.5%	10.91%	10.73%
Stress test (Impact on capital under combined minor shock)	More than 10.0%	11.42%	10.32%

Risk Management Tools & Models



Policies and limits

Policies

The policies are crafted with careful consideration of both industry standards and regulatory mandates. They are shaped by the Bank's risk tolerance and establish clear boundaries and controls for the operations of the Bank and its subsidiaries.

- 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 management.

Limits

Limits manage risk-taking activities within the parameters set by the Board and senior management. Additionally, these limits assign responsibility for crucial tasks in the risk-taking process and define the thresholds or conditions for approving or executing transactions.

Guidelines, processes and standards

Guidelines

Guidelines ensure that the Bank possesses comprehensive insights into clients, products, and markets, ensuring a thorough understanding of associated risks. These guidelines are subject to

periodic revisions, prompted by market dynamics or other factors. Any risk-taking beyond these guidelines typically necessitates approval from the Bank's Managing Director.

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.

Forward looking exercises

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.

Promoting risk culture & risk awareness

To promote risk culture across the bank and to build up awareness, the following no. of employees were provided training:

Sl. No.	Subject	No. of Courses	Total Participants
1	Asset-liability risk management	9	320
2	Credit risk management	40	1506
3	FX risk management	7	272
4	Internal control & compliance risk management	6	227
5	Anti-money laundering risk management	48	4,805
6	ICT risk management	6	2,586
7	Comprehensive risk management	6	227
8	Basel Core principles	0	0
Total		122	9,943

Risk assessment, monitoring and reporting

Risk assessment and measurement

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

Regular monitoring

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

Risk reports

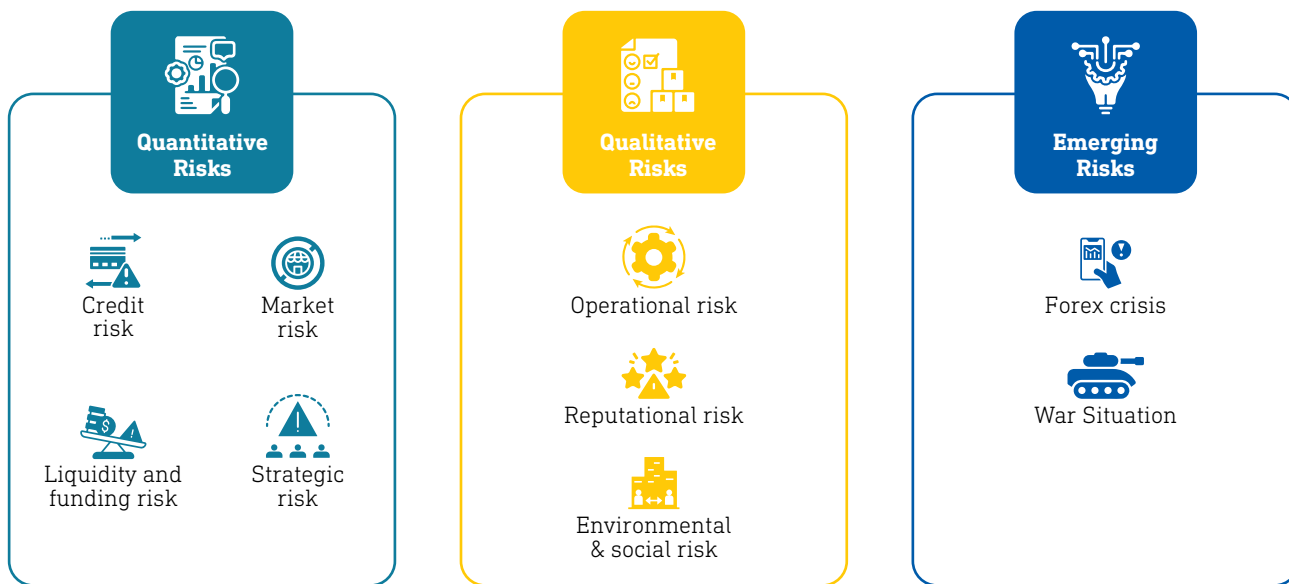
Aggregate measures of risk across products and businesses are used in compliance with policies, limits, and guidelines. They also provide a clear statement of the amount, types, and sensitivity of the various risks in the Bank's portfolio. Senior management and the Board use this information to understand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

Risk mitigation methodologies

Risk mitigation approach

The bank has implemented a robust strategy to mitigate risks, ensuring that risk exposures remain within acceptable limits. Risk mitigation measures are consistently applied in accordance with the Board-approved risk appetite, which aligns with the bank's overall strategy. Standardized risk management practices are in place to foster accountability and provide essential oversight for effectively managing various types of risks.

Principal risk types at a glance



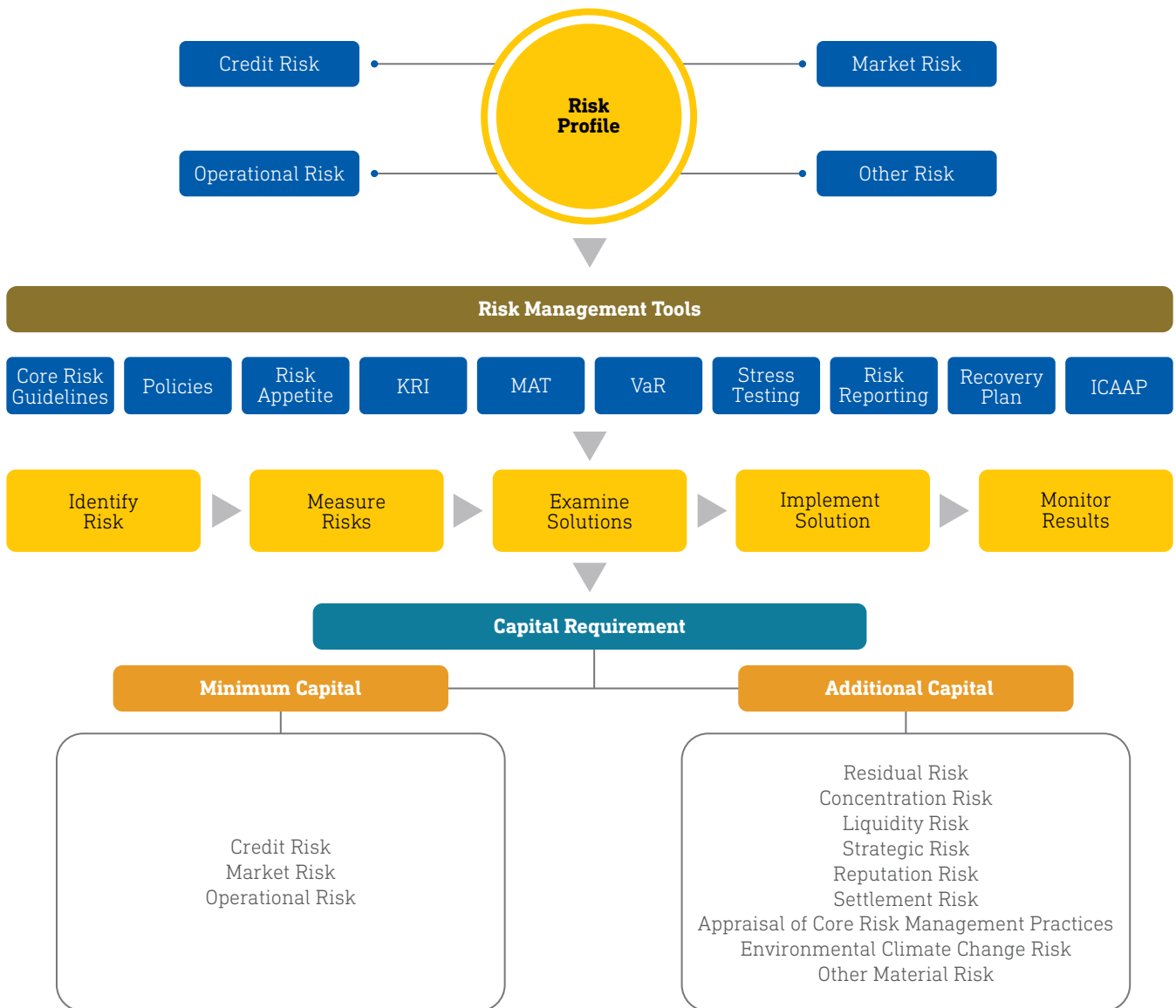
	Risk types	Governing Documentation	Application to Risk Appetite Limits/ Tolerances
QUANTITATIVE RISKS	Credit risk	Credit Policy Manual, Credit Instruction Manual, Risk Appetite	<ul style="list-style-type: none"> Exposure to a single customer or group of related parties. Industry concentrations (exposure and risk adjusted concentration limits).
	Market risk	Asset liability Management Policy, Foreign Exchange Risk Management Policy and Treasury mid-office Operating Guideline.	<ul style="list-style-type: none"> Various VaR limits, stress test results, equity and debt investment exposures. Structural interest rate and foreign exchange exposure. Duration analysis.
	Liquidity and funding risk	Asset Liability Management Policy, Fund Transfer Pricing Policy.	<ul style="list-style-type: none"> 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.
	Strategic risk	Risk Appetite, Annual Budget, Strategic Planning	<ul style="list-style-type: none"> It links the Bank's risk appetite framework with the enterprise strategy, business line strategies and corporate function strategies.

Risk types		Governing Documentation	Application to Risk Appetite Limits/ Tolerances
QUALITATIVE RISKS	Operational risk	Internal Control & Compliance Policy, Fraud & Theft Risk Prevention & Management Policy, ICT Security Policy, Outsourcing Policy, AML Policy, People Management Policy	<ul style="list-style-type: none"> Systematic identification, measurement, mitigation and monitoring of operational risk, Minimization of residual operational risk; and Expressed quantitatively by an aggregate loss limit.
	Reputational risk	Customer Service & Complaints Management Policy	<ul style="list-style-type: none"> 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	Sustainable Banking/ Environmental & Social Risk Management (ESRM) Policy	<ul style="list-style-type: none"> Ensuring that projects are developed in a socially responsible manner.

Risk management and mitigation tactics

Dynamic risk mitigation tactics are essential for establishing robust risk management practices. There are risks that pose greater threats to business objectives and must be addressed proactively. Therefore, it is imperative to implement effective policies and action plans to ensure sound risk management. In the banking sector with inherent risk, risk management is crucial for

financial stability. To adhere to regulatory standards and global best practices, EBL has developed risk mitigation strategies based on the policies and guidelines of Bangladesh Bank and its own risk appetite, limits, standards, reporting procedures, Key Risk Indicator (KRI), Management Action Trigger (MAT), and capital allocation in accordance with the Basel framework, including Stress Testing. Below diagram explains the process flow:



Based on core risk guidelines, the bank has established various divisions to address specific risks, including the Credit Risk Management Division (CRMD), Credit Administration Department (CAD), Special Asset Management Division (SAMD), Internal Control and Compliance Division (ICCD), Anti-Money Laundering Department (ALMD), and Risk Management Division (RMD), among others. Additionally, to oversee overall risk management and ensure Basel III implementation, the bank formed a Basel Implementation Unit. Moreover, it has instituted several high-powered committees to monitor and facilitate smooth risk management activities, such as ManCom, Extended Management Team (EMT), Asset Liability Committee (ALCO), Executive Risk Management Committee (ERMC), Supervisory Review Process (SRP) Team, Central Compliance Committee (CCC), and Credit Risk Management Committee (CRMC), among others.

Credit risk

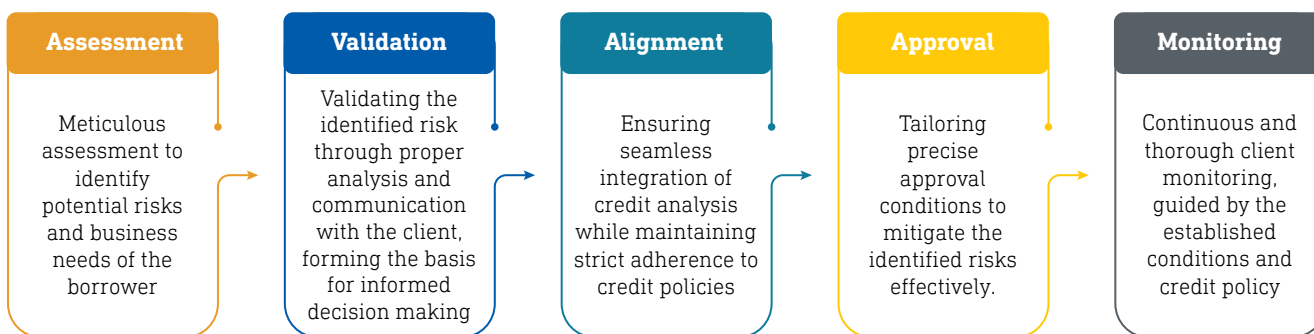
Credit risk refers to the potential financial loss stemming from the default or decline in credit quality of a customer or other third

party with whom EBL has a contractual obligation. It stands as our foremost risk concerning exposure and capital utilization.

To manage credit risk effectively, it is imperative to cultivate an appropriate credit risk culture. Annually, the Board of Directors, either directly or through the Risk Committee (of the Board), evaluates and endorses the bank's credit risk appetite, and every three years, reviews and sanctions the credit policy manual.

Approach to manage credit risk

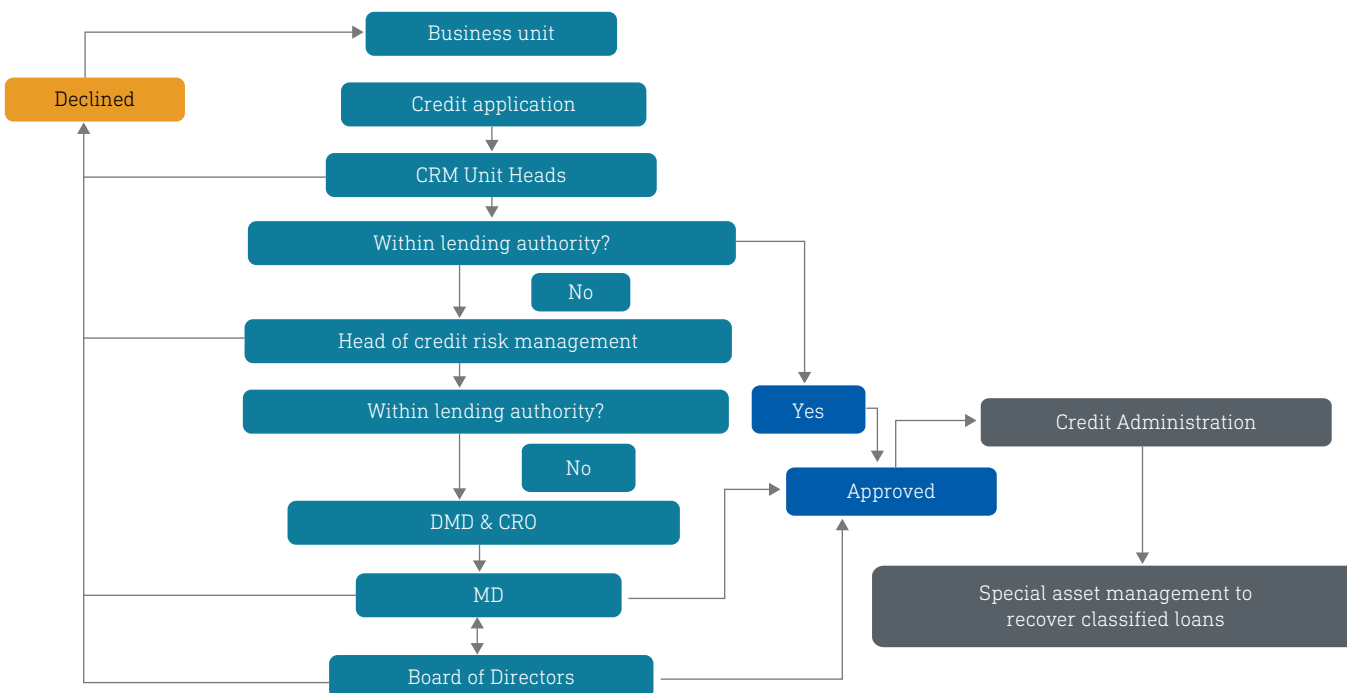
EBL's approach to managing credit risk involves establishing robust risk assessment processes, implementing prudent lending practices, and continuously monitoring borrower creditworthiness. Through comprehensive analysis and stringent controls, we aim to minimize credit losses and ensure the resilience of our loan portfolio. Additionally, proactive measures such as regular portfolio reviews and stress testing enable us to anticipate and mitigate potential risks. The comprehensive assessment process adopted by CRM is outlined below:



Credit risk management process

The credit risk management process involves a meticulous evaluation of borrower eligibility, creditworthiness, and risk profile. It begins with gathering comprehensive information about the applicant's financial status, business prospects, and collateral,

followed by rigorous analysis to assess the potential risks and returns. Factors such as repayment capacity, collateral quality, and market conditions are carefully weighed to make informed lending decisions. Through prudent judgment and adherence to established criteria, we strive to ensure sound loan placements in line with our risk appetite that supports sustainable growth.



Credit risk mitigation measurement

Credit risk mitigation is the process of assessing and managing the potential loss that may arise from the default of borrowers in the context of lending activities. In financial institutions, credit risk is a significant concern as it directly impacts the institution's profitability, stability, and ability to fulfill its obligations. Some of the effective credit risk mitigation measurement are:

Credit Assessment: EBL conducts thorough assessments of borrower creditworthiness, analyzing financial statements, cash flow projections, and market conditions to measure the likelihood of default. EBL ensures prudent lending decisions that mitigate potential credit losses.

Collateral Valuation: EBL meticulously evaluates the quality and value of collateral offered by borrowers, whether it's real estate, inventory, or securities. Through rigorous appraisal processes, market analysis and using third party collateral valuation firms, EBL assesses collateral adequacy to cover potential losses in the event of borrower default.

Portfolio Diversification: EBL prudently diversifies its loan portfolio across various sectors, industries, and geographic regions to mitigate concentration risk. By spreading risk exposures and balancing exposure to different segments, EBL reduces vulnerability to sector-specific downturns and economic shocks.

Stress Testing and Scenario Analysis: EBL conducts stress testing and scenario analysis to assess the resilience of its loan portfolio under adverse economic conditions. By simulating potential scenarios and evaluating their impact on credit risk exposures, EBL identifies vulnerabilities and strengthens risk mitigation strategies accordingly.

Regulatory Compliance: EBL adheres to regulatory guidelines and standards set forth by regulatory authorities, ensuring compliance with capital adequacy requirements, provisioning norms, and reporting standards. By maintaining regulatory compliance, EBL upholds its commitment to transparency, accountability, and sound governance practices.

Monitoring and Review: EBL employs a robust monitoring and review framework to continuously assess the effectiveness of its credit risk mitigation strategies. Through regular portfolio reviews, risk assessments, and performance monitoring, EBL identifies emerging risks and implements timely risk mitigation measures to preserve asset quality and profitability.

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.

Approach to manage market risk

The Risk Management Division (RMD) and the Treasury Department of the Bank are entrusted with the responsibility of identifying, assessing, monitoring, controlling, and reporting on market risk. RMD oversees the Bank's overall risk parameters and exposures, providing reports to the Executive Risk Management Committee (ERMC).

The Treasury mid-office guideline contains the fundamental principles, functions, and duties of the mid-office. Mid office is responsible for scrutinizing and evaluating treasury transactions based on various risk factors including counterparty risk, individual

dealer performance, dealing currency, tenor, timing of execution, and appropriateness of rate. Any significant findings resulting from this analysis are promptly brought to the attention of the appropriate authorities for notification and approval of exceptions, if any, on a daily, weekly, and monthly basis.

Market risk management process

EBL diligently monitors its exposures in capital markets, interest rates, and foreign exchange throughout the year. The Risk Management Committee (RMC) of the Board, Asset and Liability Committee (ALCO), and Executive Risk Management Committee (ERMC) proactively assess market dynamics and provide guidance to ensure the Bank remains resilient against adverse market conditions. The ultimate authority to establish market risk management strategy rests with the Board and its Risk Management Committee. Technical functions related to this strategy are delegated to the Assets & Liabilities Management Committee (ALCO), Executive Risk Management Committee, and Investment Committee. Collaboratively, the Asset-Liability Management (ALM) Desk, Market Risk Management Desk, and Treasury Middle Office oversee the implementation of policies, procedures, and systems concerning financial models and risk management techniques. EBL adheres to its Foreign Exchange Risk Management Policy, Asset Liability Management Policy, and Investment Policy, all approved by the Board. These policies align with the Board-endorsed Market and Liquidity Risk Management Framework, Risk Management Guidelines, and other internal risk management protocols, collectively outlining the management approach towards market risk factors.

Market risk mitigation measurement

Interest rate risk

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

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

Exchange rate risk

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

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

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

- 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.

Foreign Exchange Value at Risk (VaR) was reviewed and revised to accommodate the changing market dynamics.

Investment portfolio risk

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

Liquidity risk

Liquidity risk management is a critical aspect of financial institutions' strategic planning, ensuring their ability to meet short-term financial obligations without compromising long-term viability. Liquidity risk refers to the potential for a bank to face difficulty in fulfilling immediate financial obligations. This typically arises from challenges in converting securities or tangible assets into cash without incurring losses in capital or income. This process involves identifying, assessing, and mitigating potential disruptions to a firm's ability to access sufficient liquidity. It is important to evaluate various factors, including cash flows, funding sources, and market conditions, to gauge potential liquidity gaps. Robust liquidity risk management involves establishing liquidity policies, stress testing scenarios, and defining risk tolerance thresholds. Additionally, diversification of funding sources, maintain ample liquid assets, and establish contingency plans to address unforeseen liquidity challenges are part of prudent liquidity management. The goal is to strike a balance between maintaining sufficient liquidity for day-to-day operations and optimizing the deployment of assets to generate returns. Continuous monitoring and periodic reviews of liquidity risk management strategies ensure adaptability to evolving

market conditions and regulatory requirements, contributing to the overall resilience and stability of the financial institution. Effective management of liquidity and the balance sheet is imperative for the sustained viability of a bank. Furthermore, ensuring profitable and sustainable growth on the balance sheet is equally essential.

Approach to manage liquidity risk

Liquidity risk must be considered within the broader context of financial risk, as it is frequently intertwined with other financial risks such as investment risk, interest rate risk, and foreign exchange risk. The Asset Liability Committee (ALCO) assumes responsibility for overseeing the comprehensive balance sheet risk. The Treasury Division is charged with executing balance sheet management strategies aligned with ALCO's recommendations to mitigate risk and enhance returns. ALCO convenes regular meetings, typically at least once a month, to establish and evaluate Asset Liability Management (ALM) strategies.

Liquidity risk management process

The Liquidity Risk Management Process at EBL (East Bank PLC.) is meticulously structured to ensure the bank's resilience in meeting short-term financial obligations. EBL employs a comprehensive approach, integrating sophisticated risk assessment methodologies to identify, measure, monitor, and mitigate liquidity risks effectively. Through the diligent oversight of the Asset Liability Committee (ALCO), EBL evaluates the balance sheet regularly, aligning liquidity management strategies with the bank's overall risk appetite and regulatory requirements. The bank's Treasury Division plays a pivotal role in executing these strategies, closely coordinating with ALCO to optimize liquidity positions while maximizing returns. With a robust framework in place, EBL maintains a proactive stance in navigating dynamic market conditions, ensuring sustained liquidity and financial stability. The governing policies/ guidelines are:



Operational risk

Operational risk covers a range of potential hazards, such as legal and regulatory exposures, challenges in business processes and adaptability, breaches of fiduciary duty or disclosure obligations, technological malfunctions, instances of financial misconduct, and environmental concerns. The ramifications of operational risks extend beyond mere financial losses to include regulatory penalties and reputational harm to the institution. In this context, EBL has demonstrated notable efficacy in mitigating operational risks, thereby safeguarding client assets and preserving shareholder interests.

Approach to manage operational risk

Risk Management Division has implemented a comprehensive operational risk register, aligning its parameters with prevailing regulatory frameworks. This register serves as a repository for capturing operational risk exposures across the organization. The Risk Management team systematically gathers updates on risk status from relevant departments, consolidates this information, and evaluates risk performance, ensuring timely escalation of significant findings as warranted.

Operational Risk Mitigation Measures

EBL employs a multi-layered approach to mitigate operational risks effectively. First and foremost, the bank maintains stringent adherence to legal and regulatory standards, ensuring compliance at every level of operation. Robust business processes are continually monitored and refined to enhance efficiency and resilience, minimizing the likelihood of disruptions. EBL places an utmost importance on transparency and accountability, with comprehensive compliance and monitoring teams in place to prevent breaches and uphold disclosure obligations. Additionally, the bank invests in technology and cybersecurity measures to preempt and address potential system failures or breaches. Through these proactive measures, EBL not only safeguards its assets and preserves shareholder value but also upholds its reputation as a trusted financial institution.

Other risks

Reputational risk

Reputational risk refers to the potential for adverse effects on an organization's revenues, operations, or customer base due to negative publicity surrounding its conduct, business practices, or affiliations, regardless of their veracity. Such repercussions may necessitate costly litigation or defensive actions. Nonetheless, EBL is dedicated to safeguarding its fundamental values and mission. Presently, the external credit rating of EBL, losses stemming from internal and/or external fraud, defaults or delays in bill payments, and the quality of customer service are factors considered in evaluating the bank's exposure to reputational risk.

Environmental risk

Environmental risk pertains to the potential impact of environmental factors on the financial performance of the Bank. EBL's approach to addressing this issue is comprehensively detailed in its sustainability report, which provides a thorough examination of the measures undertaken to mitigate environmental risks and promote sustainable practices.

Strategic risk

Strategic risk includes the possibility that the Bank's business strategies may prove ineffective, inadequately executed, or insufficiently adaptable to evolving market conditions. EBL maintains that a prudent and proactive approach to managing strategic risks is essential for achieving superior outcomes and surpassing industry benchmarks in areas such as profitability, customer retention, and market penetration. Presently, the assessment of strategic risk at EBL includes factors such as CAMELS rating, cost-to-income ratio, non-performing loan (NPL) ratio, recovery from classified loans in a year, annual loan write-offs, interest waivers, and a comparison of the base rate with lending rates. These metrics serve as valuable tools for evaluating the Bank's strategic resilience and effectiveness.

Money laundering & terrorist financing risk

Money Laundering (ML) & Terrorist Financing (TF) risk refers to financial, reputational, operational and legal risk of a bank resulting from being conduit of illicit fund/assets of perpetrators. Using bank

to place funds with illicit origin or ill motive is the prime intention of perpetrators. Since they are adopting modern techniques to use financial channels as conduit of ML & TF, global financial channels are facing new challenges to ensure AML/CFT compliance.

In compliance with timely initiative and instruction of regulators, we have strengthened AML/CFT compliance framework in EBL. Board of Directors & senior management have adopted "Zero Tolerance" stand against Money laundering & Terrorist Financing to set the tone at the top. Central Compliance Committee (CCC) has been reconstructed with 14 crucial department/division heads so that they can actively contribute in AML/CFT compliance program. The committee reviews the emerging ML/TF risk issues and provides guidance on next course of action in quarterly meetings. DMD & Chief Anti-Money Laundering Compliance Officer (CAMLCO) is leading a dedicated AML Department consisting of 13 employees to address AML/CFT issues centrally in Head Office. AML Department is continuously monitoring transactions to identify unusual/suspicious transactions and ensure meticulous reporting to BFIU as and when required. In addition to nominating Branch Anti-Money Laundering Compliance Officer (BAMLCO) at 85 branches, we have nominated Department Anti-Money Laundering Compliance Officer (DAMLCO) at 26 crucial departments to oversee AML/CFT compliance. EBL has implemented automated transaction monitoring and sanction screening system to corroborate AML/CFT compliance program. As a result of deploying adequate resource in technology and skilled manpower, suspicious transactions/activities identification, escalation, and reporting has been improved significantly. In aspiration to improve further and continue development programs, EBL has adopted awareness programs such as need based training, foundation trainings, certification programs etc. for its employees.

Information and communication technology (ICT) risk

Effective ICT risk management has become essential for EBL as we rely increasingly on technology to achieve the organizational objective. As the risks emerge in tandem with technological advancements, ICT security efforts need to be strengthened to ensure appropriate security controls are in place to maintain integrity, confidentiality and availability of information. EBL is committed to protect customer information and assets from any type of unauthorized use and/or fraud. EBL's approach to addressing ICT risk is detailed in separate section titled "ICT for Greater Outreach & Resilience" of this Annual Report.

Disclosure of risk reporting

In the banking sector, risk is an inherent factor that requires mitigation to align with organizational objectives. Risk management plays a crucial role in financial stability. Bangladesh Bank has delineated six core risks for banks and disseminated policy directives to ensure sound management of these core risks, which are integral to risk management practices across the banking industry. In compliance with Bangladesh Bank's mandates, EBL has devised tailored strategies to address specific risks such as investment risk, market risk, operational risk, and liquidity risk. Moreover, EBL generates risk management reports at regular intervals, including monthly, quarterly, semi-annual, and annual assessments.

Stress testing report

Stress test serves as a tool to evaluate the susceptibility of the bank to unforeseen yet possible shifts in various relevant factors, such as an escalation in non-performing loans, alterations in profit rates, or declines in the value of securities. The ramifications of this model

are quantified by the resultant alterations in the overall Capital to Risk-Weighted Assets Ratio (CRAR) of the bank. Bangladesh Bank has mandated that all banks undertake stress testing on a quarterly basis. Subsequent to review by senior management and the Board, the findings of the stress testing exercise are required to be submitted to Bangladesh Bank.

Stress test result

Particulars	Dec-23			Dec-22		
	Minor	Moderate	Major	Minor	Moderate	Major
Shock applied by the bank	3%	9%	15%	3%	9%	15%
Increase in NPL	12.83%	8.00%	2.20%	12.48%	7.8%	2.14%
Shock applied by the bank	3%	9%	15%	3%	9%	15%
Decrease in value of collateral taken against loans and advances	14.94%	14.85%	14.66%	14.52%	14.42%	14.23%
Shock applied by the bank	5%	10%	15%	5%	10%	15%
Negative Shifting of NPL	14.78%	13.12%	12.92%	14.36%	13.1%	12.9%
Shock applied by the bank	3%	9%	15%	3%	9%	15%
If some sectors become classified	14.19%	12.46%	10.69%	13.78%	12.11%	10.39%
Shock applied by the bank	3	7	10	3	7	10
If some large borrowers become classified	11.24%	7.60%	5.14%	9.88%	5.44%	2.45%
Combined credit risk result (after shock)	12.48%	5.90%	-0.30%	12.14%	6.11%	0.06%
CRAR after combined credit shock	11.42%	3.76%	-4.17%	10.32%	2.47%	-6.25%

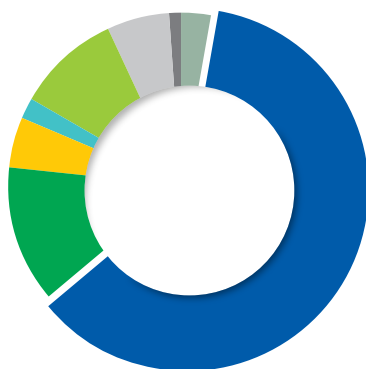
At the end of 2023, CRAR of EBL was 15.04% and CRAR after applying combined minor, moderate and major shock becomes 11.42%, 3.76% and -4.17% respectively.

Credit risk

Sector wise loan concentration scenario:

Credit portfolio has registered a growth of 14.39% in 2023 showing consistency with the country's domestic credit growth. More than 63% of the portfolio is concentrated in industry sector. The second biggest concentration is in Trade & Commerce sector with a concentration of around 13% closely followed by consumer finance sector which is 10%.

Portfolio Concentration



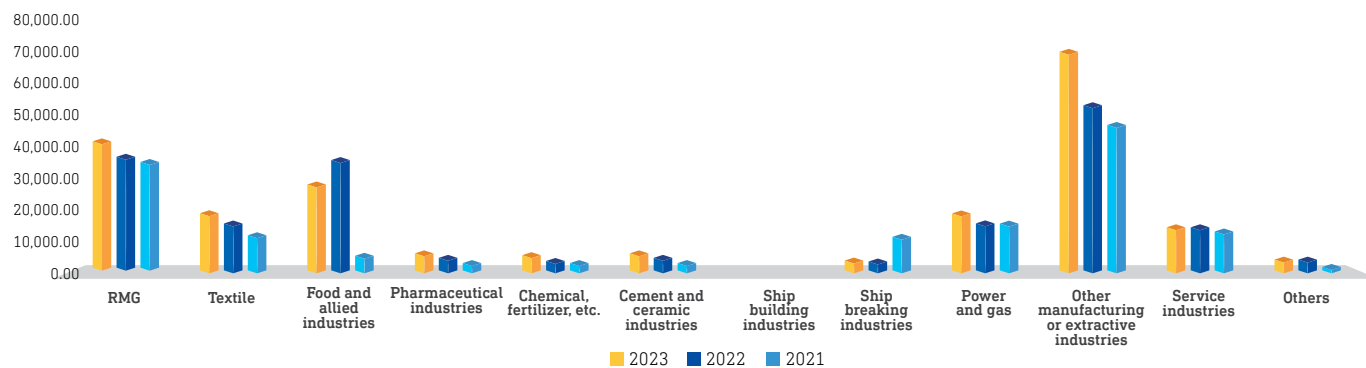
Industry **63%** Trade & Commerce **13%** Construction **5%** Transport **1%**
 Consumer financing **10%** Loans to financial institutions **6%** Miscellaneous **0%**
 Agriculture, Fishing, and Forestry **2%**

Industry concentration

The concentration in industries is the highest in terms of the entire portfolio. According to the guideline provided by the central bank, if we segregate the industry sector into twelve sectors we can see, other manufacturing & extractive industries has the highest concentration (31%) followed by RMG (18%). The exposure in other manufacturing industries is mainly in steel, oil refinery, electronic goods and plastic industries where EBL increased its exposure among the top clients of the industries. EBL has increased exposure to previously tested clients with good credit background.

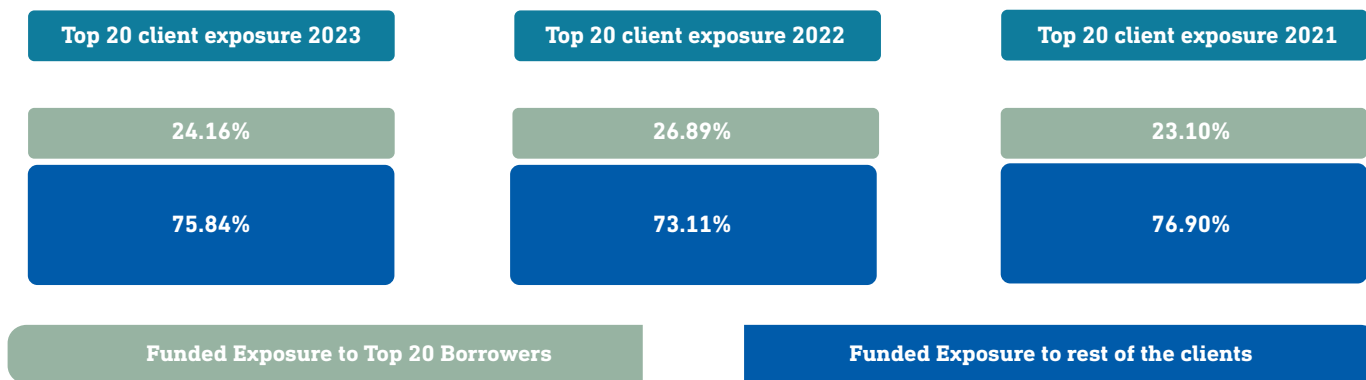
Industry Concentration

BDT in million



Concentration among top borrowers

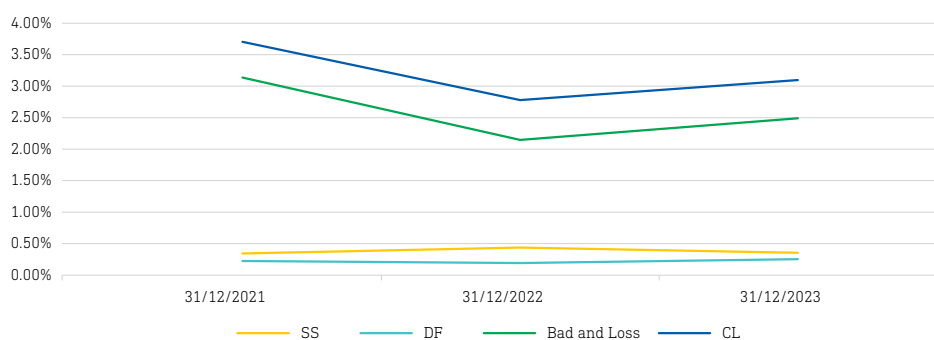
Bank's fund based exposure to top 20 customers is about 24.16% of total loans and advances. To maintain a sustainable portfolio with steady growth, the bank has been diversifying its loan portfolio as evident from the following chart:



Asset quality

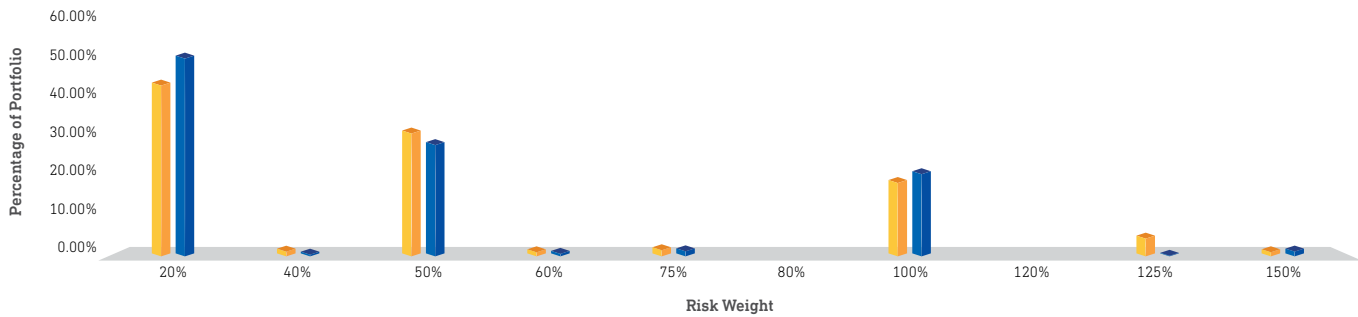
NPL is the key challenge for the banking industry as a whole where EBL stands out with one of the lowest NPL in the industry. NPL as percentage of total loans was 3.10% in December 2023 which was 2.78% in December 2022. NPL in banking sector was 9.00% in December 2023.

NPL



Composition of RWA of Loan Portfolio

2023 2022



Particulars	2023	2022	2021
% of rated loans to total eligible loans for rating	87.3%	84.5%	82.88%

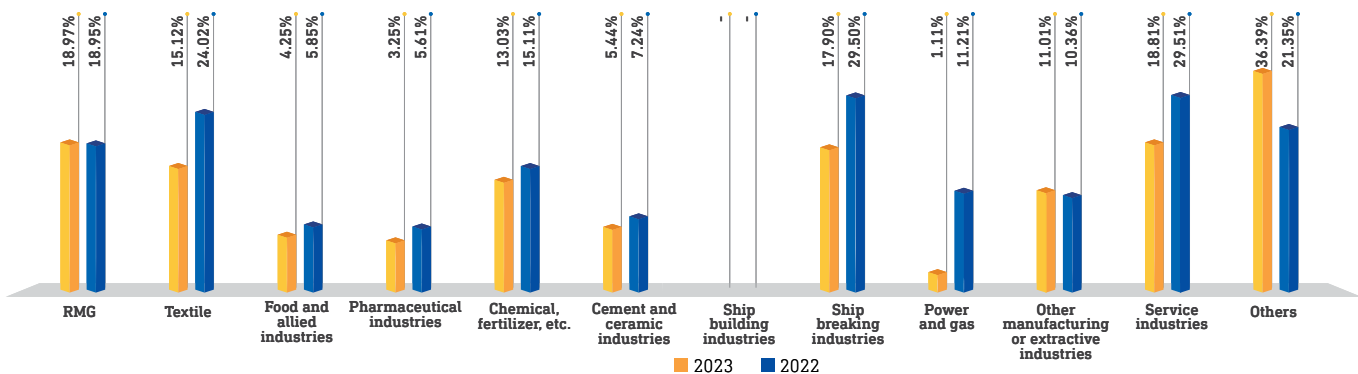
Portfolio belonging to lower risk weighted asset (20% - 80%) under credit risk stood around 75% of the portfolio.

Collateral/security coverage

The determination of collateral values is meticulously conducted at the initiation of a transaction and consistently monitored throughout its duration, employing standardized evaluation methodologies. Heightened scrutiny is applied to collateral valuations in response to early indications of a borrower's financial deterioration.

Bank protocols mandate verification, including certification by authorized Bank officials, during initial, annual, and periodic assessments, ensuring that collateral values, margins, and related factors have been duly appraised. Industry wise security coverage scenario is presented below:

Security Coverage



Market risk

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. Result of the duration gap analysis and its impact on CRAR is stated below:

Particulars	Dec-23
Weighted average duration of assets (years)	1.64
Weighted average duration of liabilities (years)	1.36
Duration gap (years)	0.28
Impacts due to changes in interest rates	After shock equity (CRAR) (%)
Minor shock (1%)	14.53%
Moderate shock (2%)	14.02%
Major shock (3%)	13.50%

Exchange rate risk

Exchange rate risk is the current or prospective risk to earnings and capital arising from adverse movements in currency exchange rates. Result of exchange rate shock on CRAR is presented below:

Particulars	Dec-23			Dec-22		
	Minor	Moderate	Major	Minor	Moderate	Major
Shock applied by the bank	5%	10%	15%	5%	10%	15%
F EX Shock	14.99%	14.95%	14.91%	14.55%	14.50%	14.45%

Liquidity risk

Liquidity risk represents the potential for a bank to incur losses due to either its incapacity to fulfill financial obligations promptly or to expand its asset base incurring undesirable costs or losses.

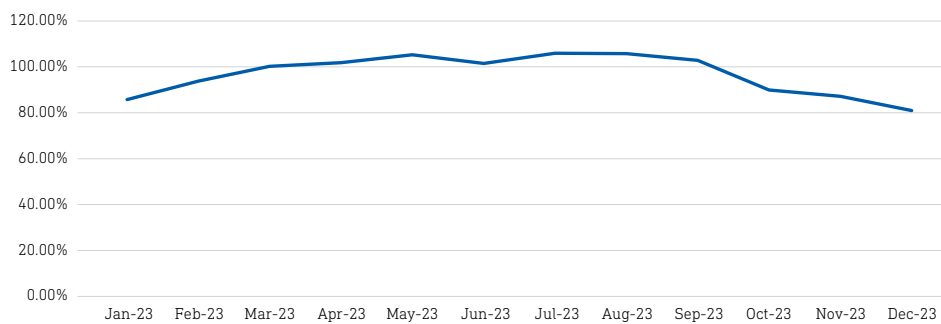
Key liquidity ratios at a glance

Ratios	31/12/2023	31/12/2022	Regulatory limit
SLR	20.85%	21.75%	13%
CRR	3.99%	4.71%	3.5%
ADR	79.45%	77.83%	≤87%
LCR-DBO	104.64%	104.36%	≥100%
NSFR-DBO	107.61%	105.53%	>100%
MCO-DBO	12.25%	14.68%	≤16.50%

Liquid assets to short term liabilities

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

Liquid Assets to Short Term Liabilities

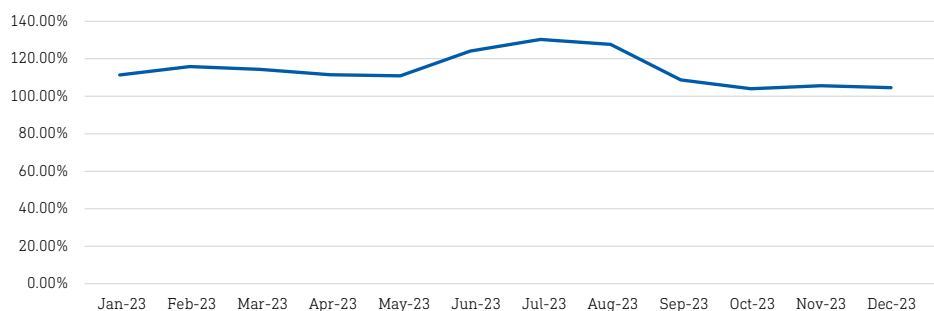


The average Liquid asset to short term liabilities ratio was about 97% in 2023.

Liquidity Coverage Ratio (LCR)

LCR aims to ensure that a bank maintains an adequate level of unencumbered, high-quality liquid assets that can be converted into cash to meet its liquidity needs for 30 calendar days. Liquidity Coverage ratio is calculated as per format provided by Bangladesh Bank.

Liquidity Coverage Ratio (LCR)

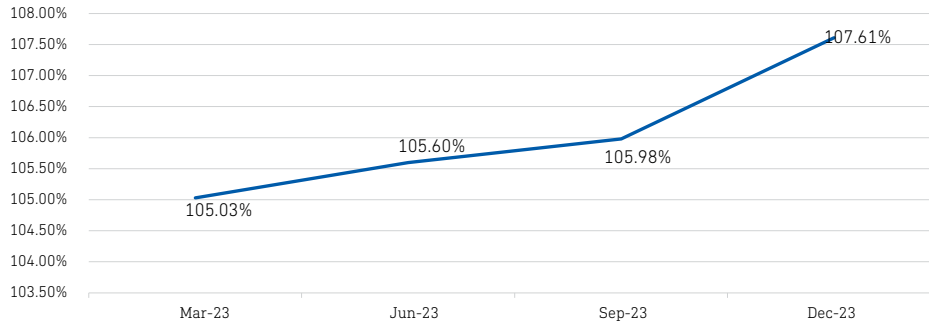


Average LCR for 2023 was 114.08%, which is in line with the regulatory requirement of 100%.

Net Stable Funding Ratio (NSFR)

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

Net Stable Funding Ratio (NSFR)

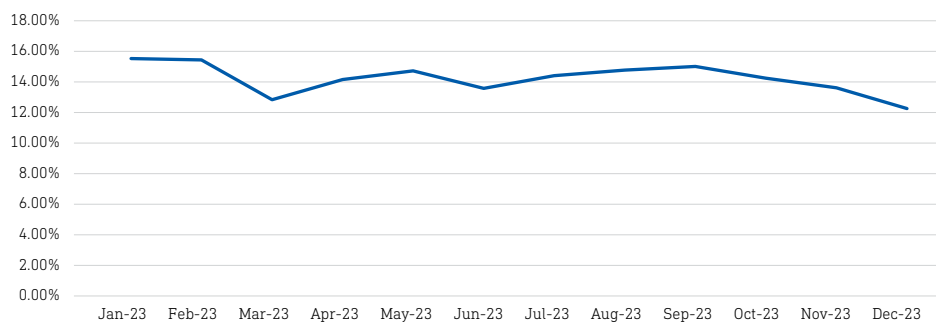


Average NSFR for 2023 is 106.06 %.

Maximum Cumulative Outflow (MCO)

MCO represents the proportion of total liabilities that could potentially be withdrawn at once by depositors or creditors. Finding the right balance in managing the MCO ratio is crucial for financial institutions to navigate effectively through various market conditions while maintaining liquidity and maximizing returns.

Maximum Cumulative Outflow (MCO)



Average MCO for 2023 is 14.21 %.

Operational risk

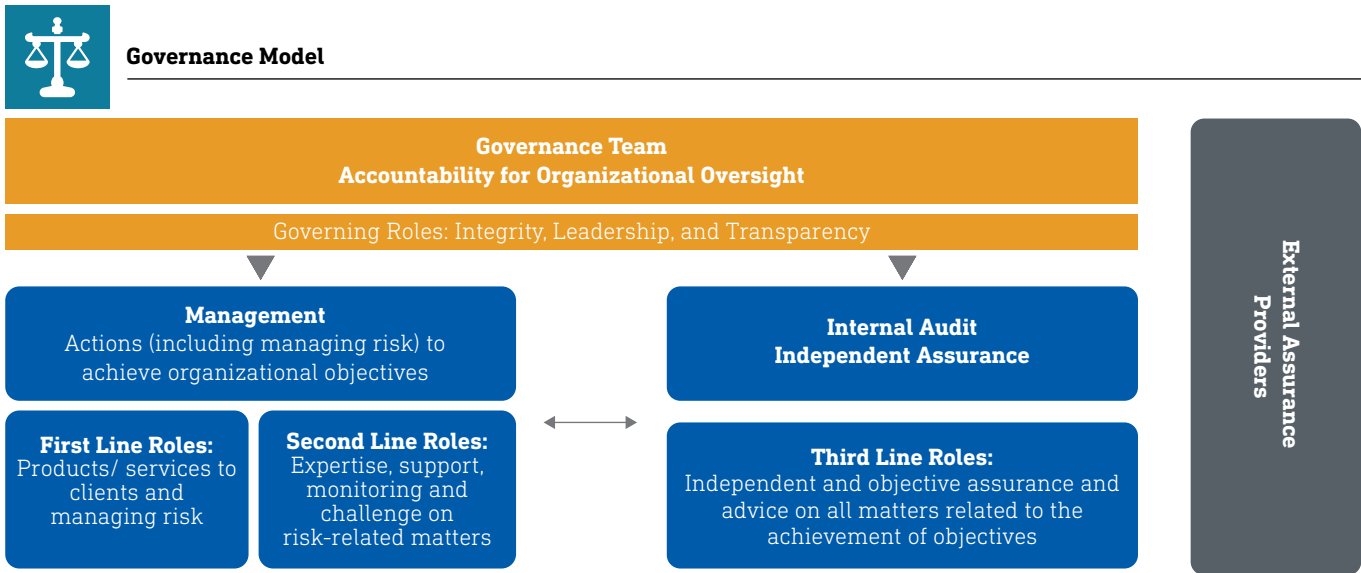
Operational risk covers a range of potential hazards, such as legal and regulatory exposures, challenges in business processes and adaptability, breaches of fiduciary duty or disclosure obligations, technological malfunctions, instances of financial misconduct, and environmental concerns. The ramifications of operational risks extend beyond mere financial losses to include regulatory penalties and reputational harm to the institution. In this context, EBL has demonstrated notable efficacy in mitigating operational risks, thereby safeguarding client assets and preserving shareholder interests. The tools used for operational risk management in EBL are stated below:

Operational Risk Management Tools



Planning, strategy & governance

The department of Governance under Planning, Strategy and Governance in EBL is designed on the basis of controlling risks along with a knowledge of governance to manage them effectively. As the Three Lines of Defense functions hand in hand simultaneously with Governance, the structure of this department includes them altogether to ensure a robust risk culture throughout the bank.



To ensure good governance EBL focuses on managing and controlling the Operational Risks to enhance operational quality and efficiency. The aim of identifying and managing the risk factors of banking applications are achieved through following the steps mentioned below:

Governance delegates responsibilities and provides guideline to Business and Support Units for achieving the objectives of the organization while ensuring legal, regulatory, and ethical expectations are met.

- Governance has provided the business and support units a clear and precise list of functions along with their risk weightage upon non-compliance in excel based template, also known as **Risk Control Self-Assessment (RCSA) tool**.
- The quantifying tool is focused to conduct a regular self-monitoring of tasks under different units/ departments in a division.
- RCSA is formulated to help minimizing the emergence of colossal risks from operational activities.

Overseeing an independent, objective, and competent Internal Audit function to provide clarity and confidence on progress toward the achievement of objectives.

- After the Second Line of Defense, Internal Audit will provide valuable input to the responsible persons for operational risk management, but should not have direct operational risk management responsibilities.
- While monitoring and auditing independently, the similarities and deviations from prepared checklists and practices would be clear and it will be vital to certify the full-bodied compliance culture in the bank.

Risk Control Self-Assessment (RCSA)

Particulars	Type of Lapses	Risk Level	Risk Point	Risk Weight	Allotted Score	Score Obtained
Divisions are segregated as per the types of Operations	Risk upon non-compliance of the operation is tagged, under the heading of 'type of lapse	Risk Level would be auto filled upon selection of the Type of Lapse	Risk Point is to quantify the selected Type of Lapse	To calculate the weight percentage the particular Operation is carrying compared to other Operations in a particular unit.	To be selected when the risk managers assess their status of compliance level on the tasks	Score is obtained from multiplying the Risk Weight and Allotted Score

The Risk Control Self-Assessment process (RCSA) comprises of a series of calculations of the risks generated by departments and branches (1st Line of Defense), the effectiveness of the controls in place to manage them, and the remediation actions required to minimize risks are determined as a preventive measure.

Risk management committees meeting

EBL convened meetings of various risk-related committees in accordance with the directives of the Bangladesh Bank. Throughout the year 2023, the bank facilitated the following meetings and deliberations to address risk management activities, encompassing the examination, observations, and recommendations pertaining to diverse areas of interest and concern.

Meeting status: 2023

Committees	No of meetings held
Risk Management Committee (RMC) of the Board	4
Executive Risk Management Committee (ERMC)	12
ICT Steering Committee	5
Asset Liability Committee (ALCO)	12
Supervisory Review Process (SRP) Team	7
Credit Risk Management Committee	4
Sustainable Finance Committee	4

Reporting & compliance

Aggregate risk measures, covering products and business lines, are employed in adherence to established policies, limits, and guidelines. These measures offer a transparent representation of the magnitudes, ranges, and sensitivities of various risks inherent in the bank's portfolios. Senior management and the Board utilize this data to grasp the bank's risk profile and evaluate portfolio performance. Consequently, the bank submitted the ensuing risk reports for the year 2023 which are:

Name of the Report	Frequency	Purpose
Monthly Risk Management Report (MRMR)	Monthly	Providing comprehensive overview of the Bank's risk profile.
Comprehensive Risk Management Report (CRMR)	Half Yearly	Providing comprehensive overview of the Bank's risk profile with specific findings and recommendations to manage risk.
Internal Capital Adequacy Assessment Report (ICAAP)	Annually	Determining capital adequacy against the Bank's overall risk profile under Pillar II of Basel III.
Market Discipline	Annually	Disclosing key information of Bank's assets, risk exposures, risk assessment processes, and capital adequacy to meet the risks so that stakeholders can assess the position of the bank.
Stress Testing	Quarterly	Conducting scenario analysis under a set of exceptional, but plausible assumptions to assess the impact of capital base under different shock level.

Name of the Report	Frequency	Purpose
Risk Appetite Statement	Annually	Determining the level and type of risk the Bank is able and willing to assume in its exposures and business activities, given its business objectives and obligations to stakeholders

Recovery plan

EBL established a recovery planning framework to implement recovery and resolution planning for the Bank in line with the directives of Bangladesh Bank. The Recovery Plan seeks to put in place an effective and efficient processes to enhance recoverability and resolvability of EBL in stressed or crisis situations.

The Recovery Plan serves as a strategic planning tool that –

Integrates the recovery planning with the existing risk governance framework and reinforces risk management functions.

Strengthens EBL's internal arrangements to recover from a range of stressed events.

The Recovery Plan is an overarching framework that has been developed, maintained, and when necessary, to be executed by EBL to manage severe stress events that threaten to undermine the Bank's viability. As part of recovery planning, EBL has identified and planned for the execution of a suite of recovery options to restore long-term viability under a range of idiosyncratic and system-wide stressed events. EBL does not taken into account the possibility of policy intervention by regulators or access to any exceptional financial support from public funds in such scenarios. The plan is aligned with the Bank's strategic, operational (including business continuity), contingency, capital (including stress testing) and liquidity plans or forecasts. The triggers that can set off the Recovery Plan is monitored and the plausible recovery options is reviewed on an ongoing basis.

EBL's policies, procedures and management information systems will support informed decision making across the business as usual (BAU), early warning (EW) and recovery phases (R) in order to ensure that a recovery plan is capable of being executed in an effective and efficient manner.

Going forward the bank will continue to integrate the recovery plan with existing risk appetite and risk management frameworks. EBL is ensuring that the recovery plan is complementary and closely linked to the bank's strategic and contingency planning and promote understanding of, and involvement in, the recovery planning process at all relevant levels across the organization, including internal teams tasked with making decisions during

stressed events. The Recovery Plan has been aligned with ICAAP, Business Continuity Plan, Disaster Recovery Plan, Capital Growth Plan, Key Risk Indicators, Management Action Triggers, Risk Control Self-Assessment, Risk Appetite Statement and SRP-SREP dialogue.

The designated teams will regularly update the Board and senior management on material developments relating to recovery planning including the status of recovery triggers (including any breaches), requirement of activation of the recovery plan, implementation strategy of recovery options and preparatory measures which are to be undertaken.

Any breaches of recovery thresholds is escalated to senior management to –



A breach in a recovery threshold will not automatically lead to the activation of the recovery phase or the implementation of recovery options. Rather, senior management, in consultation with the board shall decide on whether to activate the recovery phase or implement recovery options. Senior management, in consultation with the Board, can also decide on whether to transition back to the early warning or Business as Usual phase upon the successful implementation of recovery options.

Annual risk conference 2023

Eastern Bank PLC. (EBL) arranged its “Annual Risk Conference-2023” at its Head Office on December 02, 2023. This conference served as a platform for seasoned professionals from the bank as well as from regulatory body (Bangladesh Bank) to exchange insights and

chart a course for navigating the intricate landscape of risk in the banking industry. The program was inaugurated by Arief Hossain Khan, Director of the Department of Off-site Supervision (Division-1) of Bangladesh Bank, while Md. Zabdul Islam, Director of the Department of Off-site Supervision (Division-2), graced the closing ceremony. Dr. Kazi Arif Uz Zaman, Additional Director, DOS-2, along with Md. Rashedul Islam, Joint Director, DOS-2, and Mohammad Monir Hossen, Joint Director, DOS-1, also delivered speeches at the conference. Ali Reza Iftekhar, Managing Director of EBL, presided over the program, with M. Khurshed Alam, Chairman of the Executive Risk Management Committee, served as the conference moderator. Approximately 140 bank executives, including Deputy Managing Directors, Division Heads, Senior Managers, and Branch Managers, attended the conference.

Through a carefully curated agenda, participants engaged in rigorous discussions on emerging risk trends, regulatory developments, and innovative risk management strategies. The conference agenda covered discussions on various risk issues, including efficient portfolio growth, alignment of risk appetite with budget and capital adequacy, navigation of ongoing foreign exchange crises, compliance and control risks, and technology risks, all aimed at enhancing the bank’s overall risk management framework. The conference served as a forum for showcasing best practices, fostering collaboration, and reinforcing the EBL’s commitment to excellence in risk governance.



EBL arranges “Annual Risk Conference-2023” at its Head Office

Way forward

- Streamlining key processes by integrating human intelligence with ICT solutions.
- Alongside sustained portfolio growth, maintaining regularity of the existing portfolio will be our foremost priority. Equal emphasis will be placed on recovery efforts from non-performing and written-off loans.
- Reviewing the recovery status of non-performing assets and communicating updates to the management and the Board’s Risk Management Committee (RMC).
- Enhancing organization-wide risk awareness by educating employees about the risks associated with their specific roles and empowering them to manage these risks effectively.
- Ensuring monitoring of risk performance is aligned with the risk appetite of the Bank and escalating the breaches to the Top Management of the Bank.
- Contributing towards Bank’s profitability by providing analysis on risk adjusted results; facilitating for informed decision making.
- Ensuring that the Bank’s risk management framework remains aligned with its goals, mission, and vision.

Capital Planning

Unlike a non-lending business entity, capital in isolation speaks very little about the solvency of a bank unless it is compared to the risk profile of its loans and investments. So, capital planning for a bank essentially means planning and profiling its loans and investments (size and riskiness) in such a way that the planned capital can provide comfortable cushion to the key stakeholders. Assessing regulatory capital in relation to overall risk exposures of a bank is an integrated and comprehensive process. At EBL, we plan our business growth first and devise our capital growth plan accordingly.

Our capital status centers on all our risk taking activities. In short, by the term 'capital planning', we mean planning our 'capital to risk weighted assets ratio or CRAR'. To maintain a comfortable CRAR, EBL focuses on better control and risk management rather than raising capital helplessly 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) and occasional issue of subordinated debts and rights share to support growth of risk weighted assets (RWA).

Importance of capital planning

Development of strategic plan

Capital plan acts as a key input while making strategic choices to ensure that sufficient resources are allocated to support growth initiatives, enter new markets, and invest in technology and innovation.

Setting risk parameters

It enables EBL to assess and manage various risks, including credit, market, and operational risks, by maintaining an appropriate capital buffer to absorb potential losses.

Factors considered in capital planning

 Strategic plan	Aligning capital growth plan with the bank's long-term strategic goals.
 Financial goals/ aspirations	Ensuring planned capital level supports desired business growth and profitability to meet shareholders expectations.
 Addressing shock scenarios	Regular assessment of capital adequacy based on stress scenarios helps EBL to prepare better for any unforeseen shocks.
 Regulatory requirements	Compliance with regulatory ratios such as Capital to Risk Weighted Assets Ratio (CRAR), Leverage Ratio and Internal Capital Adequacy Assessment Process (ICAAP).
 Capital mix	Optimizing the capital structure by balancing equity, debt and other instruments to minimize cost of capital.
 Regulation on dividend policy	Level of CRAR plays a key role in dividend decisions taken by banks. Impact of dividend decisions and shareholders expectations are considered.
 Customers' credit rating	Pursuing eligible customers to do credit rating which eventually helps EBL to assign lower risk weights to assets, reduce overall risk-weighted assets and capital requirements.

Relationship between strong capital base and corporate governance

We believe that a strong capital base and effective corporate governance are intricately linked, forming the foundation of a resilient and trustworthy financial institution. A robust capital base provides EBL the financial cushion necessary to absorb unexpected losses and enhances the ability to withstand economic downturns and other adverse events. This, in turn, reinforces investors' confidence and ensures sustainable growth. A strong capital base also enables EBL to comply with regulatory requirements, demonstrating its commitment to sound financial management and risk mitigation.

On the other hand, effective corporate governance mechanisms, including transparent decision-making processes, accountability, and ethical practices, are essential for maintaining the integrity and reputation which are diligently practiced in EBL. By promoting transparency and accountability, corporate governance inspires trust among stakeholders, including investors, customers, and regulators, thereby protecting EBL's reputation and enhancing access to capital markets.

5-Year progression of capital and CRAR

BDT in million

Particulars	31/12/2023	31/12/2022	31/12/2021	31/12/2020	31/12/2019
Tier-1 capital	34,015	29,942	26,136	23,467	20,719
Tier-2 capital	12,874	10,819	9,538	9,678	9,850
Total regulatory capital (Tier 1 and Tier 2)	46,890	40,761	35,674	33,144	30,569
Risk weighted assets (RWA)	311,849	279,016	253,388	217,654	207,437
Tier - 1 capital to RWA	10.91%	10.73%	10.31%	10.78%	9.99%
Tier - 2 capital to RWA	4.13%	3.88%	3.76%	4.45%	4.75%
Capital to risk weighted assets ratio (CRAR)	15.04%	14.61%	14.08%	15.23%	14.74%

Minimum Capital Requirement (MCR)

MCR serves as a foundation in ensuring the stability and resilience of financial institutions. Comprising three vital components—credit risk, market risk, and operational risk—MCR acts as a safeguard against potential threats to a bank's solvency and overall financial health.

Credit risk

Credit risk, the first component, covers the potential for loss arising from borrowers' failure to meet their financial obligations. EBL assesses credit risk meticulously, evaluating factors such as borrower creditworthiness, collateral quality, and economic conditions to mitigate potential losses.

Market risk

Market risk, the second component, arises from fluctuations in market prices, including interest rates, foreign exchange rates, and commodity prices. EBL has implemented global best practices and risk management techniques to mitigate market risk, ensuring they can weather volatile market conditions without compromising their stability.

Operational risk

Operational risk, the third component, relates to the potential loss from inadequate or failed internal processes, people, systems, or external events. This includes errors, fraud, system failures, and legal risks. Robust operational risk management frameworks are essential for banks to identify, assess, and mitigate operational risks effectively.

Supervisory Review Process (SRP)

The Supervisory Review Process, a pivotal element of Risk-Based Capital Adequacy Framework, ensures that banks maintain adequate capital to cover inherent risks (other than credit, market and operational ones) while promoting enhanced risk management practices. EBL implemented an Internal Capital Adequacy Assessment Process (ICAAP) policy, delineating capital calculation methodology and departmental roles under pillar II, aligning with SRP principles to assess and manage diverse risks effectively. Following risks are considered under SRP:

- Residual Risk
- Concentration Risk
- Liquidity Risk

- Reputational Risk
- Strategic Risk
- Settlement Risk
- Environmental & Social Risk

Capital raising initiatives trend: avenues utilized for increasing capital

1. Internal capital generation mainly through retained profit, paying stock dividend, transferring profit to statutory reserve and building additional general provision. Retained earnings is a core source of capital generation for EBL. EBL always balances its dividend decision through mixing cash dividend and stock dividend. Last 5 year's dividend % are as follows:

Particulars	2023*	2022	2021	2020	2019
Dividend (%)	25.00	25.00	25.00	35.00	15.00
Cash (%)	12.50	12.50	12.50	17.50	15.00
Stock (%)	12.50	12.50	12.50	17.50	-

* Proposed

2. The Bank issued 03 (three) 7-year unsecured and non-convertible subordinated bonds through private placement to enhance Tier-II capital: 1st subordinated bond of BDT 2,500 million in 2015, 2nd subordinated bond of BDT 5,000 million in 2019 and 3rd subordinated bond of BDT 5,000 million in 2022 (Raised BDT 4,020 million till 31-12-2023). Among these bonds, 1st subordinated bond was fully redeemed and rest two bonds are redeemable at the end of 3rd to 7th year of maturity at 20% per year.
3. The First 'Right Issue' declared 1 right share against 2 existing share at par on 25 May 2008. Proceeds from the right issue amounting to BDT 693.45 million was received in full during the stipulated subscription period (01 January to 22 January 2009) as subscribed by the eligible subscribers.

Disclosures on Risk Based Capital (BASEL III)

Background

BASEL accords are the basis of Capital Adequacy guidelines which provide global regulatory framework focused on the management of risk and capital. These are the internationally accepted capital adequacy standards issued by Basel Committee on Banking Supervision (BCBS) housed at the Bank for International Settlements (BIS) situated in the BASEL City of Switzerland. Basel III reforms are the response of BCBS to improve the banking sector's ability to absorb shocks arising from financial and economic stress, whatever the source, and reduce the risk of spillover from financial sector to real economy. Basel III mainly addresses the following areas:

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

In compliance with the 'Revised Guidelines on Risk Based Capital Adequacy (RBCA)' issued by Bangladesh Bank in December 2014, banks in Bangladesh have formally entered into Basel III regime from 1 January 2015. The new capital and liquidity standards have greater business implications for banks. Eastern Bank PLC. (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 2023. 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 PLC. (EBL)** on 'Consolidated Basis' as there were four subsidiaries of the Bank as on the reporting date i.e. 31 December 2023. However, 'Solo Basis' information has been presented besides 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 were incorporated in Bangladesh except EBL Finance (HK) Limited which was 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) PLC. and Chittagong Stock Exchange (CSE) PLC. 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 services from June 2013. Registered office of EBLIL is located at Bangladesh Shipping Corporation (BSC) Tower 2-3, Rajuk Avenue (4th Floor), Motijheel C/A, Dhaka-1000, Bangladesh.

EBL 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 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.

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 in 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.

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(s) 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 is 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.

Quantitative Disclosures

BDT in million

Particulars	As on 31-12-23	
	Solo	Consolidated
Common Equity Tier-1 (CET-1) Capital	37,706	38,261
Regulatory adjustments	3,690	3,761
Total Common Equity Tier -1 Capital	34,015	34,499
Additional Tier 1 Capital	-	-
Tier-2 Capital	12,874	12,874
Total Regulatory Capital	46,890	47,374

C. Capital Adequacy

Qualitative Disclosures

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

Assessing regulatory capital in relation to overall risk exposures of a bank is an integrated and comprehensive process. EBL follows the 'asset based' rather than 'capital based' approach in assessing the adequacy of capital to support current and projected business activities. The Bank focuses on strengthening risk management and control environment instead of 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 above regulatory requirements during 2023 (14% plus). The surplus capital maintained by EBL will act as a 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), takes active measures to identify, quantify, manage and monitor all risks to which the Bank is exposed to.

Quantitative Disclosures

BDT in million

Particulars	As on 31-12-23	
	Solo	Consolidated
Capital requirement for Credit Risk	26,635	26,869
Capital requirement for Market Risk	1,423	1,973
Capital requirement for Operational Risk	3,127	3,215
Minimum capital requirement (MCR)	31,185	32,057
Total regulatory capital	46,890	47,374
Risk weighted assets	311,849	320,571
Capital to Risk Weighted Assets Ratio (CRAR)	15.04%	14.78%
Common Equity Tier-1 (CET-1) Capital Ratio	10.91%	10.76%
Tier-2 Capital Ratio	4.13%	4.02%
Capital Conservation Buffer (2.50% of RWA)	7,796	8,014
Capital Conservation Buffer (%) maintained	5.04%	4.78%
Available Capital under Pillar II requirement*	7,909	7,302

*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 mitigations and limiting 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 or other officers of the credit risk management division.

The Board of Directors (BoD) sets credit policies and delegates authority to the management for setting procedures, which together has structured the credit risk management framework in the bank. The Credit Policy Manual contains the core principles for identifying, measuring, approving, and managing credit risk in the bank and is

designed to meet the organizational requirements that exist today as well as to provide flexibility for future. These policies represent the minimum standards for credit extension by the bank, and are not a substitute of experience and good judgment.

Definitions of past due and impaired credit:

To define past due and impairment through classification and provisioning, the bank follows Bangladesh Bank Circulars and Guidelines. Accordingly, any Continuous Loan if not repaid/renewed

within the fixed expiry date for repayment or after the demand 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 installment (s) of a Fixed Term Loan is not repaid within the fixed expiry date, the amount of unpaid installment (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:

Type of Facility	Loan Classification		
	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:

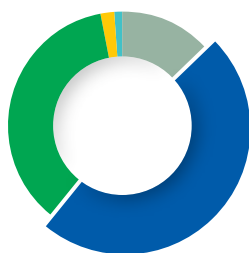
Particulars	Rates of provision
General provision on:	
Unclassified (including SMA) small and medium enterprise	0.25%
Unclassified (including SMA) Loans to BHs/MBs/SDs against shares etc.	2%
Unclassified (including SMA) loans for housing finance	1%
Unclassified consumer financing including credit card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

Quantitative Disclosures

(b) Total gross credit risk exposures (by major types) of 31-12-23:

BDT in million	
Particulars	Amount
<i>Inside Bangladesh</i>	
Continuous loan (CL-2)	
Consumer Financing (CF)	10,286
Small & Medium Enterprise (SME)	4,528
Loans to BHs/MBs/SDs against Shares	1,061
Other than SMEF, CF, BHs/MBs/SDs	31,297
	47,173
Demand loan (CL-3)	
Small & Medium Enterprise (SME)	2,960
Other than SMEF, CF, BHs/MBs/SDs	166,020
	168,981
Term loan (CL-4)	
Consumer Financing (including staff, other than HF)	18,855
Housing Financing (HF)	8,723
Small & Medium Enterprise	22,263
Other than SMEF, CF, BHs/MBs/SDs	76,901
	126,741
Short term agri credit and microcredit (CL-5)	
Short term agri credit	5,810
	5,810
<i>Outside Bangladesh</i>	
Loans, cash credits, overdrafts etc.	4,652
Total	353,357

Total gross credit risk exposures by major types



Outside Bangladesh, 1% Continuous Loan, 13% Demand Loan, 48%
Term Loan, 36% Short term agri Credit and Microcredit, 2%

(c) Geographical distribution of exposures:

BDT in million		
Division	2023	2022
Dhaka Division	274,716	238,756
Chattogram Division	60,104	50,517
Sylhet Division	2,838	2,654
Rajshahi Division	4,175	4,376
Khulna Division	5,059	5,186
Rangpur Division	705	603
Barishal Division	467	489
Mymensingh Division	640	612
Outside Bangladesh	4,652	5,723
Total	353,357	308,916

(d) Sector wise exposure of Total loan:

BDT in million		
Division	2023	2022
Agri and micro credit through NGO	15,917	21,434
Commercial and trading	47,312	38,619
Construction	17,242	9,902
Cement and ceramic industries	7,321	5,507
Chemical and fertilizer	5,826	4,548
Crops, fisheries and livestock	1,319	629
Electronics and electrical goods	7,614	6,049
Food and allied industries	17,768	23,444
Consumer finance	37,864	32,897
Metal and steel products	26,819	22,285
Pharmaceutical industries	9,478	6,276
Power and fuel	18,658	14,293
Rubber and plastic industries	4,488	4,780
Readymade garments industry	40,470	38,855
Ship building & breaking industry	3,713	3,640
Sugar and edible oil refinery	13,693	10,401
Transport and e-communication	8,457	6,506
Textile mills	19,951	14,792
Other manufacturing or extractive industries	30,126	23,234
Others	19,321	20,825
Total	353,357	308,916

(e) Residual contractual maturity of credit exposure (31-12-23):

BDT in million	
Particulars	Amount
On demand	21,671
In not more than one month	21,031
In more than one month but not more than three months	54,824
In more than three months but not more than one year	141,718
In more than one year but not more than five years	84,324
In more than five years	29,789
Total	353,357

(f) Sector wise exposure of classified loans:

BDT in million		
Particulars	2023	2022
Commercial and trading	4,469	3,691
Sugar, edible oil refinery & food processing	59	55
Crops, fisheries & livestock	-	3
Electronics & electrical goods	925	929
Individuals	22	89
Readymade garments industry	1,919	1,759
Ship breaking industry	1,172	1,172
Metal & steel products	341	146
Transport & e-communication	26	32
Textile mills	1,207	14
Others	801	688
Total	10,941	8,579

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

On the reporting date i.e. 31 December 2023, Gross Non-Performing Assets/classified loans stood at BDT 10,941.13 million.

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

On the reporting date i.e. 31 December 2023, Non-Performing Assets (classified loans) to outstanding loans & advances was 3.10%.

Movement of Non-Performing Assets (classified loans):

Particulars	BDT in million	
	2023	2022
Opening balance	8,579	9,979
Additions during the year	3,552	2,939
Reductions during the year	(1,190)	(4,339)
Closing balance	10,941	8,579

Movement of Specific Provisions for NPAs (Provisions for classified loans)

Particulars	BDT in million	
	2023	2022
Opening balance	8,583	8,562
On fully provided debt written off during the year	(357)	(2,292)
On recovery from loans written off earlier	473	793
Change in SP of OBU due to exchange rate difference	105	241
Specific provision charged (net of recovery) for the year	491	1,278
Provision held at the end of the year	9,296	8,583

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

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

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

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

Quantitative Disclosures

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

Particulars	BDT in million	
	Solo	Consolidated
The cumulative realized gains (losses) arising from sale and liquidation in the reporting period/Net gain/(loss) on sale of quoted securities	10	83
Total unrealized gains (losses)/ Provision for loss on revaluation of shares (net)	756	1163
Total latent revaluation gains (losses)	-	-
Any amount of the above included in Tier 2 capital	-	-
Capital charge required for quoted securities:	1,036	1,587
Specific risk	518	793
General market risk	518	793

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

Qualitative Disclosures

(a) General Disclosure

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

The bank's interest rate risk management process encompasses defining business objectives, forecasting future macroeconomic variables, and comprehending the money markets and debt markets in which it operates. Additionally, it involves assessing the bank's comfort level with market risk and quantifying its appetite accordingly.

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 up to 3 months using historical repayment behavior and stable portion is bucketed in 6-12 months. For liabilities, volatile portion is bucketed up to 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 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, it doesn't.
- 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 encashment is considered in term and recurring deposit.
- Non maturity deposit withdrawal is considered based on past withdrawal behavior.
- 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 do.
- 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, 2023:

Particulars	3 months	6 months
For 1% increase/decrease in interest rate, impact on NII	BDT ± 30.12 Million	BDT ± 115.31 Million
For 2% increase/decrease in interest rate, impact on NII	BDT ± 60.25 Million	BDT ± 230.63 Million

Duration GAP Analysis:

Duration GAP Analysis primarily aims to assess a bank's vulnerability to interest rate fluctuations by measuring the sensitivity of its Market Value of Equity (MVE). It evaluates how changes in interest rates affect the MVE and can be utilized to gauge the impact on the bank's equity value across various interest rate scenarios. ALCO regularly monitors the Leveraged Liability Duration and overall duration gap of the bank's balance sheet on a quarterly basis to evaluate the repercussions of parallel shifts in the assumed yield curve.

Particulars	31 Dec 2023	31 Dec 2022
Duration of Assets (year)	1.64	1.95
Duration of Liabilities (year)	1.36	1.54
Duration Gap (year)	0.28	0.41

Changes in Market value of Equity due to an increase in interest rate as of 31 December, 2023

1%	2%	3%
BDT 1,841.74 million	BDT 3,683.48 million	BDT 5,525.21 million

G. Market Risk

Qualitative Disclosures

Market Risk: Market Risk refers to potential loss that can occur as a result of fluctuations in market conditions. It encompasses the risk of adverse impacts on the value of both on and off-balance sheet positions due to changes in equity prices, interest rates, and currency exchange rates. Our aim with respect to market risk is to strike a balance between risks and return that is optimal, while also fulfilling the needs of our customers, through our policies and procedures.

The primary categories of market risk for the bank are:

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

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

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

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

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

Market Risk Management System: The ALCO regularly monitors a number of ratios to manage the interest rate risk, with key ratios such as Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR), Maximum Cumulative Outflow (MCO), Liquid asset to total assets, Volatile liability dependency ratio, Snap liquidity ratio and Short term borrowing to Liquid assets ratio. Additionally, the ALCO

also regularly tracks the interest rate sensitive gap and duration gap of the 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 31 December 2023 is as follows:

Value-at-Risk (Loss in percent of present value)					
Confidence level	Time Horizon				
	1 day	2 days	3 days	4 days	5 days
90%	2,101,692	3,152,688	10,662,701	14,101,225	14,483,479
95%	3,918,544	14,116,011	14,300,213	15,111,700	18,580,160
99%	28,961,555	28,961,555	28,966,311	30,081,438	30,081,438

The Investment Committee of the bank takes prudent decisions to manage equity risk, in accordance with the bank's investment policy and the capital market investment limits set by Bangladesh Bank.

Quantitative Disclosures:

Capital charge required (Solo basis) for market risk on the reporting date 31-12-23:

Particulars	BDT in million	
	Amount	
a Interest rate risk	77	
b Equities	1,036	
c Foreign exchange risk	309	
d Commodity risk	-	
Total	1,423	

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

Our learning and development strategy puts special focus on continuous professional development to strengthen individuals' skill set by removing weaknesses to perform the assigned job with perfection. We have a wide range of internal and external training programs, awareness programs and time to time communications from senior management 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 attracting 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.

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 financial 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), Monitoring department (ICCD) 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.

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 non-interest income' of a year or 'Total Operating Income' of the bank with some adjustments as noted below. GI shall:

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

Quantitative Disclosures:

Capital charge required for operation risk on the reporting date 31-12-23:

Particulars	BDT in million	
	Solo (Bank)	Consolidated
Capital charge for operational risk	3,127	3,215

I) Liquidity Ratio

Qualitative Disclosures

Views of BoD on system to reduce liquidity risk

Liquidity Risk is the risk of bank's inability to repay its obligations as they fall due or incurring excessive cost while mobilizing fund due to scarcity of cash fund at a certain period of time. The risk arises from mismatch in the expected level of cash flows from maturing assets and liabilities. The intensity and sophistication of liquidity risk management system depends on the nature, size and complexity of a bank's activities. Sound methods in measuring, monitoring and controlling liquidity risk is critical to sustainability of the bank. Therefore, The Board of Directors of the bank sets policy, different liquidity ratio limits, and risk appetite for liquidity risk management.

Methods used to measure liquidity risk

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

- Statutory Liquidity Requirement (SLR)
- Cash Reserve Ratio (CRR)
- Advance 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 2023 are given below:

Particulars	BDT in million	
	Amount	
Stock of High quality liquid assets	91,619	
Total net cash outflows over the next 30 calendar days	87,556	
Liquidity Coverage Ratio (%)	104.64%	
Available amount of stable funding	378,846	
Required amount of stable funding	352,070	
Net Stable Funding Ratio (%)	107.61%	

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 off-balance sheet leverage

Revised RBCA guideline of Basel III issued 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 2023 is given below:

Particulars	BDT in million	
	Amount	
On balance sheet exposure (A)	499,258	
Off balance sheet exposure (B)	108,910	
Regulatory Adjustments (C)	3,690	
Total exposure (A+B-C)	604,478	
Leverage Ratio	5.63%	

K. Remuneration

Qualitative Disclosures

EBL strives to pay people according to market and merit. The focus remains on to attract, retain and motivate top talents to grow sustainably. EBL emphasizes on understanding the trends that are affecting the job market to remain the employer of choice. 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. Our employee value proposition consists of healthcare, retirement and wellbeing benefits. Additionally, our compensation practices are also fair and equitable, and our compensation structure is designed based on pay-for-performance culture. Salary Survey is also conducted on every two years to adjust the industry pay scales by appointing independent consultant. Moving between pay scales depends on the individuals' performance and we reward employees accordingly.

a) Information relating to the bodies that oversee remuneration.

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

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

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

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

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

The said policy applies to all the employees of the bank. Local and foreign subsidiaries of EBL are governed by their own policies.

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

All 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 Managing Director and different business and support unit heads.

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

An overview of the key features and objectives of remuneration policy

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

of each of the employees of the bank. EBL's reward package consists of the following key elements:

Fixed pay:

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

Benefits:

EBL provides benefits in accordance with local market practice. This includes subsidized loans (car, house building), hospital bill reimbursement, critical allowance support, 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 with the approval of the Board of Directors based on:
 - a. Individual Performance
 - b. Market movement
 - c. The Bank's affordability
 - d. Individual's relative position in a particular salary range
 - e. COLA (Cost Of Living Adjustment)
 - f. Regulatory and other changes affecting the industry

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

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

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

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

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

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

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

In a highly competitive financial sector like banking, remuneration system is mostly dictated by market forces. Demands for efficient and skilled employees tend to increase as disproportionate number of financial institutions chase them. As a result, compensation package for skilled resources is relatively high and salary revision takes place more frequently than other industries. Excessive turnover of human resources, skill shortage, inability to attract and retain good people are

some of the risks banks have to consider with. However, EBL designed its remuneration package as per market driven strategy to ensure right package for the right people. On top of it, in designing remuneration package, EBL ensures fair treatment, internal equity and external competitiveness to retain good resources.

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

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

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

These measures ensure that the remuneration process of EBL is:

- Right employees are getting right package as per their performance, quality of experience, training received and special expertise.
- Ensure internal & external equity

A discussion of how the nature and type of these measures has changed over the past year and reasons for the change, as well as the impact of changes on remuneration.

EBL has remained consistent in the measures through which remuneration package is designed. There has not been any deviation as compared to last year.

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

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

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

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

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

Overall performance is evaluated as per above mentioned parameters and individuals are rated accordingly from 1 (highest) to 6 (lowest). Increment is linked with the rating employees receive during the performance evaluation process. Increments are only applicable for ratings which are linked with growth i.e. 1-4 rating.

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

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

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

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

Not applicable.

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

Not applicable.

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

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

EBL recognizes the effort and performance of its employees based on its People Management Policy which consists of base salary and different benefit packages mentioned earlier. Therefore, EBL does not use any form of variable remuneration in its remuneration process.

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 Board of Directors (BoD).

Number of employees having received a variable remuneration award during the financial year:

Not applicable

Number and total amount of guaranteed bonuses awarded during the financial year:

All employees are entitled to 02 (two) basics as two festival bonuses.

Number and total amount of sign-on awards made during the financial year. Not applicable

Number and total amount of severance payments made during the financial year. Not applicable

Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms. Not applicable

Total amount of deferred remuneration paid out in the financial year. Not applicable.

Breakdown of amount of remuneration awards for the financial year to show:

- fixed and variable.
- deferred and non-deferred.
- different forms used (cash, shares and share linked instruments, other forms).

Not applicable.

Quantitative information about employees' exposure to implicit (e.g. fluctuations in the value of shares or performance units) and explicit adjustments (e.g. claw-backs or similar reversals or downward revaluations of awards) of deferred remuneration and retained remuneration:

- Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments.
- Total amount of reductions during the financial year due to ex post explicit adjustments.
- Total amount of reductions during the financial year due to ex post implicit adjustments.

Not applicable.

Note: Till 2023, 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 Loans (NPL)

Industry overview

Rising NPL (Non-performing loans), is the “Achilles’ Heel” of the banking sector casting shadows on the stability of our economy. In 2023, Bangladesh’s banking sector witnessed an unprecedented surge in NPL, driven mainly by withdrawal of the relaxed Loan Classification policies and the Russia-Ukraine war. This withdrawal of forbearance measures, coupled with the enduring repercussions of geopolitical crises, inflicted additional financial strain on businesses already grappling with the aftermath of COVID-19. The rapid depletion of country’s foreign exchange reserves only served to worsen these challenges, contributing to the highest inflation rates witnessed in recent years and escalating operating expenses.

However, amidst challenges, a ray of hope emerges as intensive efforts are directed towards enhancing resilience and fostering growth. Central Bank’s proactive stance on Non-Performing Loans (NPL) is evident through strategic policy advancements, particularly the implementation of a new monetary policy aimed at mitigating NPL and fortifying corporate governance within the banking sector. This commitment is further reinforced by the recent enactment of the Bank Company (Amendment) Act 2023, depicting a concerted effort to empower regulatory bodies in identifying and penalizing willful loan defaulters while curbing undue familial influences on bank boards. Various legislative reforms, alongside the introduction of a new monitoring mechanism and the adoption of a Risk-Based Supervision framework, demonstrate a holistic approach aimed at strengthening governance and ensuring the enduring stability and resilience of the financial system.

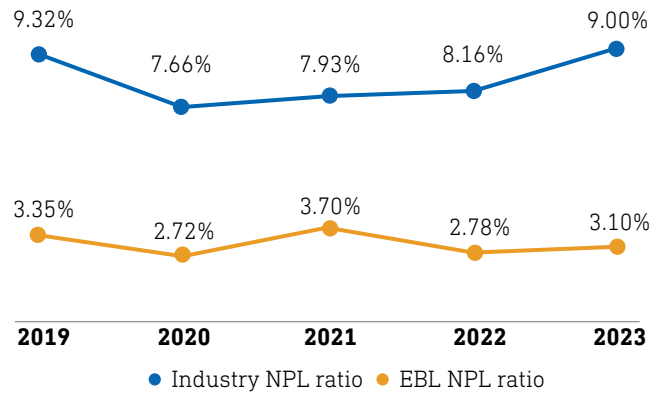
Country’s classified loans rose from 8.16% at the end of December 2022 to 9.00% at the end of December 2023. In the industry, provision shortfall against classified loans stood at BDT 252.71 billion at the end of September 2023 (required provisions: BDT 1,063.75 billion).

Moreover, Bangladesh Bank has established ambitious targets to reduce NPL to 10% for state-owned banks and 5% for private banks by June 2026. These targets, alongside strategic initiatives, exemplify a robust effort to fortify the banking sector, fostering sustainable economic prosperity through effective NPL management.

Strategic focus in 2023

- Increased Green and Sustainable Finance disbursement in alignment with Bangladesh Bank’s directives.
- Implemented strict monitoring and rigorous follow-up to prevent credit defaults amidst the anticipated surge in NPL due to withdrawal of special waivers for loans by Bangladesh Bank in 2023.
- Prioritized support for export-oriented customers in response to challenges posed by the decline in FX reserves, recognizing their critical role in stabilizing the economy and banking sector.
- Provided tailored solutions to address disruptions caused by RMG workers’ strikes in 2023, facilitating completion of delayed shipments and recovery of payments.

NPL ratio movement: EBL vs. Industry



Source: Bangladesh Bank.

Note: NPL ratio of industry till 2019 contains information without Offshore Banking Operations (OBO).

NPL position of EBL

EBL’s unwavering dedication to uphold superior asset quality is a testament to its resilience in the face of economic fluctuations. Ending 2023 with a commendable Gross NPL ratio of 3.10% and a Net NPL ratio of 0.82%, EBL stands well below the industry average of 9.00% at the end of December 2023. While there was a slight rise of NPL from 2.78% to 3.10% in 2023 for EBL, it reflects the economic challenges some businesses encountered, EBL’s diversified client base acted as a buffer against the impact of defaults.

An important factor behind the rise of NPL is the absence of good governance in our banking industry. However, EBL has been consistently maintaining a significantly low NPL ratio. This achievement is a collaborative efforts of its business units, credit risk management, special asset management, senior management, and the diligent oversight of its esteemed Board of Directors.

Movement of provisions made against NPL

BDT in million

Year	Total loans outstanding	NPL		Specific provision
	Amount	Amount	%	Amount
2023	353,357	10,941	3.10%	9,296
2022	308,916	8,579	2.78%	8,583
2021	269,393	9,979	3.70%	8,562
2020	228,944	6,226	2.72%	7,499
2019	232,051	7,771	3.35%	6,009

NPL management: our guiding principles

01

Prudent borrower selection

We prioritize onboarding customers as per our risk appetite to minimize NPL risk from the beginning.

04

Proactive monitoring and follow-up

We promptly identify and manage problem loans and associated risks, informing officials for immediate action and devising long-term strategic plans for concerning accounts.

02

Efficient credit assessment

Our meticulous credit assessment enables customized product offerings, ensuring mutual long-term growth for both the Bank and its customers.

05

Strong recovery system

We pursue loan recovery through diligent follow-up and client visits, while our Special Asset Management Division works to salvage problem loans, including through compromise settlements.

03

Dynamic risk management

We continuously refine our underwriting policies, aligning them with regulatory requirements, industry best practices, and global standards.



Towards a resilient 2024

As Bangladesh steps into 2024, it faces a mix of new challenges. The once-strong macroeconomic indicators have sharply declined over the past four years due to the COVID-19 pandemic and global geopolitical tensions, depleting foreign currency reserves. Consequently, both financial institutions and enterprises have implemented stringent measures, including import rationing, with a concerted effort to prioritize the facilitation of export orders to sustain economic momentum. This imperative is expected to persist throughout 2024.

Moreover, in our country, the situation concerning power outages and gas shortages deteriorated significantly last year, causing many businesses to operate below capacity and incur efficiency losses. In 2024, the power crisis is expected to worsen due to a shortage of foreign currency, impacting the repayment capacity of power-producing companies. Declines in foreign currency reserves also raise uncertainty about importing fuel for smooth power plant operations.

In the RMG sector, besides the aforementioned factors, some efficiency loss can be attributed to workers' strikes, which led to reduced exports in the latter part of 2023. These export fluctuations may persist in 2024 and could even impact import prices, particularly with the Israel-Palestine conflict causing shipment delays due to attacks on cargo ships in the Red Sea.

Another significant concern revolves around the 'Loan Classification Criteria'. It's widely recognized that current criteria for loan classification are more lenient compared to international standards. There is an expectation for these criteria to undergo revision in alignment with international standards, following recommendations from the International Monetary Fund (IMF). Should these adjustments be implemented, there may be a substantial increase in NPL within the banking sector, with EBL likely to be affected as well.

Way forward

- The Bank's NPL management strategy will concentrate on arresting new NPL inflows and reducing existing NPL through proper mechanisms for impaired loan management and other measures in accordance with prevailing regulatory norms.
- Aligning underwriting criteria with current economic and industry conditions, reinforcing credit principles, and fostering innovation in recovery efforts will be paramount.
- Efficiently identifying and promptly reporting Early Alert Accounts, while collaborating with customers to devise mutually beneficial strategies that prevent any potential deterioration, remains a priority.

Recovery of Classified and Written off Loans

Industry overview and status of EBL

At the heart of Bangladesh’s financial sector lies a persistent challenge: recovering classified and written-off loans, which poses a perennial hurdle casting shadows on the nation’s economic stability. In the midst of global economic turbulence, amplified by recent upheavals, the banking industry in our country is facing mounting pressure to curb losses and restore investor confidence. In response, Bangladesh Bank has unveiled guidelines for establishing specialized write-off recovery units within banks. With a clear target to reduce non-performing loans to 8% of total loans by June 2026, the central bank spearheads efforts to rejuvenate the nation’s banking sector. Furthermore, a comprehensive “roadmap” has been outlined to bolster governance and minimize default loans, positioning write-off initiatives as a crucial step toward aligning banking practices with global standards.

Despite the backdrop of intense inflationary pressures and currency fluctuations in Bangladesh, Eastern Bank’s story reveals a year of significant progress and noteworthy achievements, a narrative we can proudly reflect upon. Maintaining a commendably low NPL ratio of 3.10%, well below industry average, showcases our unwavering

commitment to maintain portfolio quality. This achievement is attributed to our robust and efficient recovery system, characterized by rigorous follow-up procedures, ongoing vigilance, sustainable growth strategies, and, above all, a steadfast dedication to good governance embedded within our institutional values.

Strategic focus in 2023

In 2023, our strategic priorities revolved around strengthening recovery activities which will ensure financial stability by reducing NPL. These priorities included:

- Maximize write-off income and reduce classification through recovery.
- Establish a recovery pipeline for prospective accounts based on the probability of realization for settlement and prioritize work on those accounts.
- Engage more influential and effective lawyers and fix a priority case list to increase recovery.
- Maintain strong relationships with court and police station officials to take effective steps for the speedy disposal of cases.

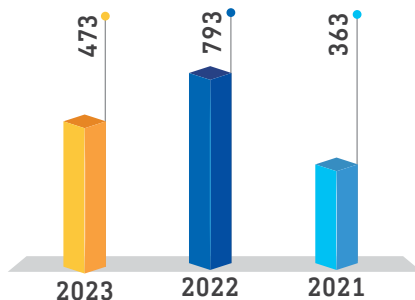
Performance highlights in 2023

BDT 473 million	BDT 1,021 million	9%	BDT 95 million	3,139
Total recovery from written off loan	Total recovery from classified loan	Recovery to classified loan ratio	Successfully sold mortgage property	Number of legal notices issued
2,480	BDT 182 million	51	1,686	597
Cases filed against defaulted borrowers	Payment order realization from court	Cases disposed of in favor of bank in the supreme court of Bangladesh	Issuance of warrant of arrest against defaulted borrowers	Warrant of arrest executed

Recovery status at a glance

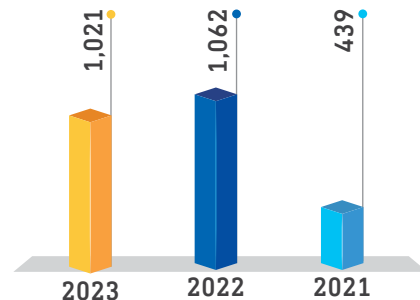
Recovery from written off loans

(BDT in million)



Recovery from classified loans

(BDT in million)



Key initiatives in 2023

In our pursuit of financial stability and effective debt recovery strategies, the following initiatives were implemented in 2023:

- Engaged delinquent clients through a variety of channels, from phone calls to physical visits, seeking resolution even for those not easily reachable at their recorded addresses.
- Initiated early legal notices for clients showing reluctance to repay, signaling our commitment to pursuing outstanding debts.
- Fixed a priority list of high-recovery accounts, expediting legal processes to swiftly obtain judgments, issuing, and executing warrants of arrest, if necessary.
- Held regular meetings with the Bank's enlisted lawyers to receive updates on the progress of filed cases, ensuring prompt resolution.
- Conducted comprehensive portfolio analyses in collaboration with Business and Credit Risk Management (CRM) teams, refining our asset quality and providing actionable insights to our underwriting team.
- For syndicated loans, collaborated closely with other lenders to mount joint recovery efforts, leveraging collective expertise and resources for optimal outcomes.

Through these initiatives, we endeavored not only to recover debts but also to foster enduring relationships built on trust and mutual respect.

Status of legal proceedings



9,554 cases are pending against defaulted borrowers involving an amount of **BDT 27,428 million**



21 dedicated in house law officers are monitoring the suits/cases as plaintiffs and complainants on behalf of the Bank



2,359 number cases disposed of by way of obtaining judgment and case withdrawn after settlement of the account.

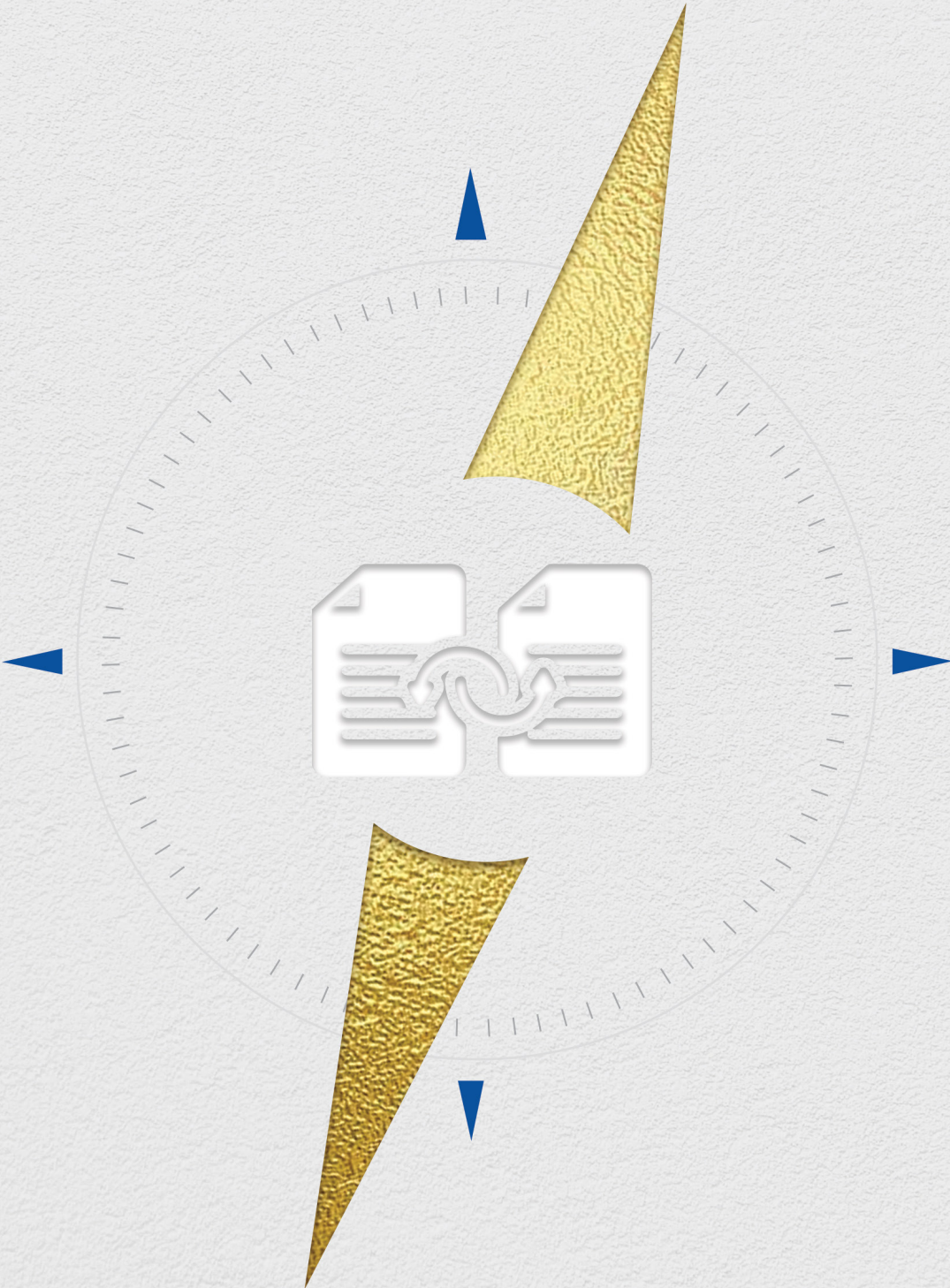


212 writ petitions appeals are pending before the Supreme Court of Bangladesh.

Way forward

- Improve our communication to understand the financial situations of distressed borrowers and develop mutually beneficial solutions.
- Impose travel restrictions and rent assignments (as applicable) to apply pressure on defaulted borrowers.
- Identify and report willful defaulters.
- Value distressed assets and determine the best strategy for their disposal.
- Initiate foreclosure proceedings on assets or repossess collateral, while strengthening activities to attach unencumbered assets to recover as much of the outstanding debt as possible.
- Sell properties obtained through court proceedings to realize outstanding bad debt.
- Navigate complex legal and regulatory requirements related to distressed assets, including bankruptcy proceedings and compliance with fair lending practices.
- Analyze the bank's portfolio of distressed assets and prepare regular reports, including details on asset performance, recovery rates, and potential loss exposure for senior management.
- Assess and manage the risks associated with distressed assets, including credit, market, and operational risks.
- Expedite actions to vacate stay orders in higher courts for large accounts, ensuring fruitful recovery efforts.

INTEGRATED REPORT



Business Model and Value Creation

Essentially a business model is the core strategy of a company for doing business profitably. For banks in general, it centers around making positive spread between the 'return on loans and investments' and 'cost of deposits and borrowings' and a commensurate non-funded earnings. With around 75% corporate and 25% SME & Retail loan portfolio for years, EBL has been producing approximately 3% plus spread with one of the lowest cost-to-income ratio in the industry. What made EBL's business model sustainable is its unwavering commitment to good governance practices and upholding commendable compliance cultures. Our prudent asset-liability management, judicious credit underwriting practices, proactive stress asset management, cost-effective centralized business operations, innovative product & services, people centric HR values, sustainable financing and pragmatic leadership by senior management and the Board of Directors have made our business model one of the most effective and successful ones in the industry.



Financial capital

Total shareholders' equity BDT 39,767.45 million.

Total deposit BDT 366,103.73 million where a 34% stable funding source consists of priority banking segment.

Total borrowing BDT 71,667.84 million among which 37% credit line/limit from foreign financial institution such as ADB, DEG, ITFC, OEEB etc.

Manufactured capital

State of the art building, corporate head office located at 100 Gulshan avenue.

85 branches, 33 sub-branches & 102 agent banking outlets where all of the channels are online.

Phygital banking services that include 296 ATMs & CRMs, 38 dropbox & 9,500 no. of POS across the country.

Upgraded core banking system and digital banking network.

Enhance existing digital services: EBL-self service hub & Skybanking app as well as integrat digital services with other digital financial channels/networks.

INPUT

OUTCOME



Financial capital

- Profit after tax BDT 6,109.20 million with a 19.61% growth from previous year.
- Cost to income ratio 44.22%
- Return on average assets (ROA) 1.27%
- Return on average equity (ROE) 16.33%, an increase of 87 basis points from 2022 which reflects our efficiency in generating income.
- Dividend amount proposed in 2023 BDT 3,018.09 million.
- NPL 2023: 3.10% with NPL coverage ratio of 147.61%



Manufactured capital

- Managed transaction volume of BDT 78,500 million through Skypay gateway.
- Implemented Bangla QR code transaction through NPSB by EBL's in-house solution.
- More than BDT 50,000 million of salary disbursement to our payroll clients through "EBLConnect", a highly sought after solution by corporate clients.
- Enabled static data update through Skybanking reducing customer's footprint to branches.
- Disbursement of inward remittance through MFS: bKash and Nagad



Intellectual capital

- Earned gold award for outstanding corporate governance practices and compliance at 10th ICSB National Award.
- ISO certification: Operations, HR, Finance & Accounts and ICT division.
- Earned PCI DSS certification for eight years in a row increasing our compliance on card security.
- Launched country's first ever wearable device WEAREBL in 2023, an innovative product making transaction through devices such as ring, a versatile phone holder and a grip, a stylish and fashionable wristband, and a compact portable fob sleeve.



Human capital

- Salary & allowances of BDT 5,370.85 million paid.
- Arranged 21 foundation programs for 1,005 participants.
- Ensured average training per employee 3 day/employee in 2023.
- Training investment of BDT 9.51 million made in 2023 where we arranged in-house training for 10,694 participants, almost 90% of total learning & development program participants.
- High vigilance to maintain a healthy work-life balance.
- Operating profit per employee is BDT 4.55 million.



Social and relationship capital

- Initiated first ever pilot project on carbon accounting for any local bank in Bangladesh in collaboration with KfW DEG.
- Contributed BDT 2,879 million loans to CMSME clients focusing on handicrafts handloom, rice processing and production of organic fertilizer
- Contributed to BDT 280 million in CSR expenditure which is higher than our minimum allocation.
- Contributed to national exchequer as corporate tax of BDT 10,646 million in due time.
- Customer service rating stands at 98.05% as well as ensured all complaints received from complaint cell are in resolve status.
- Increased financial awareness regarding security among customers through multiple digital campaigns.
- Our number of foreign correspondents stands at 556.



Natural capital

- Optimizing resources through establishing water treatment plant and solar panel at the head office.
- Cost of water consumed by the Bank in 2023 was BDT 3.58 million.
- Encouraging plastic free premise through replacing plastic files and bottles.
- Installed 16 kilowatt capacity of solar energy to run bank premises and ATMs.
- Auto sensor lights and promoting use of natural light at head office
- Disbursed BDT 7,444 million towards sustainable agriculture programs.
- EBL financed in 4 new LEED project.

Intellectual capital

- Maintaining strong brand value through integrating best banking practices.
- Good corporate governance framework embedded in all aspect of banking operations.
- Held 42 sessions in EBLNEST, one of the unique capacity building centers.
- Effective ICT security management that follows international standards meticulously.
- Product innovation to ensure customer needs.

Human capital

- 3,857 no. of employees among them 18.56% represents female employees.
- On-boarded 40 new future leaders under future leader program.
- Comprehensive appraisal system that ensures fair & equal opportunity for all.
- E-certification & E-learning exams help to keep updated on general banking knowledge.
- HR policy that advocates "People first" motto.

Social and relationship capital

- At least 2% of the latest distributed profit is being allocated as CSR expenditures every year which is in accordance with our policy.
- Regular & timely contribution to national exchequer.
- Ensuring customer delight through providing quality service.
- Conducted multiple customer survey throughout 2023.
- Continuous communication and engagement through digital medium.
- As one of the most chosen banks in Bangladesh by multilateral organizations such as IFC, DEG, ADB, FMO, Proparco, OeEB, CDC, Norfund etc., we are working diligently with them.

Natural capital

- An Environmental & Social Risk Management (ESRM) Policy and environmental & social risk management procedure in place to ensure sustainable financing in Bangladesh.
- 8R approach to sustainability.
- Conducted Environment & Social Due Diligence (ESDD) for 6,746 clients as our on going process for sustainable financing.
- Arranged green banking training program for all new employees.



OUTPUT

Key products & services (Page 40)



STRATEGIES

- Reducing liquidity risk & manage interest rate risk.
- Effective management of foreign currency.
- Embedding compliance culture and good governance practices.
- Strict monitoring to contain NPL.
- Diversification of revenue sources.
- Investing cautiously in technology.
- Utilizing market intelligence and data analytics for unique product & services.

ACTIVITIES

- Corporate banking
- Retail & SME banking
- Treasury, FIs & Offshore banking
- Physical customer points & digital channels

IMPACT ON STAKEHOLDERS

- Investor
- Employee
- Supplier/partner
- Customer
- Society
- Regulator

Financial Capital



Manufactured Capital



Intellectual Capital



Human Capital



Social and relationship Capital



Natural Capital



INTERNAL STRENGTH

Risk & Capital management

Corporate governance

Work environment

EXTERNAL FACTORS

Political environment

Economic slowdown

Climate change

Technological disruption

Regulatory intervention

Strategy and Resource Allocation Plan

To win over competition and to meet organizational goals, banks have to make certain strategic choices and make resource allocation plan accordingly. EBL has certain strategic choices spanning over short, medium and long term keeping in mind the expectations and well-being of our valued stakeholders. We have devised our strategies and resources allocation plan accordingly as follows:

Strategic pursuit

EBL has been delivering stable performance despite the turmoil in the overall banking industry for quite some time. Our centralized banking model, strong corporate governance culture, good working environment, strive towards innovative product and services and compliance towards regulatory requirements --- all have worked together to make EBL formidable. Our business model is aligned with our short, medium and long term strategies.

Short term

- Maintain adequate liquidity in local and foreign currency to settle claims on time and to comply with regulatory liquidity ratio.
- Boosting inward remittance from NRB customer segment through attractive and special propositions.
- Maintain asset quality through intensified efforts for recovery of non-performing assets.
- Expand digital and low-cost physical channels to increase customer reach.
- Utilize market intelligence and data analytics to offer unique value propositions for diverse group of customers.

- Delight employees to serve customers better.
- Promote and take action for green banking activities and encourage our clients through financing to adopt low carbon emission initiative.

Medium term

- Increase in investment in technology to deepen and broaden digital footprints to enrich customer service and penetrate retail segment better.
- Increase SME client base to reduce concentration risk.
- Expand operations beyond borders to diversify revenue streams.
- Explore the unbanked segment through appropriate financial inclusion strategies.
- Implement the carbon footprint statistic to assess EBL's environmental impact and alter business through sustainable decision-making.

Long term

- Invest in technology and self-directed platforms to go green placing clients and the environment at the forefront of operations and strategic planning.
- Integrating human intelligence with IT solutions to simplify the key processes of EBL.
- Diversify investment portfolio to reduce the concentration risk.
- Create an environment that will help to attract and retain quality people.

Resource allocation plan

To meet the said goals, following priorities, resource allocation & resulting key performance indicator are set

Capital	Strategic Priorities	Resource allocation plan	Key performance indicators (KPIs)
Financial Capital	<ul style="list-style-type: none"> • Enhance risk-adjusted return on capital employed. • Improve asset quality, rationalize cost of fund and operating expenses. 	<ul style="list-style-type: none"> • Intensify efforts to improve credit discipline, collection efforts to improve asset quality. • Frequent review of recovery status of non-performing assets. • Offering useful value propositions and cash management solutions to attract low cost fund. 	<ul style="list-style-type: none"> • Capital to risk weighted assets ratio (CRAR): 15% Plus • Return on average equity (ROE): 16% Plus • Return on average assets (ROA): 1.20% Plus • Cost to income ratio: less than 45% • NPL: 3%
Human Capital	<ul style="list-style-type: none"> • Maintain work-life balance. • Ensure a fair, equitable and performance based appraisal system. • Hire and retain qualified, suitable people with right kind of attitude. 	<ul style="list-style-type: none"> • Ongoing efforts to keep HR policy & practices dynamic and transparent to maintain a conducive work environment. • Enhance cooperation and cohesion among cross-functional teams to deliver faster. • Hiring people with right expertise and attitude offering competitive benefit packages. • Increasing investment in HR development through training and experience. 	<ul style="list-style-type: none"> • Increase number of professionally qualified employees among peer banks. • Among top 3 peer banks in terms of per employee productivity (business and profitability). • No breach of regulatory compliance.



Capital	Strategic Priorities	Resource allocation plan	Key performance indicators (KPIs)
Manufactured Capital	<ul style="list-style-type: none"> Widen customer reach through cost-effective banking and alternate channels. 	<ul style="list-style-type: none"> Investing in digital banking technology to increase customer touch points. Revamp Skybanking App with exciting and comprehensive features. Increase low-cost physical outlets. 	<ul style="list-style-type: none"> Increase number of customers. Sub-branches, agent banking outlets, ATM/CRMs in suitable locations to enhance customer conveniences.
Social and relationship Capital	<ul style="list-style-type: none"> Uphold the image of a 'responsible corporate citizen' in terms of ethical business, compliance and good governance practices. Ensure delight for customers and employees as well. Improve and sustain investors' confidence. 	<ul style="list-style-type: none"> Investing in appropriate CSR activities to impact the society positively. Dealing with customer complaints properly. Ensuring commensurate contribution to national exchequer. Arranging various financial literacy programs/workshops. 	<ul style="list-style-type: none"> Allocate at least 2% of latest distributed profit as CSR expenditure as per policy. Turnaround time to resolve complaints: 0-3 days. Pay tax/VAT/excise duty in time. Redressal of investors and customers complaints.
Intellectual Capital	<ul style="list-style-type: none"> Enrich brand value. To maintain a strong corporate governance framework. To improve risk management framework. 	<ul style="list-style-type: none"> To improve organizational efforts to ensure regulatory compliance and follow good governance practices. To enhance communication and rapport with key regulators to be updated with upcoming regulations and guidance. To enhance digital security. 	<ul style="list-style-type: none"> Enhance customers' loyalty. Earn reputation as the most compliant bank (may not be the most profitable one). Most sought after local banking partner for global banks and multilateral agencies.
Natural Capital	<ul style="list-style-type: none"> Reduce carbon footprint through our banking service. Ensure energy efficiency at all premises. Ensure green and sustainable financing in line with regulatory requirement. 	<ul style="list-style-type: none"> Through carbon accounting measure carbon emission by our portfolio and take initiatives to reduce carbon footprint. Green features at head office. Provide beneficial service & propositions to customers that advocates for environmental sustainability. 	<ul style="list-style-type: none"> Sustainable financing: min. 20% of total loan target except staff loan. Green financing: min 5% of total term loan except staff loan. Increase financing in green projects Plastic free premise.

Key resource allocation status

BDT in million

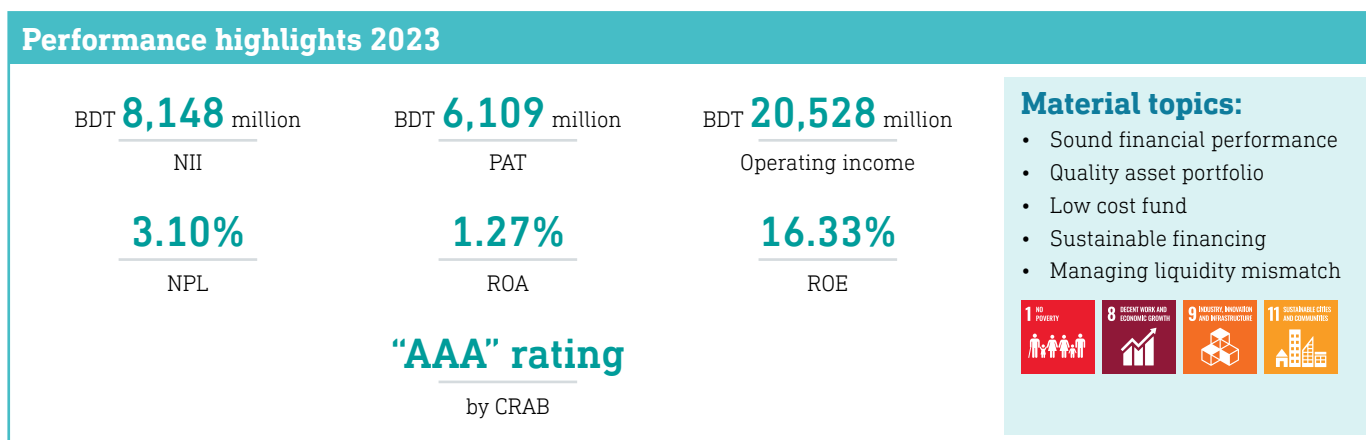
Particulars	EBL Asset Management Limited	EBL Finance (HK) Limited	EBL Investments Limited	EBL Securities Limited	Eastern Bank PLC.
Total Assets	253.58	5,175.44	850.50	8,774.48	508,554.06
Total Loans & Advances	-	3,786.58	51.80	3,736.38	353,356.93
Total Investment	222.77	-	715.63	3,515.14	94,022.83
Number of Employees	05	05	10	85	3,857
Number of Branches	-	-	-	-	85
Number of Agent Banking outlets	-	-	-	-	102
Number of ATMs & CRMs	-	-	-	-	296
Number of Foreign Correspondents	-	-	-	-	556

Six Capitals

The conventional thoughts on the process of organizational value creation emphasizes solely on financial aspects which provides a narrow and only monetary-focused definition of value. Today, the concept of value encompasses a wider scope. As per the International Integrated Reporting Council (IIRC) Framework, organizations generate value through diverse interactions, activities, relationships, and their various impacts. According to this framework, there are six categories of capital which help the organization to create value: financial, manufactured, intellectual, human, social and relationship, and natural. As suggested we must report these 6 different capitals to allow the stakeholders in assessing the company's holistic performance and predict its future performance. This will provide our shareholders with insight into how Bank's strategy, governance, performance, and future outlook, in the context of its external environment, contribute to value creation over short, medium, and long-term horizons.

Financial capital

The financial capital is defined as the pool of fund available to the Bank for generating value for the stakeholders. It is an integral component to run business & service smoothly. Generally, for a bank, the financial capital consists of shareholder's equity, borrowing from external sources and customer deposit. The proper management of these funds helps an organization to grow profitably.



Managing financial capital

EBL has always been focused on generating values for the shareholders through proper utilization of financial capital. The financial capital mix of EBL shows that the lion share i.e. 77% of it comes from customer deposit, 15% from borrowing from external sources and 8% from shareholder's equity. Due to the very nature of banking business, a commercial bank funds its lending primarily through customer deposit. Therefore, a stable sourcing of such fund is vital to ensure a sustainable growth of the organization. EBL for its brand strength and better customer service has achieved almost 34% of its customer deposit from priority banking, a premium banking segment which is stable in nature. Borrowing from other banks and financial institutions consists of 15% of the financial capital of which 37% is from renowned foreign banks outside of Bangladesh.

Particulars	BDT in million	Mix
Shareholder's equity	39,767.45	8%
Borrowing	71,667.84	15%
Deposit	366,103.73	77%
Total financial capital	477,539.83	100%

Although 2023 has been a challenging year for the banking industry with rising NPL, liquidity stress, and foreign currency crisis along with economics & political turmoil, EBL has managed fairly well while surfing through the challenges and has delivered positive outcome in all financial performance indicators with lowest NPL in the industry, sustainable PAT, improved ratio of ROA and ROE, stable cost to income ratio and attractive dividend distribution to the shareholders. Hence, EBL has been recognized with “AAA” credit rating by CRAB.

The culture of good governance is embedded in EBL at its core that has enabled us to win the trust of the stakeholders, especially the customers & investors to keep their money with us and in return, we also have been successfully keeping our promises to them which is reflected in our financial outcomes.

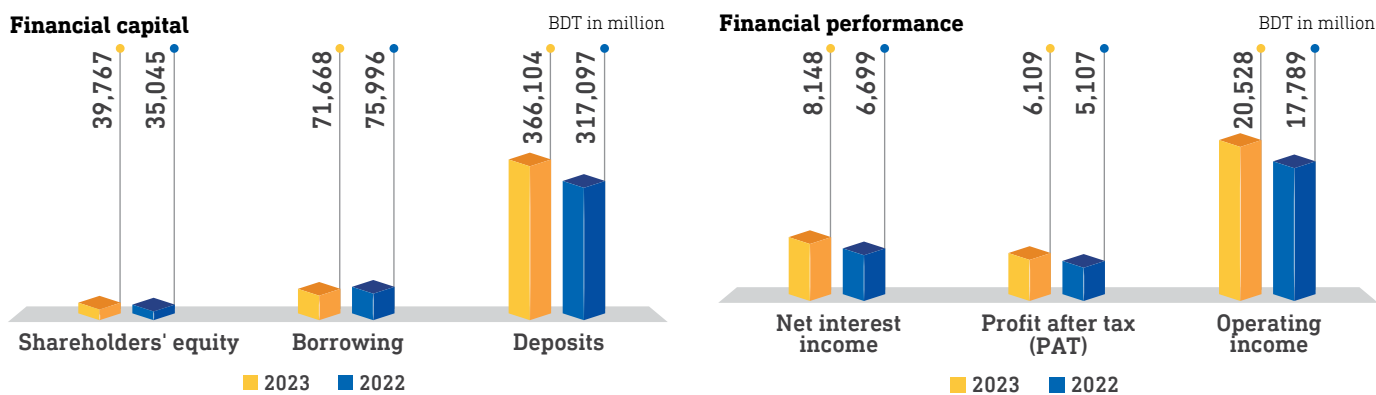
Impact on other capitals

The financial capital is affected by the use of all other capitals, that is, if we increase our input in manufactured, human, and intellectual capital there will be an outflow in financial capital in the short run. On the other hand, appropriate investment in these three capitals has positive impact on the financial capital as well as on its outcome in the long run. As EBL has always utilized financial capital keeping an eye to achieve long term growth, reflection can be seen in the stable financial performance indicators of the Bank.

Associated risks & risk management practices

Credit risk & liquidity risk are two of the vital risks in banking sector and managing these two risk makes a bank stable. Financial capital is used for providing loan & advances, these two risks are prominent under this capital component. In EBL, credit risk is managed rigorously through following credit policy manual, credit instruction manual & risk appetite. The establishment of credit risk culture is a prerequisite for maintaining effective management of credit risk in any organization. Details of credit management practice can be found at page 157-158.

The liquidity risk arises from inability to meet short time financial obligation to borrowers/depositors. To manage this risk several indicators are used and necessary steps are taken accordingly. We also have liquidity contingency plan, a set of policies & procedures, which helps to guide us to meet funding requirement. Details of liquidity management practice can be found at page 159.



Manufactured capital

Bank's physical & digital infrastructure, that is, all touchpoints that help to provide services to the customers are represented as the manufactured capital. To increase customer's reach and to enable banking services available to the customers through multiple & convenient ways, investment in manufactured capital is necessary. An increase in manufactured capital is one of the outflows of financial capital. To make banking services easy & available to the unbanked segment of the economy, it is crucial to invest in manufactured capital mindfully.

Performance highlights 2023

42
New agent outlets

2
New branches

10
New sub-branches

34%
Increase in POS count

BDT **78,500** million
Transaction volume through Skypay gateway

40
New EBL365 booths

BDT **50,000** million+
Salary disbursement through EBL

Material topics:

- Business channel expansion
- Financial inclusion
- Green building



Physical network

To cover all the major locations of Bangladesh effectively, we have strategically mapped our physical network with 85 branches, 33 sub-branches and 102 agent banking outlets across the country providing comprehensive banking services to the customers. To utilize our resources effectively in expanding channels, we have shifted our focus on expansion to sub-branches & agent outlets for reaching areas that have few branch banking activities. To have competitive edge over loan & deposit growth and minimizing cost, we transformed 3 branches to sub-branches in 2022 and have opened 2 new branches in 2023: one located in Mongla, near one of the southern ports of Bangladesh and another one is located near the largest economic zone in Mirsarai.

Digital network

The expansion of our customer touchpoints through digital network is our prime tactic to make banking services available 24/7. As a leading bank for product innovation in the industry, EBL has invested its resources in expanding the digital banking network to connect the customers to banking services 24/7. We have Skybanking app, EBL-self-service Hub, EBL SkyPay gateway and EBLConnect some of the most sought after digital banking services that cater various customer segments according to their financial service needs.

Phygital (Physical+Digital) network

EBL has increased its footprint to the customers through Phygital services that provide banking services to them without putting step to branch and wait in line. We have 242 ATMs & 54 CRMs across the country as well as 38 dropbox services that ensure customer over the counter banking service through these Phygital touch points.

Impact on other capitals

Investment in manufactured capital has a short run negative impact on financial capital. As we are looking to integrate more digital services in our bank, it requires resources to be deployed in enhancing & introducing such product & services through digital channel. But the outcome of such investment will have long run positive impacts on all capitals, that is, increasing financial capital, enriching intellectual capital, retaining skilled human capital & building better social & relationship capital. So it is crucial to invest in manufactured capital mindfully.

Associated risks & risk management practices

Manufactured capital faces risk of technology failure and regulatory breach if proper regulatory compliance is not maintained while expanding branches which are part of operational risk. EBL has a comprehensive guideline to reduce such operational risk & our risk management team rigorously monitors & escalates when necessary. While expanding business, environmental risk arises to manufactured capital. As expansion of physical network requires use of land, water & fuel that is why EBL consciously expands its branches across the country instead of aggressive expansion that is happening in the banking industry. It is also notable that if strategies taken to expand manufactured capital fail to provide benefits in the long run, it gives rise to strategic risk. As EBL has always made decision thoughtfully regarding expansion of manufactured capital, we have been reaping its benefit. The detail of these risks can be found at page 159-160.

Human capital

Human capital is defined as the capacity of individuals working in the Bank and their awareness about governance, ethical matters & risk management practices. Banking industry relies on people with specific expertise and characteristics that uphold good governance culture which in turn helps to run a bank sustainably in the long run. Investing in human capital has an impact on the outflow of financial capital but it positively affects intellectual, Social & relationship capital that drives an organization to have better footprint in the industry. So, it is very crucial to recruit, nurture & retain human capital that adds value to the organization. As it is costly to recruit & train new employees, we make sure the process is as efficient as possible and through this strategy we are able to reap benefits throughout all capital outcome.

Performance highlights 2023

BDT **5,370.85** million

Salary & allowances disbursed

18.56%

Female employees

BDT **9.51** million

Training investment

3 days/employee

Average training

40 people

Recruited under Future Leader program

21

No. of Foundation trainings

Material topics:

- Employee morale
- Health & safety
- Diversity & equal opportunity
- Competitive benefit package



Nurturing human capital

The motto of eblHR is "people first", it shows the commitment we have to our employees for having strong footprint in the industry with best banking practices and good corporate governance.

In 2023 we recruited 1,141 employees among them 40 were recruited under future leader program, a unique program designed to recruit fresh graduates, and train them for shaping the future of the leadership at EBL. We highly encourage women to join EBL team and progress their career here where the working environment support work life balance for all. Our commitment to diversity & equal opportunity ensures that every employee is treated fairly.

Grade wise total employees	Male	Female	Total
Senior Level (SAVP & Above)	232	29	261
Mid -level (SPO-FAVP)	610	105	715
Entry Level (AO-PO)	1,141	377	1,518
Trainee Level (TAO)	1,133	205	1,338
Support Staff	25	0	25
Grand total	3,141	716	3,857

In 2023, our comprehensive appraisal covered all employees who were eligible for performance review. The appraisal covers quantitative as well as qualitative aspect of an employee while reviewing his/her performance. It ensures all employees are reviewed properly.

Our e-learning exams take place twice a year and e-certification on ICT security, AML and etiquettes and professionalism once a year, ensuring all employees have required banking knowledge & are updated on issues crucial for the banking industry. In 2023, there were 17,593 participants in these exams which reflects our effort to increase the value of our employee. Details on our human resource management are given at page 255 “eBLHR: The Trendsetter in Caring HR Practices”.

Impact on other capitals

Investment in human capital has a short run outflow from financial capital. But effective investment always returns in positive inflow in all other capitals. So, selecting & training right group of employees is crucial for the overall benefit of the bank. EBL has cautiously recruited & placed the right person at right place that has made the Bank to be recognized as one of the best employers in the industry.

Associated risks & risk management practice

Human capital is one of the key capitals for a business organization. And it is important for bank to have ethical & responsible human resources in place, otherwise there rises risk of fraud, money laundering and data breach which if occurs repetitively poses reputational risk. For a bank to sustain and win trust of the stakeholders, these risks must be mitigated. EBL is known as one of the most compliant banks in the industry due to the strong governance & risk culture. The approach of the Board & senior management’s zero tolerance against non-compliance has set the tone at the top and is embedded in our corporate culture which is reflected in our financial stability in the industry. The detail of these risks can be found at page 160.

Intellectual capital

Creative approach to work, brand value, innovative product & services for the customers, in-built team expertise and customer satisfaction -- all these intangible assets are referred to as Intellectual capital. It is a hidden driver of the Bank that provides a competitive edge in the industry and helps to sustain in the long run. The intellectual capital is difficult to quantify, yet the impact of nurturing intellectual capital can be seen throughout all the capitals. It helps to build trust among the stakeholders which is a key element for banking industry to withstand. In the long run, to reap the benefit of having a competitive footprint in the industry, EBL is focused on process smoothening, upholding strong corporate governance & technological innovation.

Performance highlights 2023

ICSB gold award 2022

For corporate governance excellence

ICMAB gold award 2022

Best Corporate Award in the private commercial Bank category



Launched country’s first ever wearable device

International Finance Banking Awards 2023

Under the category of ‘Most Innovative Retail Bank in Bangladesh’

98.05%

Rating score on customer service quality through a survey by contact center

Material topics:

- Product & service innovation
- Brand value
- Good governance
- Customer delight



Product & service innovation

Bank requires to offer innovative banking products and structures to respond to customer requirements and changing demands. Embracing the global trends & technology in 2023, EBL launched contactless payment system in Bangladesh and has taken it to a new level through integrating its functionality to wearable devices. WEAREBL is the first of its kind in Bangladesh that has simplified payment system with lifestyle which is available in compact payment ring, a versatile phone holder and a grip, a stylish and fashionable wristband, and a compact portable fob sleeve.

We have also introduced a new service proposition for customers, "Super saver" with various complementary services which will become a source of stable fund of financial capital.

Strong corporate governance

One of the vital pillars of a successful bank is its corporate governance. It either makes or breaks the strength of a bank in the long run. In general, good corporate governance encompasses through ethical business norms, firm commitment to values and compliance with applicable laws and regulations. "Tone at the top" - plays a vital role in shaping a bank's growth path. Fortunately, we have been able to nurture a strong governance culture through best banking practice as we are consistently encouraged by the Board to uphold such values at all levels. Our Board believes that compliance is not a cost rather it gives us competitive advantage in the industry.

EBL Nest

A unique capacity building center of EBL, EBL Nest, is a brainchild workshop house of our Managing Director that started in 2015. This center helps generate ideas from different departments of EBL through multiple sessions of brain storming that help EBL to have better footprint in the industry. In 2023, there were 42 Nest sessions that generated ideas for the betterment of the Bank.

Impact on other capitals

Intellectual capital is inter-related with human & financial capital. A positive inflow of such capital is a result of outflow from financial capital & inflow of skilled human capital and has far reaching positive impact on social & relationship capital as well. To have a strong brand reputation intellectual capital plays a pivotal role.

Associated risks & risk management practice

Strategic & reputational risk are major risks associated with intellectual capital. Ineffective strategy as well as inefficient implementation of strategies regarding intellectual capital can have financial cost. On the other hand, if corporate governance becomes volatile it will pose reputational risk which will incur financial loss. To mitigate these risks, EBL consciously safeguards its core values, that is, uphold good governance practice and set strategies according to the current & future banking industry scenario.

Social & relationship capital

Social & relationship capital is an intangible capital which consists of the relationships, values & interests commonly shared with stakeholders of the Bank. For ensuring collective well-being of customer, regulator, local community as well as of the Bank, investing in social & relationship capital is essential. The social cohesion established by building relationship & networks with the stakeholders helps an organization to rely on them that has multiple benefits in pursuing long term growth.

Performance highlights 2023

Top tax-paying bank

EBL honored as one of the top tax-paying banks in 2022-23

BDT **10,646** million

Contribution to national exchequer

BDT **280** million

CSR expenditure

Inspiring Women Award 2023

Awarded "Inspiring Women Award 2023" 15 disable women for their success

6 customer surveys

Conducted 6 customer surveys on product & service

Material topics:

- Regulatory compliance
- Responsibility towards society
- Customer delight



Ensuring customer delight

EBL's core objectives is to ensure customer delight. As customer deposit consists of 77% of our financial capital, it emphasizes the importance of upholding customer trust. Through maintaining good corporate governance and compliance culture, we have been able to provide the customers comfort to keep their hard earned money with us. EBL not only looks out for customers in providing quality service but also to ensure customer delight through simplifying process, digitalizing services and analyzing customer feedbacks. Regardless of the segment, EBL ensures every customer is treated with utmost care, fairness and equity which results in long term relationship with them. Details are provided at page 269 under "Customer delight: A journey towards excellence"

Regulatory compliance

EBL is one of the few banks that strictly maintains all of the regulatory compliance & always have proactive discussion with the respective regulators, whenever necessary, in implementing any new instruction, law and commitment. In 2023, we did not have any regulatory compliance issue raised by the regulators.

EBL, a responsible corporate entity, pays corporate tax regularly and in some cases before the due time. We also deposit excise duty, withholding tax and VAT to govt. exchequer deducted from customers, employees' salary as well as on bills from third parties including vendors in due time. As a result, we were honored as one of the top tax-paying banks in the banking sector by National Board of Revenue (NBR) for the fiscal year 2022-2023.

Giving back to the society

As a responsible corporate citizen, EBL has been giving back to the society where it is needed most. By devising policies to guide selection of CSR projects, expense as per regulatory guidance, EBL is working towards becoming a bank that creates value not only for itself but also for the community. As per our Board approved policy, at least 2% of the latest distributed profit is being allocated as CSR expenditures every year. However, the actual expenditures are much higher which reflects our obligation to the society. In 2023, EBL made BDT 280 million expenditure in various segment of CSR. We also have initiatives taken for women empowerment through various engagement program & financing. Details on our endeavors to giving back to the society are given at page 221 under "Corporate Social Responsibility" segment.

Impact on other capitals

Investing in social & relationship capital has a short run out flow of financial capital. But there is a ripple effect in the long run in all of the remaining capitals through increase of the inflow of financial capital, human capital, intellectual capital as well as natural capital to some extent. This intangible capital can be harnessed to maintain the stability of the business entity.







Associated risks & risk management practice

Social & relationship capital is prone to reputational risk. To mitigate such risk, EBL has complaint management cell for customers & mechanism for redressal for investors. Also, our business activities are aligned with the guidelines of our regulators that ensures there is no regulatory breach. To avoid overlapping of CSR expenditure in all segments and ensuring transparency, EBL has a well-defined framework that is guided by the regulatory guidelines.

Natural capital

Natural capital is defined as the renewable & non-renewable resources like energy, water, air that are used by the Bank for its value creation process. To increase the well-being of human capital, it is imperative to embrace sustainable solutions regarding the use of natural capital. To increase a business entity's resilience against climate change, it is vital to invest in natural capital. The emissions and waste materials produced by EBL's activities also affects the natural capital.

Performance highlights 2023

 8R approach towards sustainability	 Auto sensor lights and promoting use of natural light at head office.	 Water treatment plant in head office	Material topics: <ul style="list-style-type: none"> Energy emission Resource optimization Green finance & sustainable investment Environmental awareness <div style="display: flex; justify-content: space-around; font-size: 8px;"> <div style="background-color: #009688; color: white; padding: 2px;">6 CLEAN WATER AND SAFETY</div> <div style="background-color: #ffc107; color: white; padding: 2px;">7 AFFORDABLE AND CLEAN ENERGY</div> <div style="background-color: #6c757d; color: white; padding: 2px;">12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div style="background-color: #2e7d32; color: white; padding: 2px;">13 CLIMATE ACTION</div> </div>
 Financed to 4 new LEED certified projects	 Country's first ever carbon accounting for any local bank in Bangladesh	 Contributed to the climate change project "Stories of Change".	

In-house green initiatives

EBL advocates for utilizing resources at optimum level reducing cost of acquiring them. As a result, we have taken several initiatives across the bank that ensure sustainable usage of resources with minimum waste. We have declared our premises plastic free since 2019 and have taken measures to replace all plastic office items, that is, plastic water bottle, plastic files etc. with eco-friendly bottle & paper files. Through this small step, we are encouraging our stakeholders to become more conscious while using eco-friendly materials. By incorporating auto sensor lights at head office & water treatment plant, we are ensuring resource optimization of fuel and water which are non-renewable in nature. Taking these initiatives, EBL ensures to leave a meaningful impact in the long run.

Sustainable financing

Banks can promote environment-friendly initiatives through financing in business entities that promote, adopt & adapt for sustainable environment. EBL has taken funding initiatives that have supported several projects in the energy and resource efficiency domains.

	BDT in million
Promoting sustainable finance	2023
Financed for installation of Effluent Treatment Plants (ETP) at operational plants	257
Financed in plants having ETP	34,415.80
Financed to solar panel/ renewable energy/alternative energy plants	2.00
Financed in Energy & Resource Efficiency	5,996
Financed to other green projects	5536.9
Total disbursement in sustainable initiatives	92,529
Total disbursement in green financing	1,180

More on our sustainable initiatives can be found at page 205 under "Sustainability report" segment.

Impact on other capitals

Investing in preserving natural capital has a long term benefit for the organization that penetrates through financial, intellectual, human and social and relationship capital. On the other hand, manufactured and natural capital are negatively related, so it is crucial to invest carefully in manufactured capital.

Associated risk & risk management practice

Environmental risk is posed by mismanagement of natural capital. Not only environmental risk, financing in projects or business entities that pose serious threat towards our environment also raises reputational risk as it makes a bank unethical and irresponsible in the eye of stakeholders. To reduce such risks, EBL has Sustainable banking/ Environmental & Social Risk Management (ESRM) Policy in place and a dedicated team to monitor overall financing. Also, our 8R approach to sustainability i.e. reduce, reuse, recycle, responsibility, respond, renew, refine and refuse lies at the core of managing environmental risks.

Stakeholders Engagement

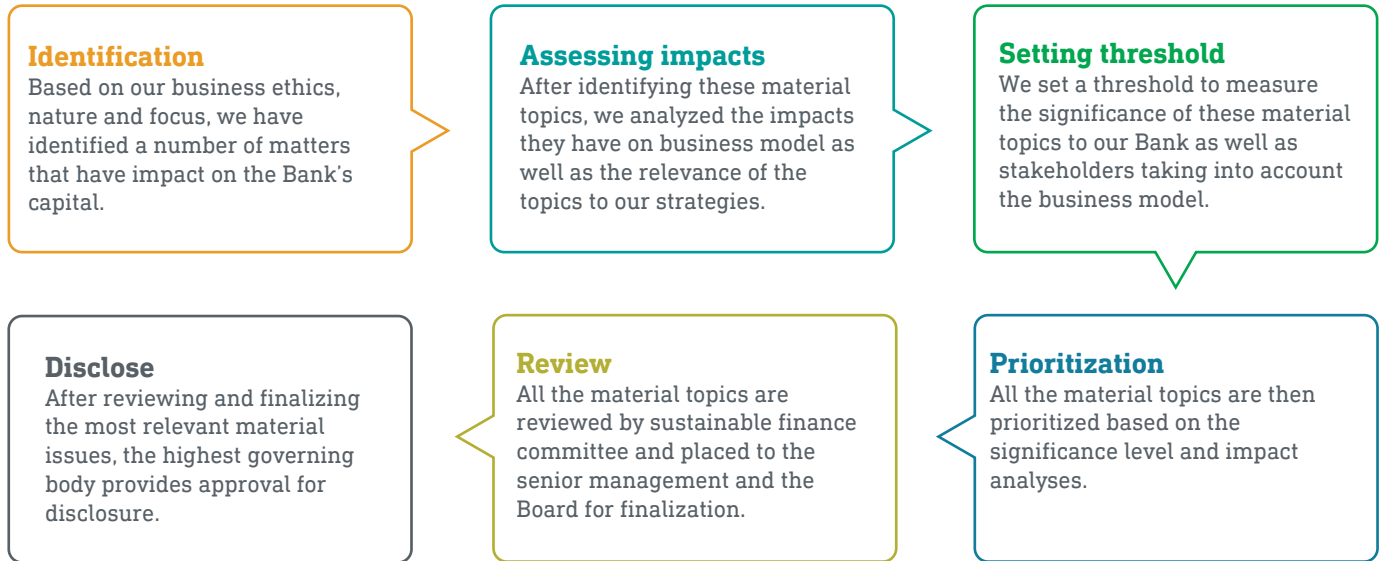
Alignment with SDGs	Stakeholders	Key interests	Mode of engagement	Frequency	EBL's response
	<p>Shareholders/ Investors</p>	<ul style="list-style-type: none"> Sustainable growth & strategy. Financial performance. Corporate governance. Risk management. Business expansion plan. Company information. 	<ul style="list-style-type: none"> EBL's website. Annual report. AGM. Board meeting. Investor's meeting. Press release for price sensitive information. 	<p>Continuous process. Quarterly, semi-annually & annually</p>	<ul style="list-style-type: none"> Setting long term goals to achieve steady growth. Maintaining ethical & compliant business practices. Upholding good corporate governance practice with effective control & compliance system. Maintaining transparency in flow of information to our investors. Monitoring asset quality.
	<p>Employees</p>	<ul style="list-style-type: none"> Work-life balance Diversity and career progression Performance evaluation and rewards Recruitment and retention Safe and healthy workplace Employee engagement/wellbeing HR information 	<ul style="list-style-type: none"> Induction program, employee engagement programs & awareness session. Appreciation letter and employee recognition program. Online exams, interviews, training programs & workshops. Career succession planning. Grievance management. ebHR portal & peopleBL app 	<p>Continuous process, quarterly, semi-annually, annually</p>	<ul style="list-style-type: none"> Managing employee's well being. Yearly employee recognition program to uplift employees morale. Ensuring fair & competitive appraisal system. Competitive salary and benefit package to have our employees the competitive advantage in the industry. Proper HR policy & code of conduct guidelines to lead good corporate culture. Transparent & easy flow of information.
	<p>Customers</p>	<ul style="list-style-type: none"> Quality service Privacy and information security Dispute resolution Product information Affordability and convenience Easy & hassle free banking 	<ul style="list-style-type: none"> Relationship managers. Mail, SMS, newsletter, ATM, Internet Banking, Skybanking & EBL Self service hub Direct customer feedback, customer s grievance management & complaint cell EBL's website, 24/7 call center (16230) & social media Different on-site channels—Branches, sub-branches, agent banking & Priority center. Customer engagement events 	<p>Continuous process</p>	<ul style="list-style-type: none"> Trained relationship officers to meet customers need. Focus on digital inclusion. New product development as per customer need. Expanding channels to reach & include new customers. Providing standard services to all customers. Arranging workshop and training programs for SME customers. Organizing financial literacy programs to raise awareness against financial fraud, reduce associated risk and enhance consumer protection.
	<p>Regulatory Bodies and Government</p>	<ul style="list-style-type: none"> Compliance with regulations. Awareness and knowledge. Good corporate governance. Addressing key issues 	<ul style="list-style-type: none"> Submission of returns and reports through online portal, hardcopy & emails. Training and workshops, circular & directives. Telephone conversations, emails & visits, meetings and discussions with senior management and respective regulators 	<p>Continuous process, within the prescribed deadline</p>	<ul style="list-style-type: none"> Duly submission of all returns Proper submission of national exchequer Maintaining proper compliance & regulatory conducts Continuous implementation of government policies
	<p>Business partners</p>	<ul style="list-style-type: none"> Relationship with suppliers, networking & new business opportunities. Uninterrupted & ethical service. Sustainable financial growth of bank. 	<ul style="list-style-type: none"> Meetings, telephone/emails/letters and periodic on-site visits. Standard procurement policy & process. Reviewing & evaluating performance 	<p>On a regular basis</p>	<ul style="list-style-type: none"> Proper & timely payment settlement Ensuring fair enlistment. Maintaining proper due diligence.
	<p>Society</p>	<ul style="list-style-type: none"> Financial inclusion. Ethics and code of conduct. Sustainable initiatives. Environmental protection through sound lending decision. Social welfare 	<ul style="list-style-type: none"> Banking through branches, agent banking, sub-branches, internet banking. Skybanking, Ebl Self service hub & contact center (16230). EBL's Website & annual report. CSR initiatives. Investing in green finance project. 	<p>As required, continuous process</p>	<ul style="list-style-type: none"> Expansion of channels through agent banking & sub-branches Student banking campaigns to increase financial inclusion Appropriate code of conduct guidelines for bank. CSR expenditure of BDT 280 million in 2023 Initiating carbon accounting to measure carbon footprints. Green financing of BDT 1,180 million in 2023

Material Topics

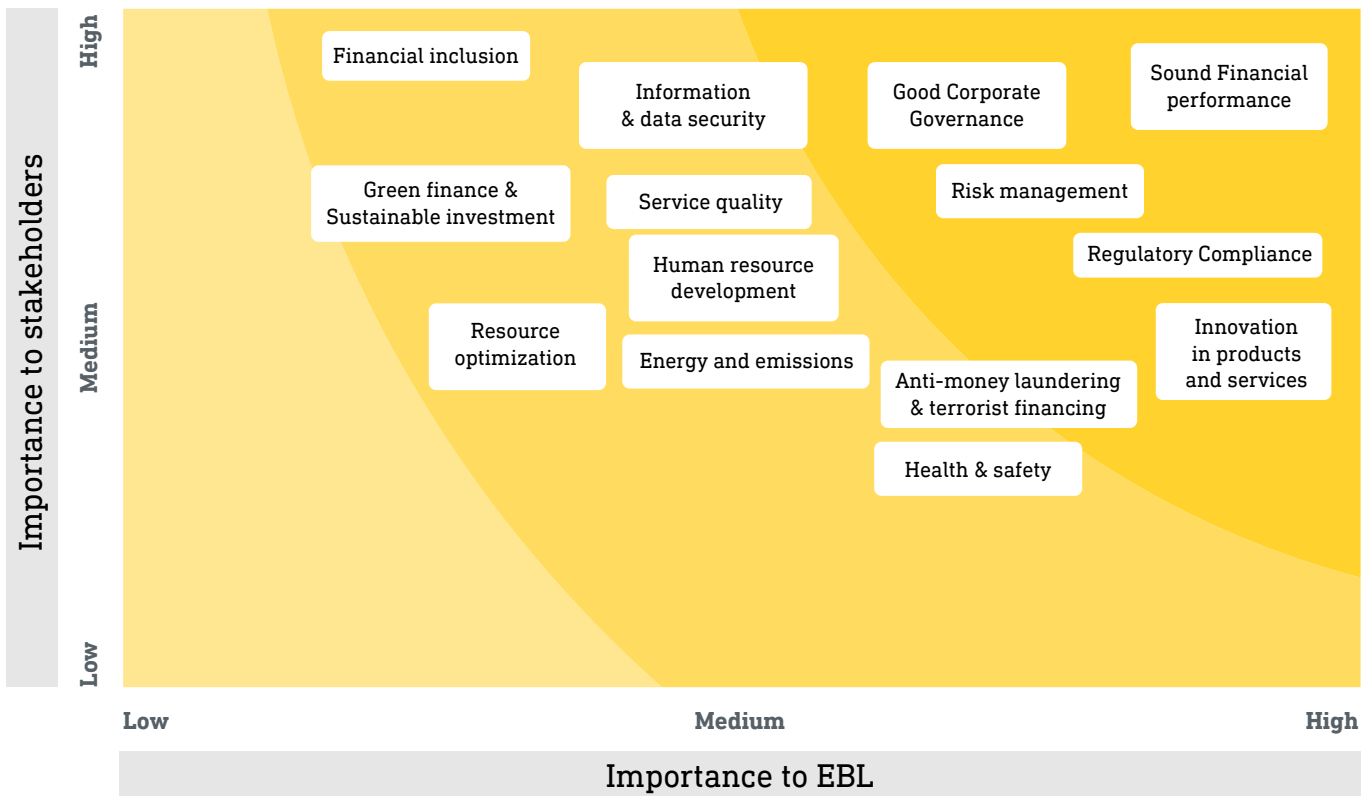
Material issues are those which are relevant to the Bank and has substantial impact on its capital and value creation over time, that is, in short term, medium term and long term. We used the Global Reporting Initiative (GRI) guidance to develop the material topic determination process. Determination of material topics is an ongoing process while running business affected by both internal and external catalysts. The material topics can change due to changes in strategic direction, business operation, macroeconomic landscape and the overall environment.

Material topics determination process

The significant material topics that have actual and potential impact on EBL as well as stakeholders are identified as per following process:



Materiality matrix





Material topics	Impact on stakeholders	Relevant SDGs	Impact on capital type	Topic details
Sound Financial performance	Investors, depositors, lenders	   	Financial	Information for Stakeholders, Financial Statements
Good Corporate Governance	All the key stakeholders	 	Intellectual, Financial	Corporate Governance Report
Financial inclusion	Customers (mainly the unbanked ones)		Social & Relationship	Retail and SME Banking, Sustainability Report
Anti-money laundering & terrorist financing	Employees, Customers		Intellectual	Corporate Governance Report
Risk management	Investors, Customers & Employees		All	Risk Management Report
Information & data security	Customers	 	Intellectual	Redefining Possibilities: Enabling Sustainable Growth through Technological Advancement
Health & safety	Employees		Human	ebIHR: The Trendsetter in Caring HR Practices
Human resource development	Employees	  	Human	ebIHR: The Trendsetter in Caring HR Practices
Service quality	Customers	  	Social & relationship	Customer Delight: Our Journey towards Excellence
Innovation in products and services	Customers	 	Intellectual	Managing Director's Review
Energy and emissions	Society	 	Natural	Sustainability Report
Resource optimization	Society	  	Natural	Sustainability Report
Green finance & Sustainable investment	Society	  	Natural	Sustainability Report
Regulatory Compliance	Regulator	 	Social & relationship	Corporate Governance Report, Sustainability Report

Human Resource Accounting (HRA)

Human resource accounting is intended to measure value added by the people of an organization and the corresponding cost incurred. It is a tool that quantifies human resources and helps to compare employee productivity across industry. To manage tangible and financial assets of an organization profitably, an organization highly relies on the quality, skill set and attitude of its people. We quantify HRA through measuring the cost incurred during recruitment, training & development, payments to employees and the eventual economic value generated by them.

At EBL, human resource is one of the key drivers for the sustainable growth we have achieved over years. It is evident in the consistency and sustainable business and financial performance that the quality of our people provides a competitive edge over other financial institutions and helps us to survive amidst numerous systemic and micro challenges. By setting motto, "People first", we nurture our human resources. We have achieved positive outcome in financial, intellectual, and social and relationship capital through investing in our employees appropriately from recruitment to retention. We consciously cascade down the ethos of good governance from the top to bottom of employee hierarchy.

Objectives of HRA

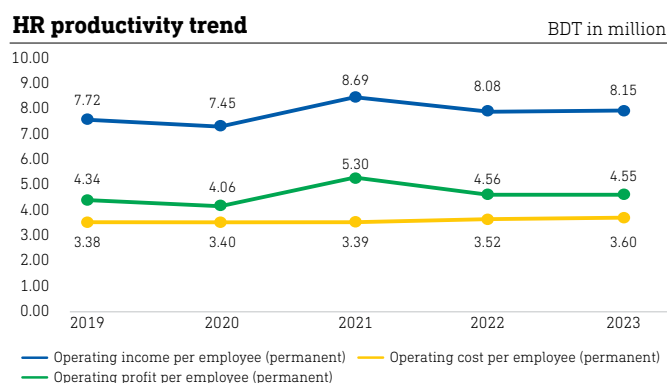
- Monitor human resources and their productivity efficiently.
- Facilitate human resource planning.
- Provide quantitative information on human resources for better policy implementation.

Importance of HRA at EBL

Being a people-centric bank, we understand the importance of employee well-being and how they add value to the organization. So, the impact of measuring HRA at EBL is crucial and can be identified as follows:

- It helps to monitor human resources efficiently in utilising their know-how and true potential.
- It helps the management to ensure sustainable human capital through planning and evaluation.
- It provides information on investments and return on investments on human resources which helps to plan training & developments program for the employees.
- It provides a tool to implement & understand the impact of a policy on human capital.
- It helps to plan recruitment and retention of human resources to have consistent positive impact on the success of the Bank.

Particulars	2023	2022	2021	2020	2019
No. of total employees	3,857	3,550	3,087	3,044	3,128
No. of permanent employees	2,519	2,202	1,975	1,896	1,892
% of permanent employee to total employee	65.31%	62.03%	63.98%	62.29%	60.49%
Employee remuneration (BDT in million)	5,371	4,875	4,129	3,950	3,764
Training investment (BDT million)	9.51	9.58	7.81	4.05	12.65
Female representation to total employee	18.56%	20.76%	20.54%	20.24%	19.98%
Average length of service (permanent) in years	5.77	6.17	6.65	6.38	6.18



76.71%

Employee retention rate

40

Future leaders
(Future Leader Program)

8.65%

Employee growth rate

217

Employees absorbed as permanent

To increase employee morale and job satisfaction, we have a structured competitive financial benefit package as well as comprehensive HR policy at place. Along with such benefits, EBL also ensures health and safety of employees by taking multiple initiatives on employee wellness program, employee engagement program, recognition program and appreciation actions. We believe in inclusive culture and promote good corporate governance values through policy implementation and the benefits of such measures are reflected in our productivity.

SWOT Analysis

A SWOT analysis serves as a strategic compass, a self-reflection of an organization's strengths, weaknesses, opportunities, and threats. This often helps to make strategic choice and set direction towards achieving organization's goals and missions.

In examining a bank's strengths, weaknesses, opportunities, and threats, we take key qualitative and quantitative factors into consideration including resilience and growth. Strengths illuminate the firm's competitive advantages, showcasing its ability to innovate, command, penetrate and adapt to industry demands. Weaknesses reveal areas for improvement prompting a strategic focus on bolstering internal capabilities. Opportunities indicate offering avenues for expansion and diversification while threats underscore the probability and impact of inherent risks and different stress scenarios. Together, these insights paint a holistic picture of the bank's position in the industry, guiding informed decision-making and fostering long-term sustainability.

STRENGTHS

- Unwavering commitment to good governance and compliance (including all the regulatory ratio).
- Eminent, experienced and harmonious Board of Directors.
- Led by a seasoned and experienced Managing Director honored with the prestigious Kotler CEO of the Year award.
- Strong brand value with highest credit rating 'AAA'.
- Consistent business and financial performance.
- Prioritizing innovation, EBL champions IT solutions and customer-centric strategies.
- Maintains impressively low cost to income ratio and NPL levels compared to peers banks.
- Robust capital base, with a CRAR exceeding 15% as of Dec'23.
- Recognized both locally and internationally through numerous prestigious awards.
- Superior asset quality, steady profitability, strong solvency and liquidity.
- EBL's HR leadership is committed to compliance, driven by a 'People First' ethos.

WEAKNESSES

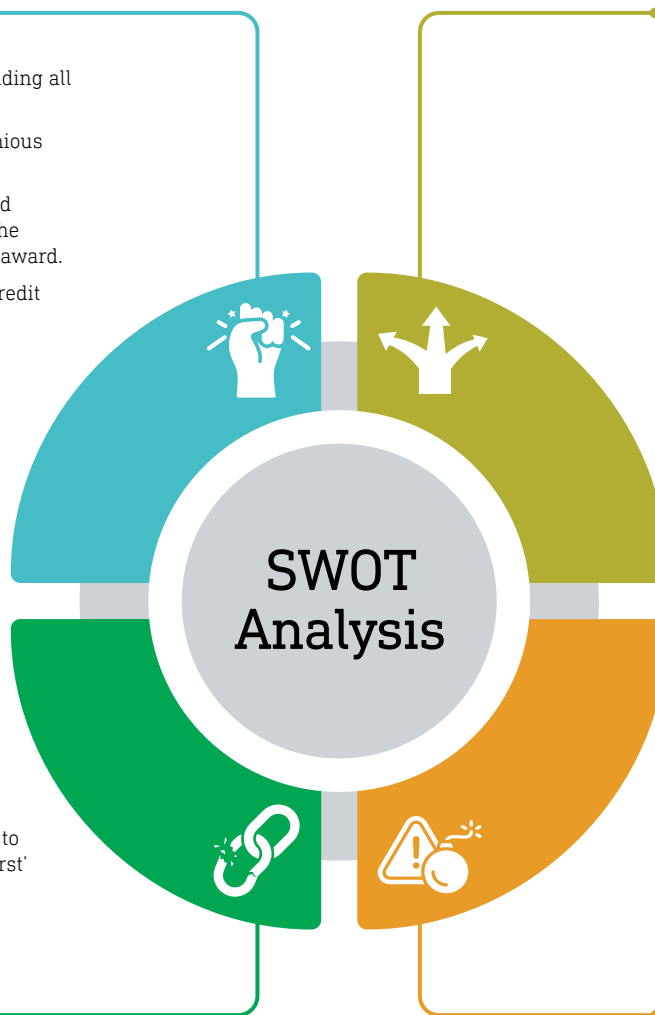
- Credit is concentrated among large corporates.
- Scope of diversifying revenue sources is limited.
- Branch network sparser than industry peers.

OPPORTUNITIES

- Leveraging strong brand value to drive business growth especially when many competitors suffer from lack of customers confidence.
- Formulating useful and exciting value propositions through digital evolution.
- Promoting financial inclusion through enhancing digital footprints.
- Harnessing huge potentials of Islamic banking services.
- Responding to the growing demand for sustainable finance solutions.
- Providing innovative and useful cash management solutions to enhance liquidity at lower cost.

THREATS

- Escalating geopolitical tensions affecting inflation, FX reserve and business conditions.
- Rapid digitalization may contribute to heightened cybersecurity risks.
- Intensified competition driven by disruptive technologies.
- Precarious conditions due to external frauds and irregularities.



PESTEL Analysis



POLITICAL

BANGLADESH'S POLITICAL HORIZON LOOKS CLOUD-FREE

In 2023, as Bangladesh approached its 12th national election, the country found itself enveloped in a cloud of uncertainty, affecting both its citizens and the echelons of power, despite a veneer of tranquility. Post-election, the air cleared up a bit, bringing a welcome sense of stability to the nation's complex political landscape. However, the specter of geopolitical pressures looms large, leaving the door open for potential economic repercussions, including the threat of stringent measures from international trade partners, which could affect the country's economy in many spheres.

OUR PERSPECTIVE

There is no denying that Bangladesh is at a pivotal moment, grappling with considerable political, economic, and geopolitical challenges. Its position as a significant arena of international interest underscores its role in superpower dynamics. This situation is especially significant for the banking industry, given Bangladesh's reliance on bank-based financing. In response, we adopt a stance of caution and vigilance, closely monitoring the economic landscape with a comprehensive concern for its overall vigor.



ECONOMIC

BANGLADESH'S BOLD JOURNEY FROM ECONOMIC STORM TO STEADY REVIVAL

In 2023, Bangladesh contended with formidable economic challenges, as global supply chain disruptions, surging fuel and commodity prices, and geopolitical tensions fueled widespread inflation, exposing vulnerabilities across various sectors. These issues precipitated a liquidity crisis, financial account deficits, exchange rate volatility, and a decline in foreign exchange reserves, undermining the nation's history of sturdy growth and moderate inflation.

In response, decisive measures were undertaken. The Central Bank's decision to remove interest rate ceilings and introduce a "crawling peg" system aimed to stabilize exchange rates, while the government's execution of transformative infrastructure projects promised economic revitalization, job creation, and credit expansion. Efforts to curb luxury imports were designed to reduce the current account deficit and improve trade balances.

The resolution of electoral uncertainties ushered in a renewed sense of optimism. Despite the anticipated drag on economic growth in 2023-24 due to monetary tightening and slowing export growth, projections are cautiously optimistic. IMF financial assistance is set to preserve macroeconomic stability and support foreign exchange reserves. The Asian Development Bank (ADB) has revised GDP growth forecasts upward to 6.50% for 2024, with inflation expected to decrease to 6.60%.

OUR PERSPECTIVE

> EBL achieved a significant milestone by securing the prestigious AAA credit rating from the Credit Rating Agency of Bangladesh (CRAB) in 2023. This recognition, based on audited financial reports of 2022 and thorough qualitative assessments, underscores EBL's financial resilience and its steadfast commitment to meeting its responsibilities.

> In 2023, EBL skillfully steered through challenging banking conditions, achieving a remarkable 47% increase in money market income. By strategically leveraging the inter-bank market and optimizing remittances, the Bank successfully balanced trade flows, catalyzing significant income growth. Its Strategic Asset and Liability Management played a crucial role in insulating the Bank from market volatility, thereby ensuring uninterrupted customer service.

> The bank witnessed robust growth in deposits from Retail, Small and Medium Enterprises (SMEs), recording a 17% year-on-year increase, while its asset portfolio saw a substantial 20% rise. The corporate segment too showed solid performance, with an 11% growth in deposits and a 15% surge in loan portfolio.

> EBL's pivotal role in the economy was further emphasized by facilitating trade transactions worth USD 4.8 billion.

> Concluding the year with a remarkably decent Capital to Risk Weighted Assets Ratio (CRAR) exceeding 15%, EBL has clearly demonstrated its financial resilience and commitment to sustaining growth and stability.



SOCIAL

BANGLADESH'S SOCIAL LANDSCAPE TRANSFORMED BY MIDDLE CLASS GROWTH AND DIGITAL INTEGRATION

Bangladesh is witnessing a social shift with its middle class set to grow by 33% within 2030, significantly impacting economic dynamics and banking needs. This growth fuels market diversification and demands for sophisticated banking services, reflecting developmental progress.

Societal changes, including increased women's workforce participation, challenge traditional norms, emphasizing the importance of governance for equitable growth.

The digital revolution enhances connectivity, necessitating innovative banking solutions for a burgeoning digital economy. Rising financial literacy and a shift towards digital transactions among the youth further highlight this evolution.

As preferences lean towards spending on experiences over savings, banks are adapting with targeted financial products. This landscape fosters a dynamic environment for entrepreneurship and innovation, particularly in mobile applications and agriculture, enhancing competitiveness and inclusivity in Bangladesh's future.

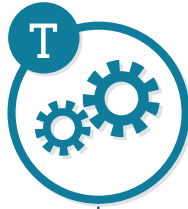
OUR PERSPECTIVE

> EBL has launched life and non-life insurance offerings under Bancassurance License in 2024.

> The Cards Business introduced unique services, including the EBL Visa Women Signature Credit Card and co-branded cards through strategic partnerships. Alongside, EBL enhanced customer benefits through collaborations with more than 250 brands, conducting 22 promotional campaigns in 2023.

> The bank is expanding with new EBL365 booths, ATMs, and CRMs, focusing on security and ease of service.

> In 2024, EBL plans to offer Islamic banking, embracing financial inclusivity with Shariah-compliant solutions.


TECHNOLOGY
BANGLADESH'S DIGITAL LEAP REDEFINES FINANCE AND IGNITES SOCIETAL TRANSFORMATION

In recent years, Bangladesh has embarked on a transformative journey toward digitalization, affecting key sectors such as governance, education, health, financial and the judiciary. This push toward digital governance has significantly amplified the GDP per capita and streamlined service delivery, showcasing the profound impact of digital adoption.

At the heart of this digital transformation is the financial sector, which has quickly moved to digitize, showcasing a strong digital foundation and innovative offerings. Bangladesh Bank's release of the "Guideline to Establish Digital Bank" in June 2023 marked a significant move towards digital innovation. It sets the goal for 75% of banking transactions to be cashless by 2027, leveraging cutting-edge technologies like Artificial Intelligence (AI), Machine Learning, and Blockchain. The issuance of digital banking licenses to 'Nagad Digital Bank' and 'Kori Digital Bank' highlights a groundbreaking change in banking, showing a deep commitment to embedding advanced technology in the nation's financial fabric.

The shift to digital banking, while challenging, offers numerous opportunities, requiring marketers to be both creative and agile in this new terrain to build consumer trust. This transition signifies not just a technological shift but a fundamental change in the banking experience, promising a future where digitalization promotes growth, inclusivity, and efficiency in Bangladesh's financial sector.

OUR PERSPECTIVE

> EBL is at the forefront of the banking sector's digital transformation in Bangladesh, introducing innovative solutions to enhance customer convenience and operational efficiency. In 2023, EBL pioneered the launch of WearEBL devices, exemplifying the commitment to simplifying banking by offering secure and effortless transactions on the go.

> EBL has revolutionized the transaction process with QR transactions through the NPSB channel and Skybanking app, eliminating the need for physical cards and reducing the risks of card skimming. Additionally, our Digi-Remit services and integrations with MFS providers like bKash and Nagad facilitate swift remittance disbursements, streamlining the process for our customers.

> EBL's dedication to data governance and security is evidenced by compliance with PCI-DSS and ISO/IEC 27001:2013 standards, reflecting our commitment to protecting sensitive information.

> We are focused on integrating AI and data science into our services, aiming to lead the bank into a dynamic, data-driven future that meets the evolving needs of our customers.


ENVIRONMENTAL
GREEN WAVE SHAPES SUSTAINABLE MARKETS AND FINANCE

Sustainability is becoming crucial for brands and consumers worldwide, driving a shift towards eco-friendly choices. Recent statistics show that sustainable products or services account for 17% of the global market share, growing 2.7 times faster than non-sustainable ones. A global survey of 10,281 consumers found that 78% view environmental sustainability as important and strive for sustainable living.

Sustainability is now a key focus in finance too, necessitating a unified language across stakeholders to meet objectives of the Paris Agreement and UN SDGs. Bangladesh Bank has led this shift through its sustainable finance policy, significantly advancing sustainable finance practices despite challenges.

OUR PERSPECTIVE

> EBL is aligning with global reporting standards by developing a GRI sustainability report based on the 2021 GRI Universal Standards.

> In 2023, we launched a significant carbon accounting initiative with DEG and the JIM Foundation, using the Joint Impact Model based on standards set by PCAF to assess our impact on the economy, society, and environment, demonstrating our commitment to climate action and the SDGs.

> We financed in four LEED-certified projects this year, indicating our focus on sustainable business practices. Our partnership with icddr,b on Bio-Hazardous Waste Management and our financing of BDT 5,996 million in importing energy-efficient machinery further showcase our efforts towards reducing carbon emissions and promoting sustainable development.


LEGAL
NUMEROUS REGULATORY REFORMS AND LEGAL MEASURES TO ENHANCE SUSTAINABILITY OF BANKING SYSTEM

In an effort to fortify Bangladesh's economic stride, the central bank has initiated a comprehensive suite of significant reforms. These actions have profoundly influenced the strategic and policy frameworks governing the banking sector.

A key development is the recent Bank Company (amendment) Act 2023. This amendment grants the power to the central bank to reorganize the boards of state-owned banks and conduct detailed reviews of banking transactions within public organizations. Importantly, the Act empowers the central bank to mandate bank mergers if it deems necessary to safeguard depositor interests, introducing a new layer of unpredictability for banks and their stakeholders. This underscores the importance of balancing legal adherence with operational flexibility.

Amid these reforms, there's a strong push towards digitalization, in line with the "Digital Bangladesh" initiative. This digital shift requires banks to adopt extensive and sometimes expensive measures to combat fraud, adding a new layer to regulatory compliance.

Furthermore, the banking sector's reliance on the judicial system for loan recovery, especially from willful defaulters, poses additional challenges. The ease with which some defaulters obtain stay orders under the current legal framework highlights the complexities of navigating legal hurdles in the financial landscape.

OUR PERSPECTIVE

> EBL is a leader in governance and compliance within Bangladesh's banking sector, consistently adhering to the central bank's standards. Our dedication to corporate governance was honored with a gold award in the general banking category at the 10th ICSB National Award 2022 for Corporate Governance Excellence. EBL has secured five gold awards from the ICSB since 2013, underscoring our role as a benchmark for corporate governance in the banking industry.

> In 2023, EBL made significant strides in handling legal issues, successfully recovering BDT 473 million from written-off loans and BDT 1,021 million from classified loans. Our skilled legal team is managing 9,554 cases against defaulting borrowers, involving a total of BDT 27,428 million. With 21 dedicated law officers at the helm, we achieved resolutions in 2,359 cases through judgments or settlements, showcasing our commitment to addressing and mitigating financial risks effectively.

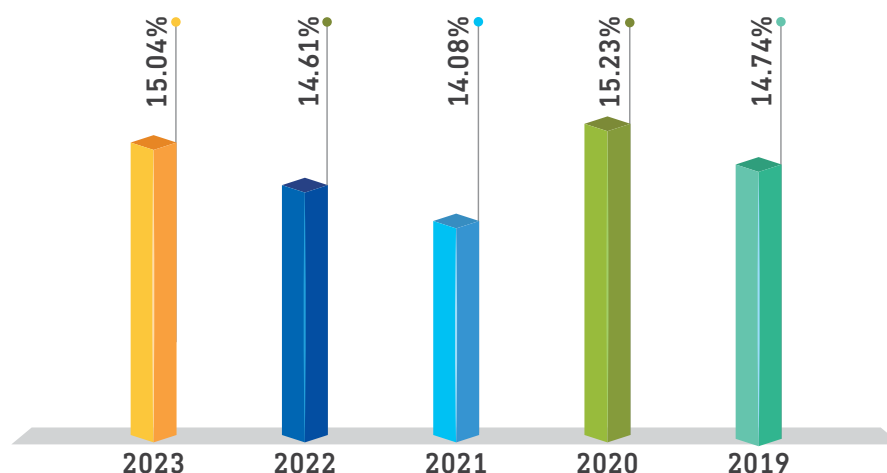
Capital Adequacy Statement

All scheduled banks in Bangladesh are mandated to calculate their Capital to Risk Weighted Assets Ratio (CRAR) in accordance with the 'Revised Guidelines on Risk-Based Capital Adequacy (RBCA)' issued by the Bangladesh Bank in December 2014 and subsequent circulars. According to these guidelines, banks are required to maintain a minimum CRAR of 12.50% (which includes a Capital Conservation Buffer of 2.50%) of their overall Risk Weighted Assets (RWA) to ensure financial stability and to instill confidence among the key stakeholders.

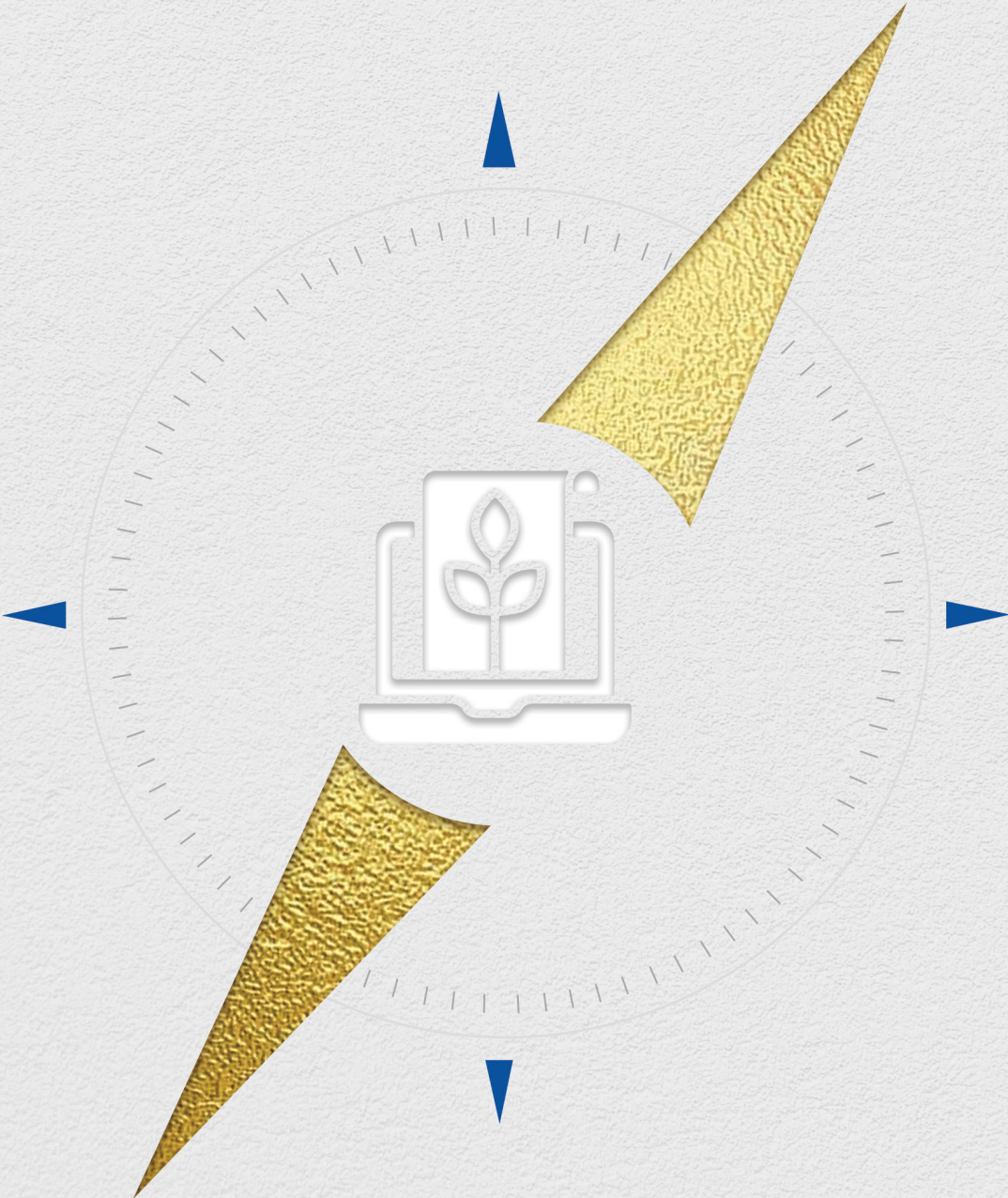
BDT in million

Particulars	31/12/2023	31/12/2022
Tier-1 Capital		
i. Common Equity Tier -1 Capital (CET-1)		
Paid up capital	12,072.35	10,730.98
Statutory reserve	12,072.35	10,730.98
General reserve	603.49	603.49
Dividend equalization reserve	356.04	356.04
Retained Earnings	12,601.35	10,505.74
Less: Regulatory adjustments	3,690.29	2,985.65
ii. Additional Tier-1 Capital (AT-1)		
Non-cumulative irredeemable preference shares	-	-
Instruments issued by the banks that meet the qualifying criteria for AT1	-	-
Others (if any approved by Bangladesh Bank)	-	-
Less: Regulatory adjustments from AT-1 Capital	-	-
A.Total Tier-1 Capital	34,015.29	29,941.58
Tier-2 Capital		
General provision	6,854.45	5,869.00
Subordinated debt	6,020.00	4,950.00
Less: Regulatory adjustments	-	-
B.Total Tier-2 Capital	12,874.45	10,819.00
C.Total Regulatory Capital - [A+B]	46,889.75	40,760.58
D.Total Risk Weighted Assets (RWA)	311,848.62	279,015.85
E.Capital to Risk Weighted Assets Ratio (CRAR) - [C/D]	15.04%	14.61%
Tier-1 Capital to RWA	10.91%	10.73%
Tier-2 Capital to RWA	4.13%	3.88%

Year wise change of CRAR of EBL (Solo)



SUSTAINABILITY REPORT



Sustainability Report

Foreword

Transitioning towards sustainable banking necessitates a fundamental shift in mindset—one that prioritizes societal and environmental well-being alongside financial goals. In the face of escalating climate crises, banks must swiftly adopt sustainability as its core principle as they actively participate in an economic environment where their financial decisions have influence on present and future of the people, planet and profit of the organization. Heightened expectations from customers, regulators, investors, employees, and the public demand greater transparency and accountability compelling banks to proactively embrace sustainable practices.

EBL's enduring commitment to excellence has supported its steady and sustainable growth over three decades. Recognizing our duty to clients, investors, and communities, we prioritize trust-building as a foundation to its success. To us, sustainability is not a mere responsibility; it represents an opportunity to make meaningful changes and foster community betterment.

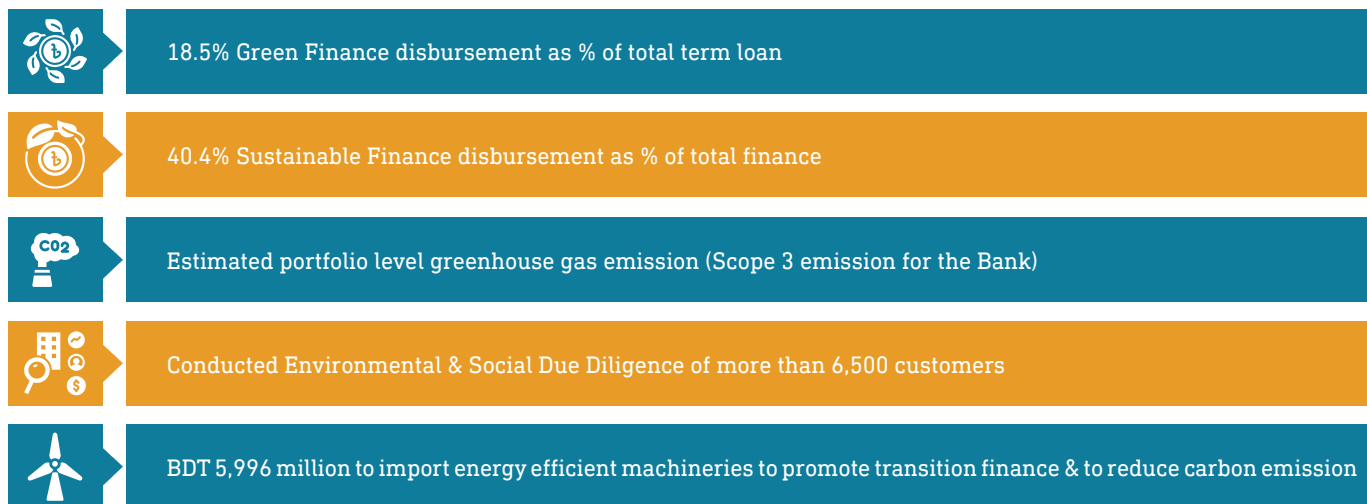
In this report, for the first time EBL is disclosing greenhouse gas (GHG) emission at portfolio level through Carbon Accounting calculation in partnership with Joint Impact Model (JIM) Foundation and DEG (German Development Financial Institution). JIM enables the quantification of greenhouse gas (GHG) emissions, indirect jobs, and value added related to EBL's financing. This JIM Carbon Accounting model is based on standards set by PCAF (Partnership for Carbon Accounting Financials). This underscores our commitment to addressing climate challenges and aligning with the SDGs. This is our continuation of pilot project with JIM foundation which we

took in 2022. Now EBL is able to calculate amount of CO₂ and Non-CO₂ emission from the business loans that we are financing and also bringing comparability, accountability, and transparency to the financial sector of Bangladesh by measuring key impact indicators.

Extending beyond financial gains, EBL's endeavors encompass societal well-being and environmental stewardship. We firmly believe in the imperative of a social mission for every business, understanding that neglecting social and environmental factors undermines long-term economic success. At EBL, we prioritize consumer satisfaction, digital advancement, product innovation, staff engagement, and financial performance, leveraging today's technology to amplify our impact on people, planet and profit in a sustainable way.

As a pioneer in the nation's financial landscape, EBL leads by example, advocating best practices and driving industry standards. For us, sustainability entails not just ethical operations but also making positive contributions to our community and stakeholders. Over three decades, EBL has played a pivotal role in shaping Bangladesh's financial ecosystem, deeply intertwined with the country's growth narrative.

In 2023, EBL made significant strides towards advancing the UN Sustainable Development Goals (SDGs). Our efforts included promoting financial inclusion through agent and sub-branch outlets, hosting webinars on education and gender equality, and developing low-cost products for women entrepreneurs. Notably, we disbursed substantial funds towards green financing and sustainable projects, reflecting our commitment to environmental conservation and social progress. Key achievements of 2023 are:



EBL remains dedicated to financing eco-friendly projects and fostering energy efficiency. We have implemented an Environment and Social Risk Management System to assess project risks and promote cleaner energy financing in alignment with our climate change mitigation efforts. Collaborating with multilateral organizations like IFC, DEG, ADB, and others, EBL upholds sustainable banking practices.

We are proud to present the progress EBL has made in sustainability and invite all stakeholders to join us in our journey towards creating

a brighter future for Bangladesh and beyond as we unveil the Sustainability Report 2023.



M. Khurshed Alam

Chairman, Sustainable Finance Committee

This sustainability report issued by Eastern Bank PLC. provides a consolidated non-financial information relating to the organization's progress on Environmental, Social and Governance (ESG) matters for the financial year 2023.

As defined in the Brundtland Report-“World Commission on Environment and Development, Our Common Future, 1987”, the sustainable development is the development that meets the needs of the present without compromising the ability of future generations to meet their own needs. A financial institution has effect on the economy, environment and people through their financial decisions and business relationships which is either negative or positive. The purpose of sustainability reporting using the GRI Sustainability Reporting Standards is to provide information maintaining transparency on how an organization directly or indirectly contributes to sustainable development.

To meet the stakeholders expectation through setting international reporting standards, EBL has taken initiative to develop bank's GRI sustainability report in accordance with the Global Reporting Initiative (GRI) 2021 Universal Standards which will be published shortly after the annual report is published. From now on, EBL will

produce separate full scale Sustainability Report following GRI Guidelines including GRI Content Index and page reference.



For more details visit:
<https://www.ebl.com.bd/>

Our approach towards sustainability

Sustainability has become a cornerstone for the advancement of emerging market economies. In the financial arena, risk pervades all business activities. At EBL, we acknowledge the significance of effectively managing risk, particularly in the territory of environmental and social factors, as an integral component of our responsible and sustainable growth strategy. Our endeavors to navigate these risks not only strengthen EBL's resilience and sustainability for the future but also enable us to better serve our customers, communities, shareholders, and employees.

EBL's approach towards sustainability



Sustainable banking/Environmental & Social Risk Management (ESRM) policy



Environmental & Social Risk Management procedure



Dedicated Environmental & Social Risk team

Effectively managing environmental and social risks constitutes a pivotal aspect of our bank's strategy for sustainable growth. In 2012, EBL introduced the 'Green Banking Policy', subsequently renamed the 'Environmental and Social Risk Management Policy in 2016', to enhance clarity and transparency in our approach toward environmental and social risks. Since then, we have extended our assessment to include social risks, encompassing a range of social parameters alongside environmental factors for comprehensive risk evaluation.

Strategic focus in 2023

- Measure greenhouse gas (GHG) emissions (both CO₂ and non-CO₂) from the businesses we are financing.
- Increasing investment in green financing through investing more in energy-efficient capital machines.
- Investing in innovative ICT enabled products and services, gender-based financing to promote financial inclusion.
- Driving the business and recovery process according to the economic target for sustainable business growth.
- Implementing Environmental and Social Due Diligence (ESDD) in the eligible loan portfolio to evaluate environmental and social impacts.
- Reviewing and implementing policies by regulators to strengthen the governance structure.

- Encouraging green initiatives in our daily activities throughout our premises.

Sustainability strategy goals 2023

As per Bangladesh Bank's Sustainable Finance Department guideline, EBL sets its annual disbursement target for green finance and sustainable finance at the beginning of the calendar year on the basis of its immediate past year's net loan outstanding. But actual achievement at year end is calculated based on disbursement made throughout the year.

As per Bangladesh Bank, disbursement target is min 5% of total term loan excluding staff loan for green finance and min 20% of total loan target excluding staff loan for sustainable finance.



Green Finance Achievement: 18.5%
(Target: 5% of total term loan excluding staff loan)



Sustainable Finance Achievement: 40.4%
(Target: 20% of total loan excluding staff loan)

Sustainability governance

EBL stands at the forefront of Bangladesh’s banking sector in embracing international best practices regarding corporate social responsibility and good governance. Our primary objective is to lead in sustainable finance.

Role of Board of Directors

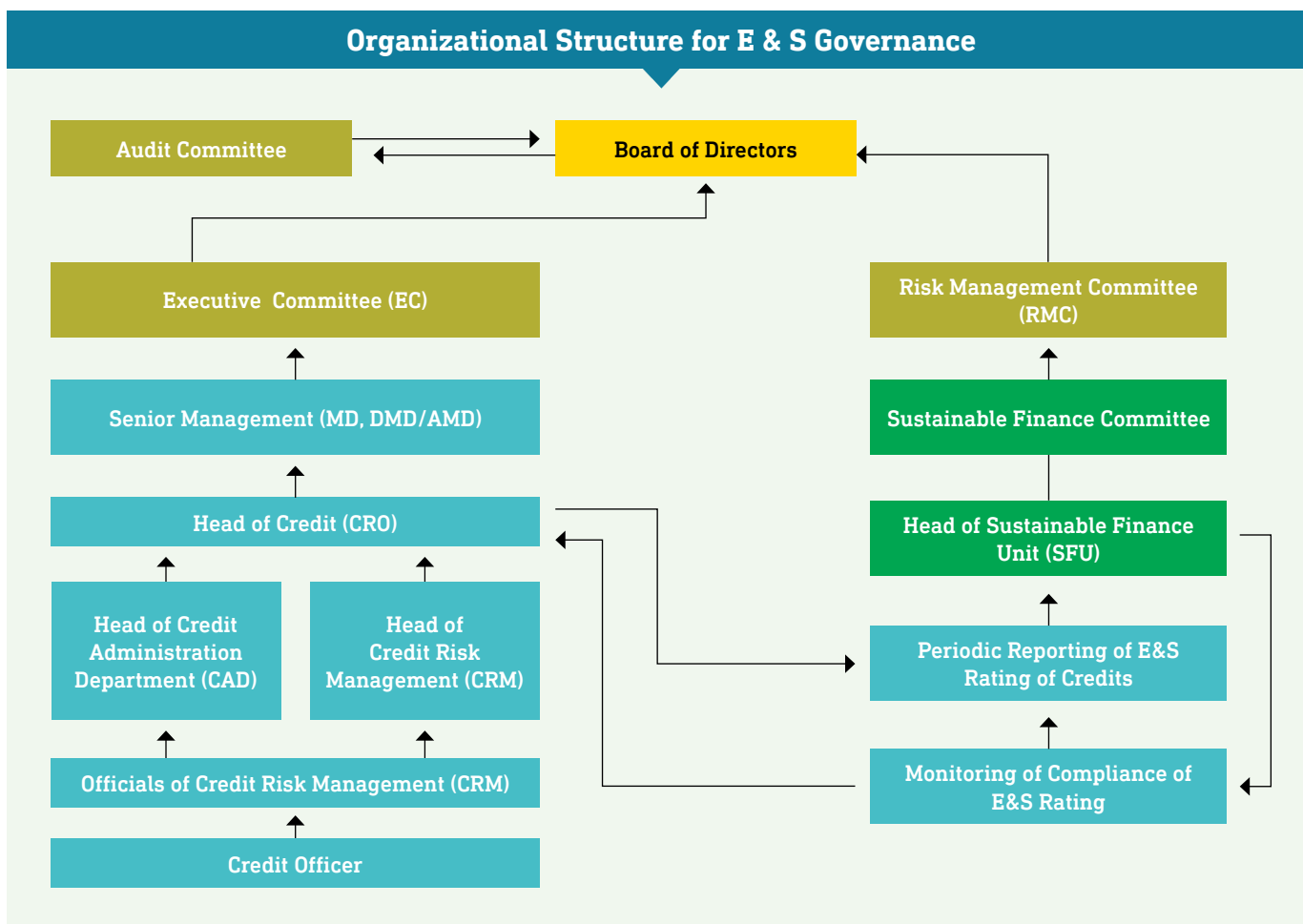
The regulations established by the Board of Directors (BoD) concerning sustainability are as follows:

- The Board of Directors, with the exception of matters reserved for the Annual General Meeting (AGM), holds exclusive authority to approve general policies and strategies, particularly those pertaining to sustainability.

- The BoD supervises the Corporate Social Responsibility (CSR) Policy, ensuring its adherence and its goal to generate value for the Bank.

Role of Sustainable Finance Committee (SFC)

EBL operates a Sustainable Finance Committee (SFC), chaired by a Deputy Managing Director (DMD), comprising heads of various divisions focused on sustainability. Details on committee members can be found on page 32 under ‘Management Committee’ segment. This committee convenes at least quarterly to formulate, review and update all policies & guidelines relating to sustainable finance functions as well as to approve, supervise, monitor and evaluate the activities of sustainable finance unit.



Role of Sustainable Finance Unit (SFU)

EBL has a Sustainable Finance Unit (SFU), chaired by Head of Credit Risk Management comprising members from Corporate Division, Credit Risk Management Division, Risk Management Division etc. Sustainable Finance Unit is responsible for designing, reviewing and administering sustainable policies in the Bank.

Role of Credit Risk Management & Internal Control systems

Credit Risk Management (CRM) team evaluates client level E&S risks as well as reputational risks associated with financial transactions

having social or environmental implications, issuing non-binding recommendations to relevant decision-making bodies.

As a third line of defense following business units and credit risk management teams, the internal audit team conducts regular assessments of the Environmental & Social Risk Management (ESRM) system’s implementation, sustainable banking, and green office guidelines. Our organizational culture revolves around six core values, refer to the page 13, fostering a framework for corporate governance and sustainable development.

ESG Highlights 2023

Environmental (Sustainable Finance & support climate transition)

Strategic ambition: Adoption of climate financing and helping our customer in their transition to a sustainable and low carbon economy.



Carbon Accounting: Green House Gas (GHG) Emission Calculation

EBL is disclosing Green House Gas (GHG) emission at portfolio level through Carbon Accounting calculation in partnership with Joint Impact Model (JIM) Foundation and DEG (German Development Financial Institute). The JIM enables the quantification of greenhouse gas (GHG) emissions, indirect jobs, and value addition related to EBL's financing. This JIM Carbon Accounting model is based on standards set by PCAF (Partnership for Carbon Accounting Financials).



On 5th June, EBL in observance of World Environment Day hosted a seminar on the 'Role of Financial Institutions to Address Climate Change Adaptation & Mitigation' at its head office.



EBL and icddr,b partners for Bio Hazardous Waste Management project of icddr,b.



EBL financed in 4 LEED certified projects in 2023 which is an increasingly attractive business segment. In Total 19 of our customer are LEED certified.



6,746 customers

We have conducted Environment & Social Due Diligence (ESDD).



BDT 7,444 million

In 2023, EBL has financed in sustainable agriculture.

BDT 5,996 million



176 customers

This financing was made to import energy efficient machinery for transition and to reduce carbon emission from their operations.

385 green customers



BDT 1,180 million

Green Finance Disbursement

Social (Contribution to generate positive returns to society)

Strategic ambition: Support inclusion across our main stakeholders, employees, customers and communities.

BDT 600,000+

Humanitarian aid to earthquake victims of Turkey through Turkish Embassy



In 2023, EBL donated blankets to helpless cold affected people.

1,00,000 pcs+

BDT 2,879 million

EBL has financed in sustainable finance under CMSME to be part of our country's development goal.

1,29,518 People

In 2023 we have financed 1,29,518 people under sustainable financing.



EBL provided donation to patients for kidney transplant purpose, bilateral avascular necrosis treatment, cancer treatment, diabetic awareness etc. Also donation was done for children with special needs.

BDT 8,000 million+

Financed in different socially responsible projects such as:

- Green/Clean transportation projects (cycles, hybrid car, green vehicles),
- Health and Healthcare Services, educational institutions/scholarship programs or EdTech startup,
- Projects supporting women entrepreneurs,
- Financing/Investment through MFI (MRA Regulated)/ NGO (Govt. Approved) linkage mode for capacity building, education, employment generation including self-employment.

Governance (Embed ESG across the organization)

Strategic ambition: Incorporate ESG into behaviors, policies, processes and governance throughout the Bank.



EBL further progressed operationalization of its responsible banking agenda, including adopting Global Reporting Initiative (GRI) based sustainability reporting for 2023.



4,805 employees

In 2023, we have trained employees on anti-money laundering to ensure awareness and measures to be taken to prevent such issues.



The Group further incorporated Sustainable Banking updates into the Board of Directors' agenda for at least quarterly interval



The Bank rolled out program of mandatory training on internal control and governance related aspects, including mandatory ESG training for all employees.



The Bank continued its focus on embedding ESG risks and opportunities into its risk management and other strategic management processes.

8R approach to sustainability



Climate change mitigation



EBL holds seminar on climate change at its Head Office

Eastern Bank PLC. (EBL) in observance of World Environment Day hosted a seminar on the "Role of Financial Institutions to Address Climate Change Adaptation & Mitigation" at the Bank's head office on 05 June 2023. Dr. Fazle Rabbi Sadeque Ahmed, DMD, Environment and Climate Change, PKSF was the keynote speaker

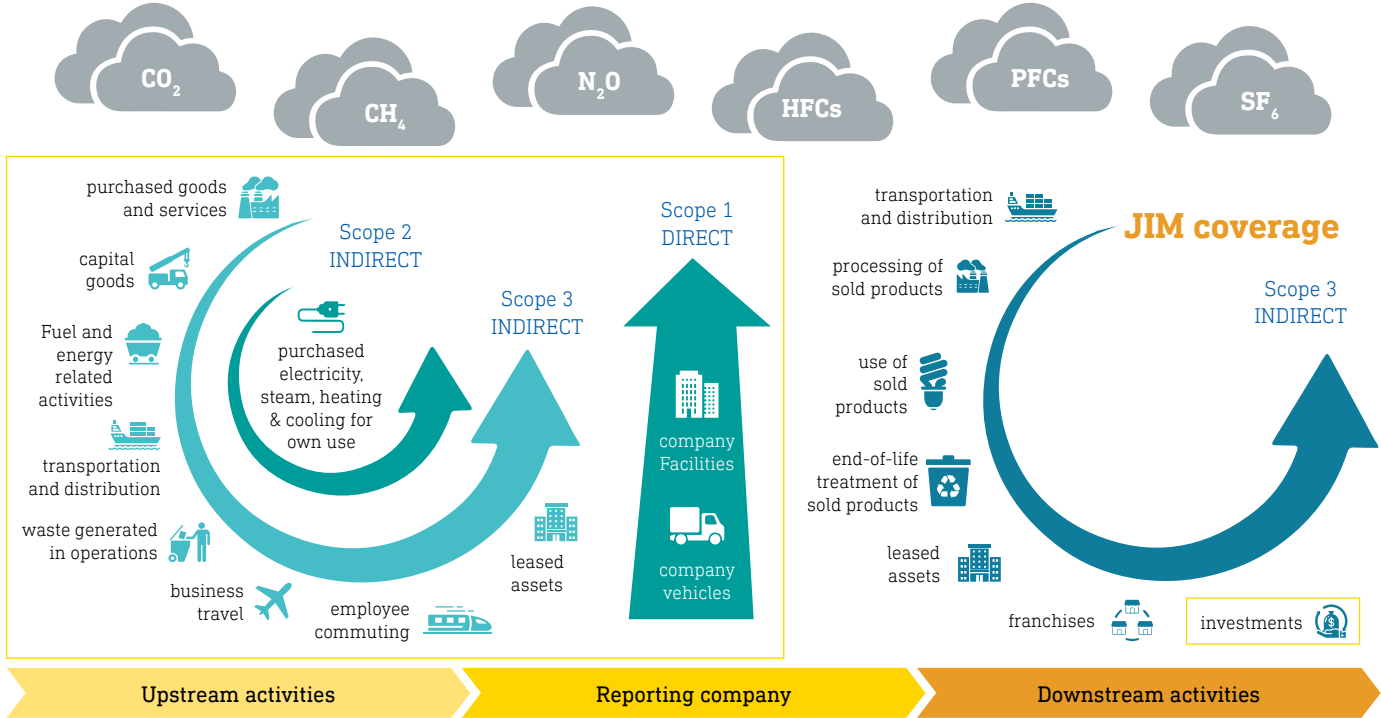
of the seminar. Ms. Nurun Nahar, Deputy Governor, Bangladesh Bank and the chief guest on the occasion said, "Addressing the challenges posed by climate change requires collective action, unwavering commitment and innovative solutions. We must ensure that businesses, communities and individuals have access to affordable credit facilities to implement climate-smart practices."

Ali Reza Iftekhar, Managing Director of EBL highlighted the urgency of addressing climate change and emphasized the pivotal role that financial institutions play in driving positive change. Chowdhury Liakat Ali, Director (SFD), Bangladesh Bank; Dr. Shah Md. Ahsan Habib, Professor (Selection Grade), BIBM; K.M. Rezaul Hasanat, Chairman, Viyellatex Group also participated in the discussion. M. Khurshed Alam, Chairman, Sustainable Finance Committee, DMD & CRO, EBL moderated the seminar.

Carbon Accounting

EBL has initiated the first ever carbon accounting for any local bank in Bangladesh in collaboration with DEG, the German Development Finance Institution and their partner, the Joint Impact Model (JIM) Foundation.

The Joint Impact Model (JIM) empowers users with the ability to gauge financial flows across the economy and assess their consequential impacts in economic (value added), social (employment), and environmental (greenhouse gas emissions) dimensions. Leveraging input data such as revenue and power production derived from investment portfolios, JIM facilitates



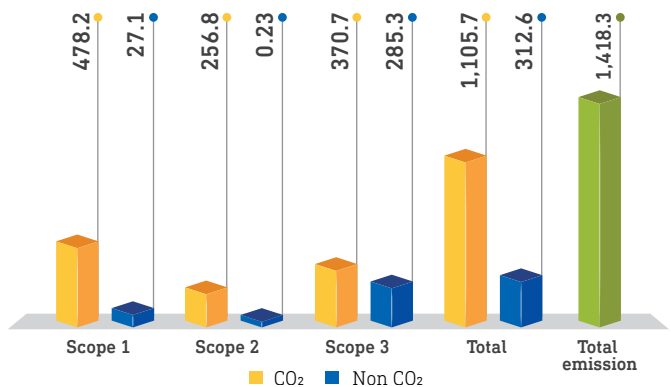
estimations that aid in understanding the multifaceted effects of economic activities.

These impacts serve as metrics for evaluating and disclosing the contributions of EBL towards the objectives outlined in the Paris Agreement and the United Nations Sustainable Development Goals.

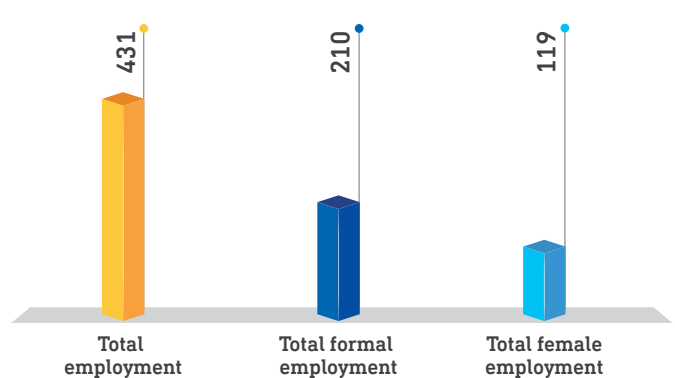
To prevent warming beyond 1.5 degree Celsius (1.5C), the world needs to reach net zero emissions by 2050. The financial industry can facilitate the transition in line with the Paris Climate Agreement by shifting capital flows from high to low carbon activities. A key first step in making this shift is harmonized and transparent Greenhouse gas (GHG) accounting. This JIM methodology uses the standard set by PCAF (Partnership for Carbon Accounting Financials).

SCOPE 01	Direct emissions from owned or controlled sources.
SCOPE 02	Indirect emissions from the generation of purchased energy.
SCOPE 03	All indirect emissions (excluded in Scope 2) that occur in the value chain of the client. The JIM covers the upstream side of Scope 3 and only investment portion in the downstream side of Scope 3.

Financed emission (thousand ton CO₂ emission)



Jobs supported as a result of financing (thousands job supported)



Total Carbon emission by EBL's portfolio and total job opportunities created through EBL's financing

- Total Scope 1, 2 & 3 greenhouse gas emission of EBL's customers is 1,418,330 ton CO₂, where CO₂ contributes 1,105,700 ton CO₂ and non-CO₂ emission is 312,630 ton CO₂.

- Total Scope 1 & 2 greenhouse gas emission of EBL's customers is 762,330 ton CO₂.
- This emissions is focusing primarily on business loans, which account for 89.3% of EBL's total portfolio.
- Emission per 10 million BDT financing is 40.13 ton CO₂.
- Scope 3 takes up the largest part of financed emission (46%), followed by Scope 1 emission (36%) and Scope 2 emission (18%).
- Of the total jobs supported as a result of investments 49% results in formal employment and 27% in female employment.
- Most jobs supported by the following sectors: Food and allied industries, RMG (manufacture of other wearing apparel and accessories), basic metal product, retail trading and textiles.

High-level breakdown of scope 1, 2 & 3 emissions



- The results show that 'power' drives the scope 1&2 emissions with 38.81% of total scope 1&2 emissions, and it also has the highest emission factor*. Ship breaking industries/other manufacturing or extractive industries holds the second position with 13.65%.
- For only scope 3 emission 'Power', 'Basic Metal Product' and 'Food and Allied Industries' drive the emission respectively at 14.84%, 13.16% and 10.92%.
- Scope 1 & 2 emission factor* for EBL's portfolio is 237; whereas Scope 1, 2 & 3 emission factor* is 441.

* Emission factor: ton CO₂ emission per million USD financing

EBL's participation in Future of Finance Conference in the Netherlands to highlight portfolio wise carbon emission calculation of EBL



Seminar on JIM's Carbon Accounting model in the 'Future of Finance' Conference; 04 October 2023, Amsterdam, Netherlands

On October 4, 2023; the JIM Foundation hosted an event at the Future of Finance conference organized by FMO - Dutch entrepreneurial development bank in Amsterdam, Netherlands to introduce new Joint Impact Model (carbon accounting) tool and its upcoming new features. Some of the key features that are going to be integrated in the model are climate and biodiversity risk, transition planning and physical activity tool in collaboration with Climate TRACE, UNEP Climate Finance Unit, and EDFIs.

Tanvir Hasan, E&S risk specialist of EBL, joined the seminar as a panelist representing EBL. He highlighted EBL's journey towards sustainability and how EBL is setting ambitious carbon reduction targets in line with international climate agreements by using this JIM tool. He discussed on how EBL is actively exploring investment opportunities in renewable energy, green technologies, and sustainable infrastructure projects. Alongside, Bangladesh's struggle due to climate change was discussed in the panel. He also mentioned EBL's risk assessment methodologies to factor in climate-related risks and opportunities, ensuring that financial decisions align with a low-carbon, sustainable future.

Environmental sustainability

In-house green initiative



Plastic free premise



Most of the banking solutions through EBL Skybanking app



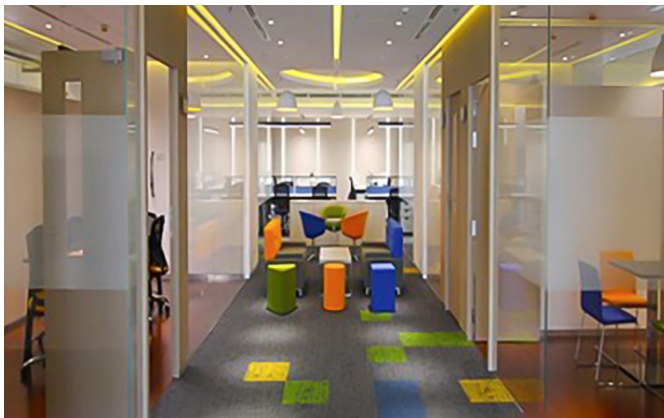
Green features in head office



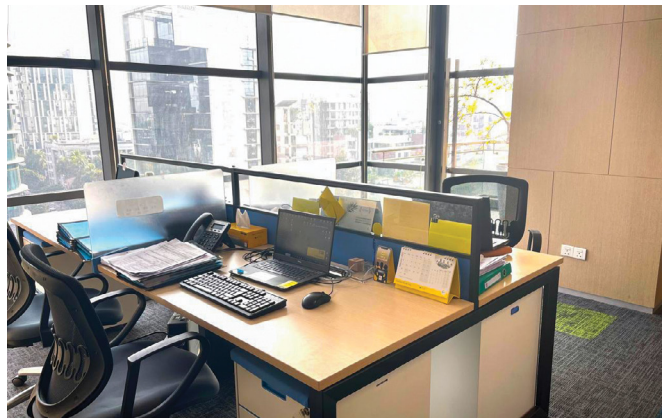
Capacity building session for all new joiners on "E&S management"

EBL firmly believes that even the smallest 'Green' actions today pave the way for a more sustainable future, and each individual can play a part in crafting a better world. With meticulous planning and efficient management, EBL has minimized the wastage of natural resources.

Sustainable banking is integral to EBL's mission. From funding ventures dedicated to renewable energy to embracing simple yet impactful practices such as energy conservation and paperless operations, we recognize the significance of every incremental effort in safeguarding our environment.



Auto sensor lights



Use of natural light

To maximize the utilization of resources that is non-renewable in nature, EBL has always been conscious. As water is an important natural element of environment, we made sure of optimizing the usage of this resource in best possible way.

BDT in million

Resource utilization	2023	2022
Cost of water consumed by the Bank	3.58	3.09
Cost of paper consumed by the Bank	10.52	4.68
Cost of energy (electricity, fuel, and gas) consumed by the Bank	137.21	125.51

Water treatment plant & fire pump system

At EBL head office, we have two water treatment plants to ensure the water we use is clean and safe. Firstly, water from the supply undergoes in the raw water treatment plant. This treated water is then used in the basin and pantry areas. After its use in the basin and pantry, the water goes through another treatment process in a separate plant. This treated water is then reused in the toilets. Both of these treatment plants have a capacity of 20m³/hr. Additionally, we have a fire pump system in place. This system is vital for fire protection within our buildings and facilities. It is designed to provide high-pressure water to sprinkler systems, fire hydrants, and other fire suppression systems during emergencies. This ensures that we have enough water flow and pressure to effectively combat fires and safeguard lives and property.



Water Treatment Plant



Fire Pump Room

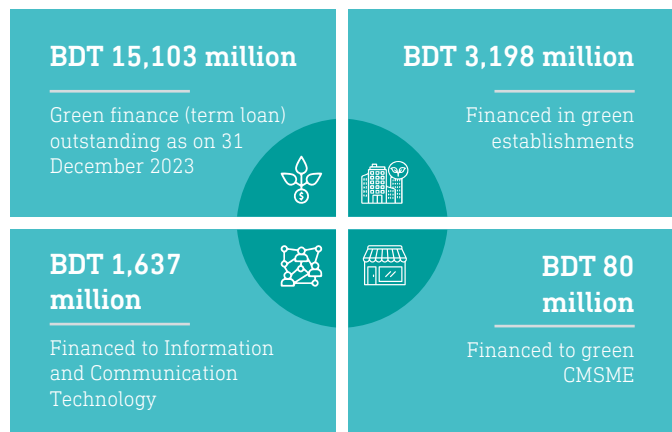
Plastic free premise

In 2023, the slogan of world environment day was “Solution to plastic pollution”. EBL has always taken initiatives that has greater impact on economy, environment and community. And hence, a significant stride towards reducing our ecological footprint is our transition to a plastic-free EBL. Plastic water bottles have been replaced with eco-friendly alternatives, and we actively encourage all employees to eschew their usage. This initiative extends beyond official functions; it is a cultural shift we are fostering throughout the organization.

Furthermore, we have implemented changes in our daily procedures, substituting plastic folders with their paper counterparts, and continually seek opportunities to further diminish our plastic consumption. We believe that each small step towards sustainability holds the potential for significant impact in future.

Climate change & carbon footprint

Climate change has emerged as an urgent concern with extensive ramifications for our planet. Its impact extends across various facets of our ecosystem, affecting biodiversity, agriculture, forestry, and water supply. Bangladesh stands out as one of the most severely affected regions by climate change, drawing global attention to its plight. In line with its commitment to corporate social responsibility and environmental consciousness, EBL has embraced the concept of green banking. Recognizing its role in emitting greenhouse gases, whether directly or indirectly through client and project financing, EBL views green banking as not only a step towards environmental protection but also as a strategy for ensuring sustainable long-term economic growth.



Protecting environment	2023	2022
Number of customers eligible for Environmental & Social Due Diligence (ESDD)	6,746	462
Number of customers appraised for environmental risk rating	6,746	462
Low	6,684	382
Medium	62	48
High	0	32
Installed capacity of solar energy to run bank premises and ATMs (in Kilowatt)	16	16
Percentage of Bank branches connected online	100%	100%

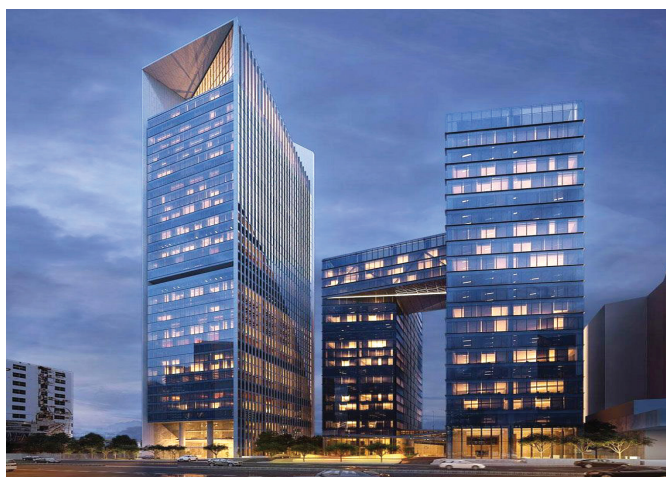
BDT in million

Promoting sustainable finance	2023	2022
Financed for installation of Effluent Treatment Plants (ETP) at operational plants	257	0
Financed in plants having ETP	34,415.8	26,429.7
Financed to solar panel/ renewable energy/alternative energy plants	2.00	40.00
Financed in Energy & Resource Efficiency	5,996	882.8
Financed to brick kilns adopted green technology	0	288.7
Financed to other green projects	5536.9	1,836.9
Total disbursement in sustainable initiatives	92,529.6	42,729.1

Green project of EBL

LEED certified projects

In 2023, EBL financed in 4 LEED certified projects to promote green establishment. One of them is the first LEED Platinum pre-certified 40-storey tower in Dhaka city, destined to change the city’s skyline forever. It is country’s first wind tunnel tested building designed by RWDI Singapore with state-of-the-art firefighting and detection system designed by Meinhardt Singapore & IDS Singapore. Other three LEED certified projects are in the RMG sector. In total, right now 19 of EBL’s customers are LEED certified.



LEED Platinum Pre-certified tower

Energy & Resource Efficiency

In 2023, EBL financed BDT 5,996 million to 176 customers to improve energy efficiency in its factory by procuring technologically advanced, hi-tech equipment and performing operations in an energy-efficient way. These includes energy & resource efficient machines for energy efficiency, operations management, water use management, heat and temperature management, air ventilation and circulation efficiency, main production purpose etc.



Hi-tech energy efficient machine

Economic sustainability

EBL’s contribution to GDP

Through our collaboration with the JIM foundation we have also calculated EBL’s value addition through financing activities. In 2023 EBL has contributed approx. BDT 219.21 billion in Bangladesh’s GDP.

Direct Contribution (BDT in billion)				Indirect Contribution through financing (BDT in billion)								Total value added (BDT in billion)
				Customer End (Corporate & SME)				Customers’ Supply Chain (Corporate & SME)				
Savings	Taxes	Wages	Total	Savings	Taxes	Wages	Total	Savings	Taxes	Wages	Total	
6.11	10.65	5.37	22.13	40.85	3.02	45.83	89.70	52.48	0.95	53.95	107.38	219.21

Total value added: the sum of wages, taxes and savings, equivalent to gross domestic product, expressed in monetary value.

- **Wages (salaries):** value of net wages paid to all full-time and part-time employees of the organization during the reporting period.
- **Taxes:** all transfers to the government made by a client over the reporting period.
- **Savings (profit):** value of the organization’s net earnings (profit).

Direct economic value generated for stakeholders

EBL is committed to generate values for the stakeholders that is, shareholders, employees, customers, investors, business partners etc. in a sustainable manner through managing low costs fund and investing in good projects and borrowers. Our good governance culture has helped us to sustain financial growth over the last decade and we are still reaping its benefit even when the banking industry is struggling to uphold their governance culture and keep trust of the customers. The outcome of such banking practice can be seen in the consistent growth in profit after tax and lowest NPL across the industry. Details of the value generation for stakeholders is stated at under "Value Added Statement" of "Information for Stakeholders" segment.









Financial inclusion and diversity

EBL is committed to empowering local communities through a range of financial services tailored to the needs of small and medium-sized enterprises, farmers and women entrepreneurs. By providing access to credit, customized products and training opportunities, EBL enables customers to develop the knowledge and skills they need to achieve their financial goals.

Financial inclusion & indirect economic impact	2023	2022
Cumulative agricultural and rural credit extended through MFIs (BDT in million)	7,079.31	4,983.38
Cumulative agricultural credit extended through own network (BDT in million)	440.84	25.50
Total number of individuals impacted through agricultural and rural credit	122,729	90,876
Total number of MFIs partnered for agricultural and rural credit disbursement	15	15

BDT in million

Financial assistance received from government	2023	2022
Borrowing from Bangladesh Bank under different refinance programs (as of 31 December 2023)	34,126.96	28,403.58

 10 Sub-branches opened in 2023	 40 EBL 365 booths deployed in 2023	 42 New agent banking outlets opened in 2023	 18,483 New customers on-boarded through agent banking in 2023
 41,000+ Customers served through agent banking in 2023	 BDT 12,559.72 million Loans disbursed to small businesses	 92% Deposit customer retention ratio	 88% Loan customer retention ratio

Digital transformation

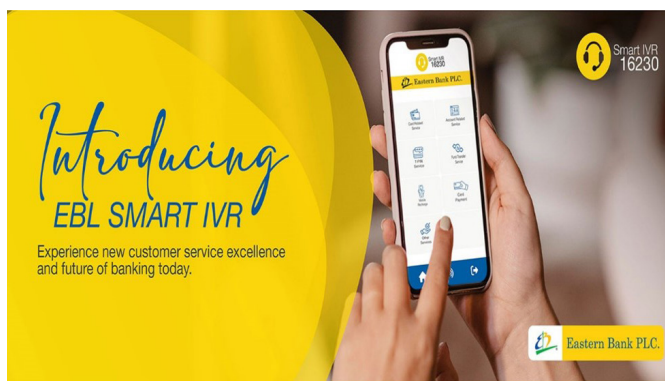
Digital product & services

In 2023, EBL made significant strides in the realm of digital banking putting its customers' convenience and satisfaction at the forefront.

WEAREBL is a revolutionary range of wearable payment devices done by Eastern Bank PLC. (EBL). These cutting-edge devices offer seamless integration into people's daily routine, providing hassle-free, secure, and efficient contactless transactions that simplify

life and amplify style. WEAREBL devices combine convenience, security, and style to enhance banking experience. They empower people to make quick and secure transactions while reflecting your unique personality through diverse form factors.

In the later part of 2023, EBL worked on Smart IVR platform that will enable customers to avail a wide range of banking services through their smartphones without visiting EBL branches and without the help of any customer service representatives. It is a support platform that guides customers to a web based support experience. EBL launched this platform in early 2024.



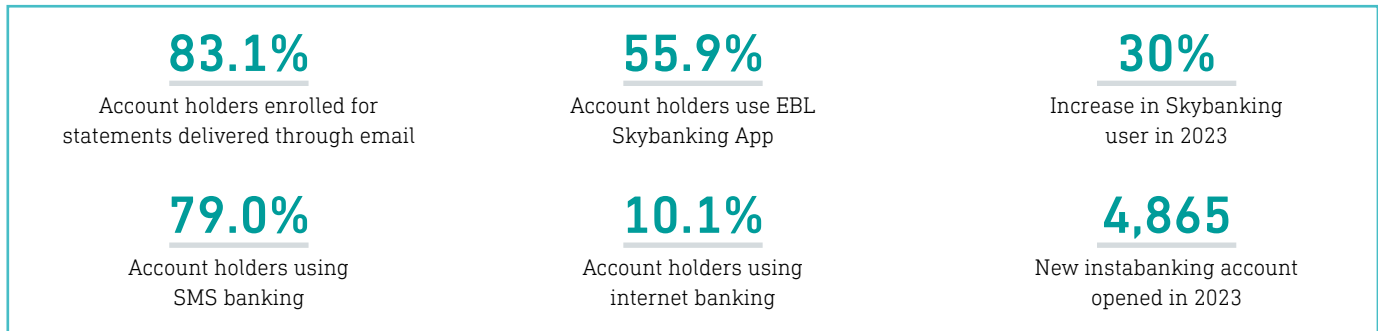
Digital integration

Earlier the bank introduced an impressive array of features including Binimoy, net banking payment, passport endorsement status view, ZIP, Want2Buy, and Easy Credit status view, among others. In addition, clients could easily pay their WASA and DESCO bills online and even download their account statements with ease.

In Bangladesh, EBL stands out as a leading provider of digital banking solutions, initiating its venture into the digital realm in 2007 with the introduction of internet banking. Throughout the subsequent 16 years, EBL has remained steadfast in its dedication

to crafting swift, effective, and customer-centric digital offerings. These include EBL 365, DropBox, the SkyBanking app, EBL DIA, EBL self-service hub and EBL SKYPAY, tailored to meet the evolving demands of its discerning customer base. The increase of digital product and services has enabled EBL to provide customer banking services with ease saving time and cost.

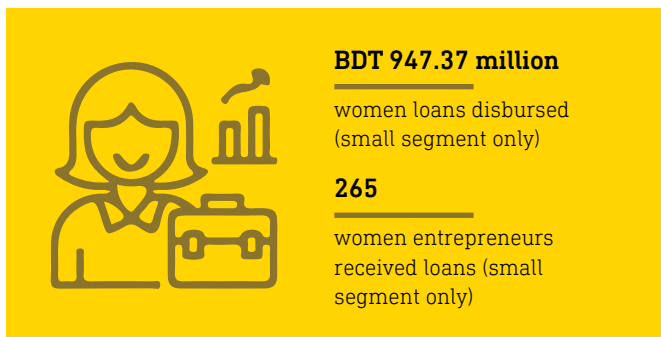
Financial system of the entire world is changing very quickly. This is also true for Bangladesh's banking industry as most of the financial transactions will take place digitally in the near future. EBL is ready for the transformation.



Social sustainability

Gender equality and education

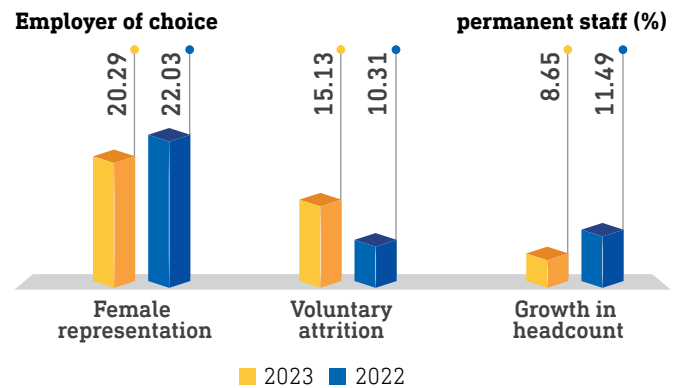
EBL Women Banking stands out as a remarkable initiative dedicated to addressing the unique financial requirements of women. Through a carefully curated range of products and services, the bank actively supports the empowerment of female entrepreneurs. Among these offerings is the 'EBL Ovilashi' account, a non-individual interest-bearing current account designed to serve as a comprehensive solution for entrepreneurs striving to realize their aspirations.



EBL Women Banking also extends competitive installment options for the country's highest collateral-free business loan, providing aspiring female leaders with the necessary financial backing to pursue their business endeavors. Demonstrating its unwavering commitment to promote women-centric business transformation, the Bank has introduced the specially-tailored 'EBL Mukti Loan' for women entrepreneurs. EBL takes pride in championing women's financial empowerment and remains steadfast in its dedication to delivering innovative solutions that assist them in achieving their business objectives.

In order to facilitate education, EBL has implemented several measures including the provision of account facilities for students

in schools, colleges and universities. EBL offers a distinct product called "Child Future Plan", which is a recurring deposit pension scheme (DPS), designed to assist parents in saving for their child's future. This savings plan can be utilized for higher education expenses, marriage or other significant expenses related to the child's future. Additionally, the EBL Student File Service caters to the banking requirements of students pursuing higher education abroad by offering tailored banking solutions.



Employees	2023	2022
Total Headcount as on 31 December 2023	3,857	3,535
Headcount (permanent) as on 31 December 2023	2,519	2,202
Number of recruitment of management trainee	33	27
Number of recruitment of probationary officer	7	7
Number of fresh graduates recruited in other positions	335	45

Training and development

EBL has implemented a mandatory green banking training program for all newly hired employees. To ensure that our corporate relationship managers have a comprehensive understanding of Green Finance, we introduced a 'Sustainable Finance Training' program in 2013. In 2023, a total of 953 employees attended these training programs, compared to 318 in 2022. More on training of employees have been discussed under "eblHR: The Trendsetter in Caring HR Practices"

Employee benefits & remuneration policies

We have implemented a meticulously designed compensation framework in alignment with our HR guidelines. This system incorporates a base salary reflective of each individual's position and associated responsibilities. Additionally, EBL provides various benefits including provident funds, gratuity, staff loans, and medical coverage for employees and their families. Our commitment to adherence to labor laws ensures compliance in all aspects of remuneration, working conditions, employee welfare, and related regulations.

Diversity and equal opportunity

At EBL, we implemented an inclusive communication approach, valuing and celebrating diverse viewpoints. Since 2015, we have implemented a formal platform dedicated to nurturing open dialogue and fostering the exchange of fresh ideas. Furthermore, EBL Nest, our innovation hub, engages all team members in cultivating creative thinking within an environment designed to inspire unconventional approaches. We proudly uphold a culture that promotes gender diversity, evident in numerous women leading various departments, contributing significantly to our enduring success. Rooted in our corporate ethos, we are dedicated to empowering individuals and businesses to thrive while conducting operations with transparency and fairness.

Community investment

EBL remains steadfast in its dedication to fostering economic and social advancement within the communities it operates in through various initiatives and programs. We firmly advocate that investing in societal well-being constitutes the most impactful form of investment. EBL endeavors to generate sustainable value for its customers, shareholders, employees, and above all, the communities it serves.

Community investment	2023	2022
Contribution to CSR activities (in BDT million)	280.30	141.36

A detailed overview of the Bank's CSR endeavors has been provided in a separate section under "Corporate Social Responsibility Annual Report".

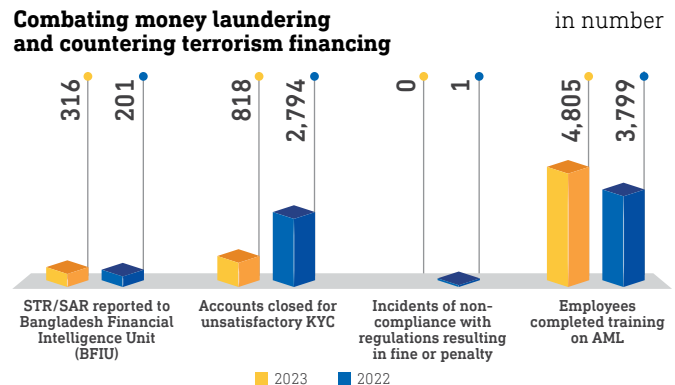
Throughout the pandemic years, EBL took numerous online initiatives to create awareness, provided guidance on a number of social and healthcare issues. We believe it is our moral responsibility to give social support and create awareness.

Combating money laundering and countering terrorism financing

EBL has implemented a robust anti-money laundering and countering the financing of terrorism system, designed to align with the latest international regulations and adapt to emerging

techniques employed by APG (Asia Pacific Group on Money Laundering). In addition, the Bank has established a corporate framework outlining the fundamental guiding principles and policies necessary to combat these issues.

Combating money laundering and countering terrorism financing



Service excellence & customer satisfaction

At EBL, we perceive customers as more than mere faces in a queue; they are the reason of our existence. Understanding that "customer satisfaction" is an ongoing journey rather than a static destination, EBL is dedicated to meeting their needs through innovative and practical financial solutions while nurturing enduring partnerships. This commitment is upheld through the implementation of robust systems, cutting-edge technology, and a highly skilled workforce, all geared towards delivering exemplary service.

EBL improves 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.

Excellence in customer service	2023	2022
Number of average accounts*	753,855	691,263
Number of complaints received through all channels	1,170	1,092
Number of complaints resolved (in percentage)	100%	100%
Complaints per 100,000 account	155	158
Usual turnaround time to resolve any complaint	0-3 days**	0-3 days**
Total number of complaints regarding breaches of customer privacy and losses of customer data	0	0

* Simple average of number of accounts at the beginning and ending of the year

** Due to the nature of the complaint, in some cases it might require additional time than the usual turnaround time.

Alignment of sustainable finance with SDGs

The UN Sustainable Development Goals encompass 17 crucial global issues endorsed by over 190 countries. Since their adoption in 2015, Bangladesh has demonstrated remarkable progress,

ranking among the top three countries based on the SDG index score in terms growth. Notably, Bangladesh has taken significant strides in initiating SDG implementation.

Recognizing the significance of these paramount sustainability challenges, EBL is dedicated to effectively managing its relationships with stakeholders. Through its business operations and community investment initiatives, EBL actively contributes to advancing these goals and fostering positive societal impact.

SDGs mapping for Bangladesh

To expedite the achievement of the Sustainable Development Goals (SDGs) in Bangladesh and ensure inclusive progress, the SDG Working Committee of the Prime Minister’s Office has delineated a comprehensive array of 39 indicators. EBL is actively engaged in supporting the expeditious attainment of these goals. Key SDGs that EBL is contributing to include:

SDGs		EBL’s Contribution
	End poverty in all its forms everywhere.	Through the intermediation of Micro Finance Institutions (MFIs) and Non-Governmental Organizations (NGOs), BDT 7,521 million was disbursed in 2023 towards socially responsible finance initiatives.
	End hunger, achieve food security and improved nutrition and promote sustainable agriculture.	In 2023, a total of BDT 7,444 million was disbursed towards sustainable agriculture programs aimed at benefitting 122,176 individuals residing in rural areas.
	Ensure healthy lives and promote well-being for all at all ages.	EBL arranges wellbeing programs for elderly people and women in particular.
	Ensure inclusive and equitable quality education and promote life-long learning opportunities for all.	Donating BDT 33.45 million to CSR initiatives for educational purposes.
	Achieve gender equality and empower all women and girls.	With 18.56% of our total workforce consisting of women, EBL has made a commitment to fostering women’s leadership, demonstrating a dedication to gender diversity and inclusion within the organization. EBL has a separate women banking operation with the vision to expand women’s access to financial products & services & to promote inclusive growth.
	Ensure availability and sustainable management of water and sanitation for all.	Alongside water treatment system installed in its office premises, EBL has also provided financing for the construction of several water treatment plants.
	Ensure access to affordable, reliable, sustainable and modern energy for all.	EBL’s funding initiatives have supported BDT 5,996 million to 176 projects in the energy and resource efficiency domains, with a particular focus on energy efficiency, water use management, heat and temperature management, air ventilation and circulation efficiency.
	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	EBL has a workforce of 3,857 employees, and the bank’s financing initiatives have also contributed to support more than 4,31,000 jobs.
	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.	EBL encourages and provides funding for the production of environmentally friendly bricks and the establishment of green and eco-friendly businesses.
	Reduce inequality within and among countries.	EBL’s employees comprise of 18.56% women, where 20.29% are women under permanent category, while also encouraging diversity on the basis of religion, race, and culture.
	Ensure sustainable consumption and production patterns.	To ensure Bangladesh’s commitment for industries to install and operate waste management system, EBL financed BDT 34,672.8 million in 2023.
	Take urgent action to combat climate change and its impacts.	Our project appraisal process takes into account environmental, social, climate change, and disaster risk reduction factors. We assess the environmental and social risks of each project and create customized action plans for our clients based on our findings.
	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification and halt and reverse land degradation and halt biodiversity loss.	Contributed BDT 2,879 million in CMSME sector mainly in handicrafts handloom, rice processing and production of organic fertilizer.
	Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development.	As part of its commitment to Corporate Social Responsibility (CSR), EBL has contributed BDT 280.30 million towards CSR activities and partnered with development organizations such as ADB, DEG, FMO, and OEeB to promote sustainable development.

ISO certification disclosure

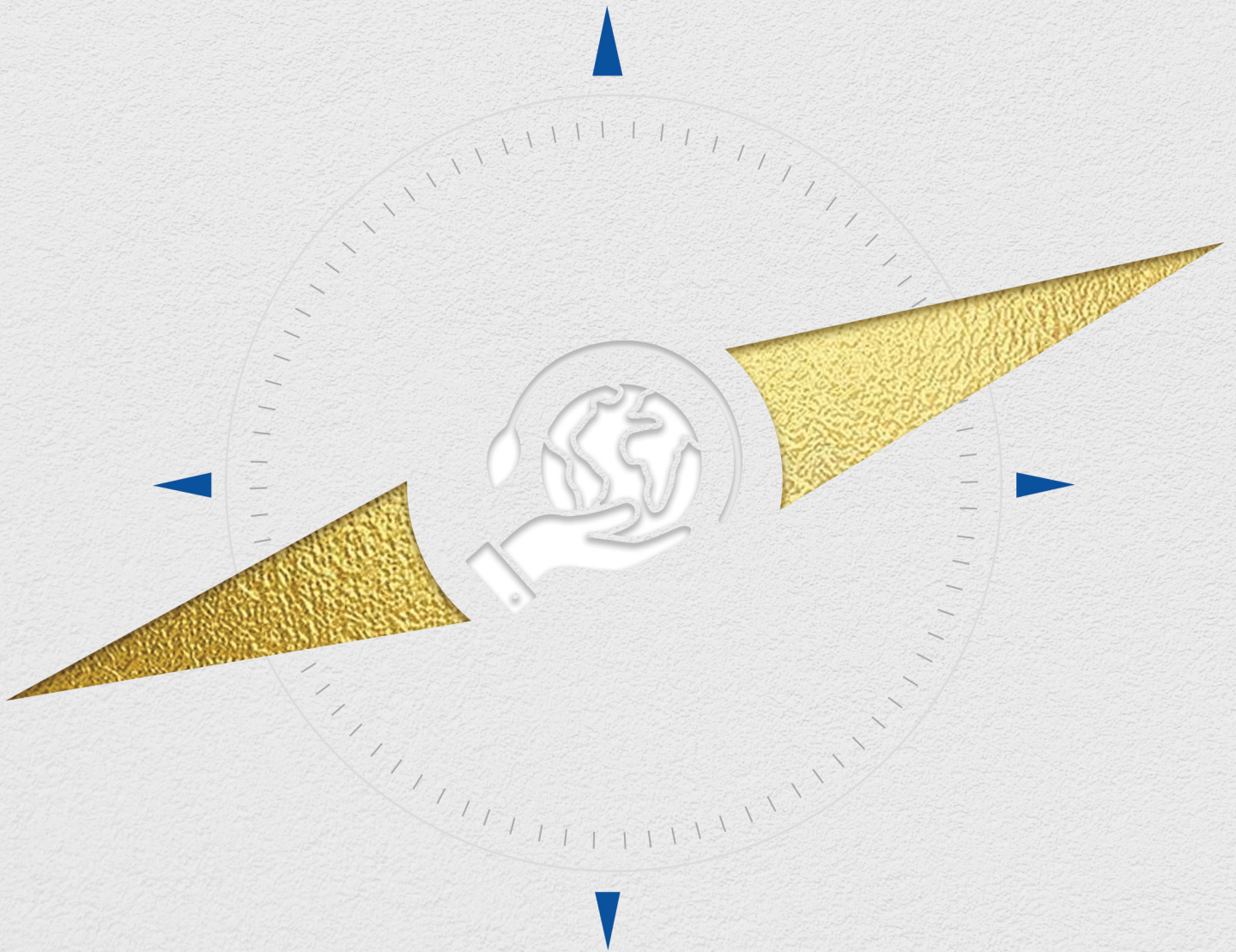
ISO certification is one of the credentials from independent body, International Standards Organization (ISO) that validates the process and policy-guidelines of the organization. It increases an organizations credibility towards stakeholders in the industry. As EBL strives to follow international best practices and continuously work to achieve such standards, we have been acknowledged and certified by Bureau Veritas (Bangladesh) Private Limited to four of our core divisions: Human Resources, Operations division, ICT division and Finance & Accounts division.



Way forward

- In 2024 and onwards, EBL is diligently striving to enact eco-friendly transition strategies to foster a more socially responsible financial ecosystem. Embracing metrics like carbon footprint allows us to gauge our environmental footprint and steer our business practices towards sustainability.
- Investing in technology and cultivating self-directed platforms for environmentally conscious initiatives. This approach enables us to optimize financial services, prioritizing both clients and environmental concerns in our operational and strategic endeavors.
- EBL is committed to tackling climate change by measuring greenhouse gas (GHG) emissions from its financed portfolio. With a vision for a net-zero carbon future, EBL is setting realistic targets to reduce GHG emissions. These targets will be disclosed in the upcoming GRI based Sustainability Report. By transparently sharing its progress, EBL aims to inspire broader action towards a sustainable and low-carbon economy.

CORPORATE SOCIAL RESPONSIBILITY



Corporate Social Responsibility

Our responsibility to our society

Eastern Bank PLC. believes in responsible and ethical banking. In whatever we do, we are guided by our core values for a sustainable society and economy. We aspire to build a sustainability-led organization driven by values-based leadership, embedding environmental and social aspects deep into our processes. And most importantly, we would like to leave a sustainable world for our progeny. Our hope to contribute to an environmentally sound and socially inclusive world and we take initiatives towards achieving such goals. In order to improve people's lives and uphold our corporate citizenship responsibility, we understand the importance of investing in the community in which we operate.

At EBL, we have integrated sustainability values into our business model with an aim to having a lasting impact to the community. Our Corporate Social Responsibility (CSR) reflects our ethical and responsible business ethos. Our attempt has always been to make positive and sustainable impact in everything that we do.

Our strong commitment towards the United Nations Global Compact principles, widely recognized standard of corporate responsibility, is at the center of all of our CSR endeavors. To attain a sustainable growth, we strongly believe in conducting operations with integrity and transparency. Our CSR program encapsulates this conviction and is a key driver for all our initiatives and business plans.

Recently, we have initiated 'EBL Climate Change Adaptation Award' to recognize and reward climate change adaptation actions by corporates, manufacturing companies and NGOs and climate leaders in the country. We think it is high time to introduce the award as we are accelerating our development growth and graduating from LDCs in 2026. We all know global temperature has already increased more than one degree Celsius above pre-industrial levels, affecting business and communities both in vulnerable regions and, increasingly, in areas that were not previously considered as significant risk, a significant change is taking place in climate finance thinking and climate change adaptation and preparedness.

According to World Bank (WB) urgent climate action is crucial for Bangladesh to sustain strong growth. WB report suggests that climate change will hit poor and vulnerable people the hardest. Average tropical cyclones cost Bangladesh about \$1 billion annually. By 2050, a third of agricultural GDP could be lost and 13 million people could become internal climate migrants. Extreme weather events worldwide — whether floods in Pakistan, drought in the Horn of Africa, or the scorching summer of 2022 in Europe and North America — is urging us to act fast and quick on climate adaptation, mitigation, and financing.

Corporate citizenship strategy

We bring to bear our responsible banking values into our corporate citizenship programs. While prioritizing CSR allocation, we try to target vulnerable groups and sectors that will have most positive impact through our initiatives. Our strategy is based on sound governance and regulatory policy guidelines. We have a robust end use monitoring process to ensure every taka that we spend goes to the marginalized section of the society. Following Bangladesh Bank's SFD circular no-01/2022 and SFD circular no-05/2023 we have set out our bank's CSR policy.



We take utmost care to ensure that the CSR allocations do not end up financing militancy and terrorism.



Our CSR engagement programs are mostly in the area of education and healthcare. Our aim is to spend 30% of our fund for awarding scholarships for underprivileged students from renowned educational institutions and 30% to healthcare to underprivileged population of the society.



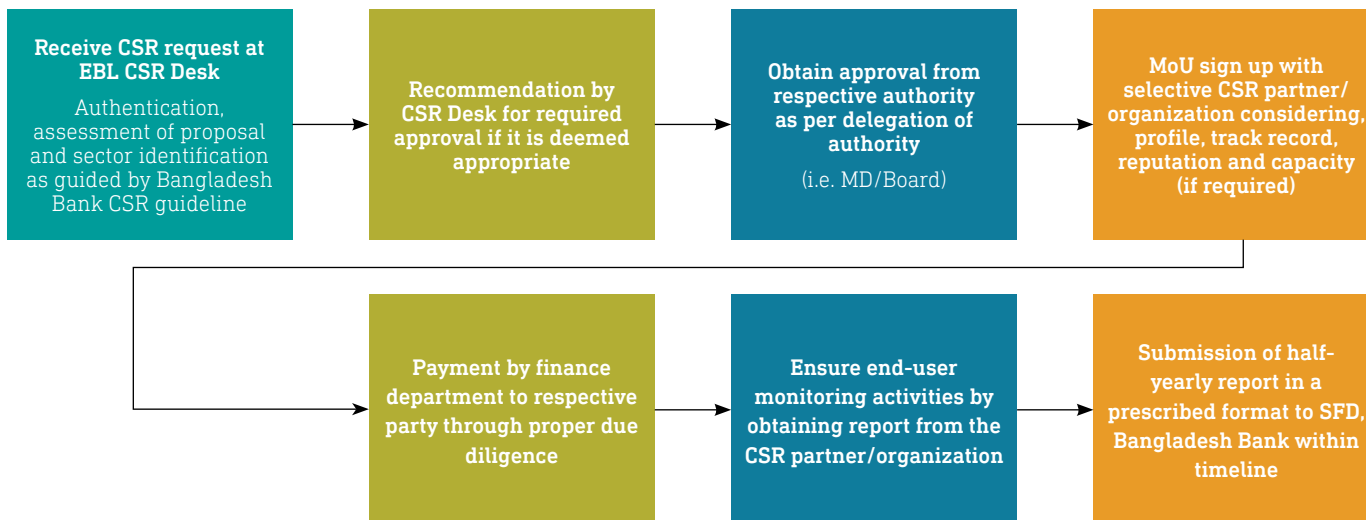
We have 20% budgetary allocations of our total CSR expenditures on environment and climate change mitigation and adaptation.



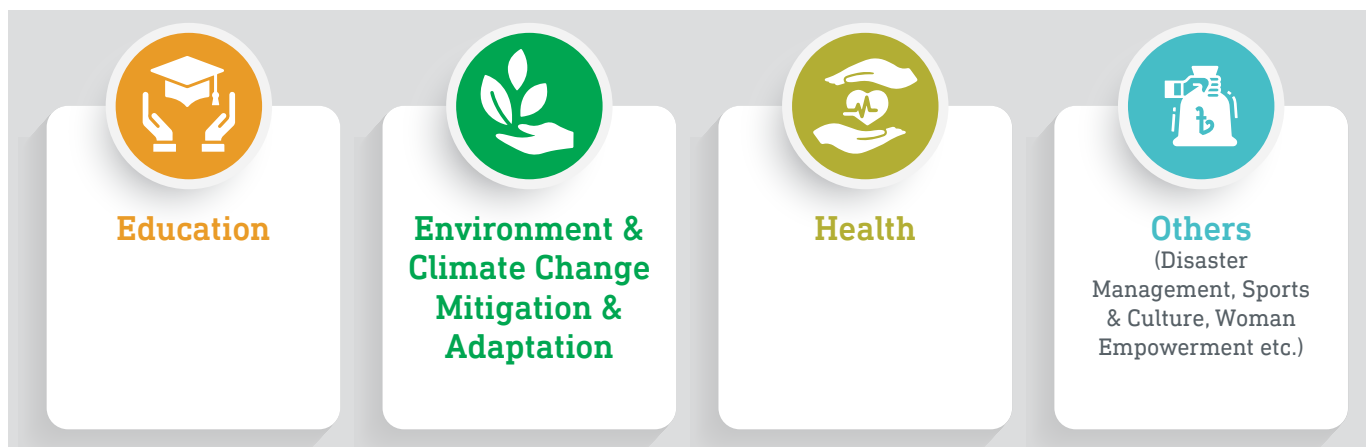
We strongly feel that sports, arts and culture are key components for a healthy and sustainable society. We, therefore, are committed to the development of sports and culture of the country. We have budgetary CSR expenditures which is 20% of our total CSR expenditures and are allocated for sports, arts and culture, emergency disaster relief, upgrading facilities and lifesaving equipment in emergency rescue services like the fire brigades etc., infrastructure improvements for disadvantaged communities in far-flung areas.

CSR initiative framework

To ensure the highest standards of governance, all project proposals related to our CSR initiatives are assessed against a standardized framework. Our CSR policy framework has been approved by the Board, and we are committed to transparency in all of our investments.



Our major CSR activity areas

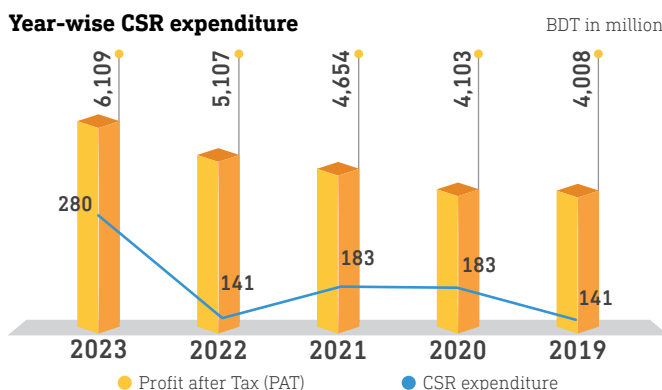


Our CSR contributions in last 5 years





In light of our corporate citizenship strategy and regulatory guidance, EBL is involved in varied initiatives in providing services to the underprivileged and distressed people. Education and health are two sectors where we are most active in our CSR initiatives. We strongly believe that in this modern day and age knowledge is the key differentiator between nations. In this knowledge based world investing in education is our utmost priority.

As per our Board approved policy, 2% of the latest distributed profit is being allocated as CSR expenditures every year. However, the actual expenditures are much higher than the allotted 2 percent, which is a testament to our firm commitment to our society.

Following graph shows our contributions in last 5 years:



CSR highlights 2023

BDT 2.70 million	Contributed to Prime Minister's Education Assistance Trust for educational assistance to underprivileged student.	Dhaka University Alumni Association Scholarship	BDT 4.50 million BDT 30,000/student	Contributed BDT 1.00 million to Proyash, a school for special need children.	Humanitarian initiatives for the children with special needs
Provided aid to underprivileged students of Begum Fazilatunnesa Medical College & Hospital.	BDT 25 million	Bangabandhu Memorial Trust BDT 175 million		Intensive Care Unit (ICU) at the Diabetic Association Medical College Hospital, Faridpur.	BDT 13 million
 EBL contributed to the "Stories of change", a project that captured the climate change issues with short and long term impact.	Bangladesh Olympic Association for Sk. Kamal 2nd Bangladesh Youth Games 2023.	BDT 10 million	 Joyee Graduation Ceremony	The successful completion of the first batch of graduates from the exclusive 6-month women entrepreneurs' development program arranged by EBL.	 icddr,b EBL partners with icddr,b Sustainable solid biohazardous waste management project

Education: Key to social and economic development



Education is a vital element to any nation's economic development and also the best way to raise aspirations in the society and impart motivation to accomplish more prominent levels throughout everyday life. In this era of globalization and easy access of information, education is the key to address social and economic hurdles and way to overcome them. Our CSR efforts focus on tertiary education, as it prepares young people for the workforce and encourages critical thinking. Through our two strategic approach of raising aspirations and creating pathways to education and employment, we aim to empower youth and support a skilled workforce for a better future.

Contribution to Prime Minister's Education Assistance Trust

Eastern Bank PLC. has been contributing to the Prime Minister's Education Assistance Trust to support the government's efforts to provide financial assistance to underprivileged students in the country. In 2023, we have contributed BDT 2.70 million in the Prime Minister's Education Assistance Trust. The fund provides financial assistance through stipends, tuition fees, admission fees and other educational support to underprivileged students who cannot

afford the cost of education. Such drives exhibit our responsibility to promoting education and supporting the development of the country's youth.



EBL donates to Prime Minister's Education Assistance Trust

EBL – Dhaka University Alumni Association scholarship

Since 2007, EBL began a fruitful partnership with the Dhaka University Alumni Association (DUAA) aimed at supporting both meritorious and underprivileged students of the university. We are proud of this collaboration. We began by offering a minimum of four scholarships to 74 departments of the University of Dhaka to pursue higher education and grow as a skilled workforce. In 2023, we provided financial aid of BDT 4.50 million, with each student receiving BDT 30,000. The selection process for the scholarship award involves close coordination with all departments at the University of Dhaka, ensuring a fair and transparent procedure.

Providing aid to underprivileged meritorious medical students

Contribution to health sector results in significant positive effects on individual and public health, economic growth and development. In 2023, EBL contributed BDT 25 million to underprivileged meritorious medical students of Begum Fazilatunnesa Medical College & Hospital to continue their study and to develop capable work force in the health sector to serve the nation.

Humanitarian initiatives for children with special needs

Proyash is a specialized school for children with special needs. We have contributed BDT 1.00 million in 2023 for education and support of the students of this school. We have also made a contribution to the Dhruvotara Welfare Society (DWS) in support of humanitarian initiatives for children with special needs, specifically those with autism. Our aim is to integrate these children into the mainstream of society to ensure inclusive growth of our country.

Promoting women education

As a responsible corporate citizen, EBL takes various initiative to support female education for the development of the country. Moshang Girls' School and College at Ujirpur of Barishal district is a prominent institution in the locality in promoting women education. There are 250 students and 20 teachers and staff here. In order to keep it running smoothly, EBL contributed to the institution's operational expenses.

Healthcare



EBL is actively involved in community welfare programs for social development.

Providing assistance for treatment of underprivileged people

We always feel that our responsibility towards society is not limited to banking alone. As a part of our CSR activities, in 2023 we contributed to Begum Fazilatunnesa Medical College & Hospital in favor of Bangabandhu Memorial Trust of BDT 175 million to assist underprivileged people who cannot afford the cost of medical healthcare.

Financial assistance for establishing Intensive Care Unit

EBL contributed BDT 13 million to establish an Intensive Care Unit (ICU) at the Diabetic Association Medical College Hospital, Faridpur. This support aims to enhance the medical facilities of the hospital, enabling them to offer valuable medical services to the community's ailing population.



EBL contributes BDT 13 million to establish an Intensive Care Unit (ICU) at the Diabetic Association Medical College Hospital, Faridpur

Supporting treatment of monetarily challenged individuals

EBL extended support to help two cancer patients, one kidney patient and one bilateral avascular necrosis patient as their family could not bear the cost of expensive medical treatment anymore. The Bank has provided financial assistance to these patients to continue medical treatment and demonstrated strong commitment to supporting individuals and communities in need.

Environment and climate change mitigation and adaptation



Environment friendly bank

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 at EBL by reducing electricity consumption and going plastic free. Some of our branches and ATMs of the bank are now running with solar power. Details on our green initiatives can be found at page 205 under Sustainability report.

Sustainable energy financing 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.

Sustainable solid biohazardous waste management project with icddr,b

Eastern Bank PLC. and icddr,b have joined forces in a pioneering initiative to advance healthcare waste management through sustainable and environmentally-friendly practices. EBL has contributed BDT 3.20 million in this project. The new partnership with EBL will enable icddr,b to establish a state-of-the-art solid biohazardous waste treatment facility. This facility will be equipped with advanced waste sterilizers and shredders, allowing for the complete decontamination and destruction of biohazardous polymer products. This initiative paves the way for recycling polymer materials, thereby converting waste into an asset and significantly reducing environmental impact of waste management.



EBL partners with icddr,b for sustainable healthcare waste management

Organizing tree plantation program

In 2023, EBL participated in a tree plantation program arranged by National Forest Division, "Shurer Dhara" in Dhaka. In addition, to observe the National Mourning Day and to pay tribute to "Father of the Nation", Bangabandhu Sheikh Mujibur Rahman and to those who were martyred on 15 August 1975, EBL organized tree plantation program in Dhaka, Rangpur and in Satkhira coastal belts.



EBL organizes tree plantation program to observe the National Mourning Day.

Unveiling Success: "Stories of Change" a project that marks a milestone in climate action

In a testament to its commitment to corporate social responsibility and environmental sustainability, Eastern Bank PLC. proudly supported the "Stories of Change" project, an initiative led by a team of young people from Bangladesh, for Bangladesh. This groundbreaking project aimed to address climate change challenges in Bangladesh through a multifaceted approach that included a documentary film, a dynamic social media campaign and the development of a web-based "Climate Atlas."

Bangladesh, a country grappling with rising sea levels, cyclones, erratic rainfall, and droughts, faces severe environmental challenges. The most vulnerable communities often bear the brunt of these climatic adversities, with their voices going unheard and their struggles overlooked. The "Stories of Change" project emerged as a response to this imperative need, seeking to amplify the voices of marginalized communities and bridge the gap between climate change awareness and actionable solutions.



The project unfolded through a carefully crafted strategy that combined resilience storytelling, awareness campaigns, Climate Atlas creation, policy advocacy, and the facilitation of collaborative networks. By conducting fieldwork across diverse regions of Bangladesh – from Tetulia to Teknaf – the project captured unique climate challenges and resilience stories, ensuring a comprehensive representation of the nation's geographical diversity.

The project's success was exemplified by the screening of the documentary at COP28, a prestigious platform that brought global attention to the resilience stories of Bangladesh. Subsequent screenings at the Canadian Embassy and UBC Robson Square further expanded the project's reach and influence.

This initiative stands as a beacon of change showcasing the potential for collaboration between corporate entities and passionate individuals to address pressing environmental and social challenges. As the project continues to unfold, it not only changes the narrative from vulnerability to resilience but also serves as an inspiration for collective action in the face of climate change.

In the grand tapestry of climate action, the "Stories of Change" project weaves a narrative of hope, determination, and the transformative power of storytelling. Through this initiative, Bangladesh's resilient communities find a global stage, fostering empathy, understanding, and support.

Promoting human welfare



Donation to Prime Minister's Relief Fund

In 2023, EBL donated a total of 100,000 pieces of blankets to the Prime Minister's Relief Fund as part of bank's CSR activities. To help the underprivileged people every year we donate blankets for cold effected people.



Md. Showkat Ali Chowdhury, Chairman of EBL hands over blankets to Prime Minister's Relief Fund.

Donating Blankets to winter-affected areas across the country

For providing comfort to the disadvantaged people of the street, EBL donated more than 7,500 blankets to helpless winter-affected

people across the country. We have likewise contributed to Banker's Club Rangpur and different associations in various areas including Chuadanga and Jessore to assist individuals who are in need of such support.



EBL distributes blankets to the cold affected people of Chuadanga

Distribution of food to underprivileged people

To observe the National Mourning Day and in memory of "Father of the Nation" Bangabandhu Sheikh Mujibur Rahman and his family, EBL distributed food items to underprivileged people in Dhaka and Chattogram area.

Sports and culture



We believe sports and culture have intrinsic value to people as well as promotes health and wellbeing, enriches culture, prestige and branding.

Promoting the spirit of sports

Eastern Bank PLC. contributed BDT 10 million in favor for Bangladesh Olympic Association for Sk. Kamal for 2nd Bangladesh Youth Games 2023 to promote the spirit of sports and games among youth.

Assistance in organizing International kabaddi tournament

Sports play a vital role in the physical and mental development of individuals. As part of our commitment to promoting sports, we

contributed BDT 5 million to Bangladesh Kabaddi Federation to organize 3rd Bangabandhu cup international kabaddi tournament 2023 where kabaddi team from 12 countries has participated in the tournament.

Contributing to organize various sports Competition

Engagement in sports teaches life skills such as teamwork, leadership, accountability, patience, and boosts self-confidence. In 2023, we contributed BDT 2.50 million to Bangladesh Association of Banks (BAB) for organizing first ever Inter Bank Football Competition, "Sheikh Hasina Inter Bank Football Tournament 2023" to promote games, sound propensities and energy. Additionally, EBL sponsored BDT 10 million to 'Sheikh Russel Jatio Shishu Kishore Parishad' for organizing Under-16 Football Tournament.

Disaster Management



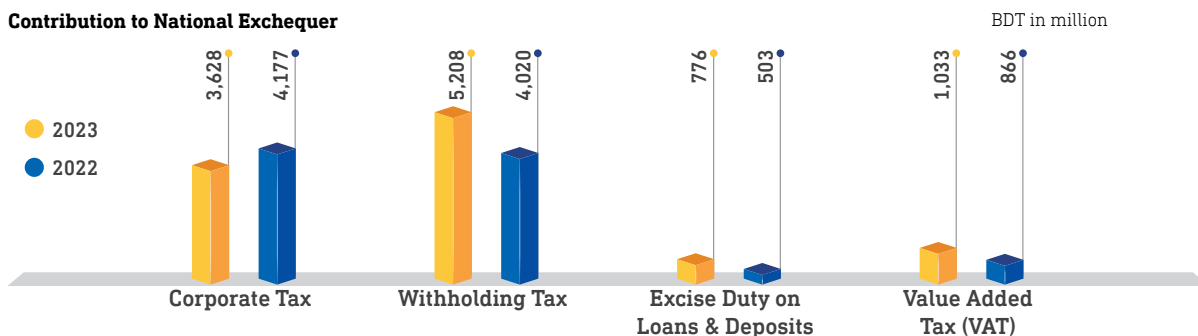
Providing aid to earth quake victim in Turkey

In an effort to assist and support the earthquake victims in Turkey during harsh winter conditions, EBL promptly delivered clothing through the Turkish Embassy in Bangladesh on an emergency basis.

Contribution to national exchequer



Being a responsible and tax abiding corporate citizen, EBL routinely pays corporate tax on time, now and then even before it falls due. We 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:



Women empowerment and wellness initiatives



We believe in empowering women to accelerate economic growth. EBL Women Banking is actively designing an effective route plan focusing on three areas: access to information, access to business development services and access to finance for both professional and women entrepreneurs. To guide our women clients on various business issues, EBL Women Banking launched its all-inclusive service portal, first of its kind where a female entrepreneur can avail all kinds of basic business documentation support: trade license, RJSC, IRC, ERC, VAT, Audit etc. at preferential rate and she can also complete her training on business management and access to finance training at home, free of cost. Furthermore, there are options to open account, FD, DPS and place request for secured loan.

Joyee Graduation

EBL hosted the Joyee Graduation Ceremony, marking the successful completion of the first batch of graduates from the exclusive 6-month women entrepreneurs' development program. This initiative is a collaborative effort between EBL and Prerona foundation. Ali Reza Iftekhar, MD of EBL and Md. Azizur Rahman FCS, CEO of Prerona Foundation presented certificates to the accomplished participants. Launched in 2022, Joyee was conceived with the vision of enhancing the entrepreneurial capabilities of women entrepreneurs in the growth stage, with a focus on elevating their creditworthiness. The program employed a structured approach to develop essential entrepreneurial skills and offered comprehensive support throughout the process, aiming to transform their businesses into successful, scalable, and sustainable ventures.



Graduation ceremony of Joyee

Inspiring Women Award 2023

With the vision to embrace, recognize the hard work and remarkable achievements of differently able female role models in their fields, EBL in association with Suborno Nagorik Foundation, hosted Inspiring Women Award 2023. 15 women with disabilities in different categories were handed over the crests and BDT 25,000 as a token of appreciation by Managing Director of EBL, Ali Reza Iftekhar along with former Governor of Bangladesh Bank, Atiur Rahman. In addition, EBL has made contributions to the Suborno Nagorik Foundation, providing support to the disability community.

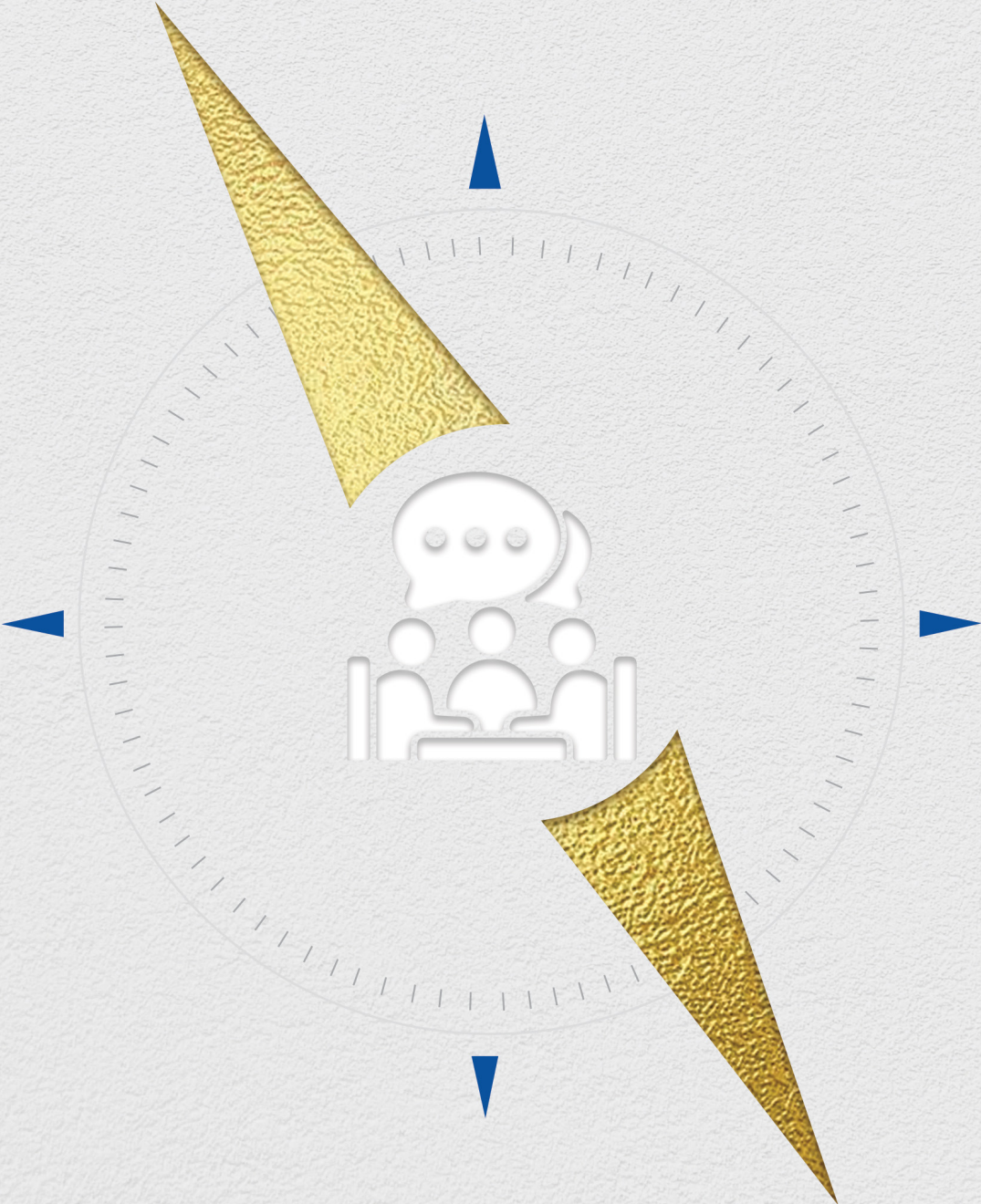


EBL holds Inspiring Women Award 2023

Way forward

- We will act as promoter of positive changes through our activities in areas of education, healthcare, environment and climate change mitigation and adaptation, sports and culture, disaster management, women empowerment etc. in a sustainable manner.
- In any emergency situation of the nation, we will make an honest effort to stretch out our help.
- We will strive to foster our engagement working for the underprivileged/disadvantage people of the society to foster a sustainable development of the community.

MANAGEMENT DISCUSSION & ANALYSIS



Comparative Analysis of Financial Performance (2019-2023)

Like previous years, Eastern Bank PLC. (EBL) delivered superior financial performance in 2023. Riding on superior asset quality, innovative & ICT enabled products and services, good governance framework, efficient human resources and delighted customer base, EBL reached to new heights in the financial services industry of Bangladesh establishing itself as one of the most valuable financial brands. At the end of 2023, EBL market capitalization was BDT 35.5 billion with the asset size of BDT 508.6 billion.

The Financial sector of Bangladesh has been undergoing challenging times during last few years marked by provision & capital shortfall, growing default loans and weak corporate governance. Despite facing turbulent business and economic conditions over the last couple of years, EBL continued to surpass historical benchmark year on year and reported consistent financial performance.

- EBL recorded highest profit after tax (PAT) of BDT 6,109 million in 2023 which was BDT 4,008 million in 2019 registering 52% growth in 4 years. Focused loan growth through Corporate customers while maintaining strong asset quality, well timed investment in govt. securities, efficient asset liability management, implementation of SMART rate from July'23, prudent risk management practices, accessibility to low cost funding sources and diversified revenue streams enabled EBL to produce tangible results over the years.
- EBL operating profit reached to BDT 11,451 million in 2023 and increased by BDT 3,241 million or 39% compared to that of 2019. Higher amount of operating income growth than operating expense played the lead role in growth of operating profit (Operating income growth in 2023 compared to 2019: BDT 5,930 million vs. Operating expense growth in 2023 compared to 2019: BDT 2,690 million).
- Operating expense grew by BDT 2,690 million or 42% in 2023 compared to 2019 mainly caused by routine increment & promotion, new headcount, inflationary pressure, depreciation of taka, increased investment in technology and channel expansion.
- Compared to year-end 2019, EBL loan portfolio grew by 52% or BDT 121,306 million and reached to BDT 353,357 million on 31/12/2023 driven by higher growth through sound corporate customers, introduction of innovative & digitized products and solutions, offering superior customer service and expansion of channel.
- Through our prudent risk management practices, we contained NPL ratio at 3.10% only in December 2023 (3.35% in December 2019) which is far below than the industry average of 9.00% in December 2023.
- Compared to year-end 2019, deposit base also grew by 52% or BDT 125,940 million and reached to BDT 366,104 million on 31/12/2023. Our experienced and devoted human resources, ability to create unparalleled customer experience, ensuring safety and security of customers deposit, endeavors to serve customer digitally are the key pillars behind this astounding deposit growth.
- Cost to income ratio, a measure of operating efficiency, slightly increased in 2023 and reached to 44.22% from 43.76% in 2019 mainly due to inflationary pressure in 2023.
- In 2023, Capital to risk weighted assets ratio (CRAR) was 15.04% (solo basis), well above the requirement of 12.50%, and over the years we have been able to maintain CRAR well above the regulatory floor. Our continuous focus on growing regulatory capital through both internally and externally while balancing riskiness of our asset helped us to maintain 15%+ CRAR in 2023.
- From the shareholders' point of view, EBL's return on equity reached to 16.33% in 2023 from 16.52% in 2019 reflecting our consistent financial performance.

EBL maintains quality growth over the years: key strengths



Veteran Board of Directors



Experienced management team



Consistent financial performance



Timely & dynamic business strategy



Prudent risk management practice



Good governance and compliance culture upheld



Unparalleled customer experience leading to customer delight



Continuous innovation and digitalization



Best Human Resource pool in the country

During the last 5 years, EBL focused on growing business sustainably, producing consistent financial performance, creating customer convenience, upholding compliance culture, managing risks and establishing good governance. In coming days, EBL aspires to become Bank of customer's choice in terms of service, safety &

security. EBL will surely ensure that customers value has been maximized exceeding the price customers pay. A review of the last five year progression of financials is presented in the Information for Stakeholders section of the report where comparative analysis of financial performance is presented with different ratios and graphs.

Corporate Banking

EBL Corporate Banking has been the reliable partner in progress for its corporate clientele providing a comprehensive range of financial solutions. Corporate loan portfolio has reached to BDT 275,275 million in 2023 with an impressive non-performing loan (NPL) ratio of 2.35%, one of the lowest in the industry. Import compression was a strategic choice made by the bank following belt-tightening amid dollar dearth. The export & import volume was more than USD 4.50 billion in 2023. EBL has strengthened its digital banking platform by implementing a comprehensive suite of enhancements aimed at bolstering security, enhancing user experience, and expanding service offerings. By providing integrated end-to-end corporate banking solutions, that optimize customer experience ecosystem, has allowed the bank to achieve sustained growth amid external shocks in the economy.

Strategic focus in 2023

- Increasing focus on sustainable initiatives as a part of corporate social responsibility and commitment to environmental and social sustainable objectives.
- Pursuing digital transformation initiatives to enhance customer experience, streamline operations, and stay competitive in the rapidly evolving banking landscape.
- Emphasizing on robust risk management practices at every level to enhance financial stability against the dynamic nature of the banking industry and the potential for economic volatility.
- Continuously enhancing capabilities to provide client centric value proposition to the business segments that generate valuable foreign currency for the country.
- Significantly growing pool of sustainable deposit by becoming our client's key transaction banking partner.

Performance highlights 2023



BDT 275,275 million
Corporate loan portfolio



BDT 113,512 million
Corporate deposit portfolio



BDT 21,454 million
Revenue



2.35%
NPL



USD 57 million
Commercial remittance

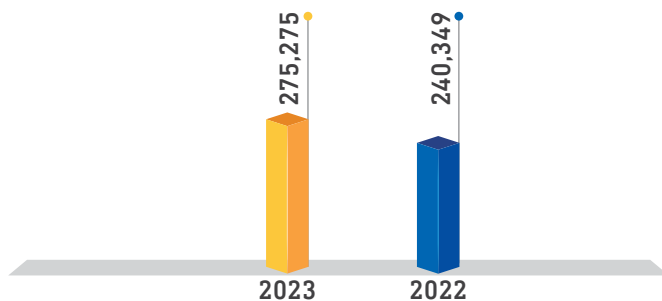


108
New customer booking

Comparative view

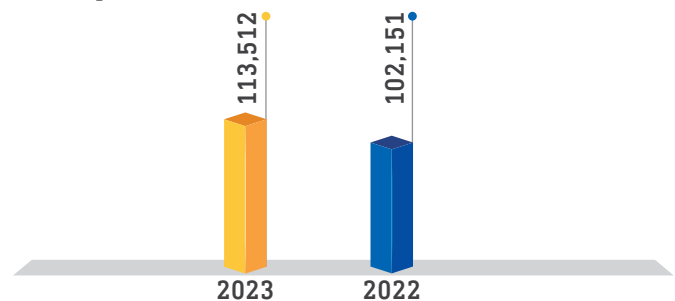
Total loan

(BDT in million)



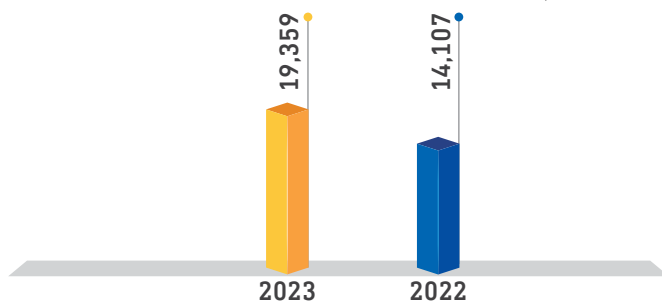
Total deposit

(BDT in million)



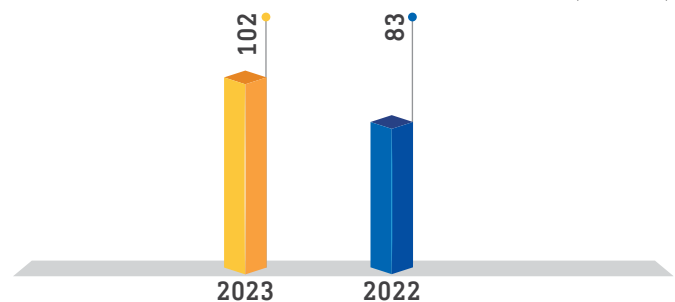
Total interest income

(BDT in million)



Total human resources

(In number)

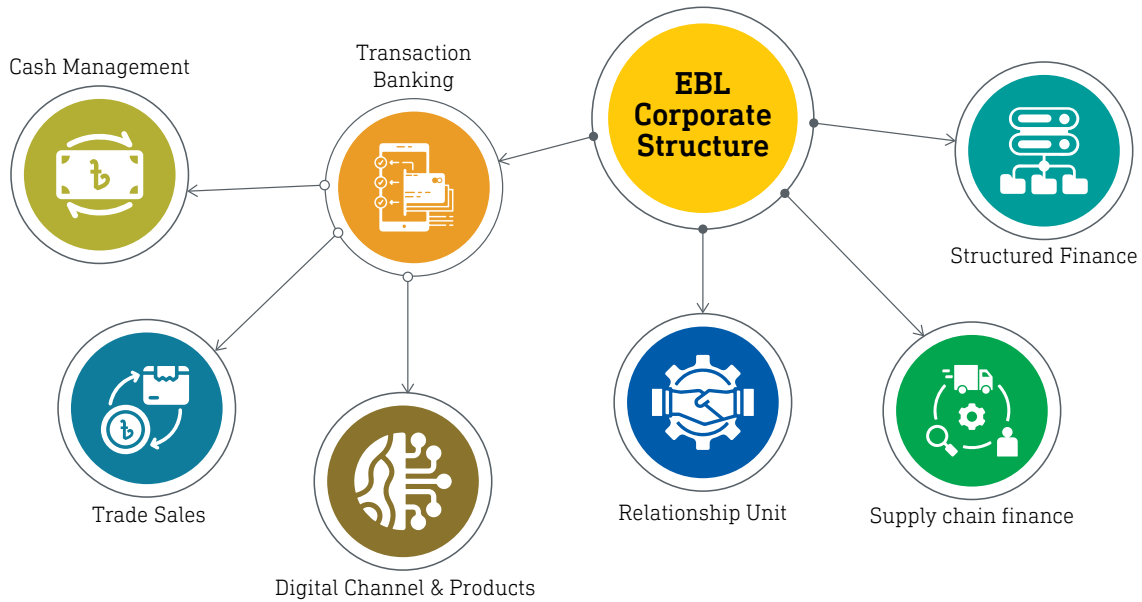


Corporate structure

Corporate banking with its seasoned team of a 102 people embraces business agility as the core driver in providing its customers with real value in this volatile market environment.

The relationship units are dedicated to delivering 360-degree support to corporate customers, including project finance, working

capital finance, trade financing and a wide array of other business services. EBL Corporate Banking’s presence in Chattogram through two relationship units enables the bank to effectively serve clients in that region. Corporate banking division is widening its scope of services with the inclusion of supply chain financing unit. To boost up export and to facilitate import a strong and robust Transaction Banking has been set up.



Key corporate functions

Relationship unit

The relationship units within corporate banking play a pivotal role in cultivating and nurturing mutually beneficial partnerships with clients. Their core mandate revolves around the establishment and preservation of sustainable and profitable relationships by offering tailored financing solutions that address the specific needs and aspirations of businesses. By leveraging their expertise and market insights, we strive to be the best strategic partner. We guide our clients through financial complexities while empowering them to achieve their goals and drive sustained success in an ever-evolving business landscape.

Transaction banking

Cash Management Unit (CMU)

EBL Cash Management offers products and services to process clients’ receivables and payables efficiently and smoothly. We provide the corporate customers a smooth and secure platform to disburse their payment requirements (both electronic and instruments).

CMU team facilitates collection of sales proceeds for corporate customers and arrange to provide them Management Information (MI) in real-time/regular interval for easy reconciliation. The virtual account solution enables the customers to identify the depositor and setoff the receivable without any manual intervention. EBL is well-equipped for sharing transaction details through Application

Programming Interface (API) and account statement in different format (SWIFT, MT940, PDF etc.) to the customers for the ease of reconciliation.

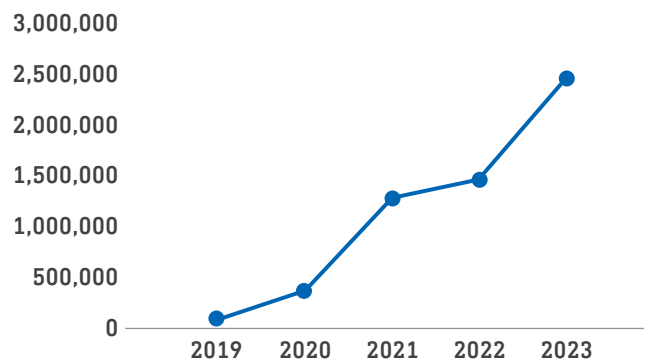
Digital channel & products

Remaining at the forefront of technological advancement, the Digital Channel & Products team pioneer the evolution of banking through cutting-edge digital solutions. From crafting intuitive corporate internet banking features to conceptualizing groundbreaking products & solutions, we drive seamless integration across diverse systems, delivering convenience and efficiency.

Our state-of-the-art online banking platform EBLConnect, serving all sorts of transactional requirements, is currently managing more than 30% of country’s monthly internet banking transaction volume.

Transaction amount through EBL Connect

BDT in million





Trade sales unit

We extensively focus on Trade Business to serve our trade-based customers. As a preferred trade finance partner of our customers, we offer an extensive range of trade products and services through our centralized trade services, and a dedicated team of trade relationship managers. We offer traditional trade products, facilitate regular imports, exports and guarantees as well as customized solutions like structured trade finance, industry specific trade products and other solution structuring.

Structured finance

The structured finance unit of EBL stands out as a market leader renowned for its excellence in providing a wide spectrum of services tailored to the needs of both corporate entities and public sector organizations. These services encompass various critical aspects of financial operations, ranging from fund arrangement to advisory services, and from agency to account banking services. Alongside these services, we provide innovative solutions designed to meet the unique demands of modern businesses.

Noteworthy deals of structured finance unit

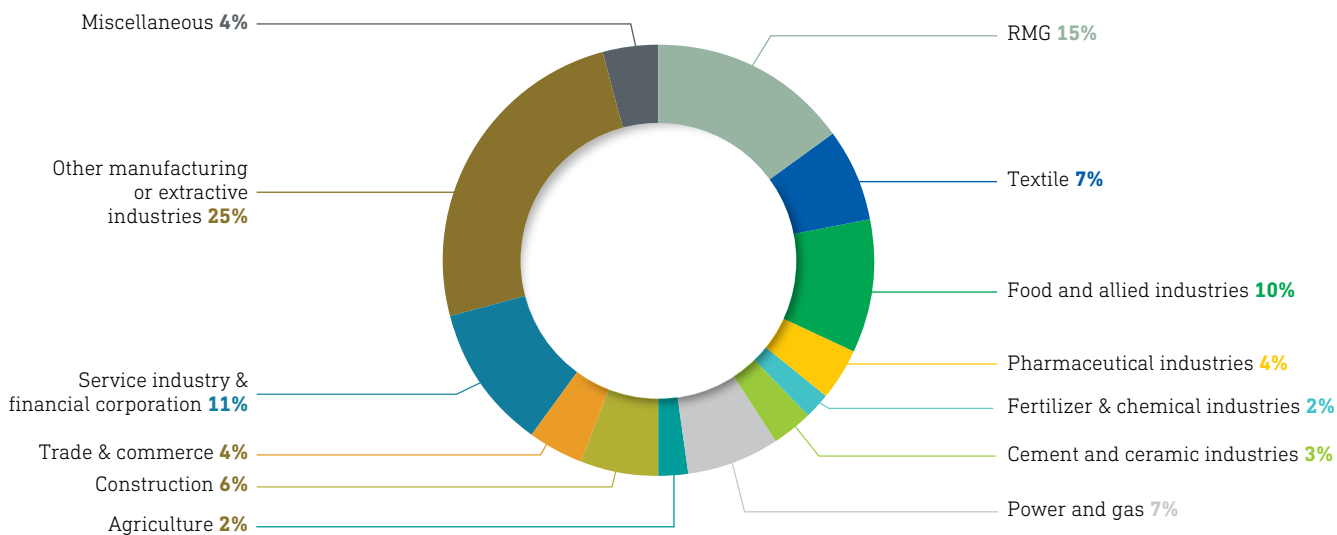
 BDT 500 million Preference share arranged for Epyllion Knitex Limited.	 BDT 4,604 million & USD 7.17 million As joint mandated lead arranger, arranged syndication for Bay Economic Zone.	 BDT 3,768.80 million As joint mandated lead arranger, arranged syndication for Beacon Pharmaceutical Limited.	 Account bank Acted as an account bank and paying agent for guarantco backed on-shore bond issued by Pran Agro Limited.	 BDT 400 million Preference share arranged for Color City Textile Limited.	 BDT 400 million Preference share arranged for Epyllion Style Limited.
 BDT 8,000 million Fund arrangement for Banglalink (3rd deal) with over subscription.	 BDT 3,000 million Arranged syndication for Shakti foundation for disadvantaged woman.	 BDT 2,500 million Arranged syndication for Crown Cement PLC.	 IRS deal Country's first Taka interest rate SWAP deal with Pran Agro Limited.		

Supply chain finance

With the incubation guidance from International Finance Corporation - World Bank Group, EBL Supply Chain Financing Unit started its journey in 2018. IFC deployed international experts to conceive a strategic framework to jump start the business covering the areas of product program guidelines as well as handholding in hatching new business with our first client, PRAN RFL Group. We developed a closed loop supplier finance program with PRAN RFL Group to finance food ingredient suppliers. They also recommended a cutting edge software where it was embedded in PRAN Group's Enterprise Resource Planning (ERP) solutions. Since then, we

booked over 10 large corporate clients to enter into different supplier finance and distributor finance programs. Our business have grown to 100 clients with loan portfolio of Tk. 1,670 million and deposit portfolio of BDT 370 million as of December 2023. The unit strives to cater the customers in holistic manner. The last 2 years were challenging in terms of coping with clients' challenges faced after Covid-19 outbreak. However, by robust monitoring, the client groups are in manageable scenario. The unit is confident that portfolio will grow even more to make the bank market leader in Supply Chain Financing space in coming years.

Loan portfolio mix



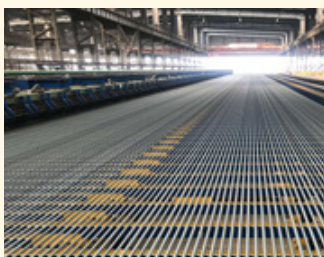
A case study of environment-friendly client of EBL: Tarasima Apparels Limited



Tarasima Apparels Limited has become a world-class organization by adopting up-to-date measures, modern equipment and innovative technology. The factory is certified by USGBC as the highest-rated “LEED Platinum” factory which consumes 40% less energy than other factories. They have implemented the country’s largest rooftop solar system, reducing greenhouse gas emissions by 4,200 tons annually.

Tarasima Apparels Ltd. (Score-93/110) has been honored with “Green Factory Award” by The Ministry of Labor and Employment. EBL is proud to be a financial partner of such company who values environmental issues alongside business and actively works in achieving a sustainable growth.

A case study of environment-friendly client of EBL: Abul Khair Steel Melting Limited (AKSML)



EBL has financed the latest 3 million MT billet expansion plant of Abul Khair Steel Melting Limited (AKSML) which resulted in reduction of nitrogen, sulphur & carbon dioxide emissions, fuel consumption and electricity consumption.

AKSML, a leading billet manufacturing plant, has made impressive strides to decarbonize its steelmaking business.

Water treatment plant and water reservoir has helped the company to operate efficiently and reduce costs by optimizing their usage of water.

Our determination to make financial decisions to have positive impact on environment is reflected through our client’s success stories. We are proud to be a part of their story.

Way forward

EBL Corporate Banking stands ready to capitalize on the upward momentum of Bangladesh’s economy as it steadily rebounds from the repercussions of the global economic slowdown. With private sector credit expanding, exports accelerating, public sector spending increasing, and inward remittances on the rise, the economy is forecasted to maintain its growth trajectory throughout 2024. EBL Corporate Banking is well-prepared to seize opportunities in both the public and private sectors while maintaining high asset quality and accessing cost-effective funding sources. As a front-runner in the banking industry, EBL Corporate Banking remains steadfast in its dedication to fostering stability and facilitating growth.

Corporate banking event highlights



EBL closes country's first taka interest rate swap deal with Pran Agro Ltd.



EBL arranges syndicated loan facility of BDT 3,000 million for Shakti Foundation for disadvantaged women



EBL arranges a bank syndication meeting to arrange debt facility for Bangladesh Lithium Battery Limited



EBL arranges syndicated loan facility of BDT 2,500 million for Crown Cement PLC



E-Auction Agreement signing with Ashuganj Power Station Company Ltd.



Financial Closure Ceremony of Syndication arrangement of BDT 3,768.8 million for Beacon Pharmaceuticals PLC



EBL celebrates first successful rupee trade settlement for PRAN RFL Group

Retail & SME Banking

Despite facing multiple challenges undermining macro-economic stability, EBL has been broadly on the sustainable growth path. In this upheaval, we remain better connected with steadfast dedication to service excellence for our diverse customer base. At the core of our strategy remains strengthening our position as the preferred banking partner and fostering sustained growth through innovation, digitalization and impeccable corporate governance practices.

Strategic focus in 2023

- Mobilizing deposits with extensive focus on non-resident Bangladeshis, freelancers and mid-tier customer segments.

- Leading the way for both retail and SME loan through mortgage-based products.
- Solidifying our cards position as a competitive force in the market enhancing credit card issuance processes.
- On-boarding high quality payroll companies to generate opportunities for increased cross-selling.
- Providing seamless customer service and sustaining market share, introducing innovative digital solutions as well as enhancing digital product and services.

Performance highlights 2023



BDT 3,000 million+
Home loan disbursed



20%
Retail & SME asset growth



292
On boarded new payroll companies



42
New agent outlets



WearEBL
Country's first wearable device



17%
Retail & SME deposit growth

Retail & SME deposit

In order to foster growth in retail and SME deposits, EBL Retail & SME Banking increased customer engagement, technology integration and innovative financial products. The key business growth driver

throughout the year was to focus on expanding our outreach to varied customer segments including non-resident Bangladeshis through diversified channels. Simultaneously we adopted a culture of personalized banking experiences and digitalization to off-load branch activities.

BDT 250,000 million

Retail & SME deposit portfolio reached this milestone in 2023 as a result of our strategic approach in driving deposit business and introducing innovative products and services.

EBL Super Saver

To cater the needs of the mid-tier customers this specialized segment with a host of value added services savings account was introduced.

EBL Personal Retail Account

A specialized product to accommodate small and micro traders without any trade license was introduced.

Retail & SME asset

The year 2023 offered a low demand for loans, compounded by a scarcity of creditworthy clients, exchange rate instability, and changes in government policies regarding interest rate caps, fuel crises, and shortages of imported raw materials. However, we have navigated through the challenges by achieving an unprecedented growth of BDT 10,000 million for the first time in our history.

Retail asset

In 2023, we achieved significant growth in retail loan riding on the growth of home loan and personal loan segments offering attractive value propositions.

Through partnership with real estate developers, EBL ventured into the home loan market reaching potential clients and disbursed home loan exceeding BDT 3,000 million. Alongside, we strategically

Retail asset portfolio mix



Personal, **41%** Home loan, **31%** Others, **28%**

targeted the payroll segment offering easier access to finance. Capacity enhancement initiatives were taken as well as tailored offers were made to reach diverse customer segments enhancing customer satisfaction. Maintaining a commitment to quality lending, EBL's centralized banking model ensures separation of underwriting and file sourcing, resulting in the industry's one of the lowest percentage of classified loans.

SME asset

In 2023, EBL SME business segment also achieved a remarkable 19% growth in its loan portfolio. Despite facing abrupt change and challenges in the business conditions and macro-economy, we navigated successfully and responded well to the market demands. Moreover, we increased our engagement with new SME businesses customers, restructured offerings, and focused on fixed asset financing for manufacturing and service industries to enrich our SME portfolio.

SME asset portfolio mix 2023



Trading business, **50%** Manufacturing, **29%** Service, **21%**

যান্ত্রিক SME customer success story

A tangible example of the positive impact emerged in Zantrik, a transparent vehicle maintenance platform start-up fueled by innovation and AI. With tailored financial solutions and support from the dedicated SME business team, Zantrik successfully expanded operations contributing to regional economic development in vehicle maintenance. This boosted Zantrik's transformative system that addresses global maintenance issues and streamlined automated processes ensuring transparency and benefits for stakeholders. This success story exemplifies the Bank's commitment to empower SME business and foster economic progress within the communities it serves.

Priority Banking

In the year 2023, EBL Priority Banking witnessed an impressive influx of new customers, surpassing the 2,000 mark. The deposit portfolio this year experienced 13% growth which is a reflection of our clients' confidence in EBL Priority Banking as a secure and rewarding banking partner. Simultaneously, the asset portfolio saw a significant 26% growth; showcasing our commitment to facilitate financial success of our clientele. Maintaining stringent risk management practices, EBL Priority Banking sustained an enviable asset quality, with non-performing loans (NPL) accounting for less than 1%. This robust control over asset quality underscores our prudent approach to risk management, safeguarding the interests of both clients and stakeholders.



Customer experience on EBL priority banking

"I wanted to take a moment to express my sincere appreciation for the outstanding banking support I consistently receive from Banani Priority Center team. Their prompt and efficient handling of all my banking needs has made my experience with EBL truly exceptional. From addressing inquiries to providing timely solutions, their

dedication to customer service has not gone unnoticed. I value the professionalism and courtesy consistently demonstrated by the Banani Priority Center team. It's the kind of service that fosters trust and loyalty, and I'm grateful to be a part of the EBL family. Thanks once again for unwavering commitment to excellence. I am looking forward to continue banking satisfaction with EBL."

Payroll banking

In 2023, payroll banking disbursed over BDT 50,000 million in salaries, on-boarded 292 new payroll companies, and established 33,000+ payroll accounts. We also catered other banking services alongside payroll banking service, we opened 6,900+ recurring deposit accounts, issued 5,600+ credit cards, and disbursed BDT 2,721 million in retail and SME loans to our payroll clients. The issuance of 41,000+ payroll cards streamlined the salary disbursement for the clients. Our focus on automation aims to enhance customer satisfaction by reducing deliverable turnaround time (TAT).

Brands on-boarded in 2023



Inclusive banking

EBL has continued its business focus on fostering financial inclusivity through its widespread network in both urban and rural areas. In line with the bank's commitment to stay at the forefront of the evolving financial landscape, our agent banking, women banking and student banking have been working with their respective areas to ensure a more inclusive portfolio.



Women banking

- **15%** growth in women deposit portfolio
18% growth in retail women loan portfolio
- **EBL Women Banking portal:** all-inclusive service portal, first of its kind where a female entrepreneur can avail all kinds of basic business documentation, online training and banking services from home.
- **IDEA season 2.0:** sponsored a business idea competition of Entrepreneurship and Career Development Club (ECDC), University of Asia Pacific (UAP).
- **Women in start-up: “a journey towards smart Bangladesh”:** a panel discussion to shed light on how women entrepreneurs should assess, plan, execute and grow their start-ups.
- **Inspiring Women Award 2023:** awarded 15 differently abled women for their achievement.



Agent banking

- **82.90%** account growth
117.48% deposit growth
BDT 623 million loan lead initiated
- **কৃষক সমাবেশ ও কৃষি ঋণ বিতরণ:** empowers farmers with financial literacy and provides “**Krishi Loan**” services to the marginal farmers.
- **উঠান বৈঠক:** a campaign that extensively promotes financial awareness and literacy among rural communities to enhance understanding and improve financial knowledge.
- **Customized Debit Card for EBL Agent Banking Customers:** a tailored debit card for the rural community featuring low issuance and renewal fees encouraging unbanked individuals to embrace digital financial services.
- **Annual Agent Banking Workshop-2023:** a knowledge-sharing session for outlet owners including essential training on compliance, service quality, and ICT security to operate agent banking businesses



Student banking

- **12,906** student banking accounts
106 student banking road show in 2023
- **School banking conference:** a financial literacy conference which attracted 400 students from 53 schools in Chattogram.
- **Student file services center:** 5 student banking center:
 1. Banani Branch (Dhaka)
 2. Dhanmondi Branch (Dhaka)
 3. Principal Branch (Dhaka)
 4. Agrabad Branch (Chattogram)
 5. Upashahar Branch (Sylhet)

Additional service desks at Gulshan, Bashundhara, Uttara, and Khulshi branches, extended to other AD branches, ensuring widespread accessibility.



Bancassurance

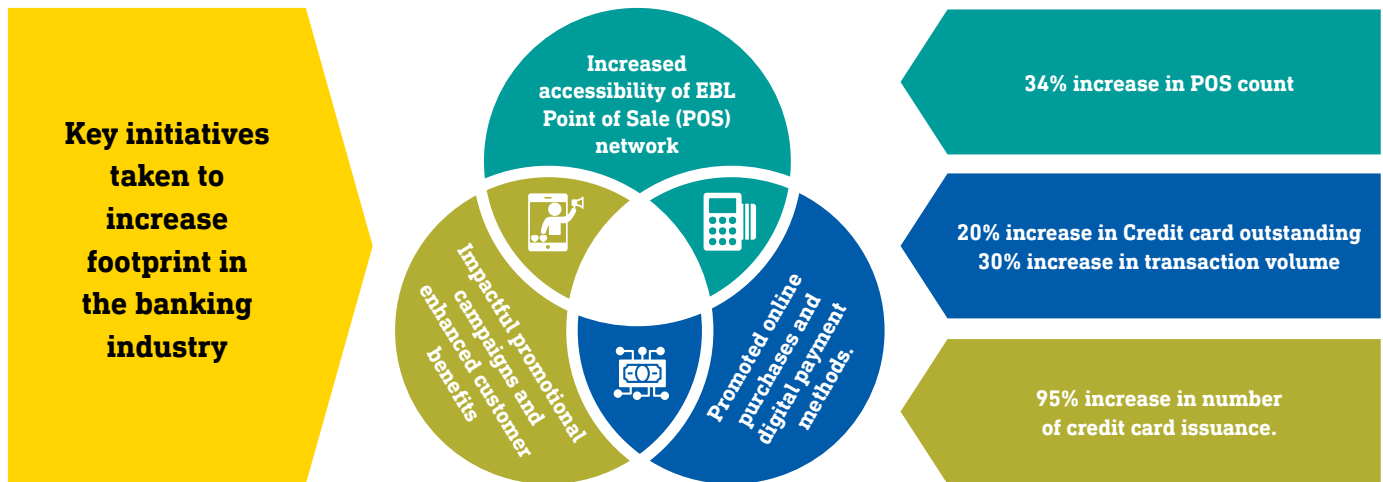
- EBL is the first bank in Bangladesh to get Bancassurance license from IDRA for both life and non-life insurance company. Bancassurance is a partnership between a bank and an insurance company where a bank sells insurance products through its distribution channels. This product has been launched in March 2024.
- **Collaboration:** MetLife and Green Delta Insurance Company Ltd. (GDICL) This partnership has the potential to create synergies by integrating banking services with insurance products, offering comprehensive financial solutions and charting a promising course for the future of the financial industry.

It can be a new scope for EBL to diversify its income stream.

Cards business

Particulars	2023	2022
Year-end outstanding of credit card (BDT in million)	7,940	6,620
Transaction volume of credit card (BDT in million)	30,260	23,330
Primary credit card issuance (in number)	37,479	19,221

In 2023, EBL Cards achieved a significant growth with a focus on expanding reach through a concerted effort made to enhance the advantage of utilizing it.



Amidst the challenges, EBL Cards Business successfully executed a range of projects and collaborations introducing innovative offerings to our customers. Among these initiatives, the introduction of the country's first wearable payment devices solution, WEAREBL, stands out, alongside EBL Visa Women

Signature Credit Card, implementation of Standing Instruction from other bank account using BEFTN pull for credit card bill payment. Additionally, collaborative efforts resulted in the introduction of new co-brand card products.



Visa Awards:

Excellence in Co-brand Cards and Excellence in Cross-Border Payments



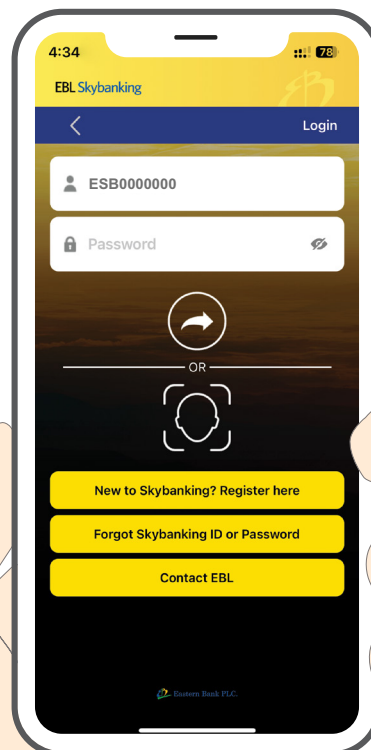
Mastercard Awards:

Business Innovation, acknowledging EBL Wearable Payment solution and the innovative SkyTrip Credit Card

Digital financial services

In this era of technological breakthroughs, digital banking products and services have opened a window of easy accessibility to banking services from anywhere and at any point in time. EBL's digital transformation spans out from mobile application, online portal, ATM, CRM and RTDM to latest introduction of wearable devices which is first of its kind in Bangladesh.

In recent times, increasing online fraud incidents have eroded customers' confidence in the banking sector heightening concerns about the security of digital transactions and financial interaction. To address this concern, we have increased awareness through collaborative initiatives with eight peer banks. An awareness campaign was launched - "If you care, do not share"/"কেয়ার করলে, শেয়ার করবেন না" in leading newspaper publication emphasizing the importance of safeguarding sensitive information such as PINs, CVVs, OTPs, and passwords.



Enhancement introduced in SkyBanking App

- > U.S visa fees payment.
- > Passport endorsement status
- > DESCO prepaid bill payment
- > WASA bill payment
- > Add money from VISA & Mastercard
- > Freelancer FCY to BDT account transfer
- > Personal information update
- > Binimoy enhancement
- > Bangla QR acquiring
- > Fund transfer limit enhancement (50 Lacs)

Digital Initiatives

EBL Self-Service hub

- Digital Form C submission
- Account opening
- Yearly & Half yearly statement
- PSR Submission
- Personal information update

Inward remittance disbursement through

- bKash
- NPSB
- Nagad

Phyigital Services

- 242 ATMs, 54 Cash Recycler Machines (CRM), and 35 Real-Time Deposit Machines (RTDM).
- Cardless deposit through CRM or RTDM.
- 2 Cheque Deposit Machines (CDM)
- 40 new EBL365 booths have been deployed nationwide in 2023
- No. of POS 9,500 & Dropbox 38

Online Payment Services

- Introduced recurring payment with cards in e-commerce.
- Organized and executed Visa Acquiring campaign, in collaboration with Visa and 13 e-commerce merchants.
- Introduced payment acceptance through DCI for online merchants.
- No. of transaction through Skypay gateway in 2023 was 29.30 million and volume BDT 78,500 million with revenue earned of BDT 531.70 million



Phone Holder



Phone Grip



Wristband & Fobs Sleeve



Ring

Retail propositions

EBL's Retail Propositions wing strives to set us apart by offering a variety of benefits and value-added services to enhance our customers' living & lifestyle experience. We have collaboration with 250+ international and leading local brands to secure a range of benefits for EBL customers and have executed 22 promotional campaigns in 2023, covering social festivals and seasonal occasions.

EBL Skylounge



EBL Skylounge caters to top-tier EBL customers, business class frequent flyers, and Star Alliance Priority Pass users, offering 24/7 operations with state-of-the-art amenities for both business and leisure travelers. In 2023, our Dhaka and Chattogram Skylounge served around 180,000 guests and earned BDT 118 million as lounge access fees. Investing in premium airport lounges with essential features enhance the travel experience, relieve stress, and fosters repeat visits, building a closer bond with high-value customer.

Way forward

- Improving retail customer deposit through boosting FCY accounts (remittance, Freelancer), transactional commercial customers and expanding the customer base through seamless digital onboarding.
- Increasing borrower base while adhering to asset quality and credit discipline as well as tap into new segment with innovative product offerings.
- Optimizing Omni-channel presence and building personalized customer experiences with data analytics.
- Exploring emerging metropolitans for POS machine (Soft POS) & QR acceptance.
- Redesigning card products & propositions to resonate with the market.
- Elevating customer experience through comprehensive enhancements and drive for technological transformation of products and services.

Retail and SME banking event highlights



EBL signs Bancassurance agreement with Green Delta Insurance Company Ltd



EBL opens its 85th branch at Bangabandhu Sheikh Mujib Shilpa Nagar



EBL holds Agent Banking Yearly Conference



EBL holds School Banking conference in Chattogram



EBL launches Priority Banking Center in Khulna



EBL launches Women Banking portal



EBL-Startup Bangladesh Limited sign payroll banking deal

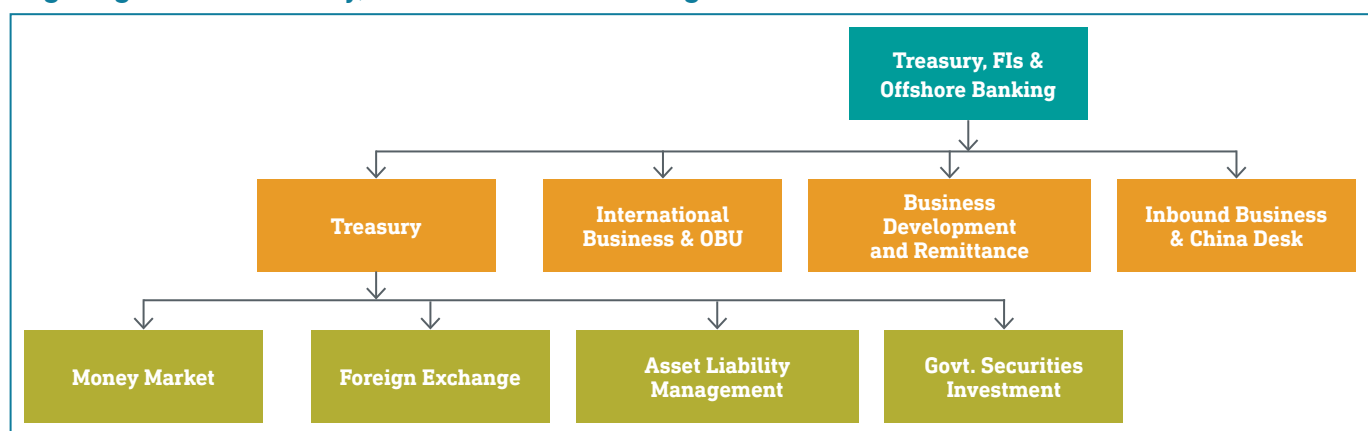


EBL organizes a Panel Discussion on "Freelancing: Moving towards a Smart Bangladesh"

Treasury, FIs and Offshore Banking

In 2023, Bangladesh showcased resilience and vitality in its economic landscape despite global challenges, projecting a moderate GDP growth nearing 6.0% by United Nations Department of Economic and Social Affairs (UN DESA). This positive economic trajectory can be attributed to the country's strong recovery from the COVID-19 pandemic, underpinned by sound macroeconomic strategies, albeit facing disruptions such as rising financial sector vulnerabilities, external pressures, and global economic uncertainties. A notable trend observed was the influential role of the domestic market, characterized by a substantial consumer base and the rapid expansion of the middle and affluent segments, driving national consumption and demand across sectors despite external uncertainties. At the same time, digital technology has brought major improvements in banking, education, and government services contributing to economic resilience and inclusive growth. Despite this positive outlook, challenges persisted, including energy shortages, balance-of-payments deficits, and revenue shortfalls. The textile and ready-made garments industry, a key contributor to economic progress, faced challenges due to limited export diversification, volatility in global demand and inadequate infrastructure. In FY23, Bangladesh encountered high average inflation of 9.48%, surpassing the government's target of 7.5%, primarily attributed to supply-chain disruptions. This inflationary pressure negatively impacted purchasing power, exacerbating income inequality, prompting a prudent response from the Bangladesh Bank with a contractionary monetary policy, including a policy rate increase to 7.75% by December 2023 and measures such as removing lending rate caps and market-based exchange rates. Throughout the year, focused efforts from Eastern Bank Treasury significantly contributed to revenue streams, facilitating resilience against negative market movements.

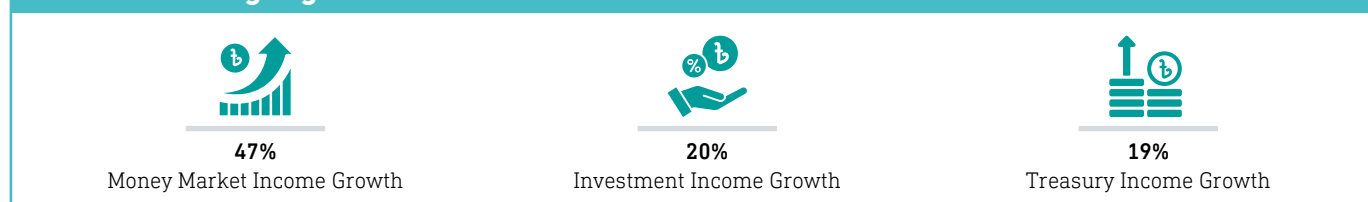
Organogram of Treasury, FIs & Offshore Banking



Strategic focus in 2023

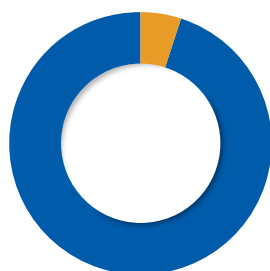
- Self-reliant FCY sourcing through new remittance house tie-ups.
- Core focus on convergence of liquidity forecasting and risk management to protect organization's interest in volatile market.

Performance highlights 2023



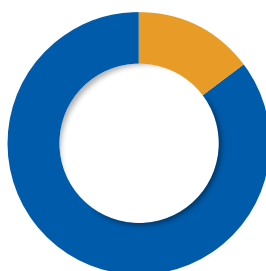
EBL's Market share

Spot Market



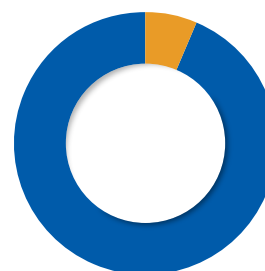
EBL 5.07% Others 94.93%

SWAP Market



EBL 14.78% Others 85.22%

G-Sec Market



EBL 6.60% Others 93.40%

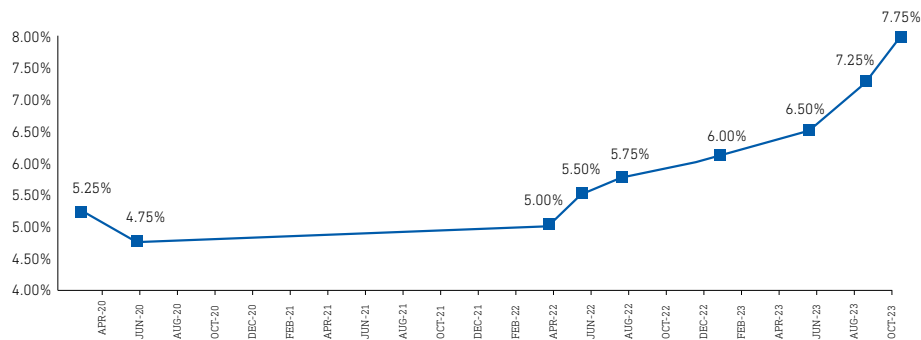
Our Market Performance in 2023

Money Market

Due to increased borrowing by the government and a growth in the disbursement of industrial term loans, local currency liquidity pressure was perceptible from the outset of the year 2023. Excess reserve and liquid assets also depleted rapidly throughout the year indicating high pressure on local currency demand.

To combat inflationary pressure caused by government borrowing and stimulate economic growth, central bank raised policy rate by 2% during the year. Amid discussions on establishing a market-driven lending rate, Bangladesh Bank introduced a reference lending rate, marking a departure from the three-year regime of a fixed interest rate cap. This new benchmark, known as the SMART rate, will be calculated based on the six-month moving average rate of treasury bills, plus a fixed margin set by the central bank. This approach aims to create a more dynamic and responsive interest rate environment, reflecting the actual cost of funds and promoting a more efficient allocation of resources in the financial sector.

Policy rate

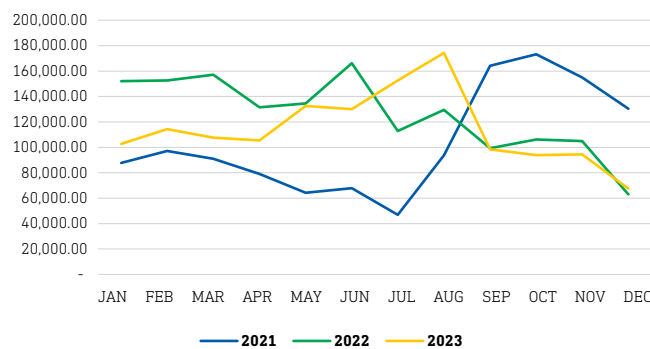


Source: Bangladesh Bank

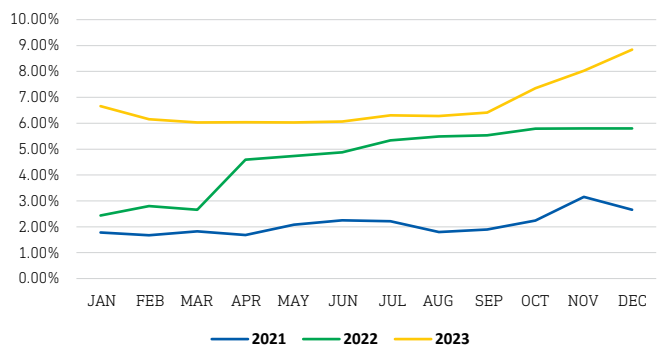
The average call money rate was around 6.15% during the first half of the year which hiked to 6.95% during the second half. During the end of the year amid extreme liquidity contraction call money rate was around 8.84%.

Call Money Volume

BDT in million



Call Money Weighted Average Rate



Source: Bangladesh Bank

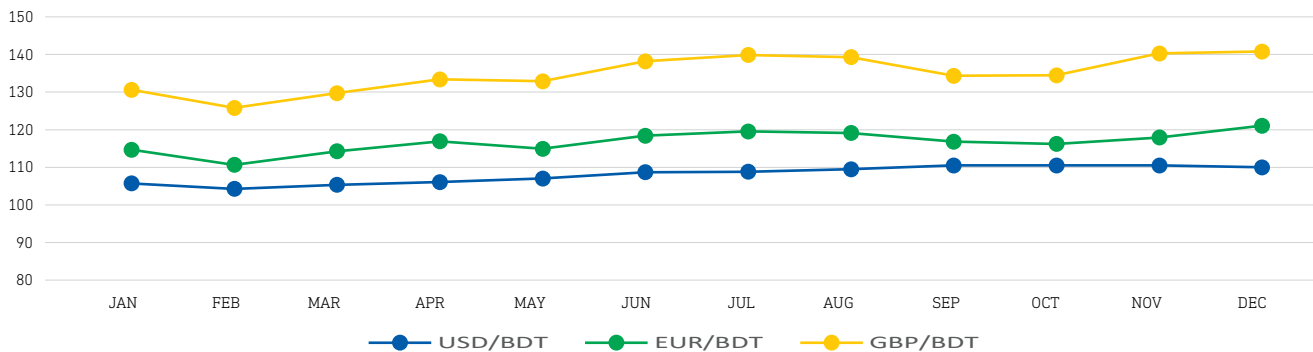
Eastern Bank PLC. was able to maintain its liquidity condition prudently during the turbulent time meeting all the regulatory requirements and increased money market income by approximately 47.00%.

Foreign Exchange Market

The challenges observed in the foreign exchange market persisted during 2023. In response, the government implemented several measures aiming at mitigating the pressure on the US Dollar. Among these initiatives was the encouragement for banks to offer additional incentives for purchasing wage earner remittances, aiming to bolster the inflow of foreign currency and stabilize the exchange rate environment.

Throughout 2023, the Bangladesh Foreign Exchange Dealers Association (BAFEDA), in collaboration with the Association of Bankers, permitted a gradual depreciation of the Bangladeshi Taka. This strategic move was aimed at encouraging the influx of exports and remittances into the country while simultaneously discouraging imports, to balance the country's external trade dynamics. Within 12-Months period, Bangladeshi Taka devalued against US dollar from USD/BDT 101.00 to the highest USD/BDT 111.00. During the meeting on August 1, 2023, between BAFEDA and ABB, it was decided to transition from a moving average buying rate to a fixed rate. A fixed rate regime was established to be adhered by all the banks in the industry. ABB and BAFEDA removed the limit on the 2.5% incentive allowing the commercial banks to offer 2.5% more to attract wage earners remittance.

Major Currencies against BDT in 2023



Source: Bangladesh Bank

Bangladesh Bank undertook measures to enhance the state of the foreign exchange market, permitting a substantial depreciation of the Bangladeshi Taka (BDT) through sale of US dollars (USD) from its reserves into the market, aiming to fulfill import obligations. Furthermore, Bangladesh Bank took certain measures to ensure the increase of supply of foreign currency by minimizing the percentage of foreign currency that can be kept as exporter retention quota (ERQ), increasing in the annual interest rate of EDF loans, increasing the LC margin and advance payment requirement, removing the cap on interest rate for Non-resident Foreign Currency Deposit (NFCD) and simplifying the process for wage earner’s remittance. To ensure uninterrupted import of essential commodities, Bangladesh Bank kept on injecting US Dollar from the reserve to ease out the pressure on the exchange rate. The gross foreign exchange reserve stood at USD 27.13 billion at the end of 2023 from that of USD 33.75 billion at the end of 2022.

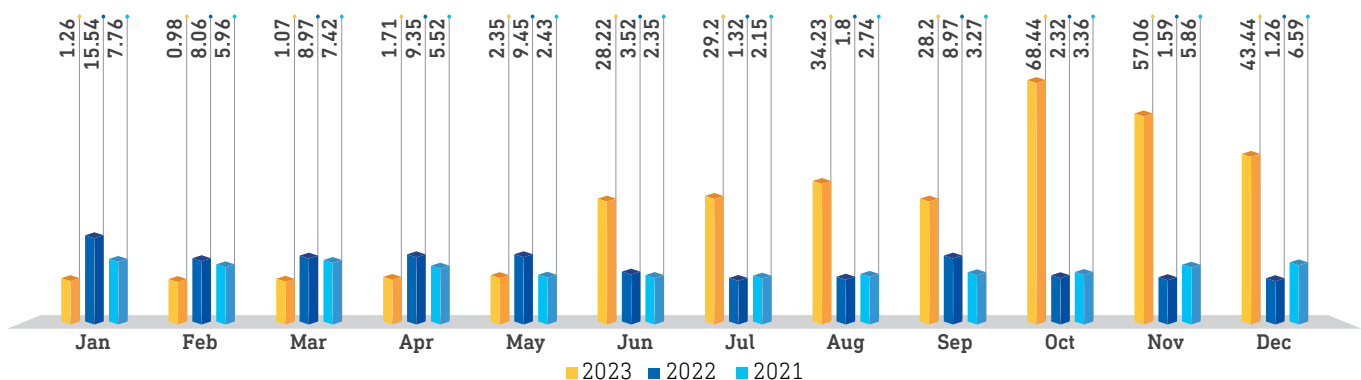
The year 2023 was the year to rebound from the persisting crisis in the banking industry. Eastern Bank PLC. relied mostly in the interbank market and acquiring wage earners remittance. EBL was prompt to address the crisis and took a balanced approach in maintaining exports and imports ensuring significant profit growth in 2023.

NRB Remittance

As a trade-focused bank, Eastern Bank PLC. actively seeks sustainable foreign currency inflow to meet client needs. Despite facing challenges, a notable milestone was achieved this year with the successful securing of USD 296 million in inward remittances. Significant partnerships were established with key industry players, including Merchantrade Asia and Ria Money Transfer, while ongoing collaborations with other partners are actively advancing. The bank also introduced a 24/7 real-time remittance service, facilitating disbursement through NPSB and MFS channels to ensure enhanced service for clients. EBL remains committed to providing fast, secured, and innovative financial services, particularly for wage earners’ remittance customers. These advancements solidify its position as a dynamic financial institution dedicated to meeting the diverse needs of its clientele.







NRB Remittance Inflow (EBL)

USD in million



Source: Bangladesh Bank

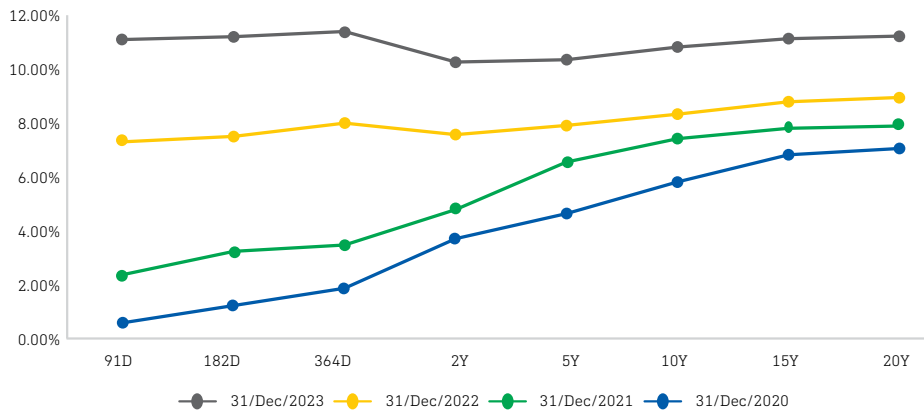
Remittance Business Tie-Ups in 2023

					
Merchantrade Asia Global	Nec Money Transfer Limited United Kingdom	Placid Express Global	Ria Money Transfer Global	Gmoneytrans Co. Ltd. Republic of Korea	Crosspay Ltd. United Kingdom

Fixed Income Securities Market

In 2023, Bangladesh experienced significant financial volatility, highlighted by a 12-year high inflation rate of 9.48%. Key policy changes included a policy rate hike from 5.75% to 7.75%, the introduction of SMART rate benchmark following the removal of lending rate caps, and the economic fallout from the Russia-Ukraine conflict, which collectively pushed interest rates up by 2% to 3%. The Fixed Income Securities Market experienced heightened vibrancy, driven by the increased returns on fixed income securities, attracting a significant number of individual investors. Throughout the year, Bangladesh Bank implemented various measures to simplify the investment process in government securities for individual investors. Despite the surge in interest rates, a substantial amount of Government Securities (G-Sec) was traded outright, reaching BDT 109,023.91 crore in FY 2022–23. Eastern Bank played a pivotal role, contributing 6.60% to the overall market turnover volume, showcasing notable growth from the previous year's 4.82%. Eastern Bank's revenue generated from the fixed income securities market also witnessed a substantial increase of 20% compared to the prior year.

Yield Curve Comparison



Source: Bangladesh Bank

Asset liability Management (ALM)

Asset-liability management (ALM) is the strategic process of maintaining equilibrium between an institution's assets and liabilities, ensuring it possesses adequate funds to meet its obligations and sustain regular operations. This practice is particularly vital in the banking sector, requiring institutions to find a harmonious balance between earning revenue through lending activities and maintaining sufficient cash reserves to cover deposit withdrawals and other commitments. In 2023, Eastern Bank in response to significant market dynamics, including challenges such as the high inflation rate, removal of the loan rate cap, market-based exchange rates, and the adoption of a contractionary monetary policy, meticulously monitored and managed its balance sheet. The bank proactively adjusted its strategies to navigate these market hindrances effectively, ensuring resilience and safeguarding its financial position. In this context, Eastern Bank's unwavering focus on ALM played a pivotal role in protecting the institution from adverse market conditions, allowing it to continue delivering a high level of service to its customers. To further ensure overall financial stability, the ALCO routinely monitored various regulatory standards, including the Maximum Cumulative Outflow (MCO), Liquidity Coverage Ratio (LCR), and Net Stable Funding Ratio (NSFR), among others.

ALCO prioritized below areas in 2023:

- Managing financial risk & challenges
- Focus on timely investment in government securities
- Liquidity Management
- Balance sheet growth

International Business & Offshore Banking

Throughout 2023, International Business and Offshore Banking department marked significant milestones, supporting Eastern Bank PLC's (EBL) commitment to excellence, innovation, and sustainability in financial services. Here are the key highlights:

International Trade Finance Support: In order to support the international trade, EBL sourced a substantial foreign currency (FCY) fund amounting to USD 512.00 million for Offshore Banking Operation (OBO) from international banking partners. To expand the clients' international trade operations, EBL also provided Letter of Credit (LC) services by arranging LC Confirmation and Financing worth USD 575.00 million from various large foreign banks. Moreover, EBL's OBO facilitated LC Financing to the tune of USD 156.90 million. It showcases EBL's robust global banking relationships and trust in financial stability.

Sustainability Initiatives: EBL has completed a pilot project on Carbon Accounting in collaboration with DEG, the German Development Finance Institution and their partner JIM Foundation. Utilizing the Joint Impact Model, EBL has successfully estimated the greenhouse gas (GHG) impact within its portfolio. JIM's carbon accounting is based on standards set by PCAF (Partnership for Carbon Accounting Financials). Detailed insights into carbon accounting practices are presented in the sustainability report section of this annual report.

Innovative Financial Instruments:

- EBL and Abu Dhabi Commercial Bank (ADCB) signed a Master Forfaiting Agreement with ADCB and successfully completed a pilot forfaiting transaction, under "the Uniform Rules for Forfaiting (ICC Publication no. 800).
- EBL has inaugurated the first import and export transaction in INR, facilitated through a special INR Nostro Account opened with ICICI Bank. This initiative paves the way for enhanced trade finance operations between the involved countries.

Credit Guarantee Facility from US Department of Agriculture: EBL has been approved for a limit to participate in the Export Credit Guarantee Program (GSM-102) of US Department of Agriculture. The GSM-102 program provides credit guarantees to encourage financing of commercial exports of U.S. agricultural products.

Banking Network Expansion: The opening of USD and BDT Vostro Accounts of JP Morgan with EBL is an evidence to EBL's expanding international banking network. This USD and BDT Vostro Accounts will increase EBL's global transaction capabilities.

Guarantees: EBL has continuously been demonstrating one of the chosen banks by foreign financial institutions in the field of issuance of guarantee for large projects. Demonstrating EBL's capacity to facilitate large-scale infrastructure projects and solid partnership with global financial institutions, EBL issued a single guarantee of USD 82.00 million in favor of RPCL-NORINCO Intl. Power Limited, backed by a counter guarantee from the Exim Bank of China.

Way forward

- Exploring new NRB partnerships
- Effective liquidity management in coming years
- Mobilization of funds through prudent asset-liability management
- Keeping desired level of interest rate spread
- Digitization of treasury products and services

EBL Islamic Banking

Overview

The journey of EBL Islamic Banking started with the aim of conducting banking business in accordance with Islamic Shariah. Islamic Banking is defined as banking system which is in consonance with the spirit, ethos and value system of Islam and governed by the principles laid down by Islamic Shariah and will refrain from accepting or paying any interest on any transaction. On the other hand, Conventional banks are in the business of lending & borrowing money based on interest.

Over the years, Islamic Banking has experienced a phenomenal growth and expansion in Bangladesh due to strong public demand and support for the system along with its increasing popularity across the world. According to Quarterly Report on Islamic Banking in Bangladesh published by Bangladesh Bank, at the end of December 2023, there were 10 full-fledged Islamic banks in Bangladesh operating with 1670 branches amongst total 11,283 branches in the whole banking system. In addition to this, 30 Islamic banking branches of 15 conventional commercial banks and 624 Islamic banking windows of 16 conventional commercial banks are also providing Islamic financial services in Bangladesh. Total Investment (loans & advances) of Islamic banking system stood at BDT 4,449.74 billion at the end of December 2023 which is around 28.92% of total loans & advances of the whole banking sector. And, Total deposits of Islamic banking system reached to BDT 4,434.03 billion at the end of December 2023 which is around 25.35% of total deposits of the entire banking sector. To grab the market share and keep pace with the competitors, in 2024 EBL is ready to launch its Islamic Banking operations (received license from Bangladesh Bank) through its Islamic banking windows.

Main features of EBL Islamic Banking

- A strong Shariah Supervisory Committee consisting of members who are well reputed Islamic jurisprudence in the country.
- Separate accounting and fund management system.
- A world recognized Shariah compliant Islamic core banking system.
- A wide range of Shariah compliant products and services for assets and liabilities.
- Dedicated and professional Islamic banking team.
- Shariah compliant profit distribution system for the depositors.

Products and services

Deposit products

In EBL Islamic Banking, we shall have a wide range of Shariah compliant deposit products designed for people from all segments. EBL Islamic deposit products are:

- Current account based on Al-Wadiah.
- Savings Deposits (MSD) based on Mudarabah.
- Short Notice Deposits (MSND) based on Mudarabah.
- Term Deposits (MTD) of different tenors based on Mudarabah.
- Recurring Deposits of different tenors based on Mudarabah.

Investment/financing products

EBL Islamic Banking has already developed a good number of investment/financing products to cater the needs of Retail, SME and Corporate customers. Trade finance services like letter of credit and guarantees will also be available. Through Shariah compliant investment/financing products, EBL will contribute to the development of the industry. At present following investment/financing products are available:

- Financing under Murabahah to the purchase order (MPO).
- Continuous Musharakah Finance.
- Istisna'a Export.
- Term Finance under diminishing Musharkah or Hire Purchase under Shirkatul Melk.
- Post Export Finance.
- Musharakah Export Finance.
- Letter of Credit.
- Bank Guarantees etc.

Impact of Islamic Banking on the balance sheet

EBL has good reputation for its banking services in local and global markets. Introduction of Islamic Banking will further add some value to that. With the growth of both assets and liabilities, profitability of EBL will also increase. We shall have a sound balance sheet for the incorporation of Islamic Banking products and services. The value of the shareholders will also be increased.

Performance Review of EBL Subsidiaries

Market Scenario in 2023

The capital market navigated through a year of subdued fluctuations, with the Dhaka Stock Exchange's broad index (DSEX) experiencing a tight trading range. Throughout the year, the DSEX fluctuated between 6,178 and 6,367 points, ultimately settling at 6,246 points at year-end, reflecting a modest uptick of 0.6%. The market's total

capitalization saw a slight increase of 2.6%, reaching BDT 7,808.5 billion. The continuation of the floor price mechanism has impacted the liquidity and fund flow into the market as around 60% of the total market capitalization (excluding debt securities) was mostly illiquid throughout the year, which was also evident from the daily average turnover falling by 39.8% to BDT 5.8 billion as compared to BDT 9.6 billion in the previous year.

Key factors

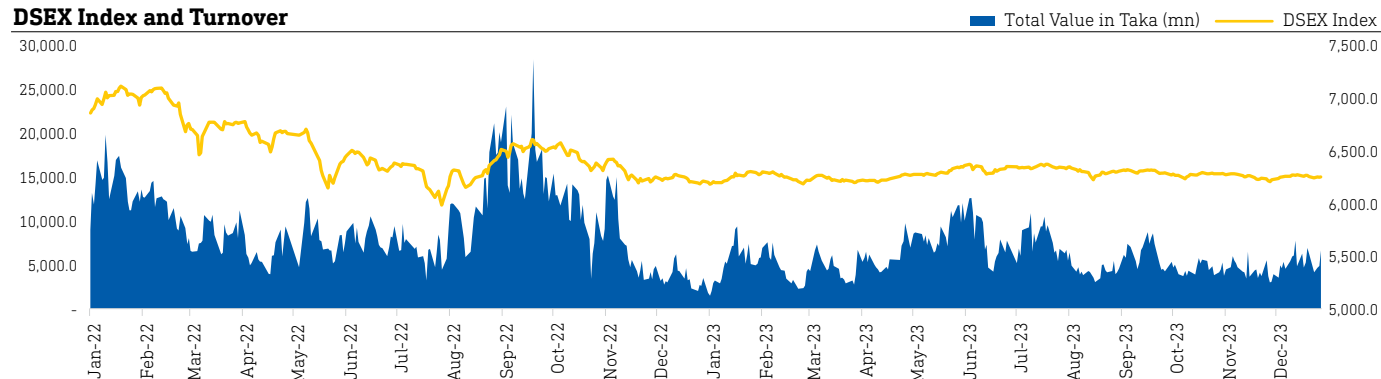
- Pre-election economic uncertainty.
- High inflation, foreign exchange volatility and strain on the foreign currency reserve.
- Monetary tightening Initiatives taken by the central bank to combat inflation.
- Curbed liquidation opportunity due to the continuation of floor price mechanism.
- Foreign loan support from IMF and ADB.
- Downgraded rating from global investment firms.
- Investors taking cautious stance.

DSEX index and turnover

Particulars	2023	2022	2021	2020
Market Cap (BDT in billion)	7,809	7,609	5,422	4,482
DSEX Index	6,246	6,207	6,757	5,402
Avg. Daily Turnover (BDT in million)	5,781	9,603	14,749	6,489
Market P/E	13.1	14.1	16.3	16.5

Source: Dhaka Stock Exchange Limited (DSE) and EBLSL Research

DSEX Index and Turnover



Depreciation of the local currency and the persistent inflationary pressure have also posed challenges to corporate profitability that fueled further investor concerns about the market. The currency devaluation has also prompted foreign investors to liquidate their holdings, leading to a decline in foreign portfolio investment in Bangladesh's stock market to USD 2.3 bn in FY'23, from USD 2.9 bn in FY'22. Furthermore, slowdown in trading activities has also impeded the listing of new securities in the market as only two companies got listed on the main board through IPOs during the year, compared to nine companies in 2022.

In addition, the upward trend in interest rates within the money market, driven by Bangladesh Bank's efforts to counter inflation, has impacted the flow of funds into the capital market. The policy rate, or repo rate, has been hiked multiple times and settled at 7.75% as of December 2023, which was 6.00% in January 2023. Apparently, the call money rate reached its new peak of 9.19% in December

2023, the highest in 11 years. Moreover, the yields on Treasury bills and Treasury bonds have also increased significantly during the year. Furthermore, the central bank came up with a SMART lending rate system in its monetary policy stance from July 2023 which led to a gradual uptick in bank lending and deposit rates.

Moreover, increased government borrowing from commercial banks coupled with ongoing dollar sales from the central bank's reserves, have exacerbated liquidity strains within the country's banking sector. Nonetheless, foreign loan assistance from the IMF has alleviated pressure on the nation's foreign exchange reserves by year-end, offering some relief amidst the prevailing macroeconomic challenges. However, pre-election economic uncertainties had a notable impact on investor sentiment, prompting them to reduce their capital market exposure as concerns persisted regarding the market's performance this year.

In the year 2023, the stock market's regulatory body introduced several significant initiatives aimed at invigorating the market. These included the launch of the Alternative Trading Board (ATB) platform, opening the doors for all investors to participate directly in primary auctions for Treasury Bonds (T-Bonds). Moreover, a longstanding issue regarding the exclusion of bonds and other fixed income securities from the calculation of banks' capital market exposure was effectively resolved with the passage of the "Bank Company (Amendment) Act-2023." Despite these forward strides, Bangladesh's capital market navigated through a challenging time in 2023, buffeted by a mix of domestic challenges and external pressures.

Capital market expectations for 2024

There's a strong sense that the capital market is ready to bounce back in 2024 after a couple of tough years. This hopeful turnaround is driven by few key things: the overall economy is slowly getting better, worries about local political issues are starting to ease and there's a good chance that some of the strict rules put in place during the harder times will be lifted. All these factors together make it look like investors will have more reasons to be excited about the market's future.

Key factors

- Global economic and geo-political stability.
- Moderate improvement of the current macroeconomic scenario.
- Expected easing of tensions on the political front following the national election.
- Withdrawal of the floor price restrictions.
- Proactive regulatory initiatives to boost investor confidence and enhance market participation.

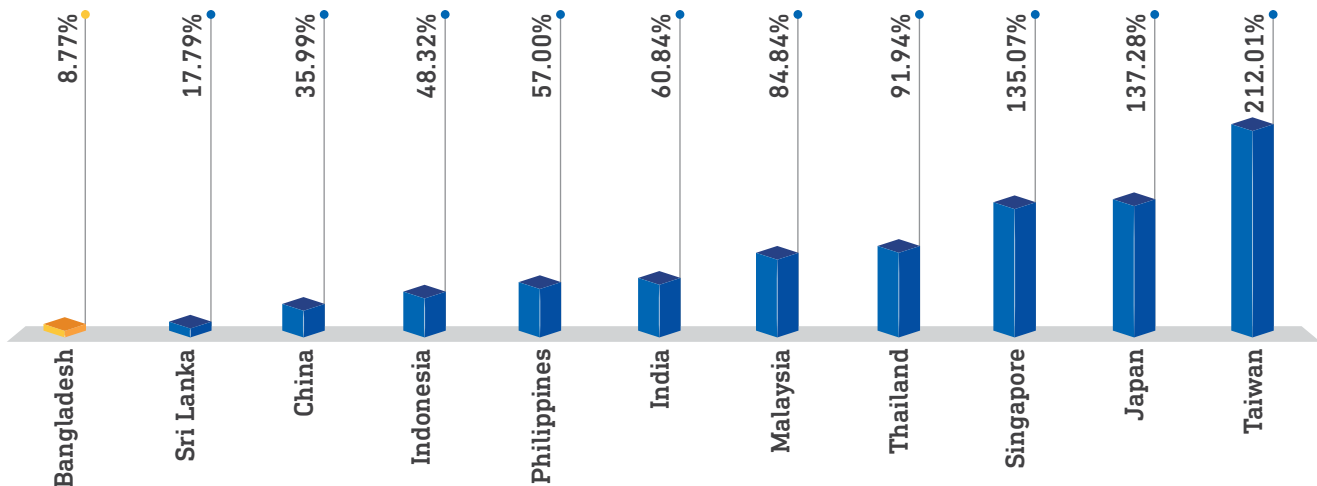
BSEC has withdrawn the Floor Price mechanism in the first quarter 2024. Although the equity market has experienced an initial correction as a result of the withdrawal, it is likely to recover and overall market turnover can be expected to improve as funds unlocked will become available for reinvestment.

Bangladesh Bank is focusing on keeping inflation under control through its latest monetary policy, which includes increasing policy rates. The goal is to reduce inflation by the middle of 2024. However, reaching this target could be challenging, especially if there are more cuts to energy subsidies and if the local currency, the Bangladeshi Taka (BDT), continues to lose value. On the bright side, concerns about not having enough cash in banks will lessen

in 2024 as deposit rates go up. Despite the obstacles faced in 2023, exports and remittances are expected to begin rising again. Also, it's anticipated that the current account balance will stay positive in 2024, which should make investors feel more optimistic about the future.

As the yield of Government Securities (G-Sec) is currently at a historic high level, retail and institutional interest in investing in G-Sec is likely to increase and DSE's G-Sec trading platform is expected to witness increased participation in 2024. DSE-SME is also expected to see increased participation as a number of new companies were enlisted on the platform this year, while some are on their way to getting listed on the SME Board by next year.

Equity M. Cap to GDP (%)



Source: DSE Monthly Review (Year-End Special Edition 2023)

The capital market of Bangladesh still remains an attractive place for the investors from home and abroad since there is enormous growth opportunity for the market in the long run as the Market Cap to GDP ratio is one of the lowest in the world with a moderate level of PE ratio and dividend yield compared to its peer markets. Unlike 2023, companies with sound fundamentals from FMCG, Pharmaceuticals & Chemicals, Bank and Insurance are expected to

stand out in 2024 and companies from Engineering, Construction and Textile may report earnings recovery. Companies heavily leveraged and reliant on imported raw materials may encounter challenges sustaining their profitability margins and earnings. Overall, 2024 is expected to bring a welcome relief for investors, marking a positive turn after the challenges faced in 2023.

EBL Securities Limited

EBL Securities Limited (EBLSL), a leading brokerage firm, consistently ranks among the top ten brokers on the Dhaka Stock Exchange PLC. (DSE), marking its significant presence in Bangladesh's capital market. This esteemed position is reinforced by its status as a wholly-owned subsidiary of Eastern Bank PLC., demonstrating a robust backing and a strong foundation in the financial sector.

Strategic Focus in 2023

- Generating adequate trade turnover to keep EBLSL's market share intact.
- Effectively monitoring & managing the Margin Loan Accounts with caution.
- Preventing any kind of non-compliant activity related to the trading and settlement of securities.
- Launching EBLSL's new website to provide more detailed information about the services offered and easier access to the research reports to the targeted audience to enhance EBLSL's brand value.
- Facilitating clients with a web-based client portal so that they can access and manage their accounts from any location.
- Developing the IT infrastructure to ensure seamless operations across every department within the organization.

Key highlight 2023



Ranked 4th in 2023

One of the leading Brokers of DSE



1.75 billion

BDT 1.75 billion Paid-up Capital



1

Dedicated Research Team



5

Locations

With Trading Right Entitlement Certificates (TRECs) for both the Dhaka Stock Exchange PLC. (TREC No. 026) and the Chittagong Stock Exchange PLC. (TREC No. 021), EBLSL showcases its comprehensive access to Bangladesh's stock markets. Additionally, the firm holds a Depository Participant (DP) license, further enhancing its portfolio of services.

Headquartered in Dilkusha, EBL Securities Limited extends its reach with an office in the DSE Tower, Nikunja, signifying its strategic positioning within the financial ecosystem. The firm's dedication to accessibility and client service is evident through its branches in Dhanmondi, Dhaka, and Agrabad, Chattogram, as well as a digital booth in Khatungonj, Chattogram, catering to a diverse client base across key financial hubs.

Products and services



**Brokerage Services:
DSE & CSE**

Error free & compliant trade execution and margin trading



**CDBL Services:
Full Service DP**

BO Account Opening & Maintenance, Share Transfer and Transmission through CDBL



Research Services

Equity Valuation, Industry & Macroeconomic Review, Daily & Weekly Market updates



Daily Electronic Notification

Daily Portfolio Statement, Trade Confirmation & Research Reports through Email & SMS



Foreign Trade

Trading for Foreign Investors & NRBs



Margin Loan Facilities

Competitive Rates and Easy Processing



Panel Brokerage

Special Trading Services/ Terminals for Institutional Investors



Trade with Ease

Trade instruction through DSE Mobile & Desktop App and BO Account management through EBLSL App and Client Portal

Performance highlights 2023

In 2023, EBL Securities Limited (EBLSL) adeptly navigated through the challenges in a subdued market environment, demonstrating resilience by elevating its market share from 6.0% in 2022 to 6.9% in 2023, while its turnover ranking on the Dhaka Stock Exchange PLC. (DSE) has also improved to 4th position in 2023, up from 6th in 2022.

BDT in million

Particulars	2023	2022
Total Operating Income	417.38	668.76
Net Profit/(Loss)	129.41	161.63
Total Assets	8,774.48	7,586.81
DSE Ranking	4th	6th
Market Share	6.9%	6.0%

Despite a downbeat vibe and lower turnover in the market, EBLSL has been able to maintain a stable financial performance as the company earned total operating income of BDT 417.38 mn and net profit of BDT 129.41 mn during the year. However, the operating profit margin declined to 58.5% in 2023 due to reduced commission income and investment income amid overall sluggishness in the market, but the cost-to-income ratio still remained one of the lowest among the top-tier brokerage firms. EBLSL also disbursed BDT 100.00 mn of dividend (77.3% Payout) during the year, which was one of the highest dividend payouts among the peer companies.

Award & recognition

In 2023, EBL Securities Ltd. received the 1st prize (Best Stock Broker & Stock Dealer in Bangladesh) in the Golden Jubilee of Independence Award 2022 organized by the Bangladesh Securities and Exchange Commission (BSEC).



EBLSL wins first prize in the Golden Jubilee of Independence Award 2022

Way forward

- Expanding business through hiring business people, conducting customer outreach programs and connecting customers through online media.
- Arranging low-cost funds for facilitating growth of the company and ensuring effective monitoring of Margin Loan & proper management of Negative Equity to increase profitability.
- Implementing Order Management System (OMS) to ensure better compliance, efficient trade operation and seamless integration of back-office & front-office operations.
- Launching EBLSL's Mobile Application to offer more web-based services to clients and digitization of account opening, maintenance and service delivery process to ensure maximum customer satisfaction.
- Investing in human capital development and promoting service excellence by engaging all employees in product and service innovation, arranging training programs, and encouraging job rotation within the organization.
- Enhancing investment opportunities and broadening the client base by promoting investment in Government Securities (G-Sec) as a secure and profitable investment avenue.
- Exploring cross-selling opportunities by co-branding with parent i.e. Eastern Bank PLC. and sister concerns to maximize offline and online customer outreach.

EBL Investments Limited

EBL Investments Limited (EBLIL), a fully owned subsidiary of EBL, is a full-fledged merchant bank offering a complete spectrum of investment banking services including conventional merchant banking activities. It offers a wide array of financial solutions spanning from debt to equity and facilitates through services such as Issue Management, Portfolio Management, Underwriting and Corporate Advisory services.

Strategic focus in 2023

Significant revenue generation from Capital Gain, Dividend Income and Fees & Commission Income.

Performance highlights 2023



Provided trustee services for 9 bonds worth total BDT 32,700 million.



Underwritten public issue of shares and perpetual bonds worth BDT 141.25 million



Significant capital gain through secondary market operation



Improved technological setup for effective client service and smooth operations

Products and services

- Issue Management (IPO, RPO, Rights)
- Portfolio Management (Discretionary and Non-discretionary)
- Underwriting (IPO, RPO, Rights, Perpetual Bonds)
- Corporate Advisory Services (Lead Arranger of Bonds, Preference Shares, Sukuk, Loan Syndication, Mergers & Acquisitions), Trustee Services

Key financials

BDT in million

Particulars	2023	2022
Operating income	43.23	45.21
Operating profit	16.04	18.52
Profit before tax	16.04	8.52
Profit after tax	10.93	6.75
Total assets	850.50	513.54

Way forward

- Positioning EBLIL to be one of the leading merchant banks in the country.
- Focusing on Corporate Advisory services.
- Offering both discretionary and Non-discretionary portfolio management services to clients.

EBL Asset Management Limited

EBL Asset Management Limited (EBLAML) obtained license from Bangladesh Securities & Exchange Commission (BSEC) on 25 May 2017 for asset management operation. The main objective of EBLAML is to carry out the business of asset management, portfolio management, fund management and other financial services. These services encompass corporate advisory services, merger & acquisitions, equity investment, corporate restructuring, financial & socio-economic consultancy, corporate research & project studies, privatization, and related services in Bangladesh and overseas.

Strategic focus in 2023

Introducing Systematic Investment Plan (SIP) and appointing reputed banks and financial institutions as selling agents of our mutual fund.

Key products and services



Mutual Fund Management



Corporate Advisory



Portfolio Management for HNWI (High-net-worth individuals)

Performance highlights 2023

Key financials

BDT in million

Particulars	2023	2022
Operating income	9.77	7.17
Operating profit/(loss)	(5.52)	(6.88)
Net profit/(loss)	(6.33)	(6.29)
Total assets	253.58	261.21

Dividend declaration

Particulars	2023	2022	2021
Dividend declared to Unit Holders of EBL AML 1st Unit Fund	6.25%	5.00%	12.00%

Customers outreach

BDT in million

Particulars	2023	2022	2021
Fund raised by EBL AML 1st Unit Fund (YoY)	255.67	179.18	160.00

EBLAML introduced its SIP plan in 2023 and received positive response from the market. EBLAML has been in discussion with several institutions including banks about the possibility to work as selling agents for EBLAML 1st Unit Fund.

Way forward

Mutual Fund industry is still at an early stage in our country compared to its peers as the Asset under Management (AUM) was BDT 58.6 bn in 2023. The completion of the general election has had a positive impact on the market, and the recent removal of floor prices from the capital market has been widely appreciated. Moreover, we have seen a few IPOs already in 2024 and expect more IPOs will come that may impact the earnings positively. Overall, we expect that 2024 will be a more promising year for the mutual fund industry.

EBL Finance (HK) Limited

EBL Finance (HK) Limited, a fully owned foreign subsidiary of Eastern Bank PLC, has been functioning successfully in Hong Kong since 2013. It has been steadily developing its business base in Hong Kong, aligning with EBL's goal of broadening revenue streams and extending service capabilities internationally. Operating under Money Lending License, the company has been successfully catering to businesses of clients from both Bangladesh and Hong Kong with diverse range of trade-related products and services.

Strategic focus in 2023

Due to the USD crisis, EBL Finance (HK) Limited had to slow down Usance Payable at Sight (UPAS)/refinancing activities against third-party bank's acceptance. The main focus of EBL Finance (HK) Limited was on UPAS/refinancing of Letters of Credit (LCs) issued by EBL. Throughout 2023, EBLFHK concentrated on enhancing LC advising services as a key strategic focus amidst the challenging economic conditions.

Market scenario & our approach

During the ongoing economic crisis, rising prices of fuel and commodities have made sourcing USD more expensive and challenging in Bangladesh, thus constraining business operations. Additionally, in Hong Kong, market competition has intensified with the establishment of fully owned subsidiaries by local banks. However, despite these challenges, EBL Finance (HK) Limited has sustained its position as the largest Bangladeshi financial institution in Hong Kong, both in terms of business volume and customer base. Furthermore, EBL's representative office in Guangzhou is actively supporting EBL Finance (HK) Limited in expanding its clientele within mainland China.

Key financials

Particulars	HKD in million	
	2023	2022
Net assets	35.99	37.56
Revenue	34.53	29.39
Operating profit	2.65	8.91
Profit after tax	2.28	7.38
Loan Asset Size	261.43	391.56

Way forward

In the face of regulatory challenges anticipated this year, EBL Finance (HK) Limited remains steadfast in its commitment to expand its customer base through a diverse array of services and innovative customer solutions. The company is determined to navigate through the challenges with a strong emphasis on good governance and strict compliance standards. With a robust capital base, a solid market presence, and a well-equipped leadership team, EBL Finance (HK) Limited is poised for sustained growth and financial stability in the years ahead.

eblHR: The Trendsetter in Caring HR Practices

At EBL, we place great importance in putting right people at right place at a right time. The establishment and maintenance of ethical, transparent, and effective HR practices is fundamental to embed such corporate values to all our employees in the Bank. We aim to promote fairness, accountability, and compliance with relevant laws and regulations through our approach in dealing with people. We strive to maintain the highest standards of integrity and professionalism by adopting robust policies, clear communication channels, and regular audits. We aim to improve trust, reliability, and overall organizational success in the human resources area by adopting a culture of good governance.

Strategic focus in 2023

- Fostering a positive work environment and culture that promotes employee engagement and satisfaction.
- Investing in continuous learning and development opportunities for employees to enhance their skills and contribute to organizational success.
- Establishing effective performance management processes to align individual goals with organizational objectives.
- Implementing HR app and other tech solutions to automate routine tasks.
- Prioritizing the well-being and mental health of employees through wellness programs and support initiatives.

Performance highlights in 2023



5 E-certification programs for 11,622 participants.



E-learning exams held for 3,016 employees



42 sessions held at EBLNEST



21 foundation programs for 1,005 participants



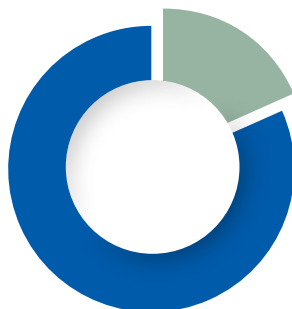
Future leader program for 40 future leaders.

EBL employees

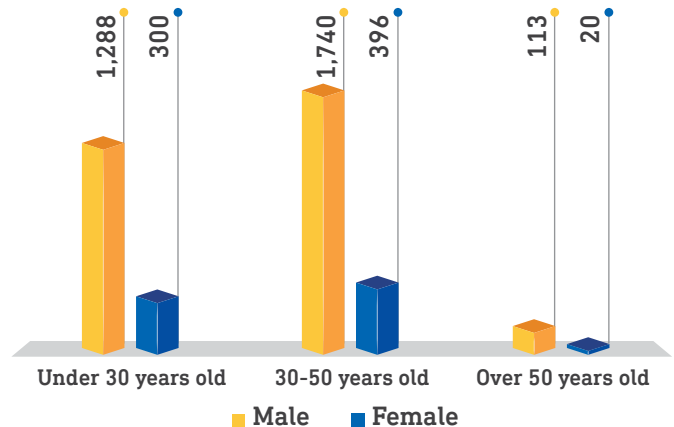
Region wise	Male	Female	Total
Dhaka	2263	604	2,867
Chattogram	547	94	641
Rajshahi	67	1	68
Khulna	112	6	118
Sylhet	87	8	95
Barishal	17	1	18
Rangpur	30	2	32
Mymensingh	18	0	18
Total	3,141	716	3,857

Grade wise employee	Male	Female	Total
Senior Level (SAVP & Above)	232	29	261
Mid-level (SPO-FAVP)	610	105	715
Entry Level (AO-PO)	1141	377	1,518
Trainee Level (TAO)	1133	205	1,338
Support Staff	25	0	25
Total	3,141	716	3,857

Ratio of employee (male-female)



Employees' age distribution



People acquisition

People’s acquisition team at eblHR contributes to EBL’s mission and success by hiring the best candidates for job roles. We use a

Recruitment 2023	Male	Female	Total
Future leader program	36	4	40
General recruitment (permanent)	229	64	293
General recruitment (trainee)	534	57	591
No. of absorbed employees (trainee to permanent)	177	40	217
Total	976	165	1,141

world-class methodology to find and hire competent personnel to suit organizational needs. At EBL, we prioritize hiring individuals with the correct attitude.

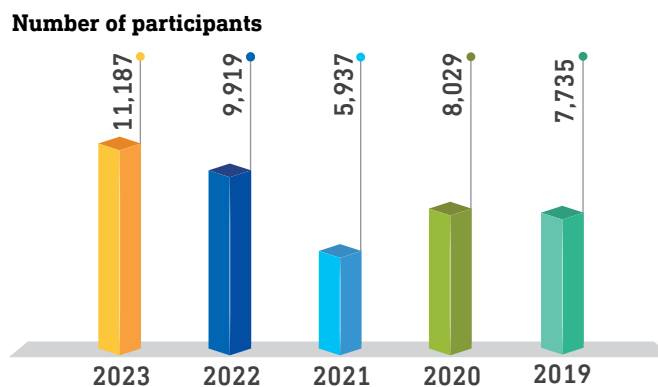
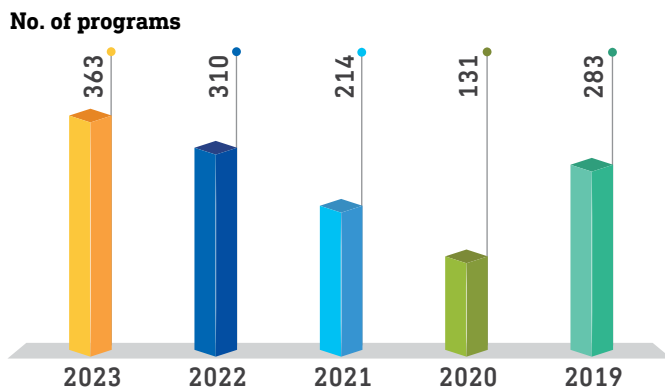
Grade wise recruitment	Total
Senior Level (SAVP & Above)	15
Mid-Level (SPO-FAVP)	75
Entry Level (AO-PO)	460
Trainee Level (TAO)	591
Total	1,141

Talent development

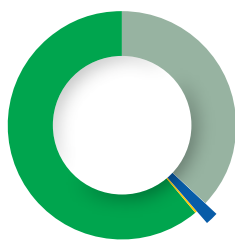
We facilitate continuous learning and development for our employees to have a competitive edge, not just a competent employee. The 363 learning and development programs were

arranged for 11,187 participants along with e-learning & e-certification programs were arranged for 17,593 participants in 2023 that reflect the organization’s emphasis on keeping employees updated, competitive, motivated, and engaged in their work.

Learning & development programs trend

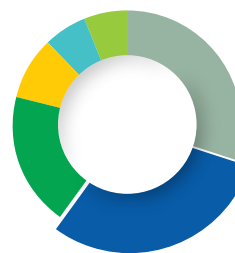


Number of participants in training programs 2023



In House, 10,694 Local, 486 Overseas Program, 7 Certification Program, 17,593

E-learning 2023 results



Outstanding, 30% Very Good, 30% Good, 19% Average, 9% Improvement Needed, 6% Unsatisfactory, 6%

Furthermore, e-certification courses and e-learning exams provide employees with the opportunity to develop their skills and knowledge at their own pace and convenience making learning more accessible and flexible.

To cater the demand of EBL employees, we arranged training on Global Reporting Initiative (GRI), Islamic Banking and Bancassurance.

These sessions are a proactive step to show our commitment to follow international and industry best practices with adequate knowledge. By providing our employees with in-depth insights into these sectors, we are ensuring that they are well-prepared to deliver top-notch services in adherence to the industry standards and regulations.

Training 2023	Male	Female	Total
Foundation program	806	199	1,005
E-learning	4,748	1,225	5,973
E-certification			
1. IT Security & Service	1,886	473	2,359
2. AML & CFT	2,253	544	2,797
3. Living in Professionalism	2,341	582	2,923
4. Maestro of Retail Asset	1,459	359	1,818
5. Maestro of SME Asset	1,395	328	1,723
Other In-house training	8,146	1,543	9,689
Foreign training	6	1	7
BIBM training	150	26	176
Other local training	253	57	310
Average training day/employee	3 days/employee		

Performance management

EBL's performance management system is a key driver of our organizational success promoting individual and collective excellence. By aligning employee efforts with strategic goals, providing regular feedback, and offering opportunities for growth, EBL ensures that its workforce remains motivated, engaged, and well-equipped to meet the challenges of a rapidly evolving banking industry. The performance management system at EBL fosters open communication channels between employees and managers. Regular feedback sessions allow for constructive discussions on achievements, areas for improvement, and future goals. This approach promotes a culture of transparency and mutual understanding.

According to the HR people management policy, all eligible employees' performance is reviewed quarterly and yearly. EBL utilizes a competency-based approach to performance evaluations. This involves assessing employees not only on their job-specific skills but also on broader competencies such as teamwork, communication, and leadership. This comprehensive evaluation ensures a well-rounded view of an employee's contributions. Additionally, the system includes the development of personalized plans to help employees enhance their skills and capabilities, fostering a culture of continuous learning.

Leadership development

The EBL leadership development initiatives are a vital investment in the growth and sustainability of the organization. By nurturing effective leaders, the program contributes to a dynamic and resilient workforce, ultimately driving success in a rapidly evolving business landscape. Our leadership development approach consists of the following steps:

- Identify the key competencies and skills required for effective leadership within the organization.
- Establish clear and measurable goals for leadership development, aligning them with the overall organizational strategy.

- Work with leaders to create personalized development plans based on their strengths and areas for improvement.
- Provide a range of training programs, workshops, and learning opportunities to develop leadership skills, including both technical and soft skills.
- Establish regular feedback mechanisms, such as performance reviews, feedback, and assessments, to help leaders understand their progress and areas for improvement.
- Encourage leaders to apply their skills in real-world situations, providing opportunities for learning through experience.
- Identify potential future leaders create plans for their development and advancement.
- Ensure that leadership development aligns with the organization's culture and values, fostering a leadership style that promotes the company's mission and vision.

Succession planning

Our succession planning is a focused process for nurturing talent in the pipeline. Effective job design, varied internal development opportunities and smart organizational structure are important features of ebHR practice to support the succession planning process. Our objective is to have well-designed succession planning in place which are as follows:

- Regularly assess the demographic composition of the workforce to anticipate shifts in talent availability.
- Establish relationships with educational institutions and industry networks to tap into emerging talent pools.
- Provide training and development programs to bridge identified skill gaps.
- Encourage employees to participate in relevant external training and certification programs.
- Recognize and reward high-performing employees.
- Replacing unique or highly specialized competencies.

Retention strategy

Our people retention strategy is very simple. We hire right people and help them shaping their growth and development. We have developed a good orientation program and encourage open communication. We have an excellent reward package and we maintain a good work-life balance. We believe in “speak up” and we provide leadership opportunities. We have a strong performance-driven culture. We also look after employees’ wellness and we provide out of the box end of service benefits for long-term employees.

Health & safety

Work life balance

At EBL, we prioritize maintaining a healthy work-life balance and remain consistently vigilant in this regard. Achieving this balance is no simple task, and to ensure employee satisfaction in this aspect, we have implemented the following initiatives:

- Monitoring our employees’ working hours and rewarding timely completion of tasks.
- Conducting awareness sessions to promote a better understanding of work-life balance.
- Encouraging individuals to establish daily priorities during morning huddles to complete tasks on schedule.
- Providing training to enhance our employees’ skills in effective time management and prioritization.
- Implementing employee wellness programs dedicated to the overall well-being of our workforce.
- Fostering an environment where employees are encouraged to express their thoughts, ensuring their opinions are valued.
- Facilitating job rotation opportunities and acknowledging the accomplishments of our team members.

Employee wellness

‘People First’ is a well embraced motto engrained in our people management policy. As we strive to be and remain the bank of choice by providing excellent service to our customers; we are equally committed to improve the health, safety and well-being of our people through good HR practices. We recognize that the health of our employees is pivotal to the success of our business – healthier people tend to be happier, more engaged, and more productive.

Our approach towards employee wellness involves:

- Protecting employees by anticipating and managing workplace health risks.
- Promoting health and well-being by organizing various awareness programs that focus on the most important components of behavior change: awareness, motivation, skills & opportunities.
- Supporting employees during and after injury and/or illness through financial and medical advisory support.
- Holding formal employee wellness competitions.

With the most compelling retirement benefits plans and comprehensive wellness programs, EBL strives to ensure employees thrive and avoid burnout.

Employee benefits

Financial benefits

EBL has a competitive financial benefit package that includes increment, festival bonus, performance bonus, staff home loan, staff auto loan, retirement benefits etc. Due to our wide range of financial benefits, we can retain and motivate employees to contribute to our organization.

We believe in equal opportunity and do not discriminate our employees based on race, gender and ethnicity. As a result, the remuneration and basic salary structure to all employees is same regardless of gender, race and ethnicity. All these benefits are streamlined and have been specified in our people management policy.

Critical Illness fund

As per the EBL People Management Policy, all EBL employees are entitled to hospitalization benefits. The entitlements are up to 03 (three) times of the basic salary of the staff. However, there has been cases where the nature of the illness of the staff is so grave that regular provisions/entitlements do not suffice. Recognizing this, the Board of EBL has approved a “critical illness fund” to tackle the catastrophic medical situations.

‘Critical Illness Fund’ is an addition to hospitalization reimbursement benefit that has been approved by the honorable Board of Directors for the employees of EBL. Critical illness claims provides a lump-sum payment to cover medical expenses and financial burdens associated with severe life-threatening medical conditions such as cancer, heart attack, stroke, organ failure, etc. This approach is a more systemic change rather than a charity approach, ensuring EBL is able to support the employees when they need it the most.

Employee leave

All permanent employees are entitled to 28 working days and trainee employees are entitled to 14 working days as annual leave and compliance leave. Along with that, we have sick leave, maternity leave, paternity leave and extraordinary leave. Upon leaving EBL, one can cash out the remaining leave balances as well.

Employee Engagement

At EBL, we have built more than just a workplace – we have created a ‘Home of Happiness’ for our incredible people EBL. Over the past 31 years, we have strived for excellence, embraced innovation, and nurtured a culture that is truly exceptional. Our journey has been marked by our commitment to being the ‘Employer of Choice’ through various initiatives that embody the spirit of happiness and growth. Through various employee engagement programs throughout 2023, we strived towards making a strong bond among everyone in the organization.



Equal opportunity, career progression & diversity

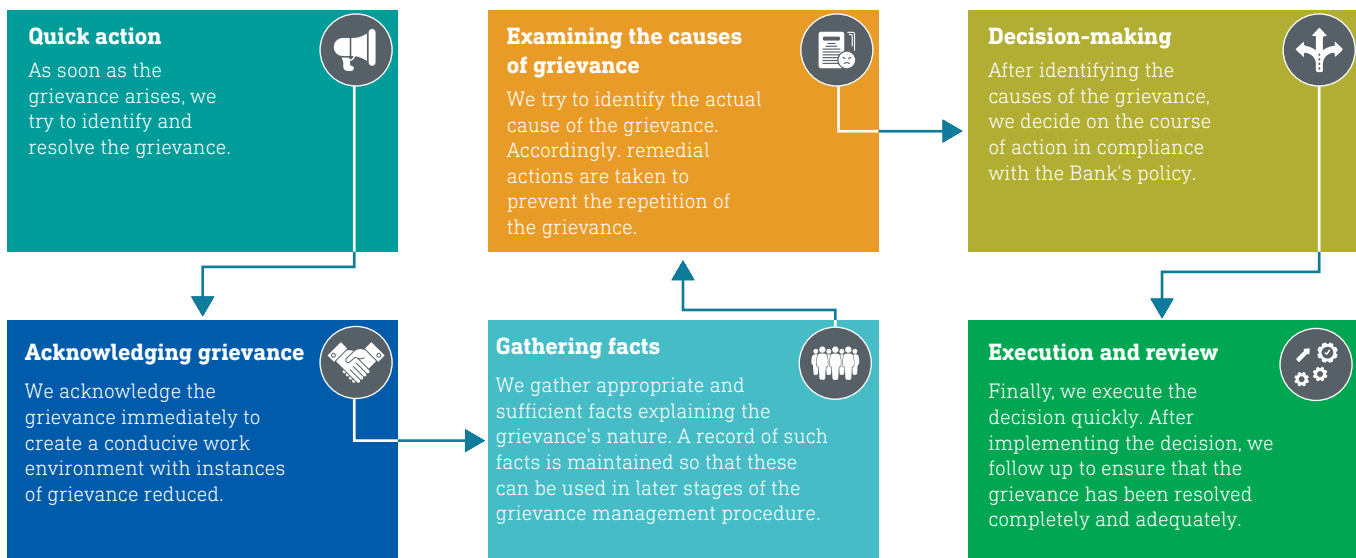
There are different views as to what constitutes equal opportunities. Nonetheless, it is possible to define this as combined efforts, equal participation and shared responsibilities regardless of gender, ethnicity, disability, age, religious belief and marital status. In brief, here the term "equal opportunities" upholds the idea that all employees including the pre-employment phase should be entitled to have access to all of the basic facilities.

- Providing equal opportunity to everyone.
- Creating a work environment free from discrimination.

- Evaluating employee's performance based on ability, experiences, and potential.
- Recruiting someone based on individual's ability to perform, experiences and potential.

Grievance management

We have a well-written grievance management policy. We also have a speak-up policy and Sexual harassment-free workplace committee headed by a female leader. We try to protect employees' rights which is backed by our code of conduct and service excellence policy. Our grievance management approaches are as follows:



eblHR policy & practice

HR policy of EBL aims at supporting the Bank's overall strategy for its sustainability and to comply with the central bank's regulations. More importantly, the policy describes the core values and fundamentals of EBL.

People management policy

- At EBL, we ensure a consistent approach to the recruitment and selection of best fit candidates based on their knowledge, skills, and ability to perform the job, regardless of their race, ethnicity, sex, sexual orientation, gender, identity, age, disability, or marital status.

- Our competitive compensation & benefits package plays a crucial role in attracting, retaining and motivating people.
- Our learning and development programs help the individuals to perform at desired level so that the Bank achieves its goals.
- EBL recognizes the need to manage and deliver performance using tools, techniques, and processes consistent with values of EBL and central bank requirements.

Our ongoing effort is to create lasting value and empower people to act because we want to encourage our employees to achieve our goals as well as those of the Bank. This has made EBL a great place to work, with employees looking forward to coming to the office every day.

EBL Service Excellence Guideline (GAP policy: Graceful, Appropriate and Pleasing)

At EBL, we say we want to become the bank of choice. Therefore the very vision of ours tells that we want to grow as a customer focused company. And how do we do that? The answer is simple: by treating the customer the right way. To create lasting impression for EBL we focus on three things:

- Determine what of kind of experience we want our customers to have.
- Listen to what our customers want and see if it makes sense to include their suggestions in our vision.
- Implement a standard customer service guideline that empowers the employees, especially the frontline people to own it with passion.

In short, our aim is to achieve a cultural change in EBL with regard to our understanding about customer service excellence.



Four Pillars of GAP:

These four pillars centre on a single theme which is “Graceful, Appropriate and Pleasing (GAP)”. In other words, whatever we do or we commit to do, whatever we communicate verbally or in writing, and whichever way we present our premises and ourselves to our customers must be Graceful, Appropriate and Pleasing, all three at the same time. At EBL, being customer-focused, therefore, means being GAP compliant.

EBL speak-up policy

The speak-up policy of EBL is intended to encourage all employees of the Bank to report perceived unethical or illegal conduct of employees to appropriate authorities in a confidential manner without any fear of harassment, intimidation, victimization or reprisal of anyone for raising concern under this “Speak-Up policy”. The objectives of this policy are:

- Ensuring that the employees are protected for speaking up in confidence and reporting matters they suspect may involve improper, unethical or inappropriate conduct, misuse of functional and financial authority within the bank.
- Encouraging all improper, unethical or inappropriate behaviour to be identified and reported at all levels of the bank.
- Providing guidance and clear procedures for reporting and handling such concerns.
- Proactively preventing and discouraging misconduct which could impact the financial performance and damage reputation of the bank.
- Providing assurance that all speak-up concerns will be handled seriously and treated as confidential and managed without fear of reprisal of any form. The authorities concerned may conceal their identity to protect the whistle-blower from any retaliation/grudges as the case may be.

Sexual harassment-free workplace

The committee for a sexual harassment-free workplace at EBL plays an essential role in fostering a safe and inclusive work environment for all employees. Committed to upholding the principles of respect, equality, and dignity, the committee is instrumental in preventing and addressing instances of sexual harassment within the organization.

The sexual harassment committee’s main objectives are as follows:

- Creating awareness about sexual harassment and its demerits.
- Creating awareness that sexual harassment is a punishable offense.
- Initiating an effective mechanism for prevention and restrictions of sexual harassment at the organization.
- Assisting management in fact-finding of incidents that fall under sexual harassment.

Sexual harassment-free workplace committee of EBL:

Name	Designation	Position
Tasnim Hussain	EVP & Head of Cards, Retail & SME Banking	Head
Md. Abdul Awal	EVP & Head of Monitoring, ICC	Member
Md. Maskur Reza	EVP & Head of Business Information System	
Sabera Sultana Mili	VP & Senior Manager, Monitoring, ICC	
Sabiha Munir	VP & SRM, Corporate Banking	

Way forward

- Sustainable human resource management.
- Creating effective learning experience for our employees.
- Reevaluate workplace environment & identify areas of improvement.
- Reviewing retention strategy to benefit both employees & the Bank.
- Diversification of employees’ skills needed for future of the Bank.

HR event highlights



Inauguration of EBL Badminton Tournament 2023



Managing Director extends a warm welcome to the new members of EBL family during "Coffee with MD program"



Screening of "Chiranjib Mujib" for employees at EBL head office



Launching of eblHR APP "Peoplebl"



Leadership program "CEO Talk - RISE & LEAD"



Huddle & Hurdle: EBL future leaders development program



Breast cancer awareness session in association with Bangladesh Cancer Aid Trust

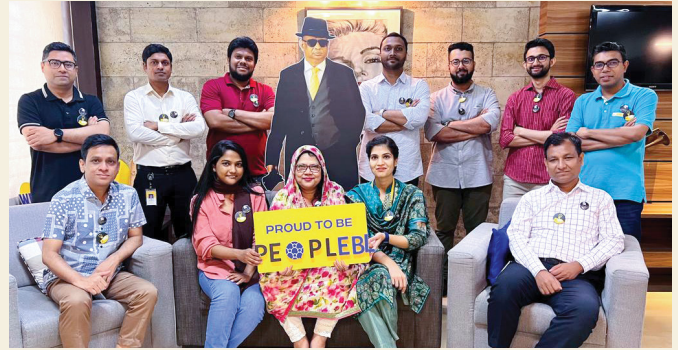


Women's Day celebration at EBL head office.

Nest session highlights



Digital Financial Services colleagues at NEST



Operations colleagues at NEST Session



Branch Managers at NEST



Priority Banking Managers gather at NEST



Future Leaders 2023 at NEST



Trainee Customer Service Officers at NEST



Customer Service Managers at NEST



Future Leaders 2022 at NEST

Operational Excellence

Given an oscillating landscape of uncertain financial climates round the year, the Bank stood tall in 2023, exhibiting operational excellence and firm governance. As the local currency faced intense depreciation and foreign exchange (FX) reserves posed challenges to overseas imports, inflation rates also soared highest in a decade, impending credit growth as BB took measures to curb rising prices; EBL not only weathered these storms but emerged wiser and stronger. The Bank leveraged on its operational resilience and upheld its commitment to sound governance in the most critical of services.

Strategic focus in 2023

The Bank's strategic focus for 2023, from operational landscape, was enhancing operational efficiency through resource optimization, process simplification and automation in addition to refining tedious routines and functional activities.

Performance highlights 2023



↑443%
Wage earner's remittance
(Increase in volume)



↑69%
Domestic payment
(Increase in Transaction count)



↑27%
FX deals processed
(Increase in volume)



↑14%
Trade business facilitation
(Increase in Transaction count)



BDT 1.5 billion
RMG export facilitated



BDT 620 million
FDI facilitated



BDT 32 million
Bills financed



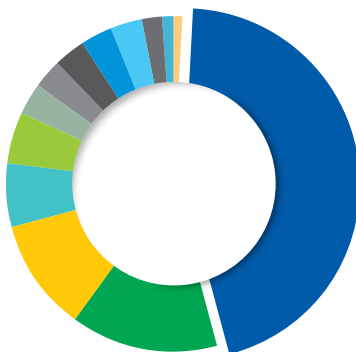
BDT 19 million
ICT enabled services export

Trade service facilitation amidst FX reserve crunch

EBL has been playing a pivotal role in facilitating trade and commerce, both in domestic and global market. Robust trade service operational delivery was assured taking advantage of digital platforms; services like automated notification of key events and trade advices including timely reminders for important dates such as bill maturity were introduced. The Bank facilitated trade business worth USD 4.8 billion in 2023, despite countrywide FX reserve crunch since mid-2021 resulting from combination of factors e.g. trade deficit, remittance slowdown, and depreciation of Taka, etc. These circumstances have adversely affected the availability and cost of foreign currency funding for the Bank, consequently trade finance and foreign currency loans to customers notwithstanding export-oriented industries.

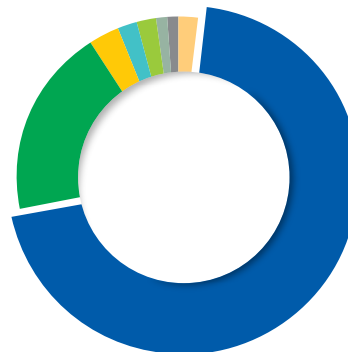
Category wise import and export

Category wise import



- RMG **45%**
- Petroleum products **14%**
- Food and beverage **11%**
- Pharmaceuticals **6%**
- Metal and construction materials **5%**
- Machinery items **3%**
- Energy and power **3%**
- Plastic materials **3%**
- Automotive **3%**
- Footwear and accessories **3%**
- Agricultural products **2%**
- Electronic goods **1%**
- RMG Accessories **1%**

Category wise export

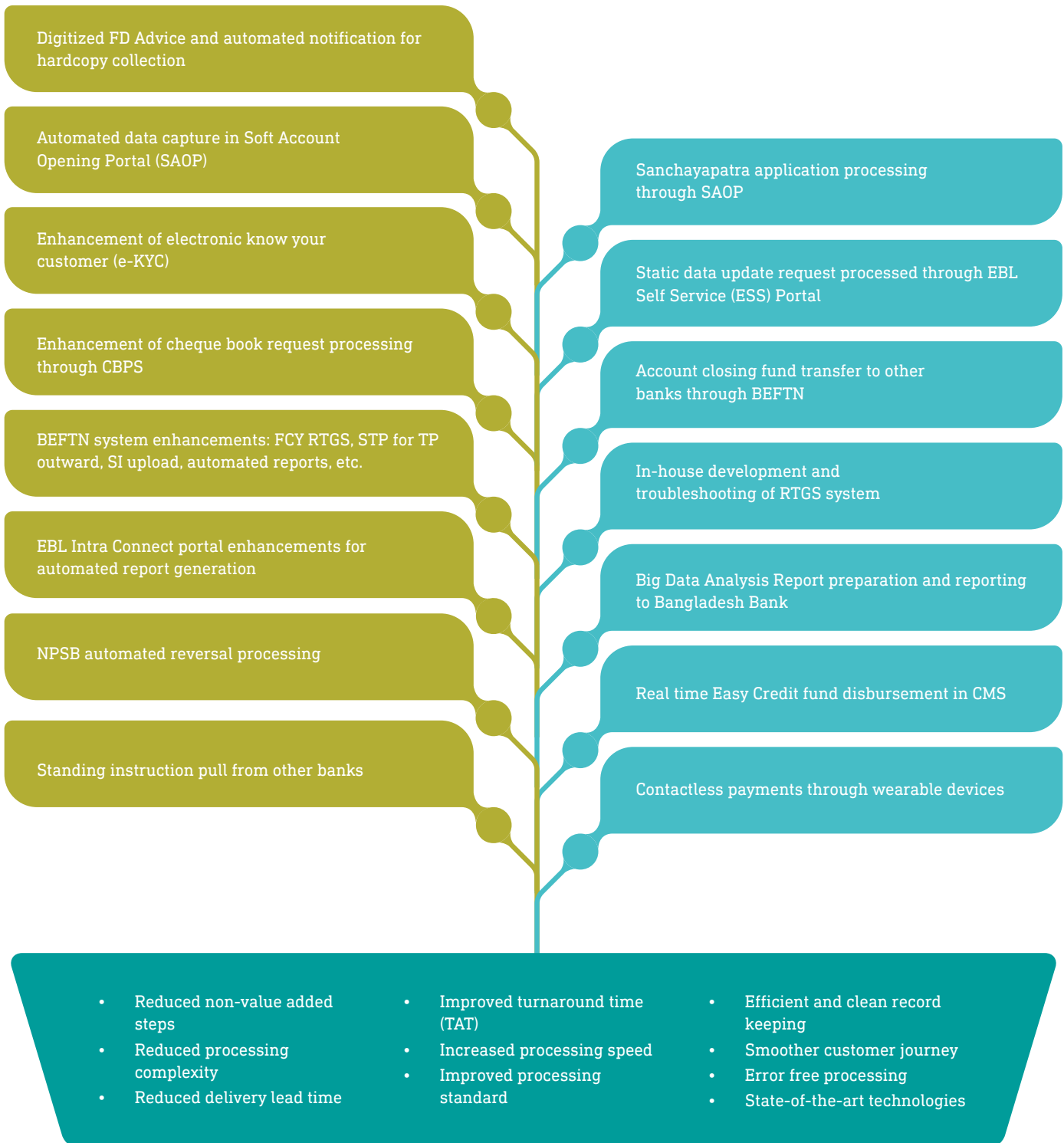


- RMG **70%**
- RMG accessories **19%**
- Medicine **3%**
- Footwear **2%**
- Chemical **2%**
- Ship accessories **1%**
- ICT enabled services **1%**
- Others **2%**

Good governance at the core: integrating digital transformation into operational excellence

Good governance remains intrinsic to the Bank’s ethos with persistent commitment to integrate digital transformation seamlessly into the operational framework to attain excellence across all operational domains. Through strategic utilization of advanced technology and innovative practices, EBL continually enhances transparency, accountability, and efficiency within its operational delivery. This upholds the highest standards of governance and subsequently empowers customers with seamless digital experiences, fostering sustainable growth while staying within regulatory boundaries.

Innovations and commitments made by EBL in 2023 for enabling the government’s vision for a smart economy



Resource optimization - path to operational efficiency

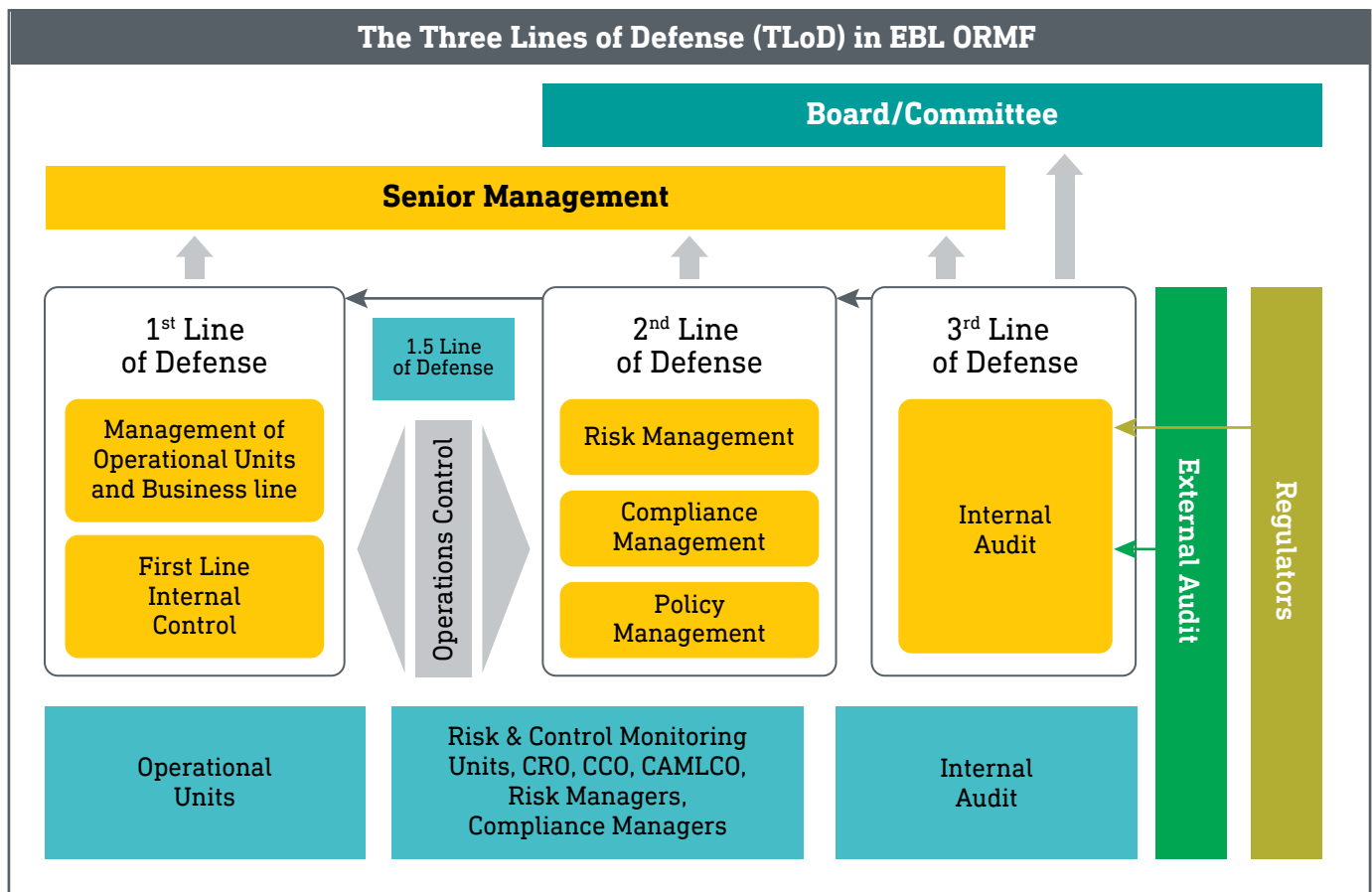
Over the years, EBL has consistently prioritized the optimization of resources and the enhancement of operational efficiency, driving overall business expansion. This commitment is evident through a focus on continuous training, knowledge dissemination, regular performance feedback sessions, and the integration of automated systems and tools. As a result, tangible improvements in efficiency have been realized. The average number of transactions or activities per operations employee has experienced a significant rise, increasing by 19% to 353,375 from the previous count of 296,961. This can be attributed to EBL's multifaceted approach, which integrates technological advancements with employee-centric solutions across various operational domains, effectively optimizing resource utilization and achieving greater efficiency.

Enhancing customer engagement through accessible and sustainable solutions

1	Unveiled Trade Client Service Operations in 2023 to provide trade customer services by prioritizing seamless client-centric solutions to achieve benchmark standard for efficiency.
2	Customer initiated contact information update, i.e. contact number, email and correspondence address update, through EBL's mobile banking application (SkyBanking).
3	Enhancements of remittance portal (Digi-Remit) for automated cash incentive report, customer notification, etc.
4	Digitization of term deposit issuance and associated notification for hardcopy advice collection.
5	Digitization of tax deduction certificate issuance of term deposits and recurring deposits.
6	Lead time reduction for delivery of clearing instruments and cards to sub-branches.
7	Enhancement of electronic fund transfer services for domestic payments (BEFTN, RTGS and NPSB) processing 2.7 quadrillion payments in 2023.

Operational risk governance in 2023

The Bank adopted a formal Operational Risk Management Policy and implemented Framework (ORMF) across all operational functions. The ORMF outlines the operational risk event categories, ORM cycle, the Three Lines of Defense (TLoD) integrated into EBL ORMF, the ORMF diagram, risk registers, and control tools utilized across various operational functions, with particular emphasis on the operational units.



Commitment to operational excellence and transformation



EBL implemented SWIFT ISO 20022 standards for outgoing payments, ensuring transaction integrity and confidentiality.



The SWIFT-certified Independent Assessment confirms full compliance with the Customer Security Program (CSP) control framework, ensuring secure access for financial institutions globally.



ISO 9001:2015 re-certification underscores EBL's dedication to uphold good governance standards.



EBL has achieved successful re-certification for Payment Card Industry Data Security Standard (PCI-DSS).



EBL upgraded AML-CFT and sanctions compliance applications like AML Velocity, Lloyd's Seasearcher, and standardized price verification. These enhancements enable sophisticated transaction profiling to detect and report suspicious activities, ensuring regulatory compliance.



At EBL, Deputy Anti Money Laundering Compliance Officers (DAMLCO) works in tandem with the first line of defense to meticulously supervise control procedures, bolstering efforts to combat money laundering and terrorist financing.



EBL invests in employee training to enhance crisis readiness and risk mitigation. Programs cover ICT security, service awareness, and key areas like international trade finance and financial crime prevention.



Identification and prevention of potential risk triggers and regular self-monitoring at operational levels with escalation protocols.



EBL utilizes the Risk Control Self-Assessment (RCSA) tool to quantify operational risks, enabling proactive identification and prevention across all bank functions. It facilitates regular self-monitoring at operational levels, with input and escalation protocols from execution-level managers, ensuring comprehensive risk assessment.



EBL implements and regularly reviews Departmental Control Function Checklists (DCFCL) across all relevant operational and non-operational units. This ensures effective risk management and compliance with BRPD regulations.



EBL maintains a proactive incident reporting process to document and analyze adverse events, accidents, near misses, and other incidents. This process aims to identify, assess, and mitigate risks to prevent recurrence and enhance overall safety and operational effectiveness.



The Quarterly Operation Report (QOR) mandated by the central bank offers a comprehensive overview of a bank's financial performance and operations for a specific quarter. It aids regulatory oversight and compliance while providing critical insights into the Bank's health.

Way forward

In the coming year, EBL will continue its strategic focus on enhancing operational efficiency, and elevate customer experience amidst evolving economic conditions. With commitment to innovation and collaboration, the bank will leverage technology-enabled solutions to mitigate risks and seize new growth opportunities. A culture of adaptability will be fostered empowering workforce with key skills. Thus, EBL remains ready to navigate challenges and drive sustainable growth in the dynamic banking landscape of 2024.

Redefining Possibilities: Enabling Sustainable Growth through Technological Advancement

Information Communication Technology (ICT) has redefined the possibilities offered by this digital age revolutionizing the way we connect, communicate and conduct business. The increase of such technological integration is playing a pivotal role in shaping the landscape of banking. Through incorporating innovative products and services and process automation, information technology has been promoting sustainable growth of banking business and accelerating technological advancement in the industry to unprecedented heights. Envisioned to redefine the possibilities of innovation, and to ensure seamless and contemporary banking experience, we integrated multi-faceted technologies in 2023.

Strategic focus in 2023

- Enhancing cyber security measures.
- Ensuring data privacy and regulatory compliance.
- Driving innovation and digital transformation.
- Rigorous monitoring of ICT risks for data breach prevention.
- Strengthening infrastructure resilience and scalability to support growing business demands.

Key projects in 2023



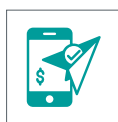
WearEBL

WearEBL devices are the first of its kind in Bangladesh and this trailblazing technology has allowed EBL to make a paradigm shift towards a hassle-free, secure, and efficient mode of conducting payments. At present, the list of devices includes wrist-band, phone-holder, phone-grip and finger-ring. EBL has redefined the traditional payment experience with these innovative devices. By embracing the next-generation technology EBL has not only differentiated itself in the market but also has set new standards of service excellence.



Bangla QR

EBL has implemented QR transactions through NPSB channel with a fully in-house developed solution. Customers can now initiate transactions via NPSB channel by scanning QR codes through Skybanking app. QR code transaction eliminates the need for carrying physical cards and has reduced dependencies of traditional need for physical devices such as POS. Moreover, this technology has significantly lowered the risk of card skimming and theft.



NPSB digi-remit implementation

EBL has implemented digi-remit services with treasury department to facilitate remittance collection through NPSB channels. The implementation of this service has increased the amount of remittances received contributing to the Bank's growth in inward remittances.



Instant remittance

We have integrated instant remittance disbursement facility with MFS companies such as bKash & Nagad. Besides, EBL has extended this integration to enable instant remittance disbursement directly to bank accounts through the NPSB channels. Customers can receive both principal and entitled incentive amount as per Bangladesh Bank's regulation with ease and speed.



Static data update through Skybanking

Now customers of EBL can instantly update their static data such as mobile no. or email address in core banking and card management systems using Skybanking application. This user-friendly feature also enables customers to request a change in their mailing address through the mobile app, reducing customer footprint in branches and thereby increasing operational efficiency of both customers and the bank.



Islamic Banking

To embrace financial inclusivity, EBL initiated implementation of Islamic core banking system to cater to a diverse range of customers that seek Shariah compliant financial services. This strategic endeavor bears testimony to EBL's responsiveness towards evolving market demands.

Our approach towards managing ICT risks






ICT risk management is a dynamic and ongoing process of identifying, analyzing, evaluating and addressing EBL's cybersecurity threats. Underpinned by solid and up-to-date ICT Risk Management policy and ICT Security Policy, we strategically address evolving cyber threats and vulnerabilities. A structured methodology is followed to identify, evaluate, mitigate, and monitor risks ensuring a systematic approach to ICT risk management. Comprehensive vulnerability assessments and effective penetration testing are routinely performed for all IT systems ensuring a proactive stance in identifying and addressing potential weaknesses.

Cyber security at EBL

Approach to cyber security

Our disciplined approach to cybersecurity is characterized by a multipronged strategy underscored by a robust structure and clearly defined procedures. This approach aligns with the guidelines set forth by our Board approved ICT Security Policy and ICT Risk Management Policy ensuring a comprehensive and systematic defense against potential threats. The comprehensive approach includes complying with established protocols and procedures to safeguard information assets. At the core of our strategy is a proactive stance, employing avant-garde technologies and tools to detect and mitigate potential threats before they escalate.

Cyber security framework

 <p>Continuous monitoring</p> <p>Implemented automated monitoring tools for real-time threat detection and response.</p>	 <p>Threat intelligence</p> <p>Integrated threat intelligence feeds to identify emerging threats and attack patterns.</p>	 <p>Incident response mechanisms</p> <p>Established robust procedures (incident response plan, IOC tracker etc.) for detecting, responding to, and recovering from security incidents.</p>	 <p>Risk assessments</p> <p>Conduct regular vulnerability assessments to identify and mitigate security risks.</p>	 <p>Employee training programs</p> <p>Provide comprehensive security awareness and training for employees to recognize and mitigate security threats.</p>
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Initiatives taken to manage threat

- **Implementation of dark web monitoring:** As part of our cybersecurity initiatives we implemented dark web monitoring to bolster our defense and fortify our commitment to maintaining a secure digital environment for our systems. The proactive measure enables us to identify potential threats and stay ahead of evolving risks.
- **Phishing simulation:** We conducted a comprehensive phishing simulation for 3,500 employees, skillfully utilizing an in-house developed tool. This strategic initiative enhanced our employees' awareness and preparedness against phishing attacks.
- **WAF activation:** We activated the WAF (Web Application Firewall), which acts as a vigilant sentinel by relentlessly monitoring and filtering incoming web traffic in real-time. It enhanced live protection of our applications and shields our online assets from unauthorized access and potential attacks.
- **Unused server shutdown:** We systematically shut down unused servers harboring critical vulnerabilities. This approach not only reduces the potential points of compromise but also aligns with industry best practices for maintaining a lean and secure IT infrastructure.

Data management policy at EBL

In adherence to our unwavering commitment to data governance, EBL has introduced a robust data management policy duly approved by the Board. This policy serves as the cornerstone of our approach to data management and security providing a comprehensive framework for the classification of data in accordance with its sensitivity and criticality.

The process involves a comprehensive classification of data. This strategic initiative plays a fundamental role in our overarching data governance framework allowing us to systematically categorize and prioritize data based on its confidentiality, integrity and availability.

Compliance certificates

In 2023, we have successfully maintained PCI-DSS compliance for eight successive years since 2016 and ISO/IEC 27001:2013 for five consecutive years which attest our commitment to robust information security management systems. In tandem with this achievements we remain vigilant to adapt to the dynamic challenges posed by the ever-changing landscape of ICT risks.

Way forward

In charting the way forward we are emphasizing on the integration of Artificial Intelligence (AI) and data science. These transformative technologies will be instrumental in unlocking new possibilities for the Bank. Thus our focus in 2024 and onwards will be to incorporate Artificial Intelligence (AI) and data science to propel EBL into a dynamic and data driven future to enhance our ability to meet the evolving needs of our customers.

Customer Delight: Our Journey towards Excellence

In a homogeneous banking landscape of ours, we see 'service excellence' as the key differentiator. In the competition, EBL always stands out due to our commitment to delivering service with excellence which resonates with our core values. In 2023, we prioritized customer satisfaction focusing on efficiency, innovation, and proactive resolution. By embracing digital transformation and effective communication, we aim to ensure seamless customer experiences.

Strategic focus in 2023

- Ensuring all employees grasp the customer-centric culture of EBL through enforcing training programs focused on communication and interpersonal skills with empathy and responsiveness.
- Evaluating and optimizing internal processes to reduce service bottlenecks and enhance operational efficiency.
- Implementing proactive monitoring tools and customer feedback mechanisms to be better prepared for potential problems and use customer input actively to enhance service quality.
- Investing in digital channels and innovative tools to simplify transactions and provide convenient, secure, and user-friendly services.
- Providing comprehensive and easily accessible information regarding products, services, and policies through various channels, including online platforms, to empower customers and build trust.

Initiatives that took service excellence to newer height



Citizen charter compliance



25+ training sessions on service quality



115 surprise visits to branches and sub branches



Personal data update through **Skybanking**



Remittance through Nagad & bKash



EBL Smart **IVR Service**



Instant SMS to customers after **Card activation**



Cardless Deposit Service

Customer appreciation story



Md Arafat Hosen Asif

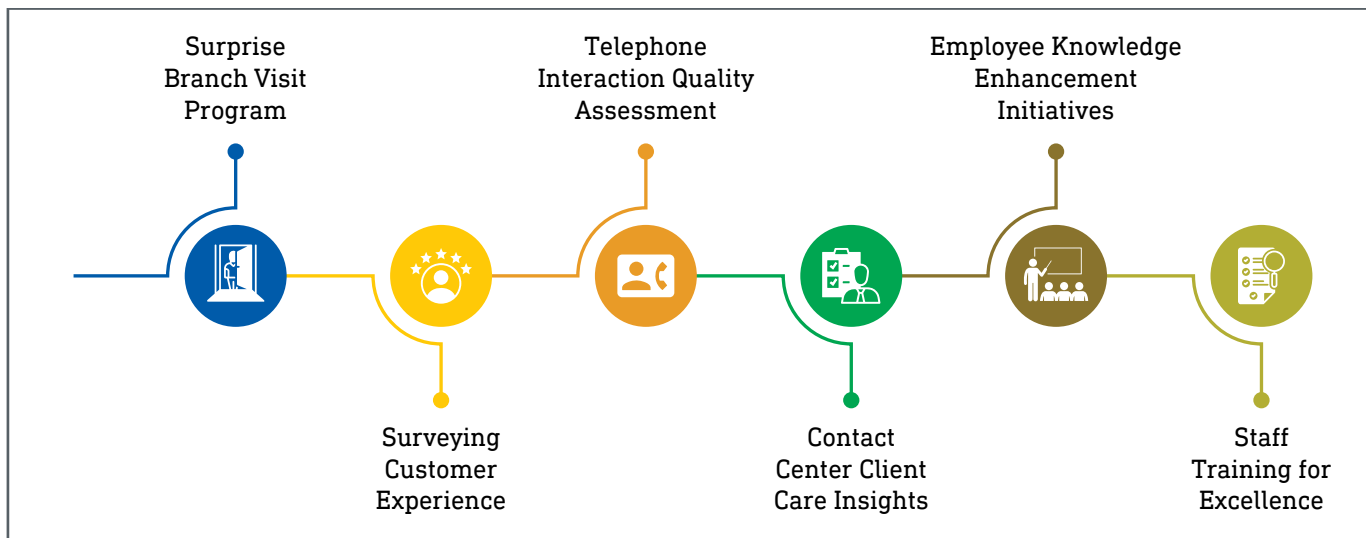
"I want to take a moment to express my deep appreciation for the exceptional service I have received from Eastern Bank branch team. Your team's dedication to providing excellent customer service has truly left a lasting impression on me. Their willingness to assist, answer my questions, and address my concerns--- all these made me feel valued as a customer. From the very beginning of my banking journey with EBL, I have been served with professionalism and courtesy. The branch manager, in particular, stood out as a humble and approachable individual.

Based on my interactions with your branch team, I have no hesitation in recommending EBL to my friends and family. Your hard work and dedication did not go unnoticed and I am proud to be a customer of EBL. Wishing you continued success in serving your customers with excellence."

Ensuring customer delight

Measuring customer experience

We not only try to assess the customer experience through various methods but also use those insights for further improvement and incorporate them in our different assessment and training programs. At EBL, ensuring customer delight is our priority and hence, we use following ways to capture and enhance customer experience:



Customer survey conducted in 2023

 <p>TACT survey</p>	<p>Our ongoing commitment to improve telephone interactions continued through the Telephone Answering and Call Technique (TACT) Survey on branch relationship managers. The year-long survey focused on etiquette, knowledge, and professionalism provides us with valuable insights to maintain high standards and foster continuous improvement in our business conversations with clients.</p>
 <p>Sustainability survey</p>	<p>We clinically investigated business erosion causes through dedicated surveys on outgoing customers. Monthly surveys on these clients provided insights into closing reasons, service quality, digital platform usage, and competitor strength. A "Low-Value Customer Survey" helped us identify unutilized accounts and devise retention initiatives to enhance business sustainability.</p>
 <p>Customer satisfaction mastery</p>	<p>The contact center quality assurance team conducted a customer satisfaction survey through 5,037 calls resulting in an impressive 98.05% rating score on customer service quality. This ongoing initiative not only measures satisfaction but also motivates executives in affirming their commitment to exceptional service and continuous improvement.</p>
 <p>Cash services excellence survey</p>	<p>"Shaping a Seamless Banking Experience" was conducted to comprehensively evaluate and enhance the customer experience at cash counters. This survey aims to gather valuable insights from our customers focusing on their perceptions and experiences related to cash transactions</p>
 <p>Protecting your finances</p>	<p>"Customer Survey on Security Awareness" survey was conducted to assess security awareness among EBL's credit card users. The survey aimed to identify areas for improvement, measure satisfaction with current security measures, and gather feedback on security education initiatives.</p>
 <p>Complainants' feedback survey</p>	<p>The "Complainants' Feedback Survey 2023" targeting customers who lodged complaints was focused on resolution processes and to gather feedback for service enhancement. Results from this survey were informed to the relevant units for addressing concerns and refining offerings.</p>

Workshops

In 2023, multiple training and knowledge enhancement sessions were arranged to increase awareness on product and services and how to ensure customer satisfaction. We have conducted and assisted more than 25 training sessions across EBL engaging approximately 1,762 individuals from various departments and branches that directly deal with customers with the focus on ensuring service excellence.

Communication medium

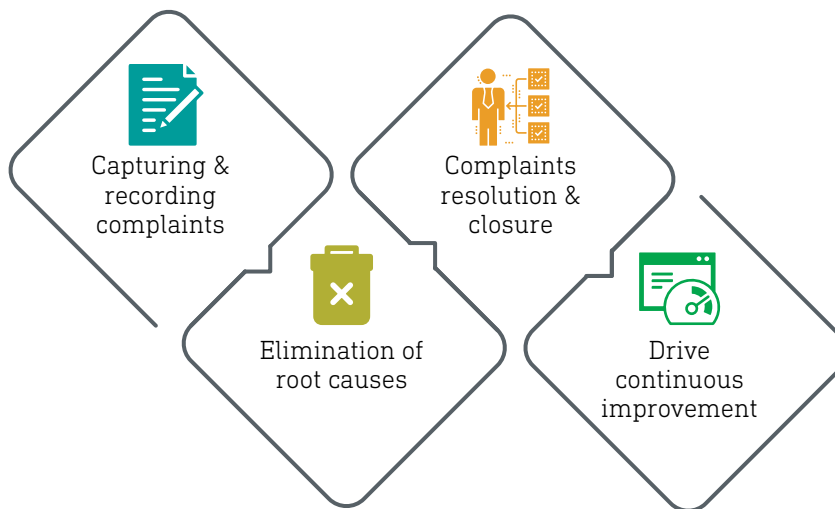
We have created mass awareness among customers through several programs via social media platforms, including LinkedIn, Facebook, Instagram and emails. Also, we have a structured complaint addressing mechanism where through multiple channels customer can reach to us easily.

Complaint management

EBL's approach to customer complaints

EBL ensures customer satisfaction through a comprehensive complaint management system encouraging early feedback and prioritizing prompt resolution. Key attributes for officials include commitment and impartiality. The system involves capturing and prioritizing complaints, with high-priority ones each handled centrally. EBL employs centralized approaches, adheres to strict timelines, and empowers personnel. Monthly reporting, regular communication with customer, and a commitment to continuous improvement underscore EBL's transparent and customer-centric approach in handling and resolving complaints in alignment with regulatory standards.




Complaint management process



Addressing customer complaint

Channel	Action customers can take
Branch	Call or visit a branch in person Fill in "Complaint Lodgement Form" available in all branches Fill in "Customer Feedback Register" available in all branches
Alternative channel	Contact Centre: 16230 (from any mobile inside Bangladesh), 8809612316230 (from anywhere in the world) Complaint Management Cell : 096666777325 Ext – 7403,7438,7439,7440,7468 EBL Query/Complaint Management Cell : https://dgzip.ebl-bd.com/query/ EBL Skybanking App (mobile & web version)
Website	www.ebl.com.bd/regulatory/complaintcell
Email	ccs.cmc@ebl-bd.com info@ebl-bd.com
Letter	Send letter to: Any customer touch point/Head Office




Complaint cell

 <p>1,170 Complaints received & resolved</p>	 <p>296 high priority complaints</p> <hr style="border-top: 1px dashed #ccc;"/> <p>874 normal priority complaints</p>	 <p>3 days Average resolution time including holidays</p>
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Customer retention activities

With rapid growth of digitalization, emerging technologies and constant shift in banking dynamics, the financial industry is highly competitive now. This brings various challenges for business to thrive and can cause significant impact in attrition of clients. Despite these challenges and rising competition, EBL delivers sustainable business growth by constantly nurturing its valued customers through quality service and retention activities. EBL rigorously monitors business attrition trends and prioritizes taking feedbacks from outgoing customers as well as relationship managers which eventually helps us to identify the root causes of business erosion and areas for improvement.

Retention Initiatives





	<p>Nurtured underperforming current and savings account’s clients of liability portfolio and revived their deposit growth through quarterly SMS projects which encouraged them to boost balance & learn about interest earning. This resulted in cumulative growth of approximately BDT 1,070 million.</p>
	<p>Periodically scrutinized business portfolio health to find cross-selling scopes and take effective measures to build customers’ share of wallet.</p>
	<p>To understand root cause of business erosion and client attrition, various digital surveys on outgoing customers were carried out.</p>

Connecting conversation, ensuring delight

EBL Contact Center, being one of the prime service providers to customers, has been converting many leads of deposits, loans and cards to successful business relationship. Advancing into the digital era, we are implementing cutting-edge software solutions to ensure the utmost customer satisfaction that is, customer delight. Our strategic initiatives encompass a commitment to digitalization, enhancing connectivity, and delivering seamless services to our customers. Additionally, contact center is dedicated to formulate an effective disaster management system to address unforeseen emergency situations. Several initiatives and innovations that have driven our commitment to service excellence towards a new heights are as follows:

	<p>“Best Call Today” empowering agents to deliver quality service</p>		<p>Addition of 30 agent licenses for higher response rate and improved service levels.</p>
	<p>Simplification and modification for passport endorsement processes</p>		<p>Automation of the “Meet & Greet Service”</p>

Performance highlights 2023

 <p>14.04 lac Calls received</p>	 <p>BDT 22.66 lac Cost saved by Green PIN generation</p>	 <p>0.48 lac E-mail entertained</p>	 <p>3.87 lac Card service execution</p>
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Way forward

In 2024 and onwards, EBL aspires to redefine the customer experience by consistently delivering unparalleled service excellence by exceeding expectations. We aim to adopt a culture of innovation to provide seamless digital interactions while maintaining a human touch. By leveraging customer feedback and continuously refining our processes, we strive to create a banking environment where every interaction brings delight and solidify our position as the trusted financial partner of choice in the industry.

Segment Analysis

EBL follows centralized business model as opposed to branch based model used by most of the local banks to ensure operational efficiency, better control and improved asset quality. The business of EBL is segmented into 3 core business units: Corporate Banking, Retail & SME Banking and Treasury, FIs & Offshore Banking. Corporate Banking and Retail & SME Banking are focused on lending (including trade finance) and collecting funds whereas Treasury, FIs & Offshore Banking being the manager of funds, maintains CRR/SLR as per regulatory requirements, makes optimum use of excess funds, source funds from money and capital markets, and deals with foreign exchange, etc.

Review of key activities of the business units

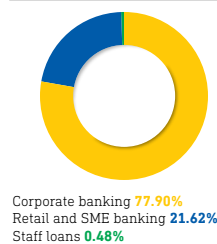
	<h3>Corporate Banking</h3> <ul style="list-style-type: none"> Offering loan deposit products and customized solutions to corporate clients Project financing Working capital financing Trade financing Supply chain financing Cash management solutions Syndication and advisory services Offshore financing Structured financing
	<h3>Retail & SME Banking</h3> <ul style="list-style-type: none"> Offering wide range of deposit, loan and card products & services to customers (both individual and business) Payroll banking solutions Priority banking products and services to high net worth customers Student banking products Digital banking services to customers Agent banking
	<h3>Treasury, FIs & Offshore Banking</h3> <ul style="list-style-type: none"> Management of fund, cash flow, liquidity and overall asset-liability of the Bank Investing in securities, foreign exchange, derivative instruments Managing interest rate risk, liquidity risk and exchange rate risk of the Bank

Two separate statements titled "Business segmental profit and loss account" & "Business segmental balance sheet" have been presented in Annexure -E & E1 of this annual report.

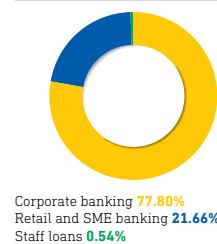
Business segment wise loans & advances BDT in million

Segments	31/12/2023	31/12/2022	31/12/2021
Corporate Banking	275,275	240,349	206,804
Retail and SME Banking	76,398	66,911	60,767
Staff loans	1,683	1,656	1,823
Total	353,357	308,916	269,394

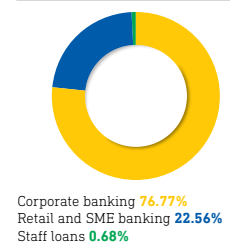
31/12/2023



31/12/2022



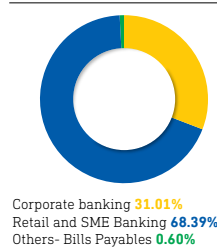
31/12/2021



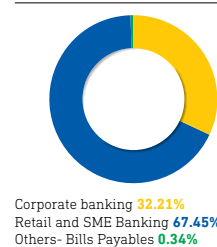
Business segment wise deposits BDT in million

Particulars	31/12/2023	31/12/2022	31/12/2021
Corporate Banking	113,512	102,151	85,598
Retail and SME Banking	250,394	213,873	181,265
Others- bills payables	2,198	1,074	1,156
Total	366,104	317,097	268,019

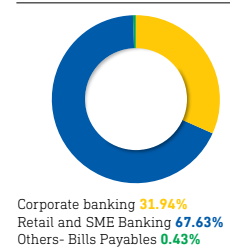
31/12/2023



31/12/2022

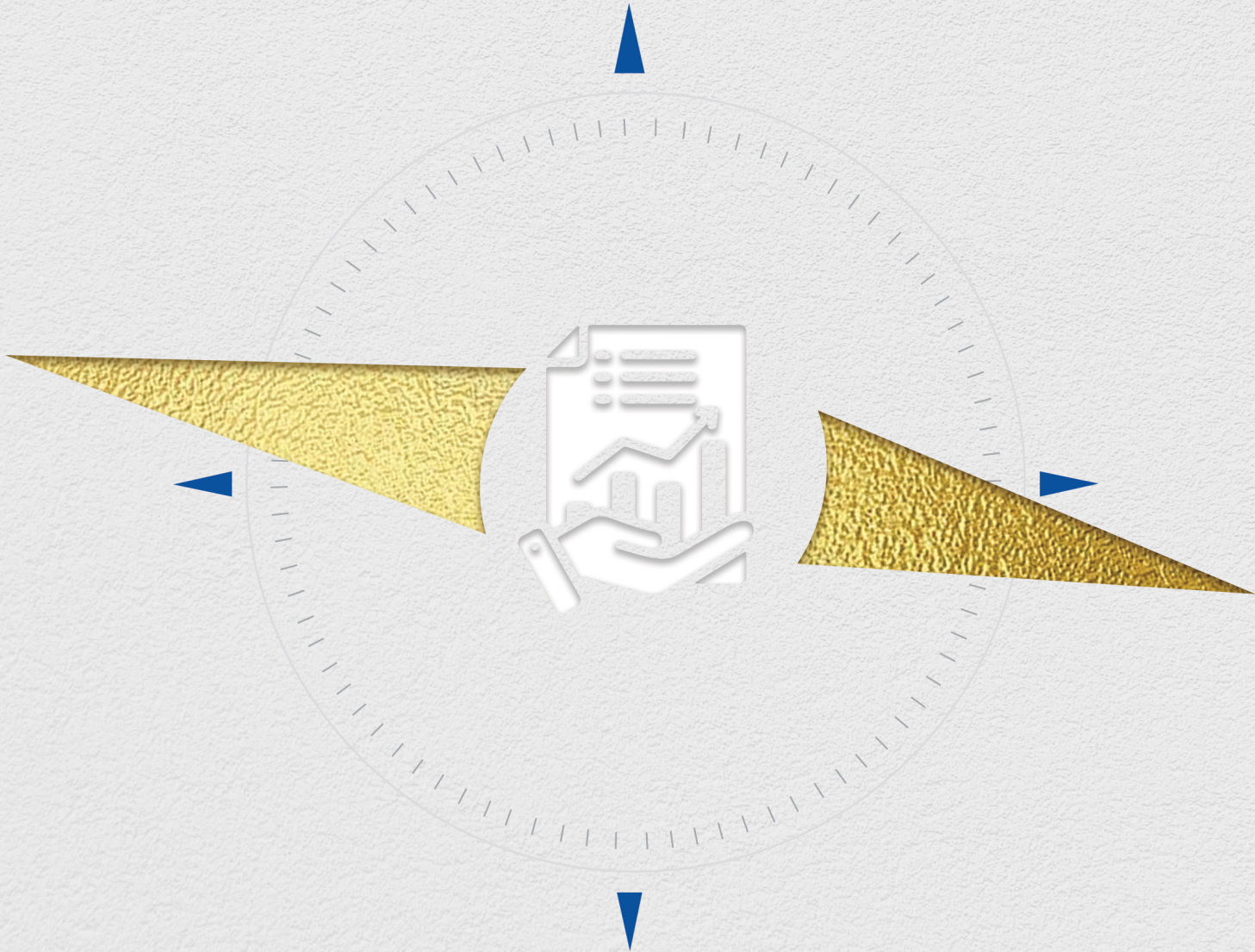


31/12/2021



Corporate Banking occupies the largest pie of loan book (around 78%) whereas Retail & SME Banking contributes mostly in mobilizing funds (around 68%) as of year-end 2023.

FINANCIAL REPORTS



Declaration by Managing Director & CFO on Financial Statements for the year ended on 31 December 2023

10 March 2024

The Board of Directors
Eastern Bank PLC.
100 Gulshan Avenue
Dhaka -1212.

Subject: **Declaration on Financial Statements for the year ended on 31 December 2023.**

Dear Sirs,

Pursuant to the condition No. 1(5) (xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Eastern Bank PLC. for the year ended on 31 December 2023 have been prepared in compliance with International Accounting Standards (IASs) or International Financial Reporting Standards (IFRSs), as applicable in Bangladesh and any departure therefrom 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 2023 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

Masudul Hoque Sardar
Chief Financial Officer

Independent auditor's report to the shareholders of Eastern Bank PLC.

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated financial statements of Eastern Bank PLC. and its subsidiaries (the "Group") as well as the separate financial statements of Eastern Bank PLC. (the "Bank"), which comprise the consolidated and separate balance sheet as at 31 December 2023, 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 material accounting policies information.

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 2023, and of its consolidated and separate profit and loss account, consolidated and separate statement of changes in equity and its consolidated and separate cash flow statement for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note # 2 and comply with the Bank Company Act, 1991 (as amended up to date), the Companies Act, 1994 (as amended up to date), 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 2023. 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 consolidated and separate financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of the financial statements. These results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

1. Measurement of provision for loans and advances

Key Audit Matters	How the matter was addressed in our audit
<p>With reference to Note 13.4 to the financial statements, the process for calculating the provision for loans and advances portfolio associated with credit risk is significant and complex. The bank calculates provision for loans and advances by considering various factors such as rate of provision, loan category, expiry date, outstanding balance, interest suspense amount, value of eligible collateral as per BRPD Master Circular No. 14 dated September 23, 2012, BRPD Circular No. 03 dated April 21, 2019, BRPD Circular No-16 dated 21 July 2020, BRPD Circular No- 01, 20 February, 2018, BRPD Circular No- 12, 20 August, 2017, BRPD Circular Letter No-52, 20 October, 2020 and its subsequent amendments. According to the circular, commercial banks must keep an extra provision for those borrowers who have availed payment by deferral (PBD) facilities. The calculation of the new provisioning rule have to be implemented based on the outstanding (deferral payment) loans as of 31 December 2023. The Bank has kept this special provision of BDT 383.31 million (2022: BDT 542.25 million) as per the circular. In Bangladesh, non-performing loans have been increasing day by day. The Bank need to maintain provision for additional nonperforming loans in line with guidelines of the central bank. The Bank identifies impaired loan accounts and calculates required provision manually. Considering these factors, we have considered measurement of provision for loans and advances as significant risk as well as a key audit matter. In FS Note 07, at year end of 2023 the Group reported total gross loans and advances of BDT 355,904.89 million (2022: BDT 311,084.73 million) and in 2023 the Bank reported total gross loans and advances of BDT 353,356.93 million (2022: BDT 308,915.60 million) whereas at the year end of 2023 the Group reported total provision for loans and advances of BDT 15,055.96 million (2022: BDT 13,372.76 million) and in 2023 the Bank reported total provision for loans and advances of BDT 14,717.04 million (2022: BDT 13,071.20 million).</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <p>Tested the credit appraisal, loan disbursement procedures, monitoring and provisioning process.</p> <p>Tested the controls related to provision for loans and advances.</p> <p>Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following: Tested the Group and the Bank's general and specific provisions; Assessed quarterly classification ledger of loans and advances (CL); Assessed the methodologies on which the provision amounts based, recalculated the provisions and tested the completeness and accuracy of the underlying information; Assessed COVID-19 provision according to BRPD circular; Assessed the presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>

See the notes no. 13.4 to the Financial Statements
02. Recognition of interest income on loans and advances

Key Audit Matters	How the matter was addressed in our audit
<p>Recognition of interest income has a significant and wide influence on financial statements. Recognition and measurement of interest income has involvement of complex IT environments.</p> <p>We identify recognition of interest income from loans and advances as a key audit matter because this is one of the key performance indicators of the Bank and therefore there is an inherent risk of fraud and error in recognition of interest by management to meet specific targets or expectations.</p>	<p>We tested the design and operating effectiveness of key controls over recognition and measurement of interest on loans and advances.</p> <p>We performed test of operating effectiveness on automated control in place to measure and recognise interest income.</p> <p>We have also performed substantive procedure to check whether interest income is recognised completely and accurately.</p> <p>We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.</p>

See the notes no. 22 to the Financial Statements

03. Valuation of treasury bill and treasury bond	
Key Audit Matters	How the matter was addressed in our audit
<p>The classification and measurement of T-Bill and T-Bond require judgment and complex estimates.</p> <p>In the absence of a quoted price in an active market, the fair value of T-Bills and T-Bonds is determined using complex valuation techniques which may take into consideration direct or indirect unobservable market data and complex pricing models which require an elevated level of judgment.</p>	<p>We assessed the processes and controls put in place by the Group to identify and confirm the existence of financial instruments.</p> <p>We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the financial instrument valuation processes, including controls over market data inputs into valuation models, model governance, and valuation adjustments.</p> <p>We tested a sample of the valuation models and the inputs used in those models, using a variety of techniques, including comparing inputs to available market data.</p> <p>Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>

See the notes no. 06 to the Financial Statements

04. IT systems and controls	
Key Audit Matters	How the matter was addressed in our audit
<p>Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volumes of transactions processed in numerous locations daily and are reliance on automated and manual with automated (IT Dependent) controls.</p> <p>We have focused on Date management, user access management, and developer access to the production environment and changes to the IT environment. Among others, these are key to ensuring the operating control and automated controls.</p> <p>We also concentrated on formal security administration policies and procedures to determine whether they are approved, comprehensive, up-to-date, and bank-wide communicated.</p>	<p>We tested the design and operating effectiveness of the Bank's IT access controls over the information system that are critical to financial reporting. We tested IT General Controls (Logical Access, Changes in management, and aspects of IT Operational Controls). This included testing that requests for access to systems were appropriately reviewed and authorized.</p> <p>We tested the Bank's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization.</p> <p>We performed the tests of IT General Controls to evaluate the Application Development and Database, Hosting Platforms, and segregation of incompatible duties relevant to application and database change management.</p>

Other information

Management is responsible for the other information. The other information comprises all of the information in the annual report other than the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated and separate financial statements and internal controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs) as explained in note # 2 and comply with the Bank Company Act, 1991 (as amended up to date), the Companies Act, 1994 (as amended up to date), the Rules and Regulations issued by the Bangladesh Bank, the Rules and Regulations issued by the Bangladesh Securities & Exchange Commission (BSEC) and other applicable Laws and Regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether

due to fraud or error. The Bank Company Act, 1991 (as amended up to date) and the Bangladesh Bank guidelines require the management to ensure effective internal audit, internal control and risk management functions of the Bank. The management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

In preparing the financial statements, management is responsible for assessing the Group's and the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Bank's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. –
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management. –
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. –
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and the Bank to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Group's and Bank's audit. We remain solely responsible for our audit opinion.

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 (as amended up to date), the Bank Company Act, 1991 (as amended up to date), and the rules and regulations issued by Bangladesh Bank, the Securities and Exchange Rules 2020, we also report that:

- I. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes

of our audit and made due verification thereof;

- II. to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the financial statements and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:
 - (a) internal audit, internal control and risk management arrangements of the Group and the Bank as disclosed in the financial statements appeared to be materially adequate;
 - (b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Group and the Bank;
- III. financial statements of Eastern Bank PLC.'s subsidiaries namely, EBL Securities Limited, EBL Investments Limited and EBL Asset Management Limited have been audited by MABS & J Partners, Chartered Accountants and EBL Finance (HK) Limited has been audited by Kingston C.P.A. Limited, Certified Public Accountants, Hong Kong and have been properly reflected in the consolidated financial statements;
- IV. in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- V. the consolidated balance sheet and consolidated profit and loss account of the Group and the separate balance sheet and separate profit and loss account of the Bank together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- VI. the expenditures incurred and payments made were for the purpose of the Group's and Bank's business for the year;
- VII. the financial statements have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank.
- VIII. adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;
- IX. the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- X. the information and explanations required by us have been received and found satisfactory;
- XI. we have reviewed over 80% of the risk weighted assets of the Bank and spent over 4200 man hours; and
- XII. capital to risk-weighted assets ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

Howladar Yunus & Co.
Chartered Accountants
Firm Registration No: N/A



Farhana Sultana FCA
Partner
Enrolment No: 1619
Dated: Dhaka, 14 March 2024
DVC No: 2403141619AS439604

Eastern Bank PLC. and its subsidiaries

Consolidated Balance Sheet

as at 31 December 2023

Particulars	Notes	Amount in BDT	
		2023	2022
PROPERTY AND ASSETS			
Cash	3		
Cash in hand (including foreign currencies)	3.1	5,558,590,040	4,716,684,227
Balances with Bangladesh Bank and its agent bank(s) (including foreign currencies)	3.2	15,381,788,929	16,438,906,912
		20,940,378,969	21,155,591,139
Balances with other banks and financial institutions	4		
In Bangladesh	4.1	7,189,372,713	4,612,126,429
Outside Bangladesh	4.2	12,026,142,551	7,987,271,813
		19,215,515,264	12,599,398,242
Money at call and on short notice	5	3,100,000,000	6,440,000,000
Investments	6		
Government	6.1	70,339,401,798	64,603,877,534
Others	6.2	27,321,218,976	28,428,309,602
		97,660,620,773	93,032,187,136
Loans and advances	7		
Loans, cash credits, overdraft etc.	7.1	318,673,232,509	260,686,467,101
Bills purchased and discounted	7.2	37,231,661,887	50,398,266,460
		355,904,894,396	311,084,733,561
Fixed assets including land, building, furniture and fixtures	8	8,582,233,669	8,583,485,506
Other assets	9	8,354,488,660	6,973,051,006
Non banking assets	10	-	-
TOTAL ASSETS		513,758,131,734	459,868,446,589
LIABILITIES AND CAPITAL			
LIABILITIES			
Borrowing from banks, financial institutions and agents	11		
Non-convertible subordinated bond	11.1.a	7,020,000,000	5,950,000,000
Borrowing from other Banks, FIs, Agents etc.		68,646,791,626	72,647,428,423
		75,666,791,626	78,597,428,423
Deposits and other accounts	12		
Current deposits & other accounts etc.	12.1	61,508,377,092	48,977,808,908
Bills payable	12.2	2,198,324,105	1,073,551,209
Savings bank deposits	12.3	80,525,188,456	75,127,325,490
Fixed deposits	12.4	169,066,601,996	130,692,541,410
Special notice deposits (SND)		51,466,835,725	60,455,307,927
Bearer certificates of deposits		-	-
		364,765,327,373	316,326,534,944
Other liabilities	13	32,800,088,291	29,182,855,215
TOTAL LIABILITIES		473,232,207,291	424,106,818,582
SHAREHOLDERS' EQUITY			
Paid-up capital	14	12,072,347,150	10,730,975,250
Statutory reserve	15	12,072,347,150	10,730,975,250
Dividend equalisation reserve	16	356,040,000	356,040,000
Assets revaluation reserve (Land and other assets)	17	2,602,828,136	2,735,843,783
General reserve		619,656,770	603,493,370
Actuarial remeasurement gain/(loss)	18	(226,424,063)	(367,924,063)
Foreign currency translation gain/(loss)	19	(111,035,008)	(75,276,321)
Surplus in profit and loss account	20	13,140,164,307	11,047,500,739
TOTAL SHAREHOLDERS' EQUITY		40,525,924,443	35,761,628,008
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		513,758,131,734	459,868,446,589

Eastern Bank PLC. and its subsidiaries

Consolidated Balance Sheet

as at 31 December 2023

Particulars	Notes	Amount in BDT	
		2023	2022
OFF-BALANCE SHEET ITEMS			
Contingent liabilities			
Acceptances and endorsements	21		
Letters of guarantee	21.1	65,894,652,512	61,495,322,122
Irrevocable letters of credit	21.2	60,601,051,774	44,488,068,707
Bills for collection	21.3	53,626,364,704	41,911,963,642
Others	21.4	17,713,324,276	15,298,846,071
		-	-
		197,835,393,266	163,194,200,541
Other commitments			
Documentary credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed	21.5	-	501,704,953
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		1,400,000,000	1,400,000,000
		1,400,000,000	1,901,704,953
TOTAL OFF-BALANCE SHEET ITEMS		199,235,393,266	165,095,905,495
Net asset value (NAV) per share (restated 2022)		33.57	29.62

These financial statements should be read in conjunction with the annexed notes.



Ali Reza Iftekhar
Managing Director



Ruslan Nasir
Director



Dr. Toufic Ahmad Choudhury
Independent Director



Gazi Md. Shakhawat Hossain
Director

Dhaka,
10 March 2024

Signed as per our annexed report of same date
Howladar Yunus & Co.
Chartered Accountants



Farhana Sultana FCA

Partner

Enrollment No: 1619

Dated: 14 March 2024

DVC No: 2403141619AS439604

Eastern Bank PLC. and its subsidiaries

Consolidated Profit and Loss Account

for the year ended 31 December 2023

Particulars	Notes	Amount in BDT	
		2023	2022
Interest income	22	26,870,122,559	19,886,875,220
Interest paid on deposits and borrowings	23	(18,687,432,166)	(13,027,089,532)
Net interest income		8,182,690,393	6,859,785,688
Income from investments	24	7,691,870,577	6,726,276,119
Fees, commission and brokerage	25	4,781,131,754	4,572,566,473
Other operating income	26	307,017,940	294,007,985
		12,780,020,271	11,592,850,578
Total operating income		20,962,710,664	18,452,636,265
Salary & allowances (excluding those of MD)	27	5,532,120,181	5,019,551,691
Rent, taxes, insurance, utilities etc.	28	537,138,583	495,525,433
Legal & professional expenses	29	129,454,791	131,015,275
Postage, stamp, telecommunication etc.	30	219,760,086	174,916,178
Stationery, printing, advertisement, business promotion etc.	31	560,331,200	294,981,202
Managing Director's salary and allowances (Bank only)	32	31,987,131	30,470,876
Directors' fees & expenses	33	3,958,796	4,097,310
Audit fees	34	3,733,383	2,549,341
Depreciation and repair of bank's assets	35	1,433,449,593	1,231,346,824
Other operating expenses	36	910,634,709	620,037,663
Total operating expenses		9,362,568,453	8,004,491,794
Profit before provisions		11,600,142,211	10,448,144,471
Provision for loans and off-balance sheet exposures:	13.4.1		
Specific provision (net off w/o recovery)		491,425,604	1,281,382,932
General provision for loans & advances		1,104,284,433	344,986,171
Special general provision for COVID-19		(161,095,270)	(225,086,025)
General provision for off balance sheet exposures		52,029,675	119,471,033
		1,486,644,442	1,520,754,111
Other provision	37	220,917,235	678,719,960
Total provisions		1,707,561,676	2,199,474,071
Profit before tax for the year		9,892,580,535	8,248,670,400
Current tax expense for the year	13.3.1	4,429,602,555	3,178,751,532
Deferred tax income (net)	38	(659,441,572)	(50,667,814)
Total provision for taxation		3,770,160,983	3,128,083,720
Profit after tax for the year		6,122,419,552	5,120,586,681
Appropriation			
Statutory reserve	15	(1,341,371,900)	(1,192,330,580)
General reserve		-	-
		(1,341,371,900)	(1,192,330,580)
Retained earnings carried forward		4,781,047,652	3,928,256,101
Earnings per share (EPS) (restated 2022)	39	5.07	4.24

These financial statements should be read in conjunction with the annexed notes.

Ali Reza Iftexhar
Managing Director

Dr. Toufic Ahmad Choudhury
Independent Director

Dhaka,
10 March 2024

Ruslan Nasir
Director

Gazi Md. Shakhawat Hossain
Director

Signed as per our annexed report of same date
Howladar Yunus & Co.
Chartered Accountants

Farhana Sultana FCA
Partner

Enrollment No: 1619
Dated: 14 March 2024
DVC No: 2403141619AS439604

Eastern Bank PLC. and its subsidiaries

Consolidated Cash Flow Statement

for the year ended 31 December 2023

Particulars	Notes	Amount in BDT	
		2023	2022
A) Cash flows from operating activities			
Interest receipts in cash		25,891,721,540	19,485,742,859
Interest payments		(17,649,477,761)	(11,835,913,070)
Dividend receipts		1,154,129,070	969,553,677
Fees and commission receipts in cash		4,910,279,959	4,759,309,449
Income from investment (other than dividend received)		6,461,167,778	5,631,674,101
Recoveries on loans previously written off	13.4.1	473,190,325	793,358,712
Cash payment to employees (including directors)		(5,491,453,283)	(5,055,640,148)
Cash payment to suppliers		(1,944,214,110)	(1,477,521,521)
Income taxes paid	13.3.2	(3,709,273,984)	(4,263,006,688)
Receipts from other operating activities		307,017,940	294,007,985
Payments for other operating activities		(910,634,709)	(620,037,663)
Cash generated from operating profit before changes in operating assets and liabilities		9,492,452,765	8,681,527,692
Increase/(decrease) in Operating Assets & Liabilities			
Net sale/(purchase) of trading securities		493,722,360	(17,116,130,028)
Loans and advances to customers (other than banks)		(43,837,903,663)	(39,097,078,802)
Other assets	40	(1,437,868,284)	(130,421,630)
Deposits/borrowings from other banks		(3,380,899,934)	13,069,765,902
Deposits from customers (other than banks)		46,834,815,525	47,742,342,699
Liability for tax		(60,886,999)	1,134,922,969
Liabilities for provision		(2,180,752,002)	(2,992,832,783)
Other liabilities	41	3,624,672,506	1,142,290,887
Cash generated from changes in operating assets and liabilities		54,899,510	3,752,859,214
Net cash received from/(used in) operating activities		9,547,352,275	12,434,386,906
B) Cash flows from investing activities			
Net sale/(purchase) of non-trading securities		(5,150,101,588)	(6,783,101,752)
Net sale/(purchase) of property, plant and equipment		(1,028,245,173)	(1,765,738,145)
Net cash (used in) investing activities		(6,178,346,761)	(8,548,839,897)
C) Cash flows from financing activities			
Net issuance/(redemption) of subordinated bond		1,070,000,000	450,000,000
Dividend paid (cash dividend)		(1,341,371,900)	(1,192,330,580)
Net cash received from/(used in) financing activities		(271,371,900)	(742,330,580)
D) Net increase/(decrease) in cash (A+B+C)		3,097,633,614	3,143,216,428
E) Effects of exchange rate changes on cash and cash equivalents		(35,758,663)	(77,628,769)
F) Opening cash and cash equivalents		40,197,681,282	37,132,093,624
G) Closing cash and cash equivalents (D+E+F)*		43,259,556,233	40,197,681,282
*Closing cash and cash equivalents consist of:			
Cash in hand (including foreign currencies)	3.1	5,558,590,040	4,716,684,227
Balances with Bangladesh Bank and its agent bank (s)	3.2	15,381,788,929	16,438,906,912
Balances with other Banks and Financial Institutions	4	19,215,515,264	12,599,398,242
Money at call and on short notice	5	3,100,000,000	6,440,000,000
Prize bonds	6.1	3,662,000	2,691,900
		43,259,556,233	40,197,681,282

These financial statements should be read in conjunction with the annexed notes.



Ali Reza Iftekhar
Managing Director



Ruslan Nasir
Director



Dr. Toufik Ahmad Choudhury
Independent Director



Gazi Md. Shakhawat Hossain
Director

Dhaka,
10 March 2024

Eastern Bank PLC. and its subsidiaries

Consolidated Statement of Changes in Equity

for the year ended 31 December 2023

Amount in BDT

Particulars	Paid up capital	Statutory reserve	Dividend equalisation reserve	Assets revaluation reserve (land and other assets)	General reserve	Actuarial remeasurement gain/(loss)	Foreign currency translation gain/(loss)	Surplus in profit and loss account	Total
Balance as on 1 January 2023	10,730,975,250	10,730,975,250	356,040,000	2,735,843,782	603,493,370	(367,924,063)	(75,276,321)	11,047,500,739	35,761,628,007
Bonus share issued for 2022	1,341,371,900	-	-	-	-	-	-	(1,341,371,900)	-
Cash dividend paid for 2022	-	-	-	-	-	-	-	(1,341,371,900)	(1,341,371,900)
Profit after tax for the year	-	-	-	-	-	-	-	6,122,419,552	6,122,419,552
Transfer to statutory reserve	-	1,341,371,900	-	-	-	-	-	(1,341,371,900)	-
Transfer to general reserve	-	-	-	-	16,163,400	-	-	(16,163,400)	-
Reserve for revaluation of treasury securities (HFT)	-	-	-	(103,541,272)	-	-	-	-	(103,541,272)
Reserve for amortisation of treasury securities (HTM)	-	-	-	74,625,603	-	-	-	-	74,625,603
Adjustment of remeasurement gain / (loss) on defined benefit plans	-	-	-	-	-	141,500,001	-	-	141,500,001
Adjustment on revaluation reserve of land due to sale of land	-	-	-	(104,099,976)	-	-	-	10,523,116	(93,576,859)
Foreign currency translation gain/(loss)	-	-	-	-	-	-	(35,758,687)	-	(35,758,687)
Balance as at 31 December 2023	12,072,347,150	12,072,347,150	356,040,000	2,602,828,137	619,656,770	(226,424,063)	(111,035,008)	13,140,164,307	40,525,924,443
Balance as at 31 December 2022	10,730,975,250	10,730,975,250	356,040,000	2,735,843,783	603,493,370	(367,924,063)	(75,276,321)	11,047,500,739	35,761,628,008

Ali Reza Iftekhar
Managing Director

Ruslan Nasir
Director

Dr. Toufic Ahmad Choudhury
Independent Director

Gazi Md. Shakhawat Hossain
Director

Dhaka,
10 March 2024

Eastern Bank PLC. and its subsidiaries

Consolidated Liquidity Statement (Asset and Liability Maturity Analysis)

as at 31 December 2023

Particulars	Amount in BDT					
	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)	20,940,378,969	-	-	-	-	20,940,378,969
Balances with other banks and financial institutions	17,205,515,264	1,310,000,000	700,000,000	-	-	19,215,515,264
Money at call and on short notice	3,100,000,000	-	-	-	-	3,100,000,000
Investments	851,601,189	4,085,041,792	27,577,626,602	25,561,904,017	39,584,447,174	97,660,620,773
Loans and advances	42,794,835,188	54,953,052,185	144,043,452,340	84,324,445,258	29,789,109,425	355,904,894,396
Fixed assets including land, building, furniture and fixtures	55,230,938	113,552,142	497,078,446	2,407,508,106	5,508,864,037	8,582,233,669
Other assets	45,565,654	1,090,734	3,166,176,693	2,659,692,864	2,481,962,714	8,354,488,660
Non-banking assets	-	-	-	-	-	-
Total assets	84,993,127,203	60,462,736,853	175,984,334,082	114,953,550,245	77,364,383,350	513,758,131,734
Liabilities						
Borrowing from other banks, financial institutions and agents	9,999,828,374	21,944,961,648	35,126,529,854	8,540,794,235	54,677,515	75,666,791,626
Deposits and other accounts	43,655,719,899	67,341,029,363	84,453,728,466	168,046,120,668	1,268,728,979	364,765,327,373
Provisions & other liabilities	115,432,431	4,541,910,464	2,807,107,174	18,412,380,305	6,923,257,917	32,800,088,291
Total liabilities	53,770,980,704	93,827,901,475	122,387,365,493	194,999,295,208	8,246,664,411	473,232,207,290
Net liquidity gap	31,222,146,499	(33,365,164,622)	53,596,968,588	(80,045,744,963)	69,117,718,939	40,525,924,443
Cumulative net liquidity gap	31,222,146,499	(2,143,018,124)	51,453,950,465	(28,591,794,498)	40,525,924,443	-

Eastern Bank PLC.

Balance Sheet

as at 31 December 2023

Particulars	Notes	Amount in BDT	
		2023	2022
PROPERTY AND ASSETS			
Cash	3		
Cash in hand (including foreign currencies)	3.1	5,558,469,189	4,716,619,787
Balances with Bangladesh Bank and its agent bank(s) (including foreign currencies)	3.2	15,381,788,929	16,438,906,912
		20,940,258,118	21,155,526,699
Balances with other banks and financial institutions	4		
In Bangladesh	4.1	6,658,363,659	4,471,348,086
Outside Bangladesh	4.2	11,394,935,677	7,382,719,034
		18,053,299,336	11,854,067,120
Money at call and on short notice	5	3,100,000,000	6,440,000,000
Investments	6		
Government	6.1	70,339,401,798	64,603,877,534
Others	6.2	23,683,427,773	25,802,844,879
		94,022,829,570	90,406,722,413
Loans and advances	7		
Loans, cash credits, overdraft etc.	7.1	319,911,853,079	263,817,658,813
Bills purchased and discounted	7.2	33,445,079,214	45,097,944,098
		353,356,932,292	308,915,602,911
Fixed assets including land, building, furniture and fixtures	8	8,517,304,302	8,500,798,743
Other assets	9	10,563,437,836	8,716,424,628
Non banking assets	10	-	-
TOTAL ASSETS		508,554,061,455	455,989,142,514
LIABILITIES AND CAPITAL			
LIABILITIES			
Borrowing from banks, financial institutions and agents	11		
Non-convertible subordinated bond	11.1.a	7,020,000,000	5,950,000,000
Borrowing from other Banks, FIs, Agents etc.		64,647,842,383	70,046,357,312
		71,667,842,383	75,996,357,312
Deposits and other accounts	12		
Current deposits & other accounts etc.	12.1	62,260,915,018	49,608,497,830
Bills payable	12.2	2,198,324,105	1,073,551,209
Savings bank deposits	12.3	80,525,188,456	75,127,325,490
Fixed deposits	12.4	169,066,601,996	130,692,541,410
Special notice deposits (SND)		52,052,696,112	60,595,389,174
Bearer certificates of deposits		-	-
		366,103,725,686	317,097,305,113
Other liabilities	13	31,015,047,378	27,850,035,594
TOTAL LIABILITIES		468,786,615,447	420,943,698,018
SHAREHOLDERS' EQUITY			
Paid-up capital	14	12,072,347,150	10,730,975,250
Statutory reserve	15	12,072,347,150	10,730,975,250
Dividend equalisation reserve	16	356,040,000	356,040,000
Assets revaluation reserve (Land & others)	17	2,517,409,769	2,650,425,416
General reserve		603,493,370	603,493,370
Actuarial remeasurement gain/(loss)	18	(226,424,063)	(367,924,063)
Foreign currency translation gain/(loss)	19	(229,117,864)	(164,282,960)
Surplus in profit and loss account	20	12,601,350,495	10,505,742,233
TOTAL SHAREHOLDERS' EQUITY		39,767,446,008	35,045,444,496
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		508,554,061,455	455,989,142,514

Eastern Bank PLC.

Balance Sheet

as at 31 December 2023

Particulars	Notes	Amount in BDT	
		2023	2022
OFF-BALANCE SHEET ITEMS			
Contingent liabilities			
Acceptances and endorsements	21		
Letters of guarantee	21.1	65,894,652,512	61,495,322,122
Irrevocable letters of credit	21.2	60,601,051,774	44,488,068,707
Bills for collection	21.3	53,626,364,704	41,911,963,642
Others	21.4	17,713,324,276	15,298,846,071
		-	-
		197,835,393,266	163,194,200,541
Other commitments			
Documentary credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed	21.5	-	501,704,953
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		1,400,000,000	1,400,000,000
		1,400,000,000	1,901,704,953
TOTAL OFF-BALANCE SHEET ITEMS		199,235,393,266	165,095,905,495
Net asset value (NAV) per share (restated 2022)		32.94	29.03

These financial statements should be read in conjunction with the annexed notes.



Ali Reza Iftekhar
Managing Director



Ruslan Nasir
Director



Dr. Toufic Ahmad Choudhury
Independent Director



Gazi Md. Shakhawat Hossain
Director

Dhaka,
10 March 2024

Signed as per our annexed report of same date
Howladar Yunus & Co.
Chartered Accountants



Farhana Sultana FCA

Partner

Enrollment No: 1619

Dated: 14 March 2024

DVC No: 2403141619AS439604

Eastern Bank PLC.

Profit and Loss Account

for the year ended 31 December 2023

Particulars	Notes	Amount in BDT	
		2023	2022
Interest income	22	26,541,023,589	19,568,667,364
Interest paid on deposits and borrowings	23	(18,393,069,649)	(12,869,384,368)
Net interest income		8,147,953,940	6,699,282,996
Income from investments	24	7,681,670,127	6,705,461,835
Fees, commission and brokerage	25	4,398,907,312	4,092,875,070
Other operating income	26	299,297,933	291,798,090
		12,379,875,372	11,090,134,995
Total operating income		20,527,829,312	17,789,417,991
Salary & allowances (excluding those of MD)	27	5,338,867,697	4,844,110,054
Rent, taxes, insurance, utilities etc.	28	522,355,361	483,904,897
Legal & professional expenses	29	128,013,458	129,780,179
Postage, stamp, telecommunication etc.	30	213,685,248	167,235,129
Stationery, printing, advertisement, business promotion etc.	31	553,841,898	290,154,386
Managing Director's salary and allowances	32	31,987,131	30,470,876
Directors' fees & expenses	33	3,458,296	3,594,810
Audit fees	34	1,653,900	1,308,178
Repairs, maintenance and depreciation	35	1,391,065,367	1,190,279,987
Other operating expenses	36	892,369,393	603,007,062
Total operating expenses		9,077,297,748	7,743,845,559
Profit before provisions		11,450,531,564	10,045,572,432
Provision for loans and off-balance sheet exposures	13.4.1		
Specific provision (net off w/off recovery)		491,425,604	1,278,437,655
General provision for loans		1,066,920,650	344,986,171
Special general provision for COVID-19		(161,095,270)	(225,086,025)
General provision for off-balance sheet exposures		52,029,675	119,471,033
		1,449,280,659	1,517,808,834
Other provision	37	212,322,556	432,378,729
Total provisions		1,661,603,215	1,950,187,563
Profit before tax for the year		9,788,928,348	8,095,384,868
Current tax expense for the year	13.3.1	4,337,020,911	3,033,354,808
Deferred tax income (net)	38	(657,293,006)	(45,427,604)
Total provision for taxation		3,679,727,905	2,987,927,205
Profit after tax for the year		6,109,200,443	5,107,457,663
Appropriation			
Statutory reserve	15	(1,341,371,900)	(1,192,330,580)
General reserve		-	-
		(1,341,371,900)	(1,192,330,580)
Retained earnings carried forward		4,767,828,543	3,915,127,083
Earnings per share (EPS) (restated 2022)	39	5.06	4.23

These financial statements should be read in conjunction with the annexed notes.

Ali Reza Iftexhar
Managing Director

Dr. Toufic Ahmad Choudhury
Independent Director

Dhaka,
10 March 2024

Ruslan Nasir
Director

Gazi Md. Shakhawat Hossain
Director

Signed as per our annexed report of same date
Howladar Yunus & Co.
Chartered Accountants

Farhana Sultana FCA
Partner

Enrollment No: 1619
Dated: 14 March 2024
DVC No: 2403141619AS439604

Eastern Bank PLC.

Cash Flow Statement

for the year ended 31 December 2023

Particulars	Notes	Amount in BDT	
		2023	2022
A) Cash flows from operating activities			
Interest receipts in cash		25,535,468,908	19,167,196,081
Interest payments		(17,355,115,244)	(11,678,207,906)
Dividend receipts		1,321,632,813	1,344,930,389
Fees and commission receipts in cash		4,537,335,517	4,285,733,206
Income from investment (other than dividend)		6,283,463,586	5,235,483,105
Recovery on loans previously written off	13.4.1	473,190,325	793,358,712
Cash payment to employees (including directors)		(5,296,600,515)	(4,876,806,457)
Cash payment to suppliers		(1,885,231,510)	(1,445,831,841)
Income taxes paid	13.3.2	(3,621,730,273)	(4,171,023,059)
Receipts from other operating activities		299,297,933	291,798,090
Payments for other operating activities		(892,369,393)	(603,007,062)
Cash generated from operating profit before changes in operating assets and liabilities		9,399,342,147	8,343,623,257
Increase/(decrease) in Operating Assets & Liabilities			
Net sale/(purchase) of trading securities		1,506,048,839	(16,745,665,931)
Loans and advances to customers (other than banks)		(43,431,918,547)	(39,135,298,676)
Other assets	40	(1,382,723,839)	(45,185,793)
Deposits/borrowings from other banks		(4,778,778,066)	12,578,551,616
Deposits from customers (other than banks)		47,402,443,669	47,941,862,714
Liability for tax		(57,997,633)	1,183,095,854
Liabilities for provision		(2,134,793,540)	(2,743,546,275)
Other liabilities	41	3,173,430,913	1,019,416,076
Cash generated from changes in operating assets and liabilities		295,711,798	4,053,229,586
Net Cash received from operating activities		9,695,053,945	12,396,852,843
B) Cash flows from investing activities			
Net sale/(purchase) of non-trading securities		(5,150,101,588)	(6,775,962,092)
Net sale/(purchase) of property, plant and equipment		(1,033,812,248)	(1,684,131,746)
Investment in Subsidiary-EBL Securities Limited		(250,000,000)	-
Investment in Subsidiary-EBL Investments Limited		(280,000,000)	(100,000,000)
Net cash (used in) investing activities		(6,713,913,836)	(8,560,093,838)
C) Cash flows from financing activities			
Net issuance/(redemption) of subordinated bond		1,070,000,000	450,000,000
Dividend paid (cash dividend)		(1,341,371,900)	(1,192,330,580)
Net cash (used in)/received from financing activities		(271,371,900)	(742,330,580)
D) Net increase/(decrease) in cash and cash equivalents (A+B+C)		2,709,768,209	3,094,428,424
E) Effects of exchange rate changes on cash and cash equivalents		(64,834,475)	(158,333,511)
F) Opening cash and cash equivalents		39,452,285,719	36,516,190,806
G) Closing cash and cash equivalents (D+E+F)*		42,097,219,454	39,452,285,719
*Cash and cash equivalents consists of:			
Cash in hand (including foreign currencies)	3.1	5,558,469,189	4,716,619,787
Balances with Bangladesh Bank and its agent bank (s)	3.2	15,381,788,929	16,438,906,912
Balances with other Banks and Financial Institutions	4	18,053,299,336	11,854,067,120
Money at call and on short notice	5	3,100,000,000	6,440,000,000
Prize bonds	6.1	3,662,000	2,691,900
		42,097,219,454	39,452,285,719

These financial statements should be read in conjunction with the annexed notes.



Ali Reza Iftekhar
Managing Director



Ruslan Nasir
Director



Dr. Toufic Ahmad Choudhury
Independent Director



Gazi Md. Shakhawat Hossain
Director

Dhaka,
10 March 2024



Eastern Bank PLC.

Statement of Changes in Equity

for the year ended 31 December 2023

Amount in BDT

Particulars	Paid-up capital	Statutory reserve	Dividend equalisation reserve	Assets revaluation reserve (land and other assets)	General reserve	Actuarial remeasurement gain/(loss)	Foreign currency translation gain/(loss)	Retained earnings	Total
Balance as at 1 January 2023	10,730,975,250	10,730,975,250	356,040,000	2,650,425,416	603,493,370	(367,924,063)	(164,282,960)	10,505,742,232	35,045,444,496
Bonus share issued for 2022	1,341,371,900	-	-	-	-	-	-	(1,341,371,900)	-
Cash dividend paid for 2022	-	-	-	-	-	-	-	(1,341,371,900)	(1,341,371,900)
Profit after tax for the year	-	-	-	-	-	-	-	6,109,200,444	6,109,200,444
Transfer to statutory reserve	-	1,341,371,900	-	-	-	-	-	(1,341,371,900)	-
Reserve for revaluation of treasury securities (HFT)	-	-	-	(103,541,272)	-	-	-	-	(103,541,272)
Reserve for amortisation of treasury securities (HTM)	-	-	-	74,625,603	-	-	-	-	74,625,603
Adjustment of remeasurement gain / (loss) on defined benefit plans	-	-	-	-	-	141,500,001	-	-	141,500,001
Adjustment on revaluation reserve of land due to sale of land	-	-	-	(104,099,977)	-	-	-	10,523,518	(93,576,459)
Foreign currency translation gain/(loss)	-	-	-	-	-	-	(64,834,904)	-	(64,834,904)
Balance as at 31 December 2023	12,072,347,150	12,072,347,150	356,040,000	2,517,409,770	603,493,370	(226,424,063)	(229,117,864)	12,601,350,495	39,767,446,008
Balance as at 31 December 2022	10,730,975,250	10,730,975,250	356,040,000	2,650,425,416	603,493,370	(367,924,063)	(164,282,960)	10,505,742,232	35,045,444,496

Ali Reza Iftekhar
Managing Director

Ruslan Nasir
Director

Dr. Toufic Ahmad Choudhury
Independent Director

Gazi Md. Shakhawat Hossain
Director

Eastern Bank PLC.

Liquidity Statement

(Asset and Liability Maturity Analysis)

as at 31 December 2023

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)	8,881,885,916	-	-	-	12,058,372,202	20,940,258,118
Balances with other banks and financial institutions*	16,043,299,336	1,310,000,000	700,000,000	-	-	18,053,299,336
Money at call and on short notice	3,100,000,000	-	-	-	-	3,100,000,000
Investments	851,601,189	4,085,041,792	23,939,835,399	25,561,904,017	39,584,447,174	94,022,829,570
Loans and advances	42,701,324,979	54,823,615,711	141,718,436,921	84,324,445,258	29,789,109,425	353,356,932,292
Fixed assets including land, building, furniture and fixtures	54,827,601	112,724,058	493,448,408	2,389,778,379	5,466,525,857	8,517,304,302
Other assets	51,020,447	1,264,249	4,005,253,711	3,359,637,041	3,146,262,389	10,563,437,836
Non banking assets	-	-	-	-	-	-
Total assets	71,683,959,467	60,332,645,809	170,856,974,438	115,635,764,694	90,044,717,046	508,554,061,455
Liabilities						
Borrowing from other banks, financial institutions and agents	8,400,248,677	19,545,592,102	35,126,529,854	8,540,794,235	54,677,515	71,667,842,383
Deposits and other accounts	44,191,079,220	68,144,068,354	84,453,728,466	168,046,120,668	1,268,728,979	366,103,725,686
Provisions & other liabilities	100,950,521	4,358,404,505	2,685,569,046	17,273,268,970	6,596,854,335	31,015,047,378
Total liabilities	52,692,278,418	92,048,064,961	122,265,827,365	193,860,183,873	7,920,260,830	468,786,615,447
Net liquidity gap	18,991,681,049	(31,715,419,152)	48,591,147,073	(78,224,419,179)	82,124,456,217	39,767,446,008
Cumulative net liquidity gap	18,991,681,049	(12,723,738,103)	35,867,408,970	(42,357,010,209)	39,767,446,008	-

Eastern Bank PLC. and its subsidiaries

Notes to the financial statements

as at and for the year ended 31 December 2023

1 The Bank and its activities

1.1 Eastern Bank PLC. 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, 33 sub-branches and 102 agent banking outlets across Bangladesh. The shares of the Bank is listed with both Dhaka Stock Exchange (DSE) PLC. and Chittagong Stock Exchange (CSE) PLC. 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 an Offshore Banking Unit ('OBU' or 'the Unit') operated as a separate desk under control and supervision of the Offshore Banking Division/Operation (OBO). The unit and all its activities are governed as permitted by Bangladesh Bank vide letter no. BRPD(P)744(89)/2004-303 dated 25 January 2004 and subsequent approvals for continuation. The activities of the unit is to provide both funded and non-funded facilities and to accept savings/current/term deposits in freely convertible foreign currencies to and from non-resident person/institutions, fully foreign owned enterprises (Type 'A') in EPZs, PEPZs, EZs and Hi-Tech Parks, etc. Besides, OBU offers short term loan facility to the Type 'B' industrial enterprises in EPZs, PEPZs, EZs and Hi-Tech Parks. In addition, OBU discounts/purchases accepted usance/deferred bills against import from abroad (Bills Finance), and discounts/purchases accepted usance/deferred export bills against direct and deemed exports of products produced in Bangladesh, of persons resident in Bangladesh.

The unit commenced its operations on 19 May 2004 and its office is located at 100 Gulshan Avenue, Dhaka-1212.

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 those countries. Registered office of YRO is at No. 207,(1st Floor), Baho Road, Sanchaung Township, Yangon, Myanmar, Postal Code: 11111; and GRO is at Unit G, 22 Floor, Jianhe Centre, No.111 Tiyuxi Road, Tianhe District, Guangzhou, Guangdong Province, China. EBL has discontinued the operation of EBL YRO and necessary initiative has already been taken to close the same.

Agent Banking Outlet:

The bank has started agent banking operation in 2018 with a view to reach unbanked population particularly in the geographically dispersed area and offer banking services to potential customers who are currently out of traditional banking periphery. EBL has now 102 outlets across the country 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 were incorporated in Bangladesh except EBL Finance (HK) Limited which was 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) PLC. and Chittagong Stock Exchange (CSE) PLC. 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) in January 2013 and started full-fledged operations of merchant banking, portfolio management, underwriting services from June 2013. Registered office of EBLIL is located at Bangladesh Shipping Corporation (BSC) Tower 2-3, Rajuk Avenue (4th Floor), Motijhel C/A, Dhaka-1000, Bangladesh.

EBL Finance (HK) Limited

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

EBL Asset Management Limited

EBL Asset Management Limited (EBLAML) was incorporated on 9 January 2011 to carry out asset management business, capital market operation, equity investment etc. EBLAML obtained license from BSEC on 25 May 2017 to commence 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 financial statements of the Bank comprise those of its Domestic Banking Operations (including representative offices) and Offshore Banking Operations; 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 Financial Reporting Council (FRC) under the Financial Reporting Act (FRA), 2015 and the requirements of the Bank Company Act 1991 (as amended up to date), the circulars, rules and regulations issued by Bangladesh Bank (BB), the Companies Act 1994, the Securities and Exchange Rules 2020. In case any requirement of the Bank Company Act 1991 (as amended up to date), and provisions and circulars issued by Bangladesh Bank differ with those of IFRSs, the requirements of the Bank Company Act 1991 (as amended up to date), and provisions and circulars issued by Bangladesh Bank shall prevail. In addition to above, the Bank complied with requirements of following laws and regulations:

- a) Bangladesh Securities and Exchange Commission Ordinance 1969;
- b) Bangladesh Securities and Exchange Commission Act 1993;
- c) Bangladesh Securities and Exchange Commission (Public Issue) Rules 2015;
- d) Income Tax Act 2023 and amendment thereon;
- e) The Value Added Tax and Supplementary Duty Act 2012 and amendment thereon; and
- f) The Value Added Tax and Supplementary Duty Rules 2016 and amendment thereon.

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 and notes - comprising significant accounting policies and other explanatory information. As per IAS 1, the entity shall also present current and non-current assets and liabilities as separate classifications in its statement of financial position.

Bangladesh Bank: The presentation of the financial statements in prescribed format (i.e. balance sheet, profit and loss account, cash flow statement, statement of changes in equity, liquidity statement) and certain disclosures therein are guided by the First Schedule (section 38) of the Bank Company Act 1991 (as amendment up to date) and BRPD circular no. 14 dated 25 June 2003 and subsequent guidelines of Bangladesh Bank. In the prescribed format there is no option to present assets and liabilities under current and non-current classifications.

ii) **Investments in equity instruments (shares, mutual funds, etc.)**

IFRSs: As per requirements of IFRS 9 *Financial instruments*, classification and measurement of investment in equity instruments (shares & securities) will depend on how these are managed (the entity's business model) along with their characteristics of contractual cash flow. Based on these factors, it would generally fall either under 'at Fair Value through Profit & Loss Account' or 'at Fair Value through Other Comprehensive Income'. Where any subsequent change in the Fair Value at the year-end is recognized to Profit & Loss Account or Other Comprehensive Income based on the entity's business model.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, investments in quoted shares are revalued on the basis of year-end market price. Subsequently, as per DOS circular letter no. 1 dated 24 May 2023, provision for diminution of value of quoted shares, mutual funds (closed-end) and bonds has been made on 'portfolio basis' netting off gain and provision for diminution of value of unquoted shares and mutual funds has been made on the basis of net worth (Assets - Liabilities) of shares and surrender price of mutual funds respectively. 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 755.61 million as on 31-12-2023 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. Securities designated as amortized cost are measured at effective interest rate method and related interest income is recognized in Profit & 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, amortization gain/loss is charged to profit and loss account, mark-to-market loss on revaluation of government securities (T-bills/T-bonds) categorised as Held for Trading (HFT) is charged to profit and loss account, but any unrealised gain on such revaluation is recognised to revaluation reserve account. Securities designated as Held to Maturity (HTM) are measured at amortised cost method but income/gain is recognised through equity.

iv) **Provision on loans and advances, off-balance sheet exposures including other commitments**

IFRSs: As per IFRS 9 *Financial instruments*, an entity shall recognize an impairment allowances on loans and advances following Expected Credit Losses (ECL) model and an entity shall subsequently remeasure the impairment allowances on loans and advances at each reporting date. If the credit risk on these loans and advances increase significantly, an entity shall measure the impairment allowances at an amount equal to lifetime ECL.

If the credit risk on these loans and advances does not increase significantly, an entity shall measure the impairment allowances at an equal to 12 months ECL that may result from default events on such loans and advances that are possible within 12 months after reporting period.

Bangladesh Bank: As per Bangladesh Bank instructions through different circulars, general provision (GP) ranging 0.25% to 2% on different categories of unclassified loans (standard/SMA loans) and special GP for Covid-19 ranging 1% to 2% on accounts under payment by deferral facility upon receiving 15% and 50% payment against total dues for the year 2022 and 2023 respectively to be maintained regardless of objective evidence of impairment. And specific provision ranging 5% to 100% on classified loan accounts including certain rescheduled loan accounts to be made netting off eligible securities (if any). Also, a general provision ranging 0.5% - 1% to be provided for certain off-balance sheet exposures (including other commitments). Such provision policies are not specifically in line with those prescribed by IFRS 9.

The Bank maintained a cumulative general provision of BDT 6,854.45 million (special GP for COVID-19 of BDT 383.31 million, general provision of BDT 5,037.56 million for unclassified loans & advances, and BDT 1,433.58 million for off-balance sheet exposures) and specific provision of BDT 9,296.18 million for classified, reshcheduled and stay order accounts on 31-12-2023 (note 13.4.a.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 statement 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 categorized, recognized, measured and presented differently from those prescribed in IAS 32 *Financial Instruments: Presentation*, IFRS 7 *Financial Instruments - Disclosures* and IFRS 9 *Financial Instruments*. As such, some disclosures and presentation requirements of IAS 32, IFRS 7 and IFRS 9 cannot be fully made in these financial statements.

vii) REPO transactions

IFRSs: As per requirements of IFRS 9 *Financial instruments*, when an entity sells a financial asset and simultaneously enters into an agreement to repurchase the same (or a similar asset) at a fixed price on a future date (REPO or stock lending), the arrangement is accounted for as a collateralized borrowing and the underlying asset continues to be 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 derecognized in the seller's book and recognised in the buyer's book.

viii) Financial guarantees

IFRSs: As per IFRS 9 *Financial instruments*, financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of the instrument. Financial guarantee liabilities are recognized initially at their fair value and is amortized over the life of the instrument. Any such liability is subsequently carried at the higher of this amortized amount and the present value of any expected payment when a payment under the guarantee becomes probable. Financial guarantees are prescribed to be included within other liabilities.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003, financial guarantees such as letter of credit (LC) & letter of guarantees (LG) should be treated as off-balance sheet items. No liability is recognized for such guarantee except the cash margin. However, general provision is maintained against such guarantees complying with BRPD circular no. 06 dated 25 April 2023.

ix) Cash and cash equivalents

IFRSs: Cash and cash equivalent items should be reported as cash item as per IAS 7 *Statements of cash flows*.

Bangladesh Bank: Some highly liquid assets such as money at call and short notice, T-bills/T-bonds, prize bonds are not prescribed to be shown as cash and cash equivalents; rather shown as face item in the balance sheet. However, in the cash flow statement, money at call and short notice and prize bonds are shown as cash and cash equivalents beside cash in hand, balance with Bangladesh Bank and other banks.

x) Non banking assets

IFRSs: No indication of non-banking assets is found in any IASs/IFRSs.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003 of Bangladesh Bank, there exists a face item named non-banking assets.

xi) Cash flow statement

IFRSs: Cash flow statement can be prepared either in direct method or indirect method. The presentation method is selected to present cash flow information in a manner that is most suitable for the business or industry. Whichever method selected should be applied consistently.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003 of Bangladesh Bank, cash flow statement is to be prepared following a mixture of direct and indirect method.

xii) Balance with Bangladesh Bank (cash reserve requirement)

IFRSs: Balance with Bangladesh Bank should be treated as other assets as it is not available for use in day-to-day operations as per IAS 7 *Statement of cash flows*.

Bangladesh Bank: Balance with Bangladesh Bank should be treated as cash and cash equivalents.

xiii) Off-balance sheet items

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 amortized 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 amortized cost as per IFRS 9 and interest income is recognized through effective interest rate method over the term of the loan. Once a loan is impaired subsequently, interest income is to be recognized in profit and loss account on the same basis on revised carrying amount.

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012 and BRPD Circular no. 03 dated 21 April 2019, interest on classified loans are not allowed to be recognized 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 recognized, and the disclosure must be given as per IAS 38.

Bangladesh Bank: There is no specific regulation for intangible assets in BRPD circular no. 14 dated 25 June 2003. However, intangible assets of bank are shown in fixed assets.

*Please refer to note 2.10 compliance of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) for further details.

2.2 Basis of measurement

The consolidated financial statements of the Group and the separate financial statements of the Bank have been prepared on the historical cost basis except for the following material items:

- Government treasury bills and bonds designated as 'Held for Trading (HFT)' are marked-to-market weekly with resulting gain credited to revaluation reserve account but loss charged to profit and loss account.
- Government treasury bills and bonds designated as 'Held to Maturity (HTM)' are amortized yearly with resulting gain credited to amortization 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 years. The rating outlook of the Bank as denoted by both the rating agencies CRAB and Moody's is 'stable'. Besides, the management is not aware of any material uncertainties that may cast significant doubt upon the Bank's ability to continue as a going concern.

2.4 Use of estimates and judgments

The preparation of the consolidated financial statements of the Group and the separate financial statements of the Bank in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized 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; and
- Useful lives of depreciable/amortizable 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 DBO, US Dollar in case of OBO and HKD in case of EBL Finance (HK) Limited) at the rate of exchange prevailing on the day of transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated to the functional currency at standard mid-rate of exchange prevailing at the reporting date. Effects of exchange rate differences (rates at which transactions were initially recorded and the rate prevailing on the reporting date/date of settlements) applied on the monetary assets or liabilities of the Bank are recorded in the profit and loss account as per IAS 21 *The Effects of Changes in Foreign Exchange Rates*.

Translation of foreign currency financial statements

Assets and liabilities of OBO and EBL Finance (HK) Limited have been translated into Taka (functional currency of the Bank) using year-end standard mid-rate of exchange (i.e. the closing rate) whereas income and expenses are translated using monthly average rate of standard mid-rates of exchange of the Bank. The cumulative amount of net exchange rate differences has been presented separately as a component of equity as per IAS 21 *The Effects of Changes in Foreign Exchange Rates*.

2.6 Basis of consolidation

- Subsidiaries (investees) are entities controlled by the parent (the Bank). Control exists when the Bank has the power over the subsidiaries that gives right to direct relevant activities, exposure, or rights, to variable returns from its involvement with the subsidiaries, and the ability to use its power over the subsidiaries to affect the amount of the Bank's returns.
- The consolidated financial statements comprise the financial statements of the Bank and its subsidiary companies from the date that control commences until the date that control ceases. The financial statements of such subsidiary companies are incorporated on a line by line basis and the investments held by the parent (the Bank) are eliminated against the corresponding share capital of group entities (subsidiaries) in the consolidated financial statements.
- Financial assets and liabilities are offset and the net amount reported in the consolidated financial statements only when there is legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realize 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 unrealized income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements. Unrealized losses are eliminated in the same way as unrealized 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 derecognizes 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 upon loss of control is recognised in profit and loss account. If the group retains any interest in the former/previous/ex-subsidiary, then such interest is measured at fair value at the date when the control is lost. However, the group has neither lost control nor derecognized 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 recognized 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 BRPD circular no. 14 dated 25 June 2003 issued by Bangladesh Bank. The statement shows the structure of changes in cash and cash equivalents during the financial year.

2.8 Reporting period

These financial statements of the Group, the Bank and its subsidiaries cover 01 (One) calendar year from 01 January to 31 December.

2.9 Liquidity statement

The liquidity statement has been prepared mainly on the basis of remaining maturity grouping of assets and liabilities as at the close of the year as per following bases:

Particulars	Basis of use
Cash, balance with other banks and financial institutions, money at call and short notice, etc.	Stated maturity/observed behavioral trend.
Investments	Residual maturity term.
Loans and advances	Repayment/maturity schedule and behavioral trend (non-maturity products).
Fixed assets	Useful life.
Other assets	Realization/amortization basis.
Borrowings from other banks and financial institutions	Maturity/repayment term.
Deposits and other accounts	Maturity and behavioral trend (non-maturity products).
Other long term liability	Maturity term.
Provision and other liability	Settlement/adjustment schedule basis.

2.10 Significant accounting policies

The accounting policies set out and presented in these financial statements have been applied consistently to all the periods by group entities except otherwise instructed by Bangladesh Bank as the primary regulator. Significant accounting policies applied in these financial statements are presented separately with relevant notes.

Accounting policies of subsidiaries

The financial statements of subsidiaries which are included in the consolidated financial statements of the Group have been prepared using uniform accounting policies of the Bank (the Parent) for transactions and other events of similar nature unless there is any instruction by regulators. There is no significant restriction on the ability of subsidiaries to transfer funds to the parent in the form of cash dividends or to repay loans and advances.

2.11 Others

i) Materiality and aggregation

Each material class of similar items has been presented separately in the financial statements. Items of dissimilar nature also have been presented separately unless they are immaterial in accordance with IAS 1 *Presentation of financial statements*.

ii) Offsetting

Financial assets and liabilities are offset and the net amount is presented in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the assets and settle the liabilities 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 are presented on net basis under asset as the amount of DT asset is higher than DT liability. Net defined benefit obligation is presented under liability as defined benefit obligation is higher than fair value of plan assets. Card revenues and expenses earned and incurred on shared basis and are directly attributable to are presented on net off basis.

iii) Comparative information

Comparative information including narrative is disclosed in respect of the preceding period where it is relevant to enhance the understanding of the current period's financial statements.

Certain comparative amounts in the financial statements are reclassified and rearranged where relevant, to conform to the current year's presentation.

iv) Earnings per share (EPS)

As per IAS 33 *Earnings per share*, the Bank has been reporting basic earnings 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 disclosure*, 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. From 2022, the bank has discontinued procuring goods and services (i.e. courier, internet, refreshment items etc.) from the respective related party entities, following Bangladesh Bank BRPD circular -12 dated 15 June 2022 (restricting banks from procuring goods or services from "related parties") as disclosed in **Annexure- C1**.

Transactions between the Bank and its subsidiaries and outstanding amount within the group are 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

All material events after the reporting period have been considered and appropriate adjustments/disclosures have been made in the financial statements as per IAS 10 *Events after the reporting period*. Board's recommendation for dividend distribution is a common item presented in the note 42.

viii) Operating segments

The Group has identified following six reportable segments which are the Group's major strategic business units/entities. The strategic business units offer different products and services, and are managed separately based on the management and internal reporting structure of the Group. For each of the strategic business units, the Group's/Bank's Management Committee reviews internal management reports on quarterly basis. The following summary describes the operations in each of the reportable segments:

Segment Name		Description
OTOS	DBO (Domestic Banking Operation)	Deals with the full range of commercial banking products and services offered by three different business units: Corporate, Retail & SME Banking and Treasury.
	OBO (Offshore Banking Operation)	Deals with loans, deposits and related banking transactions in freely convertible foreign currencies with eligible Corporate customers in EPZs, PEPZs, EZs and Hi-tech Parks.
CONSOL	EBL Securities Limited (EBLSL)	It buys, sells and deals with capital market securities i.e shares, MFs, debentures etc., on behalf of customers and provides margin loan facilities etc.
	EBL Investments Limited (EBLIL)	It offers all kinds of merchant banking activities i.e. issue management, underwriting, portfolio management and other transactions.
	EBL Finance (HK) Limited	It deals with trade finance and off-shore banking business in Hong Kong.
	EBL Asset Management Limited (EBLAML)	It carries out business on asset management, portfolio management, capital market operation, equity investment, financial services i.e. corporate advisory, merger & acquisition, corporate restructuring etc.

Information regarding the results of each reportable segment is included in **Annexure - E**. Performance is measured based on segment revenue and profit, as included in the internal management reports that are reviewed by the management committee of the Bank. Segment profit is used to measure performance as management believes that such information is relevant in evaluating the results of certain segments.

ix) Risk management and other related matters

Financial institutions are in the business of taking calculative risk and it is important how a bank decides on its risk appetite. EBL firmly believes that robust risk management is the core function that makes its business sustainable. The risk management systems of the Bank in place are discussed below:

a) Credit risk

Credit risk is the risk of loss resulting from the failure of a borrower or counterparty to honor its financial or contractual obligations to the Bank. Board of Directors is the apex body for credit approval of the Bank. However, a part of credit approval authority is sub-delegated to the Managing Director and other officers of the Credit Risk Management (CRM) Division. The Board approves credit policies for the management for setting procedures, which together has structured the CRM framework of the bank. The Credit Policy Manual (CPM) contains the core principles for identifying, measuring, approving and managing credit risk in the bank. The policy covers Corporate, Retail, Small and Medium Enterprise (SME) exposures. Policies and procedures together have structured and standardized CRM process both in obligor and portfolio level. There is a comprehensive credit appraisal procedure that covers industry/business risk, management risk, financial risk, facility structure risk, security risk, environmental risk, reputational risk, and account performance risk.

Management reviews, at least once in a quarter, the credit exposures and portfolio performance of corporate under a clearly set out 'early alert' policy. If early alerts are raised, account plans are then re-evaluated; remedial actions are set, executed and monitored. Remedial action includes, but not limited to exposure reduction, security enhancement, exit of relationship or immediate transfer to Special Asset Management Division (SAMD).

The Bank follows the criteria for loan classification and provisioning requirement as stipulated in the BRPD Circular no.14/2012, BRPD circular no. 03/2019, BRPD circular no. 16/2020, BRPD circular no. 19/2021, BRPD circular no. 14/2022 and subsequent BRPD circulars and circular letters as issued by Bangladesh Bank time to time. The Bank has maintained adequate provision against impaired loans including certain UC accounts having payment by deferral facilities following relevant circulars of Bangladesh Bank. Details of which are stated in note 13.4 to the financial statements.

b) Liquidity risk

The responsibility of managing and controlling the bank's liquidity lies with the Asset Liability Committee (ALCO), which convenes at least once a month. The Asset Liability Management (ALM) desk, as the primary entity responsible for liquidity risk management, diligently oversees and regulates liquidity requirements on a daily basis through effective coordination of funding activities. In each ALCO meeting, a monthly projection of fund flows is routinely reviewed.

On a monthly basis, ALCO scrutinizes liquidity management by assessing key ratios, maximum cumulative outflow, upcoming funding requirements from all business units, and the asset-liability mismatch. The committee also keeps a close eye on the concentration of deposits from large institutional depositors, acknowledging its volatile nature. To further enhance liquidity oversight, the Bank compiles a structural liquidity profile, a maturity profile of term deposits, cash flow modeling, and a contingency funding plan on a monthly basis. These comprehensive analyses are presented and discussed in ALCO meetings to ensure that liquidity levels meet the standards acceptable to both the Bank and regulatory authorities.

c) Market risk

Risk Management Division (RMD) is responsible for overall monitoring, control and reporting of market risk. Treasury mid office of RMD is an integral part of market risk management which independently evaluates and monitors treasury department's transaction from risk perspective. Overall risk parameters and exposures of the Bank are monitored by RMD, periodically reported to Executive Risk Management Committee (ERMC) and observations are shared with RMC of the Board. Market risk can be subdivided into three categories depending on risk factors: i) interest rate risk, ii) foreign exchange risk, and iii) equity price risk.

i) 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.

ii) Foreign exchange risk

Foreign exchange risk refers to the potential impact on a bank's financial performance or position due to fluctuations in exchange rates between currencies. The Bank encounters this risk through its import payments and outward remittances, constituting outflows, while receiving foreign currency inflows from export receipts and inward remittances. The mismatch between these inflows and outflows on a given day can lead to exchange rate risk, causing the bank to have a long or short position resulting from customer-driven activities.

Additionally, if the Bank sources funding in one currency by converting funds from another, it faces foreign exchange risk. The Bank remains cautious in currency conversion and takes hedges against such exposures.

To manage this risk, the Bank calculates Value at Risk (VaR) on its foreign exchange position, arising from customer-driven transactions, at a 95% confidence level on a daily basis. The Bank strategically maintains various nostro accounts to facilitate operations in different currencies. As of the end of each day, the Bank ensures that its position adheres to the specified limits set by the Bangladesh Bank.

iii) 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 and changes in the value of unlisted shares.

Mark-to-Market is the process the Bank applies for maintaining provision against losses arisen from changes in market price of securities. As of 31 December 2023, the Bank had a cumulative provision of BDT 755.61 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.

d) Operational risk

Operational risk includes legal and regulatory risk, business process and change risk, fiduciary or disclosure breaches, technology failure, financial crime and environmental risk.

Risk Management Division (RMD) enriched the scope of risk matrix/KRI for Operational Risk compiling both quantitative and qualitative parameters in the regulatory frameworks and in the Bank's risk appetite. This department collects required information from different sources in different frequencies from monthly to yearly interval. Based on source data RMD plots the results in the risk matrix and escalates the critical and high risk issues to MANCOM, ERMC and RMC of the Board for guidance and to implement mitigation measures.

e) Monitoring activities and corrective measures

Effective control system contributes to the sustainable growth of the Bank. To assure effective internal control system in line with risk management framework of the Bank, the ICCD of the Bank runs a strong monitoring department. The department develops processes, procedures and control tools where necessary, ensures effectiveness of internal control system on perpetual basis through a set control mechanism; identifies and monitors key risk items. It also reviews approved tools and processes i.e. Departmental Control Function Check List (DCFCL), Quarterly Operations Report (QOR), Loan Documentation Check List (LDCL), and Self-Assessment Anti-Fraud Internal Control Check list etc. Department assists to prepare Annual Health report of the Bank and inform the Board of Directors on the effectiveness of ICC guideline and policy, practice & procedure as a regulatory compliance. For any identified operational risks/lapses, this unit takes necessary steps for risk mitigation and escalates to the higher management and Audit Committee of the Board for risk mitigation or absorption with specific recommendations in a timely and prompt manner. All the tools used for monitoring are in alignment with regulatory guidelines and internal policies and circulars.

f) Prevention of money laundering and terrorist financing

EBL performs a series of activities in identifying, assessing, mitigating and monitoring risks related to Money Laundering (ML) and Terrorist Financing (TF). 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 revised Central Compliance Committee (CCC) with 14 department/division heads to ensure collective participation of different departments in comprehensive AML and CFT program. Under direction of CCC and Chief Anti Money Laundering Compliance Officer (CAMLCO), AML department implements and monitors different AML & CFT programs across the Bank. In addition to nominating Branch Anti-Money Laundering Compliance Officer (BAMLCO) at branches, we have nominated Department Anti-Money Laundering Compliance Officer (DAMLCO) at crucial departments to oversee AML/CFT compliance at root level.

EBL has implemented automated transaction monitoring and sanction screening system to corroborate AML/CFT compliance program. Currently 8 sanction screening lists are incorporated in the system for sanction compliance and 60 rules & 58 reports for robust transaction monitoring. To increase awareness among employees, EBL has adopted training programs such as need based training, foundation trainings, certification programs etc. for its employees.

g) Information and communication technology risk

Eastern Bank PLC. (EBL) exemplifies excellence in Information and Communication Technology (ICT) security within the banking industry of Bangladesh, strictly adhering to the ICT Security Guideline of Bangladesh Bank. The cornerstone of EBL's commitment to data security was laid with its PCI DSS certification in 2016, a testament to its dedication to protecting sensitive information. This commitment is reinforced by its consistent compliance with PCI DSS and the achievement of the ISO 27001:2013 Standard Compliance Certification for five consecutive years, up to 2023, underscoring its commitment to information security management.

EBL's ICT Division has rigorously implemented both physical and logical security measures to safeguard its ICT infrastructure against cyber threats. This includes protecting key assets like Data Centers and Disaster Recovery Sites. Moreover, the Bank is in the process of establishing a Security Operation Center (SOC) to enhance its proactive stance against cyber threats, demonstrating forward-thinking in cybersecurity vigilance.

On the logical security front, EBL has deployed advanced access control systems, intrusion detection systems, and conducts regular security assessments to identify and remediate vulnerabilities. The adoption of a Security Information and Event Management (SIEM) solution and the routine conduct of internal and external vulnerability assessments and penetration testing underscore the Bank's proactive approach to strengthening its cyber defenses.

EBL has also developed a comprehensive Business Continuity Management (BCM) strategy to ensure operational resilience in the face of disruptive events. This strategic focus ensures that critical operations can continue or quickly resume, thereby maintaining the Bank's operational integrity.

To foster a cybersecurity-aware culture, EBL has launched initiatives aimed at educating its employees and customers on cybersecurity best practices. This, coupled with a stringent information system audit process, highlights the Bank's dedication to continuous improvement in ICT security.

In essence, EBL's holistic approach to ICT security, marked by strict adherence to international standards, proactive threat monitoring, and a focus on cybersecurity education, positions it as a leader in protecting digital assets. Through these efforts, EBL not only secures its own infrastructure and data but also establishes a benchmark for ICT security practices in the banking sector, ensuring customer and stakeholder trust in a digital era.

h) 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 and its subsidiaries on periodic interval. 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 the Board has active oversight on the internal audit's independence, scope of work and resources. The Audit Committee of Board regularly reviews the internal audit reports as well as monitors 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.

i) Prevention of fraud

EBL has a Board approved policy titled EBL Fraud and Theft Risk Prevention and Management Policy to minimize the incidence and impact of fraud. Incidence of fraud or theft has become one of the inherent risks in banking business but can very well be avoided or minimized by creating a highly regimented environment and harnessing a culture and value of transparency, accountability, trust and teamwork. With this endeavour to encourage all employees to report perceived unethical or illegal conduct of employees to appropriate authorities in a confidential manner without any fear of harassment, a 'Speak Up Policy' has been approved by the Board.

Moreover, EBL Incident Reporting (IR) Process Guideline has been established so that all incidents are reported to Head of ICC and recorded in incident log book for regularization/preventive measures.

2A Credit rating of the Bank

As per BRPD circular no. 6 dated 5 July 2006, the Bank has done its credit rating by Credit Rating Agency of Bangladesh Ltd. (CRAB) based on the audited financial statements as at and for the year ended 31 December 2022. The following ratings have been awarded:

Particulars	Periods	Date of rating	Long term	Short term
Entity rating (CRAB)	January to December 2022	21 June 2023	AAA	ST-1
Entity rating (CRISL)	January to December 2021	28 June 2022	AA+	ST-1
Entity rating (CRISL)	January to December 2020	17 June 2021	AA+	ST-1

2B Compliance with International Financial Reporting Standards (IFRSs)

The Bank has complied with following IFRSs & IASs as adopted by the Financial Reporting Council (FRC) during the preparation of financial statements as at and for the year ended 31 December 2023.

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
Financial Instruments: Presentation	IAS	32	*Applied
Earnings per share	IAS	33	Applied

Name of IFRSs/IASs	IFRSs/IASs	No.	Status
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
Non-current Assets Held for Sale and Discontinued Operations	IFRS	5	*Applied
Exploration for and Evaluation of Mineral Resources	IFRS	6	N/A
Financial Instruments: Disclosures	IFRS	7	*Applied
Operating Segments	IFRS	8	Applied
Financial Instruments	IFRS	9	*Applied
Consolidated Financial Statements	IFRS	10	Applied
Joint Arrangements	IFRS	11	N/A
Disclosure of Interests in Other Entities	IFRS	12	Applied
Fair Value Measurement	IFRS	13	*Applied
Regulatory Deferral Accounts	IFRS	14	N/A
Revenue from Contracts with Customers	IFRS	15	Applied
Leases	IFRS	16	Applied
Insurance Contracts	IFRS	17	N/A

* Subject to departure described in note 2.1

** The objective of IAS 34 is to prescribe the minimum content of an interim financial report and to prescribe the principles for recognition and measurement in complete or condensed financial statements for an interim period and hence it is not applicable for annual financial statements. However, Eastern Bank PLC. being a listed entity in DSE and CSE regularly publishes interim financial reports complying with IAS 34.

N/A = Not applicable

2B.1 Analysis of impact of standards issued but not yet effective

In 2023, Eastern Bank PLC. has published a Sustainability Report without considering the guidance of IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2: Climate related disclosures, as the compliance of both standards is not mandatory for this year. However, the Bank has plan to implement IFRS S1 and IFRS S2 in 2024. The application of IFRS S1 and IFRS S2 may lead to changes in the Bank's operation and governance resulting an improvement in sustainability performance and achievement of the sustainability goals. Apart from this, the Bank and the key stakeholders will be able to compare the disclosed information objectively once all the entities are required to follow the similar sustainability reporting framework i.e. IFRS S1 and IFRS S2 from 2024. During implementation of IFRS S1 and IFRS S2, the Bank might have to incur additional costs relating to recruitment of additional staffs, relevant data collection and analysis, development & modification of internal control, and production of sustainability report.

Moreover, IASB introduced IFRS 18: Presentation and Disclosure in Financial Statements in replacement of IAS 1. IFRS 18 is expected to be issued in April 2024 and will be effective for annual reporting periods beginning on or after 1 January 2027. Bank will assess potential impact of IFRS 18 after issuance of the same by IASB.

2C Audit Committee disclosures

Please refer to Report of the Audit Committee for details disclosures on Audit Committee presented in other information in the annual report.

2.12 Approval of financial statements

These financial statements were reviewed by the Audit Committee of the Board in its 149th meeting held on 10 March 2024 and was subsequently approved by the Board in its 753rd meeting held on the same date.

Amount in BDT

Notes	Group		Bank	
	2023	2022	2023	2022

3 Cash

Cash and cash equivalents include notes and coins at vault and at ATM, unrestricted balances held with Bangladesh Bank and its agent banks, balance with other banks and financial institutions, money at call and on short notice and prize bonds which are not ordinarily susceptible to change in value.

Amount withdrawn/transferred by customers after end-of-year closing are properly addressed, reconciled and adjusted with ATM balance and customers' deposit to reflect the actual balance of ATM and deposits as of the reporting date.

Cash in hand (including foreign currencies)	3.1	5,558,590,040	4,716,684,227	5,558,469,189	4,716,619,787
Balance with Bangladesh Bank and its agent Bank(s) (including foreign currencies)	3.2	15,381,788,929	16,438,906,912	15,381,788,929	16,438,906,912
		20,940,378,969	21,155,591,139	20,940,258,118	21,155,526,699

3.1 Cash in hand (including foreign currencies)

Local currency	3.1.1	5,430,805,219	4,641,122,645	5,430,684,368	4,641,058,205
Foreign currencies		127,784,821	75,561,583	127,784,821	75,561,583
		5,558,590,040	4,716,684,227	5,558,469,189	4,716,619,787

3.1.1 Local currency

With Bank		5,430,684,368	4,641,058,205	5,430,684,368	4,641,058,205
With Subsidiaries		120,851	64,440	-	-
		5,430,805,219	4,641,122,645	5,430,684,368	4,641,058,205

3.2 Balance with Bangladesh Bank and its agent Bank(s) including foreign currencies

Bangladesh Bank

Local currency		14,576,796,917	15,100,350,453	14,576,796,917	15,100,350,453
Foreign currencies		574,672,415	954,131,280	574,672,415	954,131,280
		15,151,469,331	16,054,481,734	15,151,469,331	16,054,481,734
Sonali Bank (an agent of Bangladesh Bank) - local currency		230,319,598	384,425,178	230,319,598	384,425,178
		15,381,788,929	16,438,906,912	15,381,788,929	16,438,906,912

3.a Cash Reserve Ratio (CRR)

Pursuant to section 33 of Bank Company Act, 1991 (amended upto date), MPD circular no. 03 dated 09 April 2020 and BRPD circular letter no. 31 dated 18 June 2020 issued by Bangladesh Bank, EBL has been maintaining CRR @ 3.5% and 1.5% on daily basis, and @ 4.0% and 2.0% on bi-weekly basis for DBO and OBO respectively. CRR requirement is calculated on the basis of weekly average total demand and time liabilities (ATDTL) of a base month which is two months back of the reporting month (i.e. CRR of December 2023 is maintained on the basis of weekly ATDTL of October 2023). Reserve maintained by the bank as at 31 December is as follows:

	DBO	OBO	Bank	
			2023	2022
Average total demand and time liabilities of October (excluding inter-bank deposit)	344,524,920,049	22,635,885,014	367,160,805,063	334,736,199,257
Daily basis				
Required reserve (for DBO 3.50% & OBO 1.5% of ATDTL)	12,058,372,210	339,538,280	12,397,910,490	10,970,354,921
Actual reserve held with Bangladesh Bank*			14,653,175,742	15,755,145,310
Surplus			2,255,265,252	4,784,790,389

Bi-weekly basis:

The bank maintained excess cash reserve of BDT 500.80 million in the last fortnight of 2023 (BDT 6,730.38 million in the same period of 2022) calculated by summing up excess cash reserve maintained over required CRR on daily basis.

*As per Bangladesh Bank Local & Foreign Currency Statement.

3.b Statutory Liquidity Ratio (SLR)

Pursuant to section 33 of Bank Company Act, 1991 (amended upto 2023), DOS circular no. 1 dated 19 January 2014 and DOS circular letter no. 26 dated 19 August 2019 issued by Bangladesh Bank, EBL has been maintaining SLR @ 13% for DBO & OBO on weekly average total demand and time liabilities (ATDTL) of a base month which is two months back of the reporting month (i.e. SLR of December 2023 is based on weekly ATDTL of October 2023). Reserve maintained by the Bank as at 31 December is as follows:

	DBO	OBO	Solo-2023	Solo-2022
Required reserve (13% of ATDTL)	44,788,239,630	2,942,665,080	47,730,904,710	43,515,705,903
Actual reserve held (Note 3.c)			76,543,989,806	72,813,339,980
Surplus			28,813,085,096	29,297,634,076

Amount in BDT

Notes	Group		Bank	
	2023	2022	2023	2022

3.c Actual reserve held

Excess cash reserve (note 3.c.1)	419,461,222	3,111,109,380
Cash held	5,558,469,189	4,716,619,787
Balance with Sonali Bank	230,319,598	384,425,178
Unencumbered approved securities (HFT)	14,452,184,546	16,501,299,916
Unencumbered approved securities (HTM)	55,883,555,252	48,099,885,718
	76,543,989,806	72,813,339,980

3.c.1 Excess cash reserve

Balance with Bangladesh Bank*	14,653,175,742	15,755,145,310
Less: Required cash reserve on bi-weekly average basis (for DBO 4% & OBO 2% of ATDTL)	14,233,714,520	12,644,035,930
Excess of cash reserve as on the reporting date	419,461,222	3,111,109,380

*As per Bangladesh Bank Local & Foreign Currency Statement.

4 Balances with other banks and financial institutions

Balance with other banks and financial institutions are reported as per our book balance and following BRPD circular no. 14 dated 25 June 2003. Periodic reconciliation is done to keep any un-reconciled balance within non-material level. Nostro account reconciliations are also certified by external auditor on half-yearly basis. Provision is also made for any un-settled debit entries over 6 months (if required).

Balance in Bangladesh	4.1	7,189,372,713	4,612,126,429	6,658,363,659	4,471,348,086
Balance outside Bangladesh	4.2	12,026,142,551	7,987,271,813	11,394,935,677	7,382,719,034
		19,215,515,264	12,599,398,242	18,053,299,336	11,854,067,120

4.1 Balance in Bangladesh**In Current Deposit Accounts with**

Banks	1,820,749,618	920,299,072	218,222,994	259,508,932
Non-Bank Financial Institutions (NBFIs)	-	-	-	-
Mobile Financial Services (MFSs)	2,069,240		2,069,240	-
	1,822,818,858	920,299,072	220,292,234	259,508,932
Less: Inter company elimination (with deposit account)	(556,503,199)	(630,688,922)	-	-
	1,266,315,659	289,610,150	220,292,234	259,508,932

In Special Notice Deposit Accounts with

Banks	270,497,653	241,957,290	12,071,425	11,839,154
Non-Bank Financial Institutions (NBFIs)	-	-	-	-
	270,497,653	241,957,290	12,071,425	11,839,154
Less: Inter company elimination (with deposit account)	(11,907,930)	(140,081,247)	-	-
	258,589,723	101,876,043	12,071,425	11,839,154

Amount in BDT

Notes	Group		Bank	
	2023	2022	2023	2022
In Fixed Deposit/Placement Accounts with				
Banks	4,335,809,239	7,570,424,524	4,325,809,239	7,570,424,524
Non-Bank Financial Institutions (NBFIs)	3,270,000,000	3,520,640,236	3,270,000,000	3,500,000,000
	7,605,809,239	11,091,064,760	7,595,809,239	11,070,424,524
Less: Inter unit/company elimination (with borrowings)	(1,941,341,908)	(6,870,424,524)	(1,169,809,239)	(6,870,424,524)
	5,664,467,331	4,220,640,236	6,426,000,000	4,200,000,000
	7,189,372,713	4,612,126,429	6,658,363,659	4,471,348,086

4.2 Balance outside Bangladesh

In Deposit account with

AB Bank PLC., Mumbai	22,230,056	1,086,510	22,230,056	1,086,510
Al-Rajhi Bank, KSA	1,945,405	1,719,850	1,945,405	1,719,850
Bank of Bhutan, Bhutan	928,196	884,947	928,196	884,947
Bank of China, China	983,385	3,539,239	983,385	3,539,239
Bank of Toykyo Mitshubishi, Japan	38,669,069	194,780,750	38,669,069	194,780,750
Citibank NA, USA	740,870,809	-	740,870,809	-
Commerz Bank AG, Germany	600,645,298	443,298,125	600,645,298	443,298,125
Habib American Bank, USA	204,596,274	11,319,182	204,596,274	11,319,182
HDFC Bank Limited, Hongkong	15,447,670	50,733,496	-	-
ICICI Bank Limited, India	523,405,279	185,806,076	523,405,279	185,806,076
ICICI Bank Limited, Hongkong	632,704,398	555,227,331	16,945,194	1,408,048
JP Morgan Chase Bank NA, London	24,413,712	23,556,970	24,413,712	23,556,970
JP Morgan Chase Bank NA, Australia	57,798	202,283	57,798	202,283
JP Morgan Chase Bank, USA	1,744,780,801	3,100,665,347	1,744,780,801	3,100,665,347
JP Morgan Chase Bank, Germany	148,456,926	4,520,398	148,456,926	4,520,398
Mashreqbank, USA	162,265,221	65,997,299	162,265,221	65,997,299
Mashreqbank, UAE	7,771,698	2,451,517	7,771,698	2,451,517
Nepal Bngladesh Bank Limited, Nepal	7,892,667	10,319,970	7,892,667	10,319,970
MCB Bank Limited, Pakistan	27,466,854	7,172,648	27,466,854	7,172,648
National Commercial Bank - Jeddah	5,853,340	-	5,853,340	-
Nordea Bank, Norway	-	2,423,664	-	2,423,664
Standard Chartered Bank, Srilanka	511,258	493,573	511,258	493,573
Standard Chartered Bank, India	579,041,665	50,036,929	579,041,665	50,036,929
Standard Chartered Bank, USA	5,452,268,920	2,893,545,237	5,452,268,920	2,893,545,237
Standard Chartered Bank, Singapore	3,669,388	1,367,523	3,669,388	1,367,523
Standard Chartered Bank, Germany	4,829,097	-	4,829,097	-
Wells Fargo Bank, USA	1,072,743,103	374,074,617	1,072,743,103	374,074,617
Zuercher Kantonal Bank, Zurich, Switzerland	1,694,265	2,048,333	1,694,265	2,048,333
	12,026,142,551	7,987,271,813	11,394,935,677	7,382,719,034

Details of Foreign currency amounts and exchange rates are presented in **Annexure-B**.

4.a Balances of subsidiaries with Banks & NBFIs

With Eastern Bank PLC. (eliminated as intra group balance)

EBL Securities Limited	565,325,831	284,178,912
EBL Investments Limited	18,994,749	72,879,024
EBL Finance (HK) Limited	752,537,926	357,962,520
EBL Asset Management Limited	1,539,807	55,749,713
	1,338,398,313	770,770,169

With other banks & NBFIs

Banks	1,162,215,928	745,331,122
Non-Bank Financial Institutions (NBFIs)	-	-
	1,162,215,928	745,331,122
	2,500,614,241	1,516,101,291

Amount in BDT

	Notes	Group		Bank		
		2023	2022	2023	2022	
4.b	Consolidated balance with Banks and FIs by group entities					
	Eastern Bank PLC. (Parent)	18,053,299,336	11,854,067,120			
	EBL Securities Limited	1,086,280,957	404,263,226			
	EBL Investments Limited	19,048,677	72,932,818			
	EBL Finance (HK) Limited	1,383,744,800	962,515,299			
	EBL Asset Management Limited	11,539,807	76,389,948			
		<u>20,553,913,577</u>	<u>13,370,168,411</u>			
	Less: Inter company elimination	<u>(1,338,398,313)</u>	<u>(770,770,169)</u>			
		<u>19,215,515,264</u>	<u>12,599,398,242</u>			
4.c	Balance with banks and FIs (according to remaining maturity grouping)					
	<i>Receivable</i>					
	On demand	480,292,234	499,508,932	480,292,234	499,508,932	
	In not more than one month	16,725,223,029	10,069,889,310	15,563,007,101	9,324,558,188	
	In more than one months but not more than three months	1,310,000,000	1,330,000,000	1,310,000,000	1,330,000,000	
	In more than three months but not more than one year	700,000,000	700,000,000	700,000,000	700,000,000	
	In more than one year but not more than five years	-	-	-	-	
	In more than five years	-	-	-	-	
		<u>19,215,515,264</u>	<u>12,599,398,242</u>	<u>18,053,299,336</u>	<u>11,854,067,120</u>	
5	Money at call and on short notice					
	Banks	5.1	3,100,000,000	6,440,000,000	3,100,000,000	6,440,000,000
	Non-Bank Financial Institutions (NBFIs)		-	-	-	-
			<u>3,100,000,000</u>	<u>6,440,000,000</u>	<u>3,100,000,000</u>	<u>6,440,000,000</u>
5.1	Money at call and on short notice - Banks					
	Community Bank Bangladesh PLC.		150,000,000	-	150,000,000	-
	Jamuna Bank PLC.		500,000,000	-	500,000,000	-
	Pubali Bank PLC		300,000,000	-	300,000,000	-
	City Bank PLC.		850,000,000	1,800,000,000	850,000,000	1,800,000,000
	NCC Bank PLC.		700,000,000	500,000,000	700,000,000	500,000,000
	EXIM Bank Ltd		600,000,000	2,450,000,000	600,000,000	2,450,000,000
	Midland Bank Limited		-	200,000,000	-	200,000,000
	NRB Bank Limited		-	500,000,000	-	500,000,000
	United Commercial Bank PLC.		-	500,000,000	-	500,000,000
	Habib Bank Ltd		-	90,000,000	-	90,000,000
	Social Islami Bank PLC.		-	400,000,000	-	400,000,000
			<u>3,100,000,000</u>	<u>6,440,000,000</u>	<u>3,100,000,000</u>	<u>6,440,000,000</u>
6	Investments					
	Accounting policy					

All investments are initially recognised at cost, including acquisition charges associated with the investment. Investments in government treasury securities or Bangladesh Bank Bills categorised as HTM or/and HFT are subsequently measured as per DOS circular no. 5 dated 26 May 2008 and related clarifications as per DOS circular letter no. 5 dated 28 January 2009. Investments classified as non-government treasury securities are subsequently measured either at cost or market value less any recoverable cost. Details are given below:

Investment in Govt.T-Securities/BB Bills- Held to Maturity (HTM)

Investments which are intended to be held till maturity are classified as Held to Maturity (HTM). These are measured at amortised cost at each year-end by taking into account any discount or premium on acquisition. Premiums are amortised and discounts are accredited, using the effective or historical yield. Any increase in value of securities is booked to equity but decrease to profit and loss account. Income is recognised to profit and loss account on accrual basis as per BB guideline.

Investment in Govt.T-Securities/BB Bills- Held for Trading (HFT)

These are investments primarily held for selling or trading. After initial recognition, investments are marked-to-market on weekly basis. Any decrease on revaluation of securities is recognised to profit and loss account, but any increase of value of securities is booked to revaluation reserve account as per BB DOS circular no. 5 dated 28 January 2009. Income is recognised to profit and loss account on accrual basis as per BB guideline.

REPO and Reverse REPO

Transactions of REPO and Reverse REPO are made following DOS circular no. 6 dated 15 July 2010 of BB. In case of REPO of both coupon and non-coupon bearing treasury securities, the Bank adjusts the revaluation reserve account for HFT securities and stops the weekly revaluation (if the revaluation date falls within the REPO period) of the same security. For interest bearing security, the Bank does not accrue interest during REPO period.

Investment in corporate bond, zero coupon bond, perpetual bond, debenture, pref. share etc.

These are investments primarily 'held to maturity' or 'no maturity date'. After initial recognition at cost, investments are measured at realizable value in every period end. Any decrease in value of securities is recognized to profit and loss account, but no unrealized gain is booked to revaluation reserve account. Income (i.e. interest, profit, gain or dividend) is recognized to profit and loss account on accrual basis as per IFRS and Bangladesh Bank guideline.

Investments – Initial recognition and subsequent 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 (unquoted)	Cost	Lower of cost or realizable value	Provision is kept @ 25%, 50% and 100% on outstanding balance for 1st, 2nd and 3rd year respectively following BB DOS circular no. 04/2019, if due coupon/dividend payment is not received.
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 worth	Provision for unrealised loss to profit and loss account but no unrealised gain booking.
Mutual fund (closed-end) *	Cost	Lower of cost or market value (portfolio basis)	Provision for unrealised loss (net) to profit and loss account but no unrealised gain booking.
Unit fund (open-end) *	Cost	Lower of cost or surrender value	Provision for unrealised loss (net) to profit and loss account but no unrealised gain booking.
Preference Shares	Cost	Lower of cost or realizable value	Provision is kept @ 25%, 50% and 100% on outstanding balance for 1st, 2nd and 3rd year respectively following BB DOS circular no. 04/2019, if due dividend payment is not received.
Prize bonds	Cost	Cost	None

* Based on DOS circular letter no. 1 dated 24 May 2023, provision for diminution of value of quoted shares, mutual funds (closed-end) and bonds has been made on 'portfolio basis' netting off gain and provision for diminution of value of unquoted shares and mutual funds has been made on the basis of net worth (Assets - Liabilities) of shares and surrender price of mutual funds respectively. The provision amount has been placed under other liabilities. Details are stated in note 13.8 of these financial statements

Amount in BDT

Notes	Group		Bank		
	2023	2022	2023	2022	
Details of investments					
Government	6.1	70,339,401,798	64,603,877,534	70,339,401,798	64,603,877,534
Others	6.2	27,321,218,976	28,428,309,602	23,683,427,773	25,802,844,879
		97,660,620,773	93,032,187,136	94,022,829,570	90,406,722,413
6.a Consolidated investments by group entities					
Eastern Bank PLC. (Parent)		94,022,829,570	90,406,722,413		
EBL Securities Limited		2,674,428,030	2,102,010,325		
EBL Investments Limited		715,627,309	344,940,964		
EBL Asset Management Limited		247,735,864	178,513,434		
		97,660,620,773	93,032,187,136		
Less: Inter company elimination		-	-		
		97,660,620,773	93,032,187,136		
6.1 Government (Investment in govt. securities)					
Treasury Bills	6.1.1	19,851,925,858	872,796,690	19,851,925,858	872,796,690
Treasury Bonds	6.1.2	50,483,813,940	63,728,388,944	50,483,813,940	63,728,388,944
Prize Bonds		3,662,000	2,691,900	3,662,000	2,691,900
		70,339,401,798	64,603,877,534	70,339,401,798	64,603,877,534
6.1.1 Treasury Bills					
Held for Trading (HFT)		12,626,258,551	872,796,690	12,626,258,551	872,796,690
Held to Maturity (HTM)		7,225,667,307	-	7,225,667,307	-
		19,851,925,858	872,796,690	19,851,925,858	872,796,690
6.1.2 Treasury Bonds					
Held for Trading (HFT)		1,825,925,995	15,628,503,226	1,825,925,995	15,628,503,226
Held to Maturity (HTM)		48,657,887,945	48,099,885,718	48,657,887,945	48,099,885,718
	6.1.2.a	50,483,813,940	63,728,388,944	50,483,813,940	63,728,388,944
6.1.2.a Treasury Bonds (Tenor wise holding) - unencumbered					
2- year Treasury bonds		1,284,698,074	3,459,704,851	1,284,698,074	3,459,704,851
5- year Treasury bonds		5,929,953,585	6,640,447,564	5,929,953,585	6,640,447,564
10- year Treasury bonds		26,519,870,729	32,026,163,012	26,519,870,729	32,026,163,012
15- year Treasury bonds		10,185,455,846	12,517,611,987	10,185,455,846	12,517,611,987
20- year Treasury bonds		6,563,835,707	9,084,461,530	6,563,835,707	9,084,461,530
		50,483,813,940	63,728,388,944	50,483,813,940	63,728,388,944
Disclosure on REPO and Reverse Repo transactions is made in Annexure- D .					
6.2 Others (Investment in securities other than govt. securities)					
Corporate bond (non-convertible)		700,000,000	903,496,756	700,000,000	900,000,000
Subordinated bond (issued by other banks)	6.2.1	8,340,000,000	9,630,000,000	8,340,000,000	9,630,000,000
Perpetual Bond		5,000,000,000	5,000,000,000	5,000,000,000	5,000,000,000
Zero Coupon Bond		236,977,327	355,419,671	236,977,327	355,419,671
Preference Shares		4,244,833,334	5,195,333,333	4,244,833,334	5,195,333,333
Ordinary Shares & Mutual Funds (MFs)- (Quoted and Unquoted)	6.2.2	8,799,408,315	7,344,059,842	5,161,617,112	4,722,091,875
		27,321,218,976	28,428,309,602	23,683,427,773	25,802,844,879

Amount in BDT

Notes	Group		Bank	
	2023	2022	2023	2022
6.2.1 Subordinated bond (issued by other banks)				
United Commercial Bank Subordinated Bond	600,000,000	800,000,000	600,000,000	800,000,000
Jamuna Bank Subordinated Bond	80,000,000	160,000,000	80,000,000	160,000,000
MTBL Subordinated Bond	860,000,000	1,120,000,000	860,000,000	1,120,000,000
SIBL Subordinated Bond	-	50,000,000	-	50,000,000
Standard Bank Subordinated Bond	100,000,000	200,000,000	100,000,000	200,000,000
Bank Asia Subordinated Bond	600,000,000	800,000,000	600,000,000	800,000,000
DBBL Subordinated Bond	800,000,000	1,000,000,000	800,000,000	1,000,000,000
SEBL Subordinated Bond	1,300,000,000	1,500,000,000	1,300,000,000	1,500,000,000
IBBL Subordinated Bond	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Trust Bank Subordinated Bond	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Exim Bank Subordinated Bond	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
IFIC Bank Subordinated Bond	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
	8,340,000,000	9,630,000,000	8,340,000,000	9,630,000,000
6.2.2 Ordinary shares & MFs (quoted and unquoted) - at cost				
Quoted shares & MFs				
Quoted shares (sector wise):				
Banks	1,773,637,669	1,763,278,883	1,299,754,619	1,306,087,143
NBFIs	860,566,207	718,063,805	154,977,959	154,977,959
Insurance	1,175,198,782	572,499,827	436,558,715	241,021,678
Cement & Ceramics	129,947,441	90,113,637	99,963,256	60,129,452
Engineering	187,663,212	127,193,084	87,360,626	87,360,626
Food & Allied	724,223,095	744,186,695	701,365,454	708,997,318
Fuel & Power	394,651,746	345,071,975	227,878,821	178,299,050
Pharmaceuticals & Chemicals	1,024,197,430	1,040,760,360	682,360,995	682,360,995
Textile	128,139,352	198,786,438	27,919,059	27,927,711
Others	1,291,178,260	654,100,014	453,472,485	284,924,819
	7,689,403,194	6,254,054,720	4,171,611,989	3,732,086,753
EBL Sponsored MFs:				
EBL First Mutual Fund	13,816,533	13,816,533	13,816,533	13,816,533
EBL NRB Mutual Fund	133,311,883	133,311,883	133,311,883	133,311,883
First Bangladesh Fixed Income Fund	698,580,237	698,580,237	698,580,237	698,580,237
Other Mutual Funds	30,000,000	30,000,000	30,000,000	30,000,000
	875,708,653	875,708,653	875,708,653	875,708,653
Total Quoted shares & MFs	8,565,111,847	7,129,763,372	5,047,320,642	4,607,795,405
Unquoted shares & MFs:				
Shares	81,796,470	81,796,470	31,796,470	31,796,470
Unit Funds	152,499,998	132,500,000	82,500,000	82,500,000
	234,296,468	214,296,470	114,296,470	114,296,470
Total ordinary shares & MFs (quoted and unquoted)	8,799,408,315	7,344,059,842	5,161,617,112	4,722,091,875

Amount in BDT

Notes	Group		Bank	
	2023	2022	2023	2022

6.2.2.1 Market value of quoted shares and MFs (as on 31 December)**Quoted shares & MFs:**

Banks	1,541,385,410	1,515,258,202	1,165,269,990	1,157,902,198
NBFIs	760,057,286	612,474,484	124,736,250	124,736,250
Insurance	992,787,151	423,252,499	358,228,592	168,193,417
Cement & Ceramics	114,029,309	75,366,359	88,473,750	51,138,750
Engineering	162,592,151	112,572,019	73,707,794	73,707,794
Food & Allied	538,162,990	533,860,696	520,437,448	505,588,476
Fuel & Power	322,795,979	274,557,379	188,795,855	140,677,255
Pharmaceuticals & Chemicals	845,331,530	846,890,966	553,060,110	553,658,976
Textile	75,445,357	138,994,971	20,676,862	21,885,793
Others	863,280,938	593,432,264	371,525,032	220,295,000
	6,215,868,100	5,126,659,840	3,464,911,682	3,017,783,910
Mutual Funds/Unit Funds	786,417,000	758,454,577	717,578,596	706,734,577
	7,002,285,100	5,885,114,416	4,182,490,278	3,724,518,486

***Lock in status of EBL sponsored 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	3,662,000	2,691,900	3,662,000	2,691,900
In not more than one month	847,939,189	1,011,805,698	847,939,189	1,011,805,698
In more than one month but not more than three months	7,722,832,995	3,792,364,941	4,085,041,792	1,166,900,218
In more than three months but not more than one year	23,939,835,399	9,681,929,340	23,939,835,399	9,681,929,340
In more than one year but not more than five years	25,561,904,017	26,230,123,485	25,561,904,017	26,230,123,485
In more than five years	39,584,447,174	52,313,271,773	39,584,447,174	52,313,271,773
	97,660,620,773	93,032,187,136	94,022,829,570	90,406,722,413

7 Loans and advances**Accounting policy****Loans and advances (initial recognition):**

Loans and advances comprise of non-derivative financial assets with fixed or determinable payments and are not quoted in an active market. These are recognised at gross amount on the date when they are originated. The group has not designated any loans and advances upon initial recognition as at fair value through profit and loss account or other comprehensive income.

After initial recognition, loans, advances and interest receivables are subsequently measured at amortised cost using effective interest rate (EIR) over the relevant periods. The amortised cost of a financial asset is the amount at which the asset is measured at initial recognition less principal repayments, using EIR method. The EIR is the rate that exactly discounts estimated future cash receipts (estimates cash flows considering all contractual terms of the instrument but not future credit losses) during the expected life of the financial instrument.

Loans and advances (classification and provisioning):

Classification of loans into substandard/doubtful/bad-loss category and general provision (GP) on unclassified loans (0.25% to 2%), certain off balance-sheet exposures (0.5% to 1%); special GP for COVID-19 (1% to 2%) and specific provision (SP) on classified loans (5% to 100%) including rescheduled loans are made on the basis of quarter-end review and in compliance with BRPD Circular no.14/2012, BRPD circular no. 03/2019, BRPD circular no. 16/2020, BRPD circular no. 19/2021, BRPD circular no. 14/2022 and subsequent BRPD circulars and circular letters as issued by Bangladesh Bank time to time. Provisions and interest suspense are separately shown under other liabilities as per First Schedule of Bank Company Act 1991 (as amended up to date), instead of netting off with loans. Details of rate for provisioning is given below:

Existing rate of loan provision:

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

Loans and advances (write-off):

Loans and advance are written off to the extent that there is no realistic prospect of recovery in the proximate future, classified as bad/loss for 3 years at a stretch, and adequate provision is 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 in compliance with BB guideline.

Loans and advances (recovery from written off):

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 2023, the bank made a recovery of BDT 473 million from written off loans and advances and presented in profit and loss account as a netting off component from specific provision.

Notes	Amount in BDT				
	Group		Bank		
	2023	2022	2023	2022	
Details of loans and advances:					
Loans, cash credits, overdrafts etc.	7.1	318,673,232,509	260,686,467,101	319,911,853,079	263,817,658,813
Bills purchased and discounted	7.2	37,231,661,887	50,398,266,460	33,445,079,214	45,097,944,098
		355,904,894,396	311,084,733,561	353,356,932,292	308,915,602,911

7.a Consolidated loans and advances by group entities

Eastern Bank PLC. (Parent)	353,356,932,292	308,915,602,911
EBL Securities Limited	3,736,378,318	3,823,671,260
EBL Investments Limited	51,795,004	54,203,443
EBL Finance (HK) Limited	3,786,582,673	5,300,322,362
	360,931,688,287	318,093,799,976
Less: Inter company elimination	(5,026,793,891)	(7,009,066,415)
	355,904,894,396	311,084,733,561

Amount in BDT

Notes	Group		Bank	
	2023	2022	2023	2022
7.1 Loans, cash credits, overdrafts etc.				
<i>Inside Bangladesh</i>				
Loans - general	263,438,011,747	216,408,060,820	263,438,011,747	216,408,060,820
Cash credit	3,134,410,350	2,067,129,447	3,134,410,350	2,067,129,447
Overdraft	52,475,254,950	43,496,868,346	48,687,081,628	39,618,993,643
Less: Inter company elimination (with EBLSL borrowings)	(374,444,537)	(1,285,591,512)	-	-
	318,673,232,509	260,686,467,101	315,259,503,724	258,094,183,910
<i>Outside Bangladesh</i>				
Overdraft-EBL Finance (HK) Limited	4,652,349,354	5,723,474,903	4,652,349,354	5,723,474,903
Less: Inter company elimination (with borrowing)	(4,652,349,354)	(5,723,474,903)	-	-
	318,673,232,509	260,686,467,101	319,911,853,079	263,817,658,813
7.2 Bills purchased and discounted				
<i>Inside Bangladesh</i>				
Local bills /documents	33,262,497,687	44,836,762,722	33,262,497,687	44,836,762,722
Foreign bills /documents	182,581,527	261,181,376	182,581,527	261,181,376
	33,445,079,214	45,097,944,098	33,445,079,214	45,097,944,098
<i>Outside Bangladesh</i>				
Bills financed & UPAS [by EBL Finance (HK) Ltd]	3,786,582,673	5,300,322,362	-	-
	37,231,661,887	50,398,266,460	33,445,079,214	45,097,944,098
7.2.1 Bills purchased and discounted (on the basis of residual maturity grouping)				
On demand	10,928,219,750	5,075,897,258	9,816,783,798	4,542,071,521
Within one month	4,974,457,582	10,097,923,032	4,468,538,858	9,035,937,154
In more than one month but less than three months	11,762,107,468	15,596,815,692	10,565,862,388	13,956,518,182
In more than three months but less than six months	7,663,895,095	13,624,661,893	6,884,451,715	12,191,773,320
Above six months	1,902,981,992	6,002,968,585	1,709,442,454	5,371,643,921
	37,231,661,887	50,398,266,460	33,445,079,214	45,097,944,098
7.a.1 Residual maturity grouping of loans and advances (including bills purchased & discounted)				
Receivable				
On demand	21,901,381,216	13,371,485,270	21,670,587,634	13,371,485,270
In not more than one month	21,254,716,467	20,689,658,861	21,030,737,345	20,610,051,767
In more than one month but not more than three months	55,407,491,831	50,426,539,336	54,823,615,711	50,316,347,499
In more than three months but not more than one year	143,227,750,199	134,889,100,264	141,718,436,921	132,909,768,546
In more than one year but not more than five years	84,324,445,258	66,001,201,850	84,324,445,258	66,001,201,850
In more than five years	29,789,109,425	25,706,747,979	29,789,109,425	25,706,747,979
	355,904,894,396	311,084,733,561	353,356,932,292	308,915,602,911

7.a.2 As per BRPD circular no. 04 dated 04 January 2021 and BRPD circular letter no. 35 dated 06 July 2021, in order to validate financial statements for credit sanction (fresh/renewal) to the clients under relationship of Corporate Banking, the Bank has verified DVC mentioned in audited financials with DVS (Document Verification System) developed by ICAB (The Institute of Chartered Accountants of Bangladesh) for 100% cases and has preserved with loan file accordingly. Current status of the Bank is as follows:

Particulars	Compliance Status	
	% of compliance as per BRPD Circular Letter 04*	% of compliance as per BRPD Circular Letter 35**
Complied files in 2023 under the relationship of Corporate Banking	100%	100%

* BRPD Circular Letter no. 04: Regarding preservation of audited financial statements/statutory audit report for credit sanction (fresh/renewal) where applicable.

** BRPD Circular Letter no. 35: Regarding verification of audited financial statements through the data available in the Document Verification System (DVS) developed by ICAB.

7.a.3 As per Bangladesh Bank SMESPD circular no. 05 dated 14 August 2022, in order to promote CMSME sector, EBL has continued cluster base financing to certain potential products/services countrywide for last couple of years. As of the reporting date, the bank has loan outstanding of BDT 1,688.57 million that was financed to the different clusters following Bangladesh Bank Cluster Financing Policy.

Notes	Amount in BDT			
	Group		Bank	
	2023	2022	2023	2022
7.b Loans and advances on the basis of significant concentration				
7.b.1 Loans and advances to Directors, executives and others				
Advance to Directors and their allied concerns	247,856	384,955	247,856	384,955
Advances to Managing Director	9,705,786	10,725,568	9,705,786	10,725,568
Advances to other executives and staffs	1,673,488,801	1,645,251,235	1,673,488,801	1,645,251,235
Advances to customers (Group wise)	289,092,472,500	260,722,005,971	286,544,510,397	258,552,875,321
Industrial loans and advances	65,128,979,452	48,706,365,833	65,128,979,452	48,706,365,832
	355,904,894,396	311,084,733,561	353,356,932,292	308,915,602,911

7.b.2 Large loan details (Loans extended to any customer exceeding 10% of the Bank's total capital)

* Total Loans and Advances (BDT million)	145,372	161,610
Number of Customers	20	25
Classified amount thereon	-	-

* This amount represents total loans and advances (comprising funded and non funded facilities) to each customer exceeding BDT 4,688.97 million which is equivalent to 10% of total capital of the bank as at 31 December 2023.

7.b.3 Industry-wise concentration of loans and advances (including bills purchased and discounted)

Agri and micro credit through NGO	15,916,622,681	21,434,208,317	15,916,622,681	21,434,208,317
Commercial and trading	47,311,641,548	38,619,270,185	47,311,641,548	38,619,270,185
Construction	17,241,982,540	9,901,819,827	17,241,982,540	9,901,819,827
Cement and ceramic industries	7,321,250,062	5,506,735,518	7,321,250,062	5,506,735,518
Chemical and fertilizer	5,825,764,395	4,547,798,423	5,825,764,395	4,547,798,423
Crops, fisheries and livestock	1,319,202,312	629,467,998	1,319,202,312	629,467,998
Electronics and electrical goods	7,613,568,882	6,048,765,067	7,613,568,882	6,048,765,067
Food and allied industries	17,768,094,297	23,443,538,196	17,768,094,297	23,443,538,196
Consumer finance	41,652,350,495	36,774,625,528	37,864,177,173	32,896,750,825
Metal and steel products	26,819,196,920	22,284,789,692	26,819,196,920	22,284,789,692
Pharmaceutical industries	9,478,016,987	6,275,522,955	9,478,016,987	6,275,522,955
Power and fuel	18,657,776,944	14,293,116,796	18,657,776,944	14,293,116,796
Rubber and plastic industries	4,488,175,913	4,779,740,278	4,488,175,913	4,779,740,278
Readymade garments industry	44,256,445,651	44,155,307,591	40,469,862,978	38,854,985,229
Ship building & breaking industry	3,712,835,140	3,640,377,487	3,712,835,140	3,640,377,487
Sugar and edible oil refinery	13,693,311,327	10,401,002,652	13,693,311,327	10,401,002,652
Transport and e-communication	8,456,906,174	6,506,344,038	8,456,906,174	6,506,344,038
Textile mills	19,951,104,901	14,792,286,481	19,951,104,901	14,792,286,481
Other manufacturing or extractive industries	30,126,384,365	23,234,154,591	30,126,384,365	23,234,154,591
Others	14,294,262,861	13,815,861,942	19,321,056,753	20,824,928,357
	355,904,894,396	311,084,733,561	353,356,932,292	308,915,602,911

Amount in BDT

Notes	Group		Bank	
	2023	2022	2023	2022
7.b.4 Sector - wise concentration of loans and advances (including bills purchased and discounted)				
Government sector	-	-	-	-
Public sector	1,631,782,911	529,508,788	1,631,782,911	529,508,788
Private sector	354,273,111,485	310,555,224,774	351,725,149,382	308,386,094,124
	355,904,894,396	311,084,733,561	353,356,932,292	308,915,602,911

7.b.5 Geographic location-wise concentration of loans and advances (including bills purchased and discounted)				
Inside Bangladesh				
Dhaka Division	278,130,164,495	241,878,710,712	274,716,435,710	239,286,427,520
Chattogram Division	60,103,741,219	50,335,280,791	60,103,741,219	50,335,280,791
Sylhet Division	2,838,343,046	2,507,748,826	2,838,343,046	2,507,748,826
Rajshahi Division	4,174,778,880	4,398,432,839	4,174,778,880	4,398,432,839
Khulna Division	5,058,635,269	5,079,425,201	5,058,635,269	5,079,425,201
Rangpur Division	705,075,216	556,751,276	705,075,216	556,751,276
Barishal Division	467,103,084	454,597,772	467,103,084	454,597,772
Mymensingh Division	640,470,515	573,463,782	640,470,515	573,463,782
	352,118,311,723	305,784,411,199	348,704,582,938	303,192,128,008
Outside Bangladesh				
EBL Finance (HK) Ltd.	3,786,582,673	5,300,322,362	4,652,349,354	5,723,474,903
	355,904,894,396	311,084,733,561	353,356,932,292	308,915,602,911

7.b.6 Geographic location and business segment-wise concentration of loans and advances (including bills purchased and discounted) as on 31-12-2023				
	Total Bank (Solo)			
	Corporate banking	Retail and SME(S) banking (including staff)	2023	2022
Division				
Dhaka Division	223,631,341,851	51,085,093,859	274,716,435,710	239,286,427,520
Chattogram Division	43,770,478,185	16,333,263,034	60,103,741,219	50,335,280,791
Sylhet Division	12,975,484	2,825,367,562	2,838,343,046	2,507,748,826
Rajshahi Division	2,462,388,577	1,712,390,303	4,174,778,880	4,398,432,839
Khulna Division	706,146,663	4,352,488,606	5,058,635,269	5,079,425,201
Rangpur Division	25,032,754	680,042,462	705,075,216	556,751,276
Barishal Division	-	467,103,084	467,103,084	454,597,772
Mymensingh Division	14,713,548	625,756,967	640,470,515	573,463,782
Outside Bangladesh	4,652,349,354	-	4,652,349,354	5,723,474,903
	275,275,426,416	78,081,505,877	353,356,932,292	308,915,602,911

Amount in BDT

Notes	Group		Bank	
	2023	2022	2023	2022
7.b.7 Business segment-wise concentration of loans and advances (including bills purchased and discounted)				
Corporate banking	244,886,622,706	189,806,248,465	246,126,833,924	191,514,992,519
Offshore banking	29,148,592,491	48,833,524,980	29,148,592,491	48,833,524,980
Retail and SME (S) banking	80,186,484,612	70,788,983,312	76,398,311,290	66,911,108,609
Executives & Staffs	1,683,194,587	1,655,976,802	1,683,194,587	1,655,976,802
	355,904,894,396	311,084,733,561	353,356,932,292	308,915,602,911

Amount in BDT

Notes	Group		Bank	
	2023	2022	2023	2022
7.b.8 Loans and advances (as categorised in CL Statement)				
<i>Inside Bangladesh</i>				
Continuous loan (CL-2)				
Consumer Financing (CF)	14,074,657,981	13,519,850,772	10,286,484,659	9,641,976,069
Small & Medium Enterprise (SME)	4,528,332,276	5,952,613,659	4,528,332,276	5,952,613,659
Loans to BHs/MBs/SDs against Shares	686,106,122	842,440,995	1,060,550,659	2,128,032,507
Other than SMEF, CF, BHs/MBs/SDs	31,297,362,284	23,957,085,765	31,297,362,284	23,957,085,765
	50,586,458,663	44,271,991,191	47,172,729,878	41,679,708,000
Demand loan (CL-3)				
Small & Medium Enterprise (SME)	2,960,376,392	6,841,544,809	2,960,376,392	6,841,544,809
Other than SMEF, CF, BHs/MBs/SDs	166,020,153,154	145,856,810,441	166,020,153,154	145,856,810,441
	168,980,529,546	152,698,355,250	168,980,529,546	152,698,355,250
Term loan (CL-4)				
Consumer Financing (including staff, other than HF)	18,854,874,957	16,436,693,823	18,854,874,957	16,436,693,823
Housing Financing (HF)	8,722,817,559	6,818,087,563	8,722,817,559	6,818,087,563
Small & Medium Enterprise	22,262,690,136	19,736,410,886	22,262,690,136	19,736,410,886
Other than SMEF, CF, BHs/MBs/SDs	76,901,034,980	62,754,630,732	76,901,034,980	62,754,630,732
	126,741,417,632	105,745,823,004	126,741,417,632	105,745,823,004
Short term agri credit and microcredit (CL-5)				
Short term agri credit	5,809,905,882	3,068,241,753	5,809,905,882	3,068,241,753
	5,809,905,882	3,068,241,753	5,809,905,882	3,068,241,753
<i>Outside Bangladesh</i>				
Loans, cash credits, overdrafts etc.	3,786,582,673	5,300,322,362	4,652,349,354	5,723,474,903
	355,904,894,396	311,084,733,561	353,356,932,292	308,915,602,911
7.b.9 Security/Collateral-wise concentration of loans and advances (including bills purchased and discounted)				
Collateral of movable/immovable assets	109,061,465,149	87,396,708,884	109,061,465,149	87,396,708,884
Local banks and financial institutions guarantee	15,214,963,986	15,105,791,588	11,428,381,313	9,805,469,226
Government guarantee	491,472,034	529,508,788	491,472,034	529,508,788
Export documents	32,012,578,782	27,314,539,474	32,012,578,782	27,314,539,474
Fixed deposit receipts (FDR)-own bank	28,618,465,350	29,636,108,688	28,618,465,350	29,636,108,688
Personal guarantee	20,440,753,996	17,085,179,371	20,440,753,996	17,085,179,371
Other securities (Hypothecation charges)	150,065,195,099	134,016,896,767	151,303,815,669	137,148,088,479
	355,904,894,396	311,084,733,561	353,356,932,292	308,915,602,911
7.b.10 Classification status of loans and advances				
Unclassified				
Standard (Excluding Staff Loan)	338,461,635,602	296,168,842,382	336,324,866,628	294,480,449,749
Special Mention Accounts (SMA)	4,407,742,876	4,200,106,648	4,407,742,876	4,200,106,648
	342,869,378,477	300,368,949,030	340,732,609,504	298,680,556,397
Classified				
Sub-standard	1,152,310,504	1,351,814,635	1,152,310,504	1,351,814,635
Doubtful	876,509,568	594,275,922	876,509,568	594,275,922
Bad/Loss	9,323,501,260	7,113,717,172	8,912,308,130	6,632,979,155
7.b.11	11,352,321,332	9,059,807,729	10,941,128,202	8,579,069,712
Staffs (HR Loan)	1,683,194,587	1,655,976,802	1,683,194,587	1,655,976,802
	355,904,894,396	311,084,733,561	353,356,932,292	308,915,602,911
Percentage of classified loans & advances/NPL	3.19%	2.91%	3.10%	2.78%

7.b.10.a The amount reported above under SMA category includes certain loan accounts with an aggregate outstanding of BDT 3,253.44 million as at 31-12-2023 (BDT 2,238.22 million as at 31-12-2022) 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 2023, an aggregate amount of BDT 2,378.79 million (BDT 1,924.70 million as at 31-12-2022) has been kept as total provision.

Amount in BDT

Notes	Group		Bank	
	2023	2022	2023	2022
7.b.11 Movement of classified loans and advances				
Opening balance	9,059,807,729	10,356,087,877	8,579,069,712	9,978,675,012
Addition during the year	3,482,606,020	3,042,678,870	3,552,150,907	2,939,353,718
Reduction during the year (on write-off, rescheduling or adjustment)	(1,190,092,417)	(4,338,959,019)	(1,190,092,417)	(4,338,959,019)
	11,352,321,332	9,059,807,729	10,941,128,202	8,579,069,712

	Bank (Solo)			
	2023		2022	
	Taka	%	Taka	%
7.b.11.a Industry-wise concentration of Classified Loans & Advances				
Commercial and trading	4,469,131,833	40.85%	3,691,491,335	43.03%
Crops, fisheries & livestock	58,794,493	0.54%	55,499,896	0.65%
Electronics & electrical goods	-	0.00%	2,895,446	0.03%
Consumer finance	924,843,474	8.45%	929,432,036	10.83%
Metal & steel products	21,580,388	0.20%	88,519,192	1.03%
Readymade garments industry	1,919,008,881	17.54%	1,759,250,833	20.51%
Ship breaking industry	1,172,144,688	10.71%	1,172,144,688	13.66%
Sugar, edible oil refinery & food processing	340,654,978	3.11%	145,981,414	1.70%
Transport & communication	26,458,906	0.24%	31,582,688	0.37%
Textile mills	1,207,039,650	11.03%	13,962,306	0.16%
Others	801,470,911	7.33%	688,309,878	8.02%
	10,941,128,202	100.00%	8,579,069,712	100.00%

Amount in BDT

Notes	Group		Bank	
	2023	2022	2023	2022
7.b.12 Particulars of loans and advances				
i) Debts considered good in respect of which the bank is fully secured	335,698,273,614	293,912,388,741	333,150,311,510	291,743,258,091
ii) Debts considered good for which the bank holds no other security than the debtor's personal security	7,940,652,619	6,617,057,740	7,940,652,619	6,617,057,740
iii) Debts considered good and secured by the personal security of one or more parties in addition to the personal security of the debtors.	12,265,968,166	10,555,287,084	12,265,968,166	10,555,287,084
iv) Debts adversely classified; for which no provision is created.	-	-	-	-
	355,904,894,398	311,084,733,564	353,356,932,295	308,915,602,915
v) Debts due by directors or officers of the bank or any of them either jointly or severally with any other persons.	1,683,442,443	1,656,361,757	1,683,442,443	1,656,361,757
vi) Debts due by companies and firms in which the directors of the bank have interests as directors, partners or managing agent or in case of private companies as members.	-	-	-	-

Amount in BDT

Notes	Group		Bank	
	2023	2022	2023	2022
vii) Maximum total amount of advances, including temporary advances made at any time during the period to directors or managers or officers of the bank or any of them either severally or jointly with any other persons.	1,683,442,443	1,656,361,757	1,683,442,443	1,656,361,757
viii) Maximum total amount of advances, including temporary advances, granted during the period to the companies or firms in which the directors of the bank have interests as directors, partners or managing agents or, in case of private companies as members .	-	-	-	-
ix) Due from other banking companies	-	-	-	-
x) Information in respect of classified loans and advances	-	-	-	-
a) Classified loans for which interest/profit not credited to income	11,352,321,332	9,059,807,729	10,941,128,202	8,579,069,712
(i) (Decrease)/Increase of provision (specific)	964,615,929	2,071,796,367	964,615,929	2,071,796,367
(ii) Amount of loans written off	416,021,547	2,528,417,843	416,021,547	2,528,417,843
(iii) Amount recovered from loans written off	473,190,325	793,358,712	473,190,325	793,358,712
b) Amount of provision kept against loans classified as bad/loss	8,202,572,325	6,588,621,225	8,202,572,325	6,588,621,225
c) Amount of interest creditable to the interest suspense account	3,362,449,028	2,925,099,761	3,186,485,304	2,750,271,719
xi) Cumulative amount of written off loans:				
Opening Balance	16,148,676,535	13,620,258,692	16,128,560,221	13,600,142,378
Amount written off during the year:				
Principal amount	356,748,180	2,291,795,389	356,748,180	2,291,795,389
Interest suspense	59,273,366	236,622,454	59,273,366	236,622,454
Balance of written off loans and advances	16,564,698,082	16,148,676,535	16,544,581,768	16,128,560,221
7.b.13 Cumulative amount of recovery from written off loans (including BCCI loans)	5,561,991,353	5,088,801,028	5,561,991,353	5,088,801,028
7.b.14 Cumulative amount of written off loans for which law suits have been filed (note 7.b.14.1)	19,635,938,826	19,081,371,753	19,635,938,827	19,081,371,753
7.b.14.1 Cumulative amount of written off loans (including legal and other charges)	7b.14.1a			
Opening balance	19,081,371,752	15,754,488,554	19,081,371,753	15,754,488,555
During the year	554,567,074	3,326,883,198	554,567,074	3,326,883,198
Closing balance	19,635,938,826	19,081,371,752	19,635,938,827	19,081,371,753
7.b.14.1a Cumulative number of written off loan accounts against which lawsuits have been filed				
Opening balance			8,770	8,282
During the year			230	488
Closing balance			9,000	8,770

8 Fixed assets including land, building, furniture and fixtures

Accounting policy:

Fixed assets (other than lease items)

The group applies IAS 16 *Property, Plant and Equipment* for its own assets which are held for current and future use in the business and are expected to be used for more than one year.

Recognition and measurement

Fixed assets except land are stated at cost less accumulated depreciation and impairment loss (if any) as per IAS 16. Land is recognised at cost at the time of acquisition and subsequently measured at revalued amount which is the fair value at the time of revaluation done by independent valuer and any increase (by netting of decrease of value within same class) on revaluation is shown as equity component until the asset is disposed off.

The cost of an item of fixed assets is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the entity, and the cost of the item can be measured reliably.

The cost of an item of fixed assets comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- the initial estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs

Subsequent costs are capitalised only when it is probable that the future economic benefits associated with the costs will flow to the entity and cost can be measured reliably. The carrying amount of the replaced portion is derecognised. The costs of day-to-day servicing of fixed assets, i.e. repairs and maintenance is charged to profit and loss account as expense when incurred.

Depreciation

Depreciation is charged at the rates stated below on all the items of fixed assets on the basis of estimated useful lives as determined in the fixed asset policy of the Bank. In all cases depreciation is calculated on the straight line method. Charging depreciation commences from the month of acquisition (for full month) and ceases in the month when the assets are disposed. No depreciation is charged on capital-work-in-progress until the usage of the assets.

The rates and useful lives at which fixed assets are depreciated for current and comparative years are given below:

Assets Category	Estimated useful lives (Years)	Rate of depreciation/ amortization 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%
Vehicle	8	12.50%
Software	5	20.00%

Capital work in progress

Costs incurred for software development, licensing and implementation; hardware up-gradation and related other costs incurred as capital expenditures are initially 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/amortization of the asset is charged from the date of its intended use.

Derecognition of fixed assets

The carrying amount of an item of fixed assets is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from derecognition of an item of fixed assets is recorded in profit and loss account when the item is derecognised.

Intangible assets

Intangible asset is an identifiable non-monetary asset without physical substance. The Group classifies its intangible assets as per IAS 38 *Intangible assets* which comprises the value of all licensed computer software including core banking software of the Bank, cards management software, cheque processing software (i.e. BEFTN), software of subsidiaries and other integrated customised software for call centre, ATM service, Finance and HR operations i.e. PMS, FAM, ESS 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 amortization and impairment loss (if any). 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 amortized using the straight line method over the estimated useful life of 5 (five) years commencing from the month when the application of the software is made available for use.

Details of fixed assets are presented in note 8 and **Annexure - A** of these financial statements.

Leases:

As per IFRS 16 *Leases*, the bank has made recognition, measurement and disclosure in the financial statements both as Lessee and Lessor from the date of commencement or 01 January 2019 (date of initial application).

Bank as lessee

The bank assesses at initiation of a contract whether the contract is, or contains a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration, then the bank considers the contract as a lease contract.

The bank as a lessee applies a single recognition and measurement approach for all leases, except for short-term leases, or, and lease of low value assets. The bank recognises lease liabilities to make lease payment and right-of-use (ROU) assets representing the right to use the underlying assets.

If tenor of a lease contract does not exceed twelve months from the date of initiation/application, the bank considers the lease period as short term in line with the recognition threshold of ROU assets as per Fixed Asset 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 as per Fixed Assets Policy. The reason behind considering the materiality level is that the bank operates many ATM booths with short tenure (not over 12 months) and single contracts; recording of which as ROU assets would inflate the balance sheet both in assets and liabilities.

Right-of-use assets (RoU)

The bank recognises the right-of-use assets (RoU) at the commencement date of the lease (i.e. the date the underlying asset is available for use). RoU assets are measured at cost less any accumulated depreciation and impairment of losses and adjusted for any measurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct cost incurred, and lease payment made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight line basis over the lease term, or remaining period of the lease term.

The bank assessed all live lease contracts in 2023 and recognised as RoU assets of all leases, except short tenure and low value assets as per the Banks' own policy set as per IFRS 16 *Leases*. When leases under IFRS 16 was 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 2023, the bank reassessed all RoU assets recorded earlier considering a cut-off date i.e. 01 January 2023.

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 2023 the bank reassessed all lease payments of existing contracts for remaining period considering a cut-off date i.e. 01 January 2023. 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 2023.

Recognition of consideration made under contract in exchange of use of rental premises/assets

As per IFRS 16 Leases, when consideration is made by the bank under contract in exchange of use of rental premises or assets for a period not exceeding a period of twelve months and/or the present value of the obligation plus initial payment under contract does not exceed the threshold of the bank, and substantially all the risk and benefit of ownership of those rental premises/assets does not transfer to the bank, then the bank considers the payment (other than advance payment) as rental expense.

Therefore, EBL recognised those payments against contracts that do not qualify as lease item under IFRS 16 as rental expense in 2023 which is presented in note 28 of the financial statements for the year ended 31 December 2023. These are short term and low value contracts for ATM booths, godown premises that do not meet the materiality threshold for recognition of lease assets.

	Notes	Amount in BDT			
		Group		Bank	
		2023	2022	2023	2022
Details of Fixed Assets at Cost (revalued amount in case of lands)					
Freehold lands and land development		4,096,317,583	4,060,365,301	4,001,543,757	4,060,365,301
Buildings and floor spaces		1,482,009,421	1,407,955,522	1,482,009,421	1,407,955,522
Capital work in progress*		29,841,778	87,317,957	29,841,778	87,317,957
General machineries and equipment		851,216,949	765,814,455	850,079,155	753,299,256
Computer and network equipment		1,248,227,548	1,146,676,644	1,246,994,116	1,126,811,111
Digital banking equipment		382,328,420	315,212,920	382,328,420	315,212,920
Electromechanical equipment		345,278,517	345,278,517	345,278,517	345,278,517
Furniture and fixtures		767,088,244	743,909,005	759,016,307	706,575,683
Vehicles		222,069,392	232,000,872	222,069,392	206,251,139
Right of use assets (RoU)	8.01	2,731,222,409	2,592,971,706	2,646,484,012	2,514,374,390
Software		1,106,870,492	943,462,304	1,106,870,492	938,627,850
Total cost		13,262,470,754	12,640,965,203	13,072,515,368	12,462,069,646
Accumulated depreciation and amortization		(4,680,237,085)	(4,057,479,698)	(4,555,211,066)	(3,961,270,904)
Written down value at 31 December		8,582,233,669	8,583,485,506	8,517,304,302	8,500,798,743

*** Capital work in progress**

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.

Details of the fixed assets are presented in **Annexure-A**.

8.01 Right of use assets (RoU)

Right of use assets (RoU) 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 transfer risks and benefits related to ownership of those rented premises/assets to the bank, are recognised as RoU assets as per IFRS 16 'Leases'.

8.a Consolidated fixed assets of group entities

Eastern Bank PLC. (Parent)	8,517,304,302	8,500,798,743
EBL Securities Limited	44,723,321	51,390,914
EBL Investments Limited	9,256,606	12,406,984
EBL Finance (HK) Limited	2,566,112	8,277,950
EBL Asset Management Limited	8,383,328	10,610,915
	8,582,233,669	8,583,485,506
Less: Inter company elimination	-	-
	8,582,233,669	8,583,485,506

9 Other assets

Accounting policy:

As per BRPD circular no. 14 dated 25 June 2003, other assets have been presented separately in the balance sheet and categorized as 'income generating' and 'non-income generating' in notes to the financial statements. These assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the entity and costs are reliably measured. Other assets include investment in subsidiaries, Trading Right Entitlement Certificate (TREC) of DSE & CSE, advance for revenue and capital expenditure, stocks of stationary and stamps, security deposits to government agencies, other receivables etc, as per BRPD circular no. 14/2003.

Investment in subsidiaries

Investment in subsidiaries is accounted for under the cost method of accounting in accordance with IAS 27 *Consolidated and separate financial statements*, IFRS 3 *Business combination* and IFRS 10 *Consolidated financial statements*. Impairment of investment in subsidiaries is made as per the provision of IAS 36 *Impairment of Assets*.

In 2023, the bank has done impairment assessment of its investment in the largest subsidiary company 'EBL Securities Limited' following guideline of IAS 36 *Impairment of Assets*. As value in use (using discounted cash flow method) is higher than carrying value of investment, no impairment is required to be recognised as on balance sheet date.

Impairment of assets

An asset is impaired when its carrying value exceeds its recoverable amount as per IAS 36 *Impairment of assets*. At the end of each reporting period, the Bank and its subsidiaries review the carrying value of financial and non-financial assets (other than investment in subsidiaries) and assess whether there is any indication that an asset may be impaired and/or whenever events or changes in circumstances indicate that the carrying value of the asset may not be recovered. If any such indication exists, the bank and the subsidiaries make an estimate of the recoverable amount of the asset. The carrying value of the asset is reduced to its recoverable amount if the recoverable amount is less than its carrying amount with associated impairment losses recognised in the profit and loss account. However, impairment of any financial assets is measured by relevant Bangladesh Bank circulars/instructions and IFRS 9.

Deferred tax

Deferred tax assets or liabilities are recognised by the Bank on deductible or taxable temporary differences between the carrying amount of assets and liabilities used for financial reporting and the amount used for taxation purpose as required by IAS 12 *Income taxes* and BRPD circular no.11 dated 12 December 2011. Deferred tax assets is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which they can be used. Deferred tax assets and liabilities are reviewed at each reporting period and are measured at the applicable tax rate as per tax laws that are expected to be applied when the assets is realised and liability is settled. Any unrecognised deferred tax assets or liabilities are reassessed at each reporting period and recognised only if that has become probable that future taxable profit or loss will be available against which they can be used or settled.

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.

Notes	Amount in BDT				
	Group		Bank		
	2023	2022	2023	2022	
Details of other assets					
Income generating:					
Investment in subsidiary-EBL Securities Limited	9.1	-	-	2,217,400,000	1,967,400,000
Investment in subsidiary-EBL Investments Limited	9.2	-	-	679,999,900	399,999,900
Investment in subsidiary-EBL Finance (HK) Limited	9.3	-	-	14,779,352	14,779,352
Investment in subsidiary-EBL Asset Management Limited	9.4	-	-	249,999,900	249,999,900
Fair value of TREC to EBLSL and Shares of DSE	9.5.a	595,337,112	595,337,112	-	-
Fair value of TREC to EBLSL and Shares of CSE	9.5.b	245,379,755	245,379,755	-	-
Non- Income generating:					
Receivable from subsidiaries	9.6	-	-	839,199	4,043
Stock of stationeries		47,496,348	16,965,387	47,496,348	16,965,387
Stamps on hand		3,791,797	4,657,487	3,782,647	4,648,337
Advance to staff for expenses	9.7	1,925,594	683,483	1,270,656	683,483
Security deposits with govt./non govt. agencies		22,519,105	24,243,874	9,024,224	9,024,224
Interest, fees and dividend receivables	9.8	1,649,771,465	1,709,239,391	1,654,086,136	1,832,856,670
Sundry receivables	9.9	2,373,025,726	1,492,076,216	2,371,464,393	1,491,849,209

Amount in BDT

	Notes	Group		Bank	
		2023	2022	2023	2022
Advance rent		64,012,304	55,446,991	61,469,593	55,027,291
Prepayments and advance to vendors		428,699,915	349,504,083	424,530,620	340,600,550
Deferred tax assets (net of liabilities)	9.10	2,920,461,653	2,423,604,499	2,827,294,867	2,332,586,280
Other assets of subsidiaries	9.11	2,067,885	55,912,726	-	-
		8,354,488,660	6,973,051,006	10,563,437,836	8,716,424,628

9.a Consolidated other assets of group entities

Eastern Bank PLC. (Parent)	10,563,437,836	8,716,424,628
EBL Securities Limited	964,131,010	999,719,079
EBL Investments Limited	33,451,931	17,070,756
EBL Finance (HK) Limited	2,542,711	2,383,359
EBL Asset Management Limited	8,598,706	8,819,178
	11,572,162,194	9,744,416,999
Less: Inter company elimination	(3,217,673,533)	(2,771,365,993)
	8,354,488,660	6,973,051,006

9.1 Investment in subsidiary-EBL Securities Limited

EBL acquired its securities brokerage subsidiary in two phases (2010 and 2011) at a total cost of BDT 479.90 million and injected afterwards BDT 1,737.50 million as fresh capital.

9.2 Investment in subsidiary-EBL Investments Limited

This fully owned subsidiary of EBL was incorporated on 30 December 2009. Its authorized capital is BDT 1,000 million and paid up capital of BDT 680 million as on 31 December 2023. It was awarded merchant banking license by BSEC on 27 January 2013 and started its full fledged merchant banking operations since then.

9.3 Investment in subsidiary-EBL Finance (HK) Limited

EBL Finance (HK) Limited, the fully owned foreign subsidiary of EBL, was incorporated on 28 November 2011 with an initial authorized capital of HKD 1.41 million (equivalent to BDT 14.78 million). Afterwards, in 2019 HKD 10.00 million was transferred to capital account from retained earnings. This subsidiary commenced its full fledged operations in Hongkong from early 2013.

9.4 Investment in subsidiary-EBL Asset Management Limited

Another fully owned subsidiary of EBL was incorporated on 9 January 2011 with an initial authorized capital of BDT 250 million. It has fully subscribed paid up capital of BDT 250 million and has been registered under BSEC on 25 May 2017. It started full fledged operations on asset management, capital market, equity investment etc. since then.

9.5 Fair value measurement of TREC and Shares of both DSE and CSE (held by EBLSL)

As per Exchange Demutualization Act 2013, EBLSL was awarded Trading Right Entitlement Certificate (TREC) as well as ordinary shares of both the bourses i.e. DSE and CSE in exchange of membership licenses under Demutualization Scheme ('the Scheme'). Subsequently, under a purchase agreement between demutualized DSE and strategic partner China Consortium, EBLSL sold out 25% of its holding to China Consortium at a negotiated price of BDT 21 per share (Face value: BDT 10 each). As of 31-12-2023, Share composition of DSE and CSE held by EBLSL was as follows:

Particulars	No of Shares held	Face Value (BDT)
Dhaka Stock Exchange PLC.	5,411,329	10.00
Chittagong Stock Exchange PLC.	4,287,330	10.00
Total	9,698,659	10.00

Earlier, EBLSL carried out a valuation by ACNABIN, chartered accountants, to determine the fair value of TREC and Shares of both the bourses i.e. DSE and CSE. The value of TREC was determined applying varying weights to the results of three valuation approaches i.e. Cost approach, Market approach and Income approach. Fair value of DSE shares was determined on the basis of recent transaction price made between DSE and China Consortium but face value of CSE shares was taken as fair value as there was no offer price from any third party. However, EBL management expects the fair value of TREC and Shares of DSE and CSE altogether is to be similar to net realizable value in line with present growth pattern of business and outlook of EBLSL. The valuation result of TREC and Shares held by EBLSL under the above methodologies are as follows:

Amount in BDT

	Notes	Group		Bank	
		2023	2022	2023	2022
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:				
	EBL Securities Limited (in trading account)			839,199	-
	EBL Finance (HK) Ltd.			-	4,043
				839,199	4,043
9.7	Advance to staff for expenses				
	<i>Due for</i>				
	Less than three months	1,270,656	683,483	1,270,656	683,483
	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	-	-	-	-
		1,270,656	683,483	1,270,656	683,483
9.8	Interest, fees and dividend receivables				
	Interest receivable on placement/margin loans*	71,173,960	74,630,790	70,481,738	74,337,892
	Income receivable on government securities	855,660,395	870,256,654	850,228,822	870,256,654
	Interest receivable on non-government securities	246,123,508	149,521,947	246,123,508	149,521,947
	Interest receivable under stimulus package (subsidized by BB)	131,898,430	251,698,713	131,898,430	251,698,713
	Fees, commission and charges receivable	50,748,045	59,765,967	34,677,045	53,304,967
	Dividend receivable	344,166,927	438,363,783	320,676,593	433,736,498
		1,699,771,265	1,844,237,854	1,654,086,136	1,832,856,670
	Less: Inter unit/company elimination	(49,999,800)	(134,998,463)	-	-
		1,649,771,465	1,709,239,391	1,654,086,136	1,832,856,670
	* Margin loans by subsidiaries.				
9.9	Sundry receivables				
	Excise duty receivable from customers	26,139,734	49,307,889	26,118,975	49,307,889
	Protested Bills to be recovered	106,165,646	106,226,598	106,165,646	106,226,598
	AIT recoverable from customers	55,300,000	76,500,000	55,300,000	76,500,000
	Cards and ATM transactional/settlement account Receivable (net off) from Bangladesh Bank for SP, WEDB, DIB, DPB etc.	1,552,824,347	861,381,441	1,552,824,347	861,381,441
	Other receivables (Margin, remittance, Bidding Money, IPO Subscription etc)	261,589,504	182,502,094	261,589,504	182,502,094
		371,006,496	216,158,195	369,465,922	215,931,188
		2,373,025,726	1,492,076,216	2,371,464,393	1,491,849,209

Amount in BDT

	Notes	Group		Bank		
		2023	2022	2023	2022	
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	295,813,504	175,094,833	295,813,504	175,094,833	
	For sale of WEDB, DIB, DPB etc.	-	16,907,261	-	16,907,261	
		295,813,504	192,002,094	295,813,504	192,002,094	
	Payable to Bangladesh Bank					
	For encashment of Sanchaypatra	34,224,000	9,500,000	34,224,000	9,500,000	
	For encashment of WEDB, DIB & DPB	-	-	-	-	
		34,224,000	9,500,000	34,224,000	9,500,000	
		261,589,504	182,502,094	261,589,504	182,502,094	
9.10	Deferred tax asset (net of liability)					
	Deferred tax asset	9.10.b	3,342,244,826	2,801,109,992	3,249,078,040	2,710,090,884
	Deferred tax liability	9.10.c	421,783,173	377,505,492	421,783,173	377,504,603
			2,920,461,653	2,423,604,499	2,827,294,867	2,332,586,280
9.10.a	Consolidated deferred tax asset (net of liability)					
	Eastern Bank PLC. (Parent)		2,827,294,867	2,332,586,280		
	EBL Securities Limited		83,886,799	83,635,885		
	EBL Investments Limited		6,306,723	5,478,675		
	EBL Asset Management Limited		2,973,264	1,903,659		
			2,920,461,653	2,423,604,499		
9.10.b	Deferred tax asset (Bank only)					
	On specific provision maintained against B/L loans	9.10.b.1		3,075,964,622	2,470,732,959	
	On lease contracts-IFRS 16	9.10.b.2		37,258,981	18,603,487	
	On actuarial re-measurement loss on defined benefit plans	18		135,854,438	220,754,438	
				3,249,078,040	2,710,090,884	
9.10.b.1	On specific provision maintained against B/L loans					
	Cumulative provision made against Bad/Loss loans			8,559,320,506	8,880,420,346	
	Adjustment of corresponding provision on write off			356,748,180	2,291,799,121	
	Deductible temporary difference			8,202,572,325	6,588,621,225	
	Tax rate			37.50%	37.50%	
	Deferred tax asset			3,075,964,622	2,470,732,959	
	Opening deferred tax asset			2,470,732,959	2,352,347,541	
	Deferred tax (income)	38		(605,231,663)	(118,385,418)	
9.10.b.2	On lease contracts-IFRS 16					
	Lease obligation					
	Accounting base			1,230,148,615	1,259,216,399	
	Tax base			-	-	
	Taxable temporary difference			1,230,148,615	1,259,216,399	
	Tax rate			37.50%	37.50%	
	Deferred tax asset on lease obligation			461,305,731	472,206,150	
	Opening deferred tax asset on lease obligation			472,206,150	-	
	Deferred tax expense/(income)			10,900,419	(472,206,150)	

Amount in BDT

	Notes	Group		Bank	
		2023	2022	2023	2022
Right of use assets (RoU)					
Accounting base				1,561,683,233	1,670,520,975
Tax Base				430,891,901	460,913,874
Taxable temporary difference				1,130,791,333	1,209,607,101
Tax rate				37.50%	37.50%
Deferred tax liability on RoU assets					
Opening deferred tax liability on RoU assets				453,602,663	-
Deferred tax expense/(income)				(29,555,913)	453,602,663
Net deferred tax (income)	38			(18,655,494)	(18,603,487)
9.10.c Deferred tax liability (Bank only)					
On fixed assets (excluding land) between tax base and carrying value	9.10.c.1			92,460,598	160,316,569
On land properties due to revaluation surplus	9.10.c.2			240,092,631	162,408,212
On employee benefits (IAS 19)	9.10.c.3			89,229,944	54,779,822
				421,783,173	377,504,603
9.10.c.1 On fixed assets (except land) in WDV between tax base and carrying value					
Carrying amount of fixed assets				2,907,824,185	2,671,963,740
Tax base				2,661,262,591	2,244,452,889
Taxable temporary difference				246,561,594	427,510,851
Tax rate				37.50%	37.50%
Deferred tax liability					
Opening deferred tax liability				160,316,569	123,535,089
Deferred tax (income)/expense	38			(67,855,972)	36,781,480
9.10.c.2 On land properties due to revaluation surplus					
Cost of land				1,478,336,541	1,510,582,428
Revaluation surplus				2,523,207,315	2,549,622,873
Total value of land				4,001,543,856	4,060,205,301
Tax rate (on transfer value as per section 125 of the ITA 2023)				6.00%	4.00%
Deferred tax liability				240,092,631	162,408,212
As per SRO no. 329-Ain/Income Tax-22/2023 dated 30 November 2023, rate of source tax for transfer of properties is 6% or 8% or slab rates for per Katha land on area wise transfer value whichever is higher. Considering the circumstances, we have applied 6% rate on total value of land.					
9.10.c.3 On employee benefits-IAS 19 on gratuity fund					
Opening deferred tax liability				46,162,319	-
Deferred tax expense/(income) on employee benefits				15,161,170	46,162,319
Closing deferred tax liability				61,323,488	46,162,319
on superannuation fund					
Opening deferred tax liability				8,617,503	-
Deferred tax expense/(income) on employee benefits				19,288,953	8,617,503
Closing deferred tax liability				27,906,456	8,617,503
Deferred tax liability on employee benefits				89,229,944	54,779,822

Deferred tax assets/(liabilities) have been recognised and measured as per IAS-12 *Income Taxes* and BRPD circular # 11 dated 12 December 2011.

Deferred tax 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 70 of ITA 2023 is uncertain due to market volatility.

There is no other material temporary timing difference in classified assets/liabilities for which deferred tax asset/liability is required to be accounted for in the year.

Amount in BDT

	Notes	Amount in BDT			
		Group		Bank	
		2023	2022	2023	2022
9.11 Other assets of subsidiaries					
Trade receivable from DSE & CSE		1,687,748	55,564,199		
Other receivables (trade account etc.)		5,035,518	4,532,862		
		6,723,266	60,097,061		
Less: Inter company elimination (with deposit account)		(4,655,381)	(4,184,335)		
		2,067,885	55,912,726		

10 Non banking assets

Accounting policy:

Non banking asset (NBA) is acquired due to failure of borrower to repay the loan in time taken against mortgaged properties. NBA is recognised in the financial statements on the basis of third party valuation and in compliance with the NBA Policy guided by Bangladesh Bank (BRPD circular no. 22 dated 20 September 2021).

As on the reporting date, the Bank has been awarded absolute ownership on few mortgaged properties (mostly land) through the verdict of the honorable court under section 33 (7) of the Artharin Adalat Act 2003 but those are yet to be recognized in the financial statements as non-earning assets in compliance with the said BB circular.

Non earning assets

Details of NBAs awarded to the Bank are given in **Annexure- D1**.

11 Borrowing from banks, financial institutions and agents

Accounting policy:

Borrowing from other banks, financial institutions and agents include interest bearing borrowings which are stated in the financial statements at principal outstanding. Interest payable on such borrowings are reported under other liabilities.

Details of Borrowing:

Inside Bangladesh (including subordinated bond)	11.1	48,877,412,370	46,247,488,181	44,878,463,127	43,646,417,069
Outside Bangladesh	11.2	26,789,379,256	32,349,940,242	26,789,379,256	32,349,940,243
		75,666,791,626	78,597,428,423	71,667,842,383	75,996,357,312

11.a Consolidated borrowings from Banks, FIs by group entities

Eastern Bank PLC. (Parent)	71,667,842,383	75,996,357,312
EBL Securities Limited	4,316,645,557	3,886,662,623
EBL Finance (HK) Limited	4,554,611,200	5,639,799,087
EBL Investments Limited	56,748,223	-
	80,595,847,363	85,522,819,022
Less: Inter company elimination	(4,929,055,737)	(6,925,390,599)
	75,666,791,626	78,597,428,423

Amount in BDT

	Notes	Group		Bank	
		2023	2022	2023	2022
		11.1 Borrowing from - Inside Bangladesh			
Demand Borrowing:					
Banks		5,815,705,038	10,757,087,155	1,499,059,481	6,870,424,532
NBFIs		-	-	-	-
		5,815,705,038	10,757,087,155	1,499,059,481	6,870,424,532
Less: Inter unit/company elimination		(1,544,253,776)	(8,156,016,043)	(1,169,809,239)	(6,870,424,532)
		4,271,451,262	2,601,071,112	329,250,242	-
Term Borrowing:					
Banks		8,013,609,423	14,925,812,817	3,402,250,000	9,286,013,730
NBFIs		-	-	-	-
		8,013,609,423	14,925,812,817	3,402,250,000	9,286,013,730
Less: Inter unit/company elimination		(4,554,611,200)	(5,639,799,087)	-	-
		3,458,998,223	9,286,013,730	3,402,250,000	9,286,013,730
Subordinated bond & other borrowings under schemes:					
<i>From Bangladesh Bank & others</i>					
Investment Promotion & Financing Facility (IPFF)		1,163,956,941	249,096,628	1,163,956,941	249,096,628
Export Development Fund (EDF)		19,780,927,152	22,104,430,432	19,780,927,152	22,104,430,432
Refinance scheme under BADP		-	-	-	-
Refinance scheme under SMESPD		2,354,841,693	2,059,585,845	2,354,841,693	2,059,585,845
Second Crop Diversification Project		458,716,050	560,652,950	458,716,050	560,652,950
SME Foundation Pre-finance		-	6,825,000	-	6,825,000
Long Term Financing Facility (LTFF)		477,468,150	626,512,121	477,468,150	626,512,121
Stimulus Fund - Wages & Salaries		-	152,782,617	-	152,782,617
Refinance scheme-others		9,757,236,961	2,562,824,633	9,757,236,961	2,562,824,633
Green Transformation fund		133,815,938	87,693,114	133,815,938	87,693,114
Non-Convertible Subordinated Bond	11.1.a	7,020,000,000	5,950,000,000	7,020,000,000	5,950,000,000
		41,146,962,884	34,360,403,339	41,146,962,884	34,360,403,339
		48,877,412,370	46,247,488,181	44,878,463,127	43,646,417,069

11.1.a Non-Convertible Subordinated Bond

The Bank with due approval from Bangladesh Bank and BSEC issued 03 (three) 7-year unsecured and non-convertible subordinated bonds through private placement to enhance Tier-II capital: 1st Subordinated Bond of BDT 2,500 million in 2015, 2nd Subordinated Bond of BDT 5,000 million in 2019 and 3rd Subordinated Bond of BDT 5,000 million in 2022 (BDT 4,020 million subscribed till 31-12-2023). Among these bonds, 1st Subordinated bond was fully redeemed and rest two bonds are redeemable at the end of 3rd, 4th, 5th, 6th and 7th year of maturity at 20% per year. Coupon rates of both the live instruments (2nd and 3rd) are variable with a floor and ceiling rate. These two instruments have been rated AA1 and AA in the long term by CRAB and CRISL respectively. 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

Bank & NBFI	-	-	-	-
Other than Bank & NBFI	-	-	-	-
	-	-	-	-

EBL 2nd Subordinated Bond

Bank & NBFI	2,670,000,000	3,560,000,000	2,670,000,000	3,560,000,000
Other than Bank & NBFI	330,000,000	440,000,000	330,000,000	440,000,000
	3,000,000,000	4,000,000,000	3,000,000,000	4,000,000,000

EBL 3rd Subordinated Bond

Bank & NBFI	2,250,000,000	700,000,000	2,250,000,000	700,000,000
Other than Bank & NBFI	1,770,000,000	1,250,000,000	1,770,000,000	1,250,000,000
	4,020,000,000	1,950,000,000	4,020,000,000	1,950,000,000
	7,020,000,000	5,950,000,000	7,020,000,000	5,950,000,000

Amount in BDT

Notes	Group		Bank	
	2023	2022	2023	2022
11.2 Borrowing from - Outside Bangladesh				
<i>Non-interest bearing:</i>				
Citibank NA, USA	-	440,939,185	-	440,939,185
Standard Chartered Bank, Germany	-	159,954	-	159,954
	-	441,099,139	-	441,099,139
<i>Interest bearing:</i>				
Abu Dhabi Commercial Bank, UAE	1,097,500,000	2,582,317,500	1,097,500,000	2,582,317,500
Asian Development Bank (ADB), Philippines	-	121,520,821	-	121,520,821
Bank Muscat, Muscat	329,250,000	723,048,900	329,250,000	723,048,900
CaixaBank, S.A., Spain	2,743,750,000	5,267,927,700	2,743,750,000	5,267,927,700
Citibank NA, Singapore	1,646,250,000	2,065,854,000	1,646,250,000	2,065,854,000
Commercial Bank of Dubai	1,426,750,000	1,136,219,700	1,426,750,000	1,136,219,700
Commercial Bank of Qatar	-	516,463,500	-	516,463,500
Deutsche Investitions-und Entwicklungsgesellschaft MBH (DEG)	1,646,250,000	2,582,317,500	1,646,250,000	2,582,317,500
HDFC Bank, India	1,097,500,000	1,549,390,500	1,097,500,000	1,549,390,500
International Islamic Trade Finance Corporation (ITFC)	868,591,312	-	868,591,312	-
JP Morgan Chase, Singapore	1,697,960,935	2,949,144,107	1,697,960,935	2,949,144,107
KfW IPEX-Bank GmbH, Frankfurt, Germany	2,750,035,312	2,534,497,939	2,750,035,312	2,534,497,939
Mashreq Bank, Dubai	2,743,750,000	2,582,317,500	2,743,750,000	2,582,317,500
Mashreq Bank, Hongkong	2,743,750,000	-	2,743,750,000	-
National Bank of Ras Al-Khaimah, UAE	2,195,000,000	1,342,805,100	2,195,000,000	1,342,805,100
OEEB, Development Bank, Austria	1,317,000,000	1,652,683,200	1,317,000,000	1,652,683,200
Standard Chartered Bank, Singapore	291,041,696	1,048,613,087	291,041,696	1,048,613,087
State Bank of India, Hongkong	-	206,585,400	-	206,585,400
United Bank Limited, UAE	-	877,987,950	-	877,987,950
Wells Fargo, USA	2,195,000,000	2,169,146,700	2,195,000,000	2,169,146,700
	26,789,379,256	31,908,841,103	26,789,379,256	31,908,841,104
	26,789,379,256	32,349,940,242	26,789,379,256	32,349,940,243
11.a.1 Remaining maturity grouping of Borrowings				
Payable				
On demand	5,069,778,521	2,911,446,219	798,327,259	310,375,107
In not more than one month	4,930,049,853	15,662,181,836	7,601,921,418	17,222,824,504
In more than one month but not more than three months	21,944,961,648	19,418,585,916	19,545,592,102	17,857,943,250
In more than three months but not more than one year	35,126,529,854	31,733,602,676	35,126,529,854	31,733,602,676
In more than one year but not more than five years	8,540,794,235	8,677,092,066	8,540,794,235	8,677,092,066
In more than five years	54,677,515	194,519,709	54,677,515	194,519,709
	75,666,791,626	78,597,428,423	71,667,842,383	75,996,357,312

12 Deposits and other accounts**Accounting policy:**

Deposits and other accounts include non-interest bearing current deposits redeemable at call, interest bearing short-term deposits, savings deposits and fixed deposits which are initially measured at the consideration received. These items are subsequently measured and accounted for at the gross value of the outstanding balance in accordance with the contractual agreements with the counterparties.

Amount in BDT

	Notes	Group		Bank	
		2023	2022	2023	2022
		Current deposits and other accounts etc.	12.1	61,508,377,092	48,977,808,908
Bills payable	12.2	2,198,324,105	1,073,551,209	2,198,324,105	1,073,551,209
Savings bank deposits	12.3	80,525,188,456	75,127,325,490	80,525,188,456	75,127,325,490
Fixed deposits	12.4	169,066,601,996	130,692,541,410	169,066,601,996	130,692,541,410
Special notice deposits (SND)		51,466,835,725	60,455,307,927	52,052,696,112	60,595,389,174
		364,765,327,373	316,326,534,944	366,103,725,686	317,097,305,113
As on the reporting date, the bank had no Bearer certificates of deposits.					
12.a	Group entity- wise consolidated deposits and other accounts				
	Eastern Bank PLC. (Parent)	366,103,725,686	317,097,305,113		
	Subsidiary Companies	-	-		
		366,103,725,686	317,097,305,113		
	Less: Inter company elimination	(1,338,398,313)	(770,770,169)		
		364,765,327,373	316,326,534,944		
12.1	Current deposits and other accounts				
	Current deposits	24,312,705,930	22,610,554,589	25,065,243,856	23,241,243,511
	Margin on facilities (LC, LG, Acceptance etc.)	34,160,867,732	24,316,690,931	34,160,867,732	24,316,690,931
	Interest accrued on deposits	3,034,803,431	2,050,563,389	3,034,803,431	2,050,563,389
		61,508,377,092	48,977,808,908	62,260,915,018	49,608,497,830
12.2	Bills payable				
	Payment order issued	2,193,403,129	1,068,630,233	2,193,403,129	1,068,630,233
	Demand draft issued	4,920,976	4,920,976	4,920,976	4,920,976
		2,198,324,105	1,073,551,209	2,198,324,105	1,073,551,209
12.3	Savings bank deposits				
	Transactional deposit accounts	69,676,753,873	64,043,087,243	69,676,753,873	64,043,087,243
	Scheme deposit accounts	10,848,434,584	11,084,238,246	10,848,434,584	11,084,238,246
		80,525,188,456	75,127,325,490	80,525,188,456	75,127,325,490
12.3.a	Scheme deposit accounts				
	EBL confidence account	4,648,717,931	4,886,068,609	4,648,717,931	4,886,068,609
	EBL child future plan account	780,279,985	899,385,345	780,279,985	899,385,345
	EBL millionaire scheme account	2,459,160,245	2,597,131,436	2,459,160,245	2,597,131,436
	EBL millionaire scheme women account	824,641,238	802,201,765	824,641,238	802,201,765
	EBL aspire account	55,772,096	62,742,392	55,772,096	62,742,392
	EBL kotipoti account	940,107,691	804,144,610	940,107,691	804,144,610
	EBL multiplier account	1,002,799,482	899,055,764	1,002,799,482	899,055,764
	Retail equity builder account	136,955,916	133,508,326	136,955,916	133,508,326
		10,848,434,584	11,084,238,246	10,848,434,584	11,084,238,246
12.4	Fixed deposits				
	Term deposit account	168,921,782,103	130,646,364,324	168,921,782,103	130,646,364,324
	RFCD account	4,503,361	5,097,661	4,503,361	5,097,661
	NFCD account	140,316,532	41,079,425	140,316,532	41,079,425
		169,066,601,996	130,692,541,410	169,066,601,996	130,692,541,410

Amount in BDT

	Notes	Group		Bank	
		2023	2022	2023	2022
12.b	Deposit concentration				
	Deposit from banks	1,346,910,313	727,173,450	1,346,910,313	727,173,450
	Deposit from other than banks	363,418,417,061	315,599,361,494	364,756,815,374	316,370,131,663
		364,765,327,373	316,326,534,944	366,103,725,686	317,097,305,113
12.b.1	Deposit from banks				
	Bangladesh Development Bank PLC.	130	130	130	130
	Bank Asia Limited	118,315,967	116,793,213	118,315,967	116,793,213
	Community Bank Bangladesh PLC	6,942,570	24,668,871	6,942,570	24,668,871
	First Security Islami Bank PLC.	35,235,775	24,466,525	35,235,775	24,466,525
	Meghna Bank PLC.	1,754,660	440,923	1,754,660	440,923
	Midland Bank Limited	2,204	2,338	2,204	2,338
	Modhumoti Bank PLC.	25,163	25,518	25,163	25,518
	Mutual Trust Bank PLC	384,964,279	-	384,964,279	-
	National Bank Limited	173,472,952	165,996,075	173,472,952	165,996,075
	NCC Bank PLC	529,823	528,800	529,823	528,800
	NRB Bank Limited	205,499,022	98,202,567	205,499,022	98,202,567
	NRB Commercial Bank PLC.	18,888,983	38,397,013	18,888,983	38,397,013
	One Bank PLC.	68,061,257	-	68,061,257	-
	SBAC Bank PLC	36,559,061	23,313,695	36,559,061	23,313,695
	Shimanto Bank PLC.	6,146,308	5,883,132	6,146,308	5,883,132
	Southeast Bank PLC.	153,566,481	151,494,190	153,566,481	151,494,190
	Trust Bank Limited	136,945,678	76,960,459	136,945,678	76,960,459
		1,346,910,313	727,173,450	1,346,910,313	727,173,450
12.c	Deposits on the basis of significant concentration				
12.c.1	Sector-wise concentration of deposits and other accounts				
	Government sector	4,508,075,487	4,323,623,845	4,508,075,487	4,323,623,845
	Other public sector	18,829,367,646	25,288,641,255	18,829,367,646	25,288,641,255
	Private sector	341,427,884,241	286,714,269,844	342,766,282,554	287,485,040,013
		364,765,327,373	316,326,534,944	366,103,725,686	317,097,305,113
12.c.2	Business segment-wise concentration of deposits and other accounts				
	Corporate banking	111,582,123,586	101,086,444,843	112,920,521,899	101,857,215,012
	Offshore banking	591,235,735	293,331,634	591,235,735	293,331,634
	Retail and SME (S) banking	250,393,643,948	213,873,207,257	250,393,643,948	213,873,207,257
	Others- Bills Payables	2,198,324,105	1,073,551,209	2,198,324,105	1,073,551,209
		364,765,327,373	316,326,534,944	366,103,725,686	317,097,305,113
12.d	Residual maturity grouping of deposits				
	From banks				
	<i>Payable:</i>				
	On demand	217,559,954	117,456,835	217,559,954	117,456,835
	Within one month	96,028	51,844	96,028	51,844
	In more than one month but less than six months	1,671,714	1,353,017	1,671,714	1,353,017
	In more than six months but less than one year	834,418	1,271,431	834,418	1,271,431
	In more than one year but within five years	2,355,013	607,040,323	2,355,013	607,040,323
	In more than five years but within ten years	1,124,393,186	-	1,124,393,186	-
		1,346,910,313	727,173,450	1,346,910,313	727,173,450

Amount in BDT

Notes	Group		Bank	
	2023	2022	2023	2022
	From other than banks			
<i>Payable:</i>				
On demand	20,544,300,968	19,449,942,184	20,544,300,968	19,449,942,184
Within one month	22,676,584,345	16,939,409,326	23,429,122,271	17,247,717,393
In more than one month but less than three months	67,556,536,253	57,262,962,721	68,142,396,640	57,725,424,822
In more than three months but less than one year	84,452,894,048	61,527,166,896	84,452,894,048	61,527,166,896
In more than one year but within five years	168,043,765,654	158,997,280,475	168,043,765,654	158,997,280,475
In more than five years but within ten years	144,335,793	1,422,599,892	144,335,793	1,422,599,892
	363,418,417,061	315,599,361,494	364,756,815,374	316,370,131,663
	364,765,327,373	316,326,534,944	366,103,725,686	317,097,305,113
Unclaimed deposit aging 10 years or more	62,002,299	72,127,902	62,002,299	72,127,902

13

Other liabilities**Accounting policy**

Other liabilities comprise items such as provision for loans and advances/investments, provision for taxes, interest payable on borrowing, interest suspense and accrued expenses etc. Individual item-wise liabilities are recognised as per the applicable guidelines of Bangladesh Bank and International Financial Reporting Standards.

Provision for current tax expense

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date and any adjustment to the tax payable in respect of previous years.

Provision for current income tax of the Bank has been made on taxable income @ 37.5 % considering major disallowances of expenses and concessional rates on certain incomes (15% on gain from govt. securities, 10% on capital gain of shares & mutual funds and 20% on dividend income) as per Income Tax Act 2023. Tax provision of the Group entities is made on taxable income of subsidiaries at different rates applicable as per the ITA 2023 and the tax authority of the country where it is incorporated. Details of provisioning are stated in note 13.3 of these financial statements.

Assessment for uncertainty over income tax treatments (under IFRIC 23)

At each reporting period, the Bank assesses uncertain tax treatment (if any) separately or together in line with Income Tax Act 2023. The Bank applies its own judgment and past records of tax assessment and demand in identifying uncertainties over income tax treatments. Since the Bank is being operated as complex financial intermediary to provide comprehensive financial solutions, it assesses whether the interpretation of IFRIC 23 *Uncertainty over income tax treatments* has any impact particularly on those relating to transfer pricing, payment under credit facilities etc., in its consolidated financial statements. The Bank believes that its tax treatments (including those for the subsidiaries) is more likely to be accepted by the tax authority. Therefore, this interpretation does not have any impact on the consolidated financial statements of the Bank.

Provision for loans and advances

Provision for loans and advances is made on the basis of quarter-end review by the management and in compliance with BRPD Circular no.14/2012, BRPD circular no. 03/2019, BRPD circular no. 16/2020, BRPD circular no. 19/2021, BRPD circular no. 14/2022 and subsequent BRPD circulars and circular letters as issued by Bangladesh Bank time to time. Details of provisioning are stated in note 13.4 of these financial statements.

Provision for off-balance sheet exposures

In compliance with BRPD circular no. 06 dated 25 April 2023, the Bank has been maintaining adequate provision against off-balance sheet exposures (mainly contingent assets/liabilities).

Provision against investment in capital market

Based on DOS circular letter no. 1 dated 24 May 2023, provision for diminution of value of quoted shares, mutual funds (closed-end) and bonds has been made on 'portfolio basis' netting off gain; provision for diminution of value of unquoted shares and mutual funds has been made on the basis of net worth (Assets - Liabilities) of shares and surrender price of mutual funds respectively; and the provision amount has placed under other liabilities. Details are stated in note 13.8 of these financial statements.

Provision for other assets

Provision for other assets is made following BRPD circular No. 4 dated 12 April 2022. Required provision is maintained on other assets which are outstanding for one year or more or classified as Bad/Loss. Details of provisioning are stated in note 13.6 of these financial statements.

Provision for nostro accounts

Provision for unsettled transactions in nostro accounts is made as per FEPD circular no. FEPD (FEMO)/01/2005-677 dated 13 September 2005 and subsequent BRPD circular no. 04/2022 of Bangladesh Bank. As on the reporting date, the Bank has no unsettled debit transactions outstanding for more than 6 months and no provision has been made in this regard.

Provision for liabilities and accrued expenses

In compliance with IAS 37 *Provisions, contingent liabilities and contingent assets*, provisions for other liabilities and accrued expenses are recognised in the financial statements when the Bank has a legal or constructive obligation as a result of past event and is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Retirement/post-employment benefits

The Bank contributes to a defined contribution plan (Provident Fund) and two defined benefit plans (gratuity fund and superannuation fund) in compliance with the provisions of IAS 19 *Employee benefits*. Three local subsidiaries i.e. EBLSL, EBLIL & EBLAML of the Bank have also been maintaining provident fund and gratuity fund under separate trustee boards.

Defined contribution plans

Post-employment benefit plans under which rate of contributions into the plan is fixed. Any payment out of the plan to eligible outgoing members is based on the size of the 'fund' that comprises cumulative contributions made into the scheme and investment returns on scheme assets. The Group maintains defined contribution plan i.e. provident fund for its employees under separate trustee board.

Provident fund

The Bank operates a contributory provident fund (recognised by National Board of Revenue or NBR on 31 July 1997) for its permanent employees funded by the employees (10% of basic salary) and the Bank equally. The Bank's contribution is made each month and recorded under salary and allowances. This fund is managed by a separate trustee board i.e. 'EBL Employees Provident Fund Trust' and any investment decision out of this fund is made separately by that independent Board of Trustees. Subsidiaries of the Bank also operate separate contributory provident funds for its permanent employees funded by both the employees and organisation equally.

Amount charged in profit and loss account as expense on defined contribution plan of the group is detailed in note 27 of these financial statements.

Defined benefit plans

Post-employment benefit plans those define the amount that outgoing members will receive from the plans on separation on the bases of length of service and salary levels.

Contributions are made by the Bank into the scheme based on actuarial valuation. The Bank has an obligation to make up any shortfall in the plan, thereby bearing the risk of the plan under performing. The Bank maintains two defined benefit plans i.e. gratuity fund and superannuation fund for its employees under two separate trustee boards. Three local subsidiaries (EBLSL, EBLIL & EBLAML) also maintain defined benefit plan i.e. 'Gratuity fund' under separate trustee boards.

Gratuity fund

The Bank operates a funded gratuity scheme recognised by NBR with effect from 1 January 1997. This fund is managed separately by 'EBL Employees Gratuity Fund Trust' and any investment decision out of this fund is also made by this Board of Trustees. The benefit is paid on separation to the eligible employees i.e. who have completed at least 5 (five) years of continuous service. As per the Bank's policy, eligible employees are provided with the benefit equal to the latest monthly basic salary multiplied by applicable rates that varies as per service length.

Contribution to gratuity fund is made monthly on the basis of actuarial valuation made each year, or immediately after any major change in the salary structure that could impact the periodic amount of contributions. The last actuarial valuation was carried out on 31 December 2023 by Air Consulting Limited and as per their recommendation the Bank charged BDT 173.20 million to the Profit & Loss Account in 2023 as current service cost. The bank also continued to contribute at 18.50% (BDT 370.32 million) of basic salary to the gratuity fund in 2023 as per actuarial recommendation.

Superannuation fund

The Bank operates a recognised superannuation fund effective from 20 November 1999 which is governed by the trust deed of 'EBL Employees Superannuation Fund Trust'. As per the trust deed, benefit is payable to the eligible employees of the Bank as per their grade, length of service etc. As per the last valuation by Air Consulting Limited carried out on 31 December 2023, the Bank charged current service cost of BDT 6.6 million to the Profit & Loss Account in 2023. The bank also continued to contribute BDT 25.50 million to the superannuation fund in 2023 as per actuarial recommendation.

Details i.e. actuarial liability, valuation method, service cost, required contribution etc. of defined benefit plans and amount recognized in profit & loss account are stated in note 13.12 of these financial statements.

Workers profit participation fund

Consistent with widely accepted industry practice and in line with section 11(1) of the Bank Company Act 1991 (as amendment up to date) and subsequent clarification given by Bank & Financial Institutions Division (BFID), Ministry of Finance, no provision has been made by the Bank in the reporting period against Workers Profit Participation Fund (WPPF).

Other long-term benefits

The Bank's obligation in respect of long term benefit other than gratuity fund and superannuation fund is the amount of future benefits that employees have earned i.e. earned leave encashment in return for their service in the current and prior periods. The nature of this benefit to the eligible employees is encashment of earned leave up to maximum 90 days which is calculated based on last basic salary, house rent and medical allowance and is paid at the time of paying end service benefit. The Bank has kept required provision against liability for earned leave encashment as per actuarial valuation.

The Group does not have any other long term employee benefit plans.

Short term benefits

Short term employee benefits i.e. group insurance policy, hospitalisation facilities etc. are expensed as the related service is provided to the eligible employees as per EBL people management policy. Liability is recognised only for the amount expected to be paid if the Group has a present legal or constructive obligation to pay any amount as a result of past service provided by the employees and the obligation can be estimated reliably.

Dividend payments

Interim dividend is recognised only when the shareholders' right to receive payment is established. Final dividend is recognised when it is approved by the shareholders in AGM. However, the proposed dividend for the year 2023 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.

Details of other liabilities	Notes	Amount in BDT			
		Group		Bank	
		2023	2022	2023	2022
Privileged creditors (payable to government)	13.1	1,094,838,203	1,084,389,883	1,094,838,203	1,084,389,883
Acquirer liabilities	13.2	1,633,497,357	1,311,132,405	1,633,497,357	1,311,132,405
Sundry creditors		936,226,223	168,331,491	936,226,223	168,331,491
Security deposit		17,694,733	11,648,999	17,694,733	11,648,999
Current tax liability/(assets)	13.3	2,922,981,725	2,242,395,712	2,913,480,872	2,198,190,233
Provision for loans, advances and OBS exposures (other than OBO)	13.4	13,951,753,586	12,085,878,904	13,612,832,864	11,784,321,945
Provision for loans, advances and OBS exposures (for OBO)	13.4.a	2,154,489,366	2,125,480,485	2,154,489,366	2,125,480,485
Special general provision -COVID-19 (for DBO and OBO)	13.4.b	383,309,368	542,245,936	383,309,368	542,245,936
Interest suspense account	13.5	3,362,449,028	2,925,099,761	3,186,485,304	2,750,271,719
Provision for protested bill and others	13.6	252,245,548	263,739,323	252,245,548	263,739,323
Provision for start-up fund	13.7	200,391,631	138,891,631	200,391,631	138,891,631
Provision for rebate to good borrowers		46,100,257	46,100,257	46,100,257	46,100,257
Provision for loss on revaluation of shares (net)	13.8	1,162,629,530	991,718,520	755,611,210	593,294,880
Advance interest/commission received		16,805,715	24,654,179	16,356,229	23,925,705
Expenses payable		788,321,719	794,868,915	758,264,315	758,713,442

Amount in BDT

	Notes	Group		Bank	
		2023	2022	2023	2022
Interest payable on borrowing	13.9	593,201,439	540,661,488	593,201,439	539,487,075
Miscellaneous liabilities/payables	13.10	1,106,318,893	1,809,998,964	1,105,541,862	1,806,961,781
Lease liabilities (present value of lease payments)	13.11	1,269,136,265	1,314,531,028	1,230,148,615	1,259,216,399
Net Benefit Obligation	13.12	124,331,982	443,692,007	124,331,982	443,692,007
Other liabilities of subsidiaries	13.13	783,365,724	317,395,329	-	-
		32,800,088,291	29,182,855,215	31,015,047,378	27,850,035,594
13.a Group entity-wise consolidated other liabilities					
Eastern Bank PLC. (Parent)		31,015,047,378	27,850,035,594		
EBL Securities Limited		1,743,217,320	1,327,679,831		
EBL Investments Limited		47,864,133	67,907,480		
EBL Finance (HK) Limited		114,735,951	135,918,643		
EBL Asset Management Limited		32,456,453	24,194,254		
		32,953,321,235	29,405,735,802		
Less: Inter company elimination		(153,232,943)	(222,880,587)		
		32,800,088,291	29,182,855,215		
13.1 Privileged creditors (payable to government)					
Tax deducted at source (TDS)		634,982,256	466,014,130	634,982,256	466,014,130
VAT deducted at source (VDS)		69,287,468	82,450,132	69,287,468	82,450,132
Excise duty deducted from customer accounts		390,568,479	535,925,620	390,568,479	535,925,620
		1,094,838,203	1,084,389,883	1,094,838,203	1,084,389,883
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		1,118,853,647	1,010,591,794	1,118,853,647	1,010,591,794
Credit card liability		51,882,133	40,615,578	51,882,133	40,615,578
Debit card liability		39,428,484	64,981,260	39,428,484	64,981,260
Acquirer cash and other liabilities		423,333,093	194,943,773	423,333,093	194,943,773
		1,633,497,357	1,311,132,405	1,633,497,357	1,311,132,405
13.3 Current tax liability / (assets)					
Provision for tax					
Opening balance		4,558,964,903	5,172,364,687	4,219,259,510	4,847,617,920
Settlement/adjustment for previous years		(2,993,473,175)	(3,792,151,316)	(2,954,691,985)	(3,661,713,218)
Provision for tax made during the year	13.3.1	4,429,602,554	3,178,751,532	4,337,020,911	3,033,354,808
		5,995,094,283	4,558,964,903	5,601,588,437	4,219,259,510
Balance of income tax paid					
Opening balance		2,316,569,191	1,803,791,177	2,021,069,277	1,511,759,437
Settlement/adjustment for previous years		(2,953,730,616)	(3,750,228,675)	(2,954,691,985)	(3,661,713,218)
Paid during the year	13.3.2	3,709,273,984	4,263,006,688	3,621,730,273	4,171,023,059
		3,072,112,559	2,316,569,191	2,688,107,565	2,021,069,277
		2,922,981,725	2,242,395,712	2,913,480,872	2,198,190,233

Amount in BDT

Notes	Group		Bank	
	2023	2022	2023	2022
	13.3.1 Income tax expenses/Provision for tax			
Current tax expenses				
Current year	4,361,174,650	3,153,729,787	4,266,646,442	3,008,333,063
Adjustment for Previous years	68,427,904	25,021,746	70,374,469	25,021,746
	4,429,602,554	3,178,751,533	4,337,020,911	3,033,354,808

Details of the Tax assessment status are presented in **Annexure-H**.

13.3.2 Advance tax paid / deducted at source during the year				
Withholding tax deducted at source	693,945,256	660,355,604	642,053,377	568,371,974
Advance tax paid in cash	3,015,328,728	3,602,651,085	2,979,676,896	3,602,651,085
	3,709,273,984	4,263,006,688	3,621,730,273	4,171,023,059

	Bank			
	2023		2022	
	%	Taka	%	Taka
13.3.a Reconciliation of effective tax rate (Bank)				
Profit before income tax as per profit and loss account		9,788,928,349		8,095,384,869
Income tax as per applicable tax rate	37.5%	3,670,848,131	37.5%	3,035,769,326
Factors affecting the tax charged in current year				
On non deductible expenses	11.26%	1,101,933,889	2.72%	220,202,948
Tax savings on Govt. treasury securities	-2.26%	(221,521,592)	0.30%	24,122,835
Tax savings from reduced tax rates (on dividend income)	-2.16%	(211,500,259)	-2.80%	(226,761,998)
Tax savings from reduced tax rates (on sale of quoted securities)	-0.03%	(2,739,258)	-0.25%	(19,978,303)
Deferred tax income (net)	-6.71%	(657,293,006)	-0.56%	(45,427,604)
Total income tax expenses	37.59%	3,679,727,905	36.91%	2,987,927,205

	Group		Bank	
	2023	2022	2023	2022
13.4 Provision for loans, advances and OBS exposures (other than OBO)				
A) Specific provision movement				
Opening balance	7,244,306,424	7,908,397,581	6,942,749,466	7,609,785,899
On fully provided debt written off during the year	(356,758,543)	(2,291,799,121)	(356,758,543)	(2,291,799,121)
On recovery from loans written off earlier	473,190,325	793,358,712	473,190,325	793,358,712
Specific provision charged (net of recovery) for the year	400,136,840	834,349,252	362,773,076	831,403,975
Provision held at the end of the year	7,760,875,046	7,244,306,424	7,421,954,324	6,942,749,466
B) General provision movement on loans and advances				
Opening balance	3,472,778,073	3,152,833,797	3,472,778,073	3,152,833,797
Provision made during the year	1,295,235,573	319,944,276	1,295,235,573	319,944,276
Provision held at the end of the year	4,768,013,646	3,472,778,073	4,768,013,646	3,472,778,073
C) General provision movement on off-balance sheet exposures				
Opening balance	1,368,794,407	1,249,675,955	1,368,794,407	1,249,675,955
Provision made during the year	54,070,488	119,118,452	54,070,488	119,118,452
Provision held at the end of the year	1,422,864,894	1,368,794,407	1,422,864,894	1,368,794,407
Provision for loans, advances and OBS exposures (other than OBO)	13,951,753,586	12,085,878,904	13,612,832,864	11,784,321,945

Amount in BDT

Notes	Group		Bank	
	2023	2022	2023	2022
13.4.a Provision for loans, advances and OBS exposures (for OBO)				
General provision on loans and advances	269,546,909	473,136,156	269,546,909	473,136,156
General provision on off-balance sheet exposures	10,719,066	12,049,953	10,719,066	12,049,953
Specific provision on loans and advances	1,874,223,391	1,640,294,377	1,874,223,391	1,640,294,377
	2,154,489,366	2,125,480,485	2,154,489,366	2,125,480,485
13.4.b Special General Provision: COVID-19				
Special General Provision: COVID-19 (for DBO)	378,264,809	491,415,756	378,264,809	491,415,756
Special General Provision: COVID-19 (for OBO)	5,044,559	50,830,180	5,044,559	50,830,180
	383,309,368	542,245,936	383,309,368	542,245,936

As per BRPD circular no. 19/2021 and subsequent circular letter nos. 50/2021, 51/2021, 52/2021, 53/2021; and BRPD circular no. 14/2022 and subsequent circular letter nos. 51/2022 and 53/2022 loan status of certain eligible borrowers has been kept "Unclassified" upon receiving 15% and 50% payment against total dues for the year 2021 and 2022 respectively. Special General Provision (GP) for COVID-19 (@1.5% in 2021 and 2% in 2022) has been maintained against those loans except CMSME loan (1% against CMSME loans) in addition to the general provision routinely required. Besides, Special GP for COVID-19 @ 1% had been maintained in 2020 for those accounts which enjoyed payment by deferral (PBD) facilities as per BRPD circular letter no. 56/2020 and subsequent BB clarification letter ref. BRPD(P-1) 661/13/2021-117 dated 05 January 2021. However, the bank released Special GP for COVID-19 of BDT 161.09 million in 2023 upon adjustment of outstanding amount of the accounts which enjoyed deferral facilities in 2020, 2021 and 2022.

Total Provision (SP,GP & Special GP) for loans, advances and OBS exposures (Note: 13.4+13.4.a+13.4.b)

	16,489,552,320	14,753,605,326	16,150,631,599	14,452,048,366
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13.4.a.1 Provision for loans, advances and OBS exposures (including OBO):

General provision on loans and advances	5,037,560,555	3,945,914,228	5,037,560,555	3,945,914,228
Special General Provision-COVID-19	383,309,368	542,245,936	383,309,368	542,245,936
General provision on off-balance sheet exposures	1,433,583,960	1,380,844,359	1,433,583,960	1,380,844,359
Specific provision on loans and advances	9,635,098,437	8,884,600,801	9,296,177,716	8,583,043,843
	16,489,552,320	14,753,605,326	16,150,631,599	14,452,048,367

13.4.1 Provision for loans and advances charged during the year

	2023 (Bank)		2023 Total	2022 Total
	DBO	OBO		
General Provision on loans and advances	1,295,235,573	(228,314,923)	1,066,920,650	344,986,171
Special General Provision-COVID-19	(113,150,930)	(47,944,340)	(161,095,270)	(225,086,025)
General Provision on off-balance sheet exposures	54,070,488	(2,040,812)	52,029,675	119,471,033
General Provision charged during the year	1,236,155,131	(278,300,076)	957,855,055	239,371,179
Specific Provision charged during the year	835,963,401	128,652,528	964,615,929	2,071,796,367
Recovery from loans written off earlier	(473,190,325)	-	(473,190,325)	(793,358,712)
Specific Provision (net of recovery) for the year*	362,773,076	128,652,528	491,425,604	1,278,437,655
Total Provision for loans and advances charged during the year	1,598,928,207	(149,647,548)	1,449,280,659	1,517,808,834

* 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.

Amount in BDT

	Notes	Group		Bank	
		2023	2022	2023	2022
13.4.2 Maintenance of provision on loans and advances including OBS exposures (Solo):					
Required provision on loans & advances and OBS exposures:					
General provision on unclassified accounts (including SMA)				3,818,504,354	3,031,079,131
Special General Provision: COVID-19				383,309,368	542,245,936
Specific provision on classified accounts				6,267,489,468	4,666,559,710
Specific provision on stay order accounts				2,256,739,698	1,924,702,321
Specific provision on rescheduled accounts				771,948,550	1,991,781,812
General Provision on off-balance sheet exposures				1,433,583,960	1,380,844,359
Total required provision on loans and advances including OBS exposures				14,931,575,398	13,537,213,269
Total maintained provision on loans and advances and OBS exposures				16,150,631,599	14,452,048,366
Surplus provision*				1,219,056,201	914,835,097

* General provision maintained on qualitative ground for some loan accounts in addition to the requirement to strengthen the provision base of the bank.

13.5 Interest suspense account

Opening balance	2,925,099,761	2,939,008,519	2,750,271,719	2,750,794,589
Amount transferred during the year	1,698,965,432	3,080,772,731	1,697,829,751	3,094,158,619
Amount recovered during the year *	(1,215,330,382)	(2,885,860,558)	(1,215,330,382)	(2,885,860,558)
Amount written off during the year	(59,273,366)	(236,622,454)	(59,273,366)	(236,622,454)
Foreign currency adjustment	12,987,583	27,801,522	12,987,583	27,801,522
Balance at the end of the year	3,362,449,028	2,925,099,761	3,186,485,304	2,750,271,719

* Interest receivable on margin loan having negative equity (extended by subsidiaries) is included in the consolidated interest suspense account.

13.6 Provision for protested bill and others

Opening balance	263,739,323	219,304,150	263,739,323	219,304,150
Provision made during the year	9,716,279	44,435,173	9,716,279	44,435,173
Adjusted during the year	(21,210,053)	-	(21,210,053)	-
Balance at the end of the year	252,245,548	263,739,323	252,245,548	263,739,323

13.7 Provision for start-up fund

Opening Balance	138,891,631	87,805,631	138,891,631	87,805,631
Provision made during the year	61,500,000	51,086,000	61,500,000	51,086,000
Balance at the end of the year	200,391,631	138,891,631	200,391,631	138,891,631

As per BB SMESPD circular no. 04 dated 29 March 2021 and subsequent SMESPD circular letter no. 05 dated 26 April 2021, the bank has been maintaining a provision for startup fund @ 1% of profit after tax each year since 2020.

13.8 Provision for diminution of value of equity securities

Opening balance	991,718,520	408,519,732	593,294,880	256,437,323
Provision charged/ (released) during the year	170,911,010	583,198,788	162,316,330	336,857,556
Balance at the end of the year	1,162,629,530	991,718,520	755,611,210	593,294,880

Provision for diminution (gain net off) of value of quoted shares, unquoted shares and mutual funds has been made as per DOS circular no. 4, dated 24 November 2011 and DOS circular letter no. 1 dated 24 May 2023.

13.9 Interest payable on borrowing

Interest payable on Borrowing (including subordinated bond)	457,003,405	260,382,165	359,300,151	175,514,006
Interest payable on Borrowing-Offshore	233,901,287	363,973,069	233,901,287	363,973,069
	690,904,693	624,355,234	593,201,439	539,487,075
Less: Inter unit/company elimination (with interest receivable account)	(97,703,254)	(83,693,746)	-	-
	593,201,439	540,661,488	593,201,439	539,487,075

Amount in BDT

	Notes	Amount in BDT			
		Group		Bank	
		2023	2022	2023	2022
13.10 Miscellaneous liabilities/payables					
Received under compromise settlement of classified & w/off loans		195,085,050	266,621,709	195,085,050	266,621,709
NRB remittance payable		1,596,461	384,230,975	1,596,461	384,230,975
Interest suspense for term placement		1,860,000	1,860,000	1,860,000	1,860,000
Unclaimed dividend account	13.10.a	48,094,321	35,810,491	48,094,321	35,810,491
Other liabilities (FDD payable, unclaimed instrument, etc.)		859,683,061	1,121,475,789	858,906,030	1,118,438,606
		1,106,318,893	1,809,998,964	1,105,541,862	1,806,961,781

13.10.a Unclaimed dividend account

Unclaimed dividend is the residual amount of declared dividend which is yet to be claimed by the shareholders. As per the directive of BSEC (ref: SEC/SRMIC/165-2020/part-1/166 dated 06 July 2021) the bank has deposited unclaimed/undistributed/unsettled dividend amount of BDT 62,472,595.57 till the year 2017 to Capital Market Stabilization Fund (CMSF). The bank has been maintaining year-wise separate bank accounts for unclaimed dividends and present outstanding of that accounts is BDT 48,094,321.31 (as of 31-12-2023) out of which BDT 46,187,091.76 is cash dividend and BDT 1,907,229.55 is the fractional amount of stock dividend.

13.11 Lease liabilities (present value of lease payments)

The bank, as per IFRS 16, recognized lease liabilities which is the present value of lease payments to be made over the lease term from the date of commencement or 01 January 2019 (date of initial application), whichever is later. The lease payments include fixed and variable lease payments (less any adjustment for initial payment), and amount is expected to be paid under residual value of guarantees. The lease payments also include the exercise price of purchase option reasonably certain to be exercised by the bank and payment of penalties for terminating the lease. The lease payments have been discounted using Treasury bond rate of similar tenors i.e. 3-10 years as implicit borrowing rate on applicable point of time. For example, 5 years T-bond rate ranging from 8.20% – 10.5% have been used at the time of execution of those contracts having weighted average lease tenor of 5 years or more.

13.12 Net defined benefit obligation

Net defined benefit obligation is the net result of post employment benefit plans which is measured as per actuarial valuation under IAS 19 *Employee Benefits*. Valuation is carried out on *Projected unit credit method* as recommended by International Accounting Standard (IAS) 19. Under this method, the valuation is done considering both 'future service cost' which an employee shall obtain in normal course of service and *past service cost* which is the difference between assets built up from past contributions and accrued liabilities (i.e. benefits earned by members as a result of service as of valuation date).

Amount in BDT

		Bank			
		Gratuity Fund	Superannuation Fund	2023	2022
		Defined benefit obligation	13.12.a	2,340,984,043	133,335,713
Less: Fair value of plan assets	13.12.b	2,211,686,596	138,301,179	2,349,987,775	2,040,327,749
		129,297,448	(4,965,466)	124,331,982	443,692,007

13.12.a Defined benefit obligation

The amount of obligation for gratuity fund is determined considering present value of last basic salary multiplied by applicable rates as per service length which is discounted on actuarial financial and demographical assumptions/factors such as interest rate, salary growth rate, mortality rate, probable length of service etc.

The amount of obligation for superannuation fund is determined on the occurrence of certain pre-defined events which is related with employee rank (not salary) and certain threshold level of service being reached i.e. survival or withdrawal probabilities.

Amount in BDT

	Bank			
	Gratuity Fund	Superannuation Fund	2023	2022
	Opening balance (as per audited FS)	2,338,384,043	145,635,713	2,484,019,756
Interest cost	245,500,000	15,300,000	260,800,000	213,400,000
Current service cost	173,200,000	6,600,000	179,800,000	191,044,599
Paid to outgoing employees	(196,400,000)	(27,500,000)	(223,900,000)	(248,300,000)

Amount in BDT

		Bank			
		Gratuity Fund	Superannuation Fund	2023	2022
	Adjustment with opening balance	-	-	-	(8,244,599)
	Remeasurement gain/(loss)	(219,700,000)	(6,700,000)	(226,400,000)	(61,000,000)
		2,340,984,043	133,335,713	2,474,319,756	2,484,019,756

13.12.b Fair value of plan assets

IAS 19 prescribes a fair valuation of fund assets and where market price is not available, fair value of the fund assets is estimated. Here, fair value of plan assets is not readily available, hence historical book value (audited) of fund assets is considered as fair value of plan assets of the funds.

Amount in BDT

		Bank			
		Gratuity Fund	Superannuation Fund	2023	2022
	Opening balance (as per audited FS)	1,904,846,537	135,481,211	2,040,327,749	1,746,303,625
	Interest income	143,203,605	6,643,490	149,847,095	135,600,000
	Contribution to the fund	370,326,387	25,500,000	395,826,387	414,924,124
	Adjustment for opening balance	-	-	-	(8,200,000)
	Amortization expense and other cost	(10,289,934)	(1,823,522)	(12,113,456)	-
	Paid to outgoing employees	(196,400,000)	(27,500,000)	(223,900,000)	(248,300,000)
		2,211,686,596	138,301,179	2,349,987,775	2,040,327,749

Amount in BDT

Notes	Group		Bank	
	2023	2022	2023	2022
13.12.a.1 Remeasurement loss (as per actuarial report)				
	512,526,750	76,151,750	588,678,500	649,678,500
	(219,700,000)	(6,700,000)	(226,400,000)	(61,000,000)
	292,826,750	69,451,750	362,278,500	588,678,500

13.13 Other liabilities of subsidiaries

Accounts payable (trading)	781,209,540	315,413,359
Sundry creditors	7,685,848	6,168,732
Dividend payable	50,000,000	135,000,079
	838,895,388	456,582,170
Less: Intra group outstanding balances		
Share trading account	(5,494,580)	(4,188,378)
Dividend & other accounts	(50,035,084)	(134,998,463)
	(55,529,664)	(139,186,841)
	783,365,724	317,395,329

13.b Nostro reconciliation

Following BRPD circular no. 04, dated 12 April 2022, the Bank is not required to maintain provision on the unreconciled debit balance as at balance sheet date as there was no unreconciled debit entry aging more than six months.

14 Share Capital**Authorized and issued capital**

The authorized capital of the Bank is the maximum limit of share capital that the Bank is authorized by its Memorandum and Articles of Association to issue (allocate) among shareholders. Part of the authorized capital usually remains unissued. The part of the authorized capital already issued to shareholders is referred to as the issued share capital of the Bank.

Paid-up capital

The paid-up capital represents the amount of Bank's capital that has been contributed by ordinary shareholders. The ordinary shareholders are entitled to receive dividend as recommended by the Board and subsequently approved by the shareholders from time to time in the Annual General Meeting (AGM).

Amount in BDT

Notes	Group		Bank	
	2023	2022	2023	2022

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.

A) Authorized capital

2,500,000,000 ordinary shares of BDT 10 each

	25,000,000,000	25,000,000,000	25,000,000,000	25,000,000,000
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B) Issued, subscribed and fully paid up capital

	2023	2022				
Issued against cash	129,345,000	129,345,000	1,293,450,000	1,293,450,000	1,293,450,000	1,293,450,000
Issued as bonus share	1,077,889,715	943,752,525	10,778,897,150	9,437,525,250	10,778,897,150	9,437,525,250
	1,207,234,715	1,073,097,525	12,072,347,150	10,730,975,250	12,072,347,150	10,730,975,250

Detail of the raising paid up capital is presented in **Annexure-G**.

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 and subsequent amendments, the Authorized Capital of the Bank is BDT 25,000,000,000 and issued/subscribed/fully paid up capital is BDT 12,072,347,150 denominated by BDT 10 per share. Detailed break down of paid up capital of BDT 12,072,347,150 as on 31 December 2023 is as follows:

Percentage of group wise shareholding:

Shareholders group	2023			2022		
	No. of shares	% of shareholding	Taka	No of Shares	% of shareholding	Taka
Directors	370,217,723	30.67%	3,702,177,230	329,082,425	30.67%	3,290,824,250
General public	266,204,206	22.05%	2,662,042,060	223,463,019	20.82%	2,234,630,190
Institutions	567,517,404	47.01%	5,675,174,040	514,801,129	47.97%	5,148,011,290
Foreign investors	3,295,382	0.27%	32,953,820	5,750,952	0.54%	57,509,520
	1,207,234,715	100.00%	12,072,347,150	1,073,097,525	100.00%	10,730,975,250

Range-wise distribution of the subscribed share as of 31 December 2023:

Range	No. of shareholders	No. of shares	(%) of shareholding
1 - 500	3,228	515,758	0.04%
501 - 5000	3,154	5,386,456	0.45%
5001 - 10000	441	3,055,623	0.25%
10001 - 20000	373	5,220,646	0.43%
20001 - 30000	132	3,301,725	0.27%
30001 - 40000	64	2,221,652	0.18%
40001 - 50000	42	1,903,452	0.16%
50001 - 100000	110	7,817,340	0.65%
100001 - 1000000	225	77,938,173	6.46%
1000001 - Above	118	1,099,873,890	91.11%
	7,887	1,207,234,715	100.00%

Status of shareholding (shares of EBL) as on 31 December 2023 by Managing Director/CEO, CS, CFO, Head of Internal Control and Compliance and top five salaried executives is shown in the following table:

Name	Designation	No. of shares held
Managing Director/CEO, CS, CFO & HoICC and their spouses & minor children		
Ali Reza Iftekhhar	Managing Director	337,500
Mahmoodun Nabi Chowdhury	DMD, Head of ICC & CAMLCO	-
Masudul Hoque Sardar	Chief Financial Officer	-
Md. Abdullah Al Mamun FCS	Company Secretary	-
Executives (Top five salaried executives other than Managing Director/CEO, CS, CFO & HoICC)		
Ahmed Shaheen	Additional Managing Director	-
Riad Mahmud Chowdhury	DMD & Head of Corporate Banking	12,713
Mehdi Zaman	DMD, Head of Treasury, FIs & Offshore Banking	-
M. Khorshed Anowar	DMD, Head of Retail & SME Banking	-
Mahdiar Rahman	SEVP, Head of Relationship Unit 04, Corporate Banking	4,236

Shares held by any shareholder to the extent of 10% or more

Nil

14.2 Capital to risk weighted assets ratio (CRAR)

As per the 'Revised Guidelines on Risk Based Capital Adequacy (RBCA)' issued by Bangladesh Bank in December 2014, all scheduled banks are required to calculate Capital to Risk Weighted Assets Ratio based on 'Solo' as well as 'Consolidated' basis since early 2015. Here, regulatory capital base is quite different from accounting capital. Regulatory capital consists of Tier-1 (Common Equity Tier 1 and Additional Tier 1) and Tier 2 capital. Assessing regulatory capital in relation to overall risk exposures of a bank is an integrated and comprehensive process. EBL has been generating most of its incremental capital from retained profit (stock dividend and statutory reserve transfer etc.) and occasional issue of subordinated debt and right shares to support incremental growth of Risk Weighted Assets (RWA). Besides regulatory capital requirement, the Bank maintains surplus capital which will act as buffer for absorbing all material risks and to support foreseen business growth activities.

Notes	Amount in BDT			
	Group		Bank	
	2023	2022	2023	2022
Common Equity Tier -1 Capital				
Paid up capital	12,072,347,150	10,730,975,250	12,072,347,150	10,730,975,250
Statutory reserve	12,072,347,150	10,730,975,250	12,072,347,150	10,730,975,250
General reserve	619,656,770	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	13,140,164,307	11,047,500,739	12,601,350,495	10,505,742,233
Regulatory adjustments	38,260,555,377	33,468,984,609	37,705,578,165	32,927,226,103
Goodwill and all other intangible assets (WDV of Software)	(398,122,152)	(366,163,417)	(396,548,701)	(365,483,278)
Reciprocal crossholdings in the CET 1 capital	(423,279,237)	(299,565,246)	(353,850,560)	(260,502,007)
Investment in own CET1 capital (mutual fund)	(17,720,000)	(12,465,000)	(17,720,000)	(12,465,000)
Deferred tax asset (95% as per BB Circular)	(2,922,166,391)	(2,347,196,311)	(2,922,166,391)	(2,347,196,311)
	34,499,267,597	30,443,594,634	34,015,292,514	29,941,579,507
Tier -2 Capital				
General provision	6,854,453,883	5,869,004,524	6,854,453,883	5,869,004,524
Subordinated debt*	6,020,000,000	4,950,000,000	6,020,000,000	4,950,000,000
	12,874,453,883	10,819,004,524	12,874,453,883	10,819,004,524
Regulatory adjustments	-	-	-	-
	12,874,453,883	10,819,004,524	12,874,453,883	10,819,004,524
A. Total regulatory capital	47,373,721,480	41,262,599,158	46,889,746,397	40,760,584,030
B. Total risk weighted assets (RWA)	320,571,154,765	285,992,736,517	311,848,622,611	279,015,847,153
C. Minimum capital requirement (MCR) (10% on B)	32,057,115,477	28,599,273,652	31,184,862,261	27,901,584,715
D. Surplus capital (A - C)	15,316,606,003	12,663,325,506	15,704,884,136	12,858,999,315

Capital to risk weighted assets ratio (CRAR)

	Minimum requirement		Group		Bank	
	2023	2022	2023	2022	2023	2022
On Tier-1 capital to RWA	6.00%		10.76%	10.64%	10.91%	10.73%
Capital to RWA ratio (CRAR)	Against standard of minimum 10% with capital conservation buffer of 2.50%		14.78%	14.43%	15.04%	14.61%

* Subordinated debt outstanding reported in the Balance Sheet (2023: BDT 7,020 Million; 2022: BDT 5,950 Million) differs with the amount reported as Tier 2 capital (2023: BDT 6,020 Million; 2022: BDT 4,950 Million) due to amortizing 20% of the subscribed amount at the beginning of each of the last 5 years of the instrument's life in compliance with Bangladesh Bank guidelines on Risk Based Capital Adequacy.

15 Statutory Reserve

In compliance with the provision of section 24 of the Bank Company Act 1991 (as amended up to date), the Bank is to transfer at least 20% of its profit before tax (PBT) to statutory reserve each year until the sum of statutory reserve and share premium (if any) equal the paid-up capital of the Bank. In 2023, the bank has transferred BDT 1,341.37 million to statutory reserve account in compliance with the said provision.

Notes	Amount in BDT			
	Group		Bank	
	2023	2022	2023	2022
Opening balance	10,730,975,250	9,538,644,670	10,730,975,250	9,538,644,670
Transferred from profit during the year	1,341,371,900	1,192,330,580	1,341,371,900	1,192,330,580
Closing balance	12,072,347,150	10,730,975,250	12,072,347,150	10,730,975,250

16 Dividend equalization reserve

As per BRPD Circular No. 18 dated 20 October 2002, Banks had to transfer an equal amount of net profit (amount by which cash dividend exceeds 20%) to Dividend Equalization Account while paying cash dividend in excess of 20%. This is treated as 'Core Capital' of the Bank.

However, bank's current dividend decision is made in compliance with DOS Circular no. 01 dated 07 February 2021 wherein banks' dividend payment capacity is tagged and capped in relation to CRAR of the respective banks.

17 Assets revaluation reserve (land and other assets)

Reserve for revaluation of land properties	17.01	2,283,114,684	2,387,214,661	2,283,114,684	2,387,214,661
Reserve for revaluation of treasury securities (HFT)	17.02	76,575,876	180,117,148	76,575,876	180,117,148
Reserve for amortization of treasury securities (HTM)	17.03	157,719,209	83,093,607	157,719,209	83,093,607
Reserve for fair value of TRECs to EBLSL and Shares of DSE and CSE	17.04	85,418,367	85,418,367	-	-
		2,602,828,136	2,735,843,783	2,517,409,769	2,650,425,416

17.01 Reserve for revaluation of land properties

When carrying amount of same class of assets is increased as a result of revaluation, the increased amount of the entire class of same assets netting off deferred tax liability (as per IAS 12 *Income tax*), is credited directly to equity under the heading of assets revaluation reserve as per IAS 16 *Property, plant and equipment*. Apart from financial assets, the Bank revalues its lands following relevant circulars of Bangladesh Bank and Bangladesh Securities & Exchange Commission.

Opening balance of reserve		2,549,622,873	2,549,622,873	2,549,622,873	2,549,622,873
Reserve made / (adjusted) during the year		(26,415,558)	-	(26,415,558)	-
		2,523,207,315	2,549,622,873	2,523,207,315	2,549,622,873
Less: Deferred tax liability	9.10.c.2	240,092,631	162,408,212	240,092,631	162,408,212
Net of deferred tax liability		2,283,114,684	2,387,214,661	2,283,114,684	2,387,214,661

17.01.a Details of land properties and revaluation result as of 31 December 2023:

Particulars of land	Year of acquisition	Purpose for holding of land	Cost of Land (incl. development cost)	Revalued amount	Revaluation surplus/ (deficit)
33 CA, Agrabad, Chottagram (Size: 13.43 Katha or 22.17 Decimal)	Feb 1983	Regional Head Office	Acquired as BCCI property	443,400,000	443,400,000
New 100 Gulshan Avenue, Dhaka (Size: 26.24 Katha or 43.312 Decimal)	Nov 2002	Corporate Head Office	95,624,950	2,099,975,757	2,004,350,807
Plot-832/B, Block-I, Bashundhara R/A, Dhaka (Size: 100 Katha or 165 Decimal)	July 2008	Proposed Bashundhara Branch, Central Godown and Archive	329,645,603	802,913,303	473,267,700
Plot-19, Block-A, Bashundhara R/A, Dhaka (Size: 5 Katha or 8.25 Decimal)	Nov 2008	Proposed branch, Cards center and others.	52,578,163	52,160,000	(418,163)
Rupayan Point, Plot # 1/11 Lalmatia Housing, Dhaka (Size: 7.75 Katha or 12.787 Decimal)	Jun 2013	Proposed branch, Zonal office for SME & Corporate business, operations etc.	533,986,690	251,875,000	(282,111,690)
Polash Bari, Ashulia, Savar, Dhaka (Size: 379.69 Katha or 626.50 Decimal)	Nov 2011	Proposed Residential Training Academy	466,501,135	351,219,697	(115,281,438)
			1,478,336,541	4,001,543,757	2,523,207,216

17.02 Reserve for revaluation of treasury securities (HFT)

Reserve for revaluation of HFT securities is recognised as per the instruction/circular of Bangladesh Bank vide DOS circular Letter No 05 dated 26 May 2008 and subsequent clarifications on 28 January 2009. Any increase in the value of such securities categorised as HFT as a result of mark-to-market is booked under equity as revaluation reserve but any decrease is directly charged to profit and loss account.

Notes	Amount in BDT			
	Group		Bank	
	2023	2022	2023	2022
Opening balance	180,117,148	-	180,117,148	-
Addition during the year	377,777,111	452,498,093	377,777,111	452,498,093
Adjustment made during the year	(481,318,383)	(272,380,945)	(481,318,383)	(272,380,945)
Closing balance	76,575,876	180,117,148	76,575,876	180,117,148

17.03 Reserve for amortization of treasury securities (HTM)

Reserve for amortization of HTM securities is recognised as per the instruction/circular of Bangladesh Bank vide DOS circular Letter No 05 dated 26 May 2008 and subsequent clarifications on 28 January 2009. When the value of a government treasury security categorised as HTM increases as a result of amortization, the amount thus increased is recognised directly to equity as reserve for amortization.

Opening balance	83,093,607	29,260,251	83,093,607	29,260,251
Addition during the year	99,334,258	55,421,940	99,334,258	55,421,940
Adjustment made during the year	(24,708,655)	(1,588,584)	(24,708,655)	(1,588,584)
Closing balance	157,719,209	83,093,607	157,719,209	83,093,607

17.04 Reserve for fair value of TREC's to EBLSL and Shares of DSE 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 @ BDT 10)	113,909,572	113,909,572
Fair value of Shares of CSE (4,287,330 shares @ BDT 10)	43,879,755	43,879,755
	840,716,867	840,716,867

Amount in BDT

Notes	Group		Bank	
	2023	2022	2023	2022
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

Actuarial re-measurement gain/(loss) results from increase in the present value of the defined benefit obligation (Gratuity Fund and Superannuation Fund) due to changes in actuarial assumptions and experience adjustment which has been shown as equity component as element of OCI as per IAS 19 *Employee Benefits*.

Opening balance	(588,678,500)	(649,678,500)	(588,678,500)	(649,678,500)
Re-measurement loss adjustment	226,400,000	61,000,000	226,400,000	61,000,000
	(362,278,500)	(588,678,500)	(362,278,500)	(588,678,500)
Less: Adjustment with deferred tax assets	135,854,438	220,754,438	135,854,438	220,754,438
	(226,424,063)	(367,924,063)	(226,424,063)	(367,924,063)

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 109.75 and HKD 1 = BDT 14.0458. Yearly incomes and expenses are translated using monthly average exchange rate (USD 1 = 107.4661 BDT & HKD 1 = BDT 13.7246). The net cumulative result of the exchange rate difference has been presented separately as equity component as per IAS 21 (para 39).

20 Surplus in profit and loss account

Opening balance	11,047,500,738	9,504,261,953	10,505,742,232	8,975,293,908
Profit for the year	6,122,419,552	5,120,586,680	6,109,200,444	5,107,457,664
Transfer from asset revaluation reserve due to sale of land	10,523,111	-	10,523,111	-
Transfer to General Reserve	(16,163,400)	-	-	-
Transfer to statutory reserve	(1,341,371,900)	(1,192,330,580)	(1,341,371,900)	(1,192,330,580)
Bonus share issued	(1,341,371,900)	(1,192,330,580)	(1,341,371,900)	(1,192,330,580)
Cash dividend paid	(1,341,371,900)	(1,192,330,580)	(1,341,371,900)	(1,192,330,580)
Foreign currency adjustment for offshore	7	(356,155)	408	(17,600)
	13,140,164,307	11,047,500,738	12,601,350,495	10,505,742,232

21 Contingent liabilities

Accounting policy

Contingent liabilities which include certain guarantees and letters of credit pledged as collateral are possible obligations that may arise from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the Bank. Contingent liabilities are recognised in the financial statements and disclosed in the face of balance sheet under off-balance sheet items as per the guidelines of BRPD circular No. 14 dated 25 June 2003.

Details of contingent liabilities

Acceptance and endorsements	21.1	65,894,652,512	61,495,322,122	65,894,652,512	61,495,322,122
Letters of guarantee	21.2	60,601,051,774	44,488,068,707	60,601,051,774	44,488,068,707
Irrevocable letters of credit	21.3	53,626,364,704	41,911,963,642	53,626,364,704	41,911,963,642
Bills for collection	21.4	17,713,324,276	15,298,846,071	17,713,324,276	15,298,846,071
Forward assets purchased and forward deposits placed (against FCY)	21.5	-	501,704,953	-	501,704,953
Undrawn formal standby facilities, credit lines and other commitments	21.6	1,400,000,000	1,400,000,000	1,400,000,000	1,400,000,000
		199,235,393,266	165,095,905,495	199,235,393,268	165,095,905,495

Amount in BDT

Notes	Group		Bank	
	2023	2022	2023	2022
	21.1 Acceptance and endorsements			
Acceptances (Back to Back)	16,322,730,986	14,371,493,855	16,322,730,986	14,371,493,855
Acceptances (ULC-Cash)	77,309,482,871	85,896,166,916	77,309,482,871	85,896,166,916
	93,632,213,858	100,267,660,771	93,632,213,858	100,267,660,771
Acceptances (ULC-Cash)- Offshore Banking Operation	630,977,654	699,451,062	630,977,654	699,451,062
	94,263,191,512	100,967,111,833	94,263,191,512	100,967,111,833
Less: Bills financed on own acceptance	(28,368,539,000)	(39,471,789,711)	(28,368,539,000)	(39,471,789,711)
	65,894,652,512	61,495,322,122	65,894,652,512	61,495,322,122

As per BRPD circular letter no 09 dated 27 May 2019, bill financed on own acceptance worth BDT 28,368.54 million has been reported as funded outstanding; hence the same has been excluded from non-funded exposures and thus no provision has been maintained.

21.2 Letters of guarantee				
Directors	192,900	192,900	192,900	192,900
Government	4,996,327	624,752,527	4,996,327	624,752,527
Banks and other financial institutions	31,049,894,155	21,838,858,255	31,049,894,155	21,838,858,255
Others (Customers etc.)	29,545,968,393	22,024,265,024	29,545,968,393	22,024,265,024
	60,601,051,774	44,488,068,707	60,601,051,774	44,488,068,707
Letters of guarantee-Offshore Banking Operation	-	-	-	-
	60,601,051,774	44,488,068,707	60,601,051,774	44,488,068,707

As per BRPD circular no 06 dated 25 April 2023, 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.

21.3 Irrevocable letters of credit				
Letters of credit - Cash sight	13,824,649,683	7,279,257,198	13,824,649,683	7,279,257,198
Letters of credit - Cash usance	22,131,057,345	22,237,967,645	22,131,057,345	22,237,967,645
Letters of credit - Back to back	17,229,728,684	11,889,194,593	17,229,728,684	11,889,194,593
	53,185,435,711	41,406,419,436	53,185,435,711	41,406,419,436
Letters of credit (Cash sight)-Offshore Banking Operation	172,747,584	123,889,206	172,747,584	123,889,206
Letters of credit (Cash usance)-Offshore Banking Operation	268,181,408	381,655,000	268,181,408	381,655,000
	53,626,364,704	41,911,963,642	53,626,364,704	41,911,963,642

21.4 Bills for collection				
Foreign Documentary Bills Collection	3,743,304,541	2,802,361,433	3,743,304,541	2,802,361,433
Local Documentary Bills Collection	13,221,181,179	11,909,297,617	13,221,181,179	11,909,297,617
	16,964,485,720	14,711,659,050	16,964,485,720	14,711,659,050
Bills for collection- Offshore Banking Operation	748,838,556	587,187,021	748,838,556	587,187,021
	17,713,324,276	15,298,846,071	17,713,324,276	15,298,846,071

As per BRPD circular no 06 dated 25 April 2023, general provision on Bills for Collection has been waived. As such, no general provision on outstanding Bills for Collection worth BDT 17,713.32 million has been maintained on the reporting date.

21.5 Forward assets purchased and forward deposits placed (against FCY)				
Forward assets purchased	-	501,704,953	-	501,704,953
Forward deposits placed	-	-	-	-
	-	501,704,953	-	501,704,953

As per BRPD instruction, 1% general provision on outstanding Forward Assets Purchased is maintained.

Amount in BDT

	Notes	Group		Bank	
		2023	2022	2023	2022
21.6 Undrawn formal standby facilities, credit lines and other commitments					
Under one year		1,400,000,000	1,400,000,000	1,400,000,000	1,400,000,000
One year and over		-	-	-	-
		1,400,000,000	1,400,000,000	1,400,000,000	1,400,000,000

As per BRPD instruction, 1% general provision on outstanding undrawn commitment worth BDT 1,400 million has been maintained.

22 Interest income

Recognition policy:

Interest on unclassified loans and advances (except those of rescheduled and stay order accounts), money at call, placements and foreign currency balances is recognised as income on accrual basis. Interest on classified loans and advances (including rescheduled and stay order accounts) is credited to interest suspense account with actual receipt of interest therefrom credited to income as and when received as per BRPD Circular no.14/2012, BRPD circular no. 03/2019, BRPD circular no. 16/2020, BRPD circular no. 19/2021, BRPD circular no. 14/2022 and subsequent BRPD circulars and circular letters issued by Bangladesh Bank time to time.

Interest on loans and advances		25,868,761,550	19,375,638,907	25,117,873,500	18,754,873,394
Interest on money at call and on short notice		433,690,326	123,922,874	433,690,326	123,922,874
Interest on placement with banks and FIs		1,137,368,802	882,528,986	1,137,368,802	870,453,139
Interest on foreign currency balances		69,135,757	13,204,870	69,135,757	13,204,870
		27,508,956,435	20,395,295,637	26,758,068,385	19,762,454,277
Less: Inter unit/company elimination		(638,833,876)	(508,420,417)	(217,044,796)	(193,786,913)
		26,870,122,559	19,886,875,220	26,541,023,589	19,568,667,364

23 Interest paid on deposits, borrowings and others

Recognition policy:

Interest paid on borrowings and deposits are calculated on actual days basis by dividing 360 days in a year and recognised on accrual basis. Interest on lease liabilities are accounted for as per IFRS 16 *Leases*. Interest cost netting off interest income on defined benefit plans are accounted for as per IAS 19 and latest actuarial reports.

Interest on deposits	23.01	13,513,547,582	10,186,638,445	13,513,547,582	10,186,638,445
Interest on borrowings from Banks & FIs	23.02	4,766,448,069	2,735,546,003	4,052,248,779	2,266,438,321
Interest on borrowings from BB & others	23.03	820,363,228	459,088,188	820,363,228	459,088,188
Interest on lease liabilities		102,408,988	76,002,896	100,456,681	72,771,911
Interest on margin		431,814	434,416	431,814	434,416
Net interest cost (on Gratuity Fund)	23.04	112,586,329	70,700,000	112,586,329	70,700,000
Net interest cost (on Superannuation Fund)	23.05	10,480,032	7,100,000	10,480,032	7,100,000
		19,326,266,042	13,535,509,948	18,610,114,445	13,063,171,281
Less: Inter unit/company elimination		(638,833,876)	(508,420,417)	(217,044,796)	(193,786,913)
		18,687,432,166	13,027,089,532	18,393,069,649	12,869,384,368

23.01 Interest on deposits

Interest on savings and current deposits		1,761,938,303	1,887,430,350	1,761,938,303	1,887,430,350
Interest on special notice deposits (SND)		2,490,543,747	2,335,350,083	2,490,543,747	2,335,350,083
Interest on term deposits		9,261,065,532	5,963,858,011	9,261,065,532	5,963,858,011
		13,513,547,582	10,186,638,445	13,513,547,582	10,186,638,445

23.02 Interest on borrowings from Banks & FIs

Interest on demand borrowing (including overnight borrowing)		977,777,150	716,351,149	638,156,519	443,608,778
Interest on term borrowing		3,094,792,018	1,642,667,848	2,720,213,359	1,446,302,537
Interest on subordinated bond		513,543,259	349,567,510	513,543,259	349,567,510
Inter-bank repo (repurchase agreement)		180,335,642	26,959,497	180,335,642	26,959,497
		4,766,448,069	2,735,546,003	4,052,248,779	2,266,438,321

Amount in BDT

Notes	Group		Bank	
	2023	2022	2023	2022
23.03 Interest on borrowings from BB & others				
Borrowing under IPFF	20,653,837	1,001,173	20,653,837	1,001,173
Borrowing under EDF	593,455,010	267,316,652	593,455,010	267,316,652
Borrowing under LTFF	27,357,550	46,806,777	27,357,550	46,806,777
Borrowing under BADP (refinance scheme)	-	1,434,687	-	1,434,687
Borrowing under SMESPD (refinance scheme)	83,810,103	28,220,429	83,810,103	28,220,429
Second crop diversification project	14,908,272	17,966,379	14,908,272	17,966,379
Borrowing under pre-shipment credit refinancing scheme	77,209,484	96,037,042	77,209,484	96,037,042
Borrowing under Green Transformation Fund (GTF)	2,968,971	305,051	2,968,971	305,051
	820,363,228	459,088,188	820,363,228	459,088,188
23.04 Net interest cost (on Gratuity Fund)				
Interest expense on defined benefit obligation (for Gratuity Fund)	255,789,934	200,000,000	255,789,934	200,000,000
Less: Interest income on plan assets (for Gratuity Fund)	143,203,605	129,300,000	143,203,605	129,300,000
	112,586,329	70,700,000	112,586,329	70,700,000
23.05 Net interest cost (on Superannuation Fund)				
Interest expense on defined benefit obligation (for Superannuation Fund)	17,123,522	13,400,000	17,123,522	13,400,000
Less: Interest income on plan assets (for Superannuation Fund)	6,643,490	6,300,000	6,643,490	6,300,000
	10,480,032	7,100,000	10,480,032	7,100,000

24 Investment income

Recognition policy:

Income on investments in government and other securities, debentures and bonds are accounted for on accrual basis as per the provisions of *Conceptual Framework for Financial Reporting*, IFRS 9 and relevant Bangladesh Bank guidelines.

Dividend income from investment in equity instruments and from subsidiaries is recognised at the time when it is declared, can be reliably measured and right to receive the payment is established. Income on perpetual bond is recognised upon receiving the rate confirmation from the trustees so as the dividend amount is reliably measured and is probable that the economic benefit will flow to the bank.

Non-interest investment income i.e. gain/loss arising from trading in government securities (HFT), quoted and unquoted shares & mutual funds is recognised in profit and loss account at the time of effecting the transactions except those which are restricted by Bangladesh Bank.

Dividend income	24.1	1,145,623,100	1,115,352,258	1,208,572,908	1,295,782,848
Interest on reverse REPO		698,787,779	680,447,250	698,787,779	680,447,250
Interest on govt. treasury bonds		3,908,528,689	3,811,728,174	3,908,528,689	3,811,728,174
Interest on Non-Government Securities		871,279,407	909,182,750	871,279,407	909,182,750
Gain/(loss) from government securities*		984,540,408	(64,327,561)	984,540,408	(64,327,561)
Net gain/(loss) on sale of quoted securities		83,111,195	273,893,247	9,960,937	72,648,373
		7,691,870,577	6,726,276,119	7,681,670,127	6,705,461,835

*As per instruction/circular of Bangladesh Bank vide DOS circular letter no 05 dated 26 May 2008 and subsequent clarifications on 28 January 2009.

24.1 Dividend Income

Eastern Bank PLC.	24.1.a	1,208,572,908	1,295,782,848
EBL Securities Limited		73,107,708	44,063,773
EBL Investments Limited		6,551,855	9,854,482
EBL Asset Management Limited		9,445,882	3,337,936
		1,297,678,353	1,353,039,039

Amount in BDT

Notes	Group		Bank	
	2023	2022	2023	2022
Less: Elimination-dividend from subsidiaries				
EBL Securities Limited	99,999,600	149,998,224		
EBL Asset Management Limited	-	40,000,000		
EBL Finance (HK) Limited	52,055,653	47,688,557		
	152,055,253	237,686,781		
	1,145,623,100	1,115,352,258		

24.1.a Dividend Income- Eastern Bank PLC.

Dividend from investment in quoted/unquoted shares and bonds	1,056,517,255	1,058,096,067
Dividend from subsidiaries	152,055,653	237,686,781
	1,208,572,908	1,295,782,848

Though the issuer of the perpetual bonds has a right to cancel any coupon payments to bondholders on a condition of non-payment of dividend to equity holders, the track record of our investee entities in terms of consistent dividend payments backed by good asset quality, strong capital base, good profitability and efficient liquidity management does not necessitate us to expect that they will cancel the coupon payments. Therefore, during the year, the bank recognized dividend income of BDT 62,782,628 on accrual basis.

25 Commission, exchange and brokerage**Recognition policy:**

Fees and commission income arising from services provided by the Bank are recognised as income on accrual basis as per IFRS 15 *Revenue from contracts with customers*. Fees and commission charged to customers on trade finance i.e. L/C, L/G, acceptance and other general banking services i.e. card services, management fees, arrangement fees, locker charges etc. are recognised as income when a performance obligation is satisfied by transferring a promised service to customer by the bank, and at the time of effecting the transactions except those which are received in advance.

Exchange gain includes all gains and losses from foreign currency day-to-day transactions, conversions and revaluation of non monetary items.

Fees, commission and charges	25.1	3,123,566,018	2,856,104,626	3,015,678,332	2,778,174,073
Exchange gain (net of exchange loss)	25.2	1,390,786,808	1,326,823,595	1,383,228,980	1,314,700,998
Brokerage commission	25.3	266,778,928	389,638,253	-	-
		4,781,131,754	4,572,566,473	4,398,907,312	4,092,875,070

25.1 Fees, commission and charges

Loan processing fees		290,432,048	290,122,761	290,432,048	290,122,761
Service charges (Periodic & Ad-hoc)		554,766,876	459,583,639	464,859,360	397,104,076
Early settlement fees		13,321,336	13,994,353	13,321,336	13,994,353
Cards fees & charges (net of cards direct expenses)	25.1.a	738,936,301	819,187,106	738,936,301	819,187,106
Commission on general banking (PO, FDD, remittance, etc)		22,834,423	33,148,703	22,834,423	33,148,703
Commission on Automated Challan System (ACS)		62,792,802	36,758,788	62,792,802	36,758,788
Commission on trade business (LG, LC, Acceptance)		1,440,482,232	1,203,309,277	1,422,502,062	1,187,858,287
		3,123,566,018	2,856,104,626	3,015,678,332	2,778,174,073

25.1.a Cards fees and charges (net of cards direct expenses)**Fees and charges:**

Debit, Prepaid Cards, etc.		410,532,018	327,234,297	410,532,018	327,234,297
Credit cards:					
Annual and transactional fees		327,640,334	285,716,781	327,640,334	285,716,781
Late payment and overlimit fees		221,263,907	308,962,529	221,263,907	308,962,529
Cash advance fees		4,270,407	2,930,090	4,270,407	2,930,090
Interchange reimbursement (IRF) and acquiring fees		351,269,031	286,465,620	351,269,031	286,465,620

Amount in BDT

Notes	Group		Bank	
	2023	2022	2023	2022
Risk assurance premium	134,060,479	117,109,643	134,060,479	117,109,643
Merchant service commission	661,967,517	507,901,265	661,967,517	507,901,265
Replacement fees and others	293,912	316,908	293,912	316,908
	2,111,297,604	1,836,637,134	2,111,297,604	1,836,637,134
Cards direct expenses				
Membership and Priority Pass	747,600,919	553,408,211	747,600,919	553,408,211
Acquiring and IRF charges	527,394,862	381,358,114	527,394,862	381,358,114
Insurance expense	16,537,691	15,046,623	16,537,691	15,046,623
Other service charges (ATM card usage, cash back, reward etc.)	80,827,830	67,637,080	80,827,830	67,637,080
	1,372,361,303	1,017,450,027	1,372,361,303	1,017,450,027
	738,936,301	819,187,106	738,936,301	819,187,106
25.2 Exchange gain (net of exchange loss)				
Exchange gain other than cards business	8,914,759,917	18,060,453,922	8,761,511,275	17,892,481,904
Less: Exchange loss	7,662,519,214	16,820,316,329	7,516,828,400	16,664,466,908
	1,252,240,703	1,240,137,593	1,244,682,875	1,228,014,996
Exchange gain from cards business	325,455,644	285,704,716	325,455,644	285,704,716
Less: Exchange loss	186,909,540	199,018,714	186,909,540	199,018,714
	138,546,104	86,686,002	138,546,104	86,686,002
	1,390,786,808	1,326,823,595	1,383,228,980	1,314,700,998
25.3 Brokerage commission				
Brokerage commission (DSE and CSE)	286,386,080	405,972,545		
Brokerage commission (Dealer)	6,298,418	7,470,383		
Settlement fees & commission	7,663,045	16,246,029		
Management & trustee fees	7,291,819	17,502,530		
	307,639,362	447,191,487		
Less: Direct expenses				
Laga and Howla charges	24,121,063	34,869,532		
CDBL charges	16,739,371	22,683,702		
	40,860,434	57,553,234		
	266,778,928	389,638,253		
26 Other operating income				
Recognition policy:				
Other operating incomes are recognised on accrual basis as per the provisions of IFRS 15 'Revenue from contracts with customers' and relevant Bangladesh Bank guidelines.				
Rebate earnings	139,504,164	147,975,460	139,504,164	147,975,460
Postage charges recovered	14,394,588	12,958,078	14,394,588	12,958,078
Swift charges recovered	75,900,443	71,082,891	75,900,443	71,082,891
Service charges (others)	9,756,339	8,993,117	9,756,339	8,993,117
Locker rent	24,522,751	22,906,373	24,522,751	22,906,373
Gain on disposal of fixed assets	6,652,296	4,298,696	6,609,696	4,298,696
Other fees and income	36,287,359	25,793,368	28,609,952	23,583,473
	307,017,940	294,007,985	299,297,933	291,798,090

Lapse and forfeiture account of EBL Employees Provident Fund of BDT 10.24 million (BDT 10.75 million in 2022) has been reverted to the bank and recognized 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 6.35 million of subsidiaries are also included in consolidated 'other income'.

Commission, fees and charges received against export and export related services are VAT exempted as per service code S056 of SRO 189-AIN/2019/46-MUSHAK, dated 13 June 2019.

Management and other expenses

Recognition policy

Expenses incurred by the group are recognised on accrual basis when a performance obligation is satisfied by receiving a promised service by the bank as per IFRS 15 'Revenue from contracts with customers', IAS 19 'Employee Benefits', IFRS 16 'Leases', 'Conceptual Framework for Financial Reporting' and relevant local laws.

Expenses incurred by the bank shown in these financial statements are inclusive of VAT where applicable as per VAT and Supplementary Duty Act 2012 and rules 2016.

	Notes	Amount in BDT			
		Group		Bank	
		2023	2022	2023	2022
27	Salary & allowances (excluding those of MD)				
	Basic salary	2,095,732,467	1,880,402,328	1,980,734,380	1,784,125,350
	Other salary & allowances	2,154,012,682	1,884,678,607	2,103,702,235	1,835,785,655
	Festival bonus	393,849,795	362,966,235	385,490,095	347,286,685
	Incentive bonus	510,000,000	523,679,112	499,000,000	514,000,000
	Contribution to provident fund	198,712,050	176,780,810	190,140,988	171,867,765
	Current service cost - Gratuity Fund	27.1	173,213,188	185,744,599	173,200,000
	Current service cost - Superannuation Fund	27.2	6,600,000	5,300,000	6,600,000
		5,532,120,181	5,019,551,691	5,338,867,697	4,844,110,054

The number of regular employees engaged for the whole year or part thereof who received a minimum total remuneration of BDT 36,000 p.a. was 2,642 at the end of December 2023 and 2,333 at the end of December 2022.

27.1 Current service cost - gratuity fund (Bank only)

The current service costs of the defined benefit plans are determined as per the actuarial valuation report which involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates, future pension increase, etc. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty, hence the bank carries actuarial valuation each year.

The last valuation was carried out on 31 December 2023 by Air Consulting Limited and as per their recommendation the Bank charged BDT 173.20 million to the Profit & Loss Account in 2023 as current service cost. The bank also continued to contribute 18.50% of basic salary to the gratuity fund in 2023 as per actuarial recommendation.

27.2 Current service cost - superannuation fund (Bank only)

Contribution to superannuation fund is made as per actuarial valuation of the fund. Valuation is carried out on 'Projected unit credit method' as per International Accounting Standard (IAS) 19 *Employee Benefits* to determine the present value of obligations and the related current service cost and, where applicable past service cost. The amount of obligation is determined on the occurrence of certain pre-defined events which is related with employee rank (not salary) and certain threshold level of service being reached i.e. survival or withdrawal probabilities.

As per the the latest valuation by Air Consulting Limited carried out on 31 December 2023, the Bank charged current service cost of BDT 6.60 million to the Profit & Loss Account in 2023. The bank also continued to contribute BDT 25.50 million to the superannuation fund in 2023 as per actuarial recommendation.

28 Rent, taxes, insurance, utilities etc.

Rents, rates and taxes - premises & equipment*	207,866,150	206,158,963	201,422,261	202,696,895
Insurance premium**	192,545,619	165,478,737	186,075,644	163,609,414
Utilities (except telecommunication)	136,726,814	123,887,733	134,857,456	117,598,588
	537,138,583	495,525,433	522,355,361	483,904,897

* 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 540.68 million in 2023 (BDT 474.92 million in 2022) against rented premises treated as lease assets and shown in the balance sheet as RoU assets under note 35.

** The major portion of insurance premium (BDT 178.32 million in 2023 and BDT 154.27 million in 2022) 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.

Amount in BDT

	Notes	Group		Bank	
		2023	2022	2023	2022
29	Legal & professional expenses				
	Professional fees (consultancy, advisory, certification, CPV etc.)	22,116,215	19,417,139	20,704,390	18,745,180
	Lawyers' professional fees	27,885,611	25,389,681	27,885,611	24,828,348
	Other legal expenses (Court expense, auction notice etc.)	79,452,965	86,208,455	79,423,457	86,206,651
		129,454,791	131,015,275	128,013,458	129,780,179
30	Postage, stamp, telecommunication etc.				
	Telephone - office (including SMS service)	111,130,871	84,055,876	111,117,923	83,779,365
	Network link, Internet, swift and DR maintenance cost	62,225,710	62,515,226	62,181,610	60,229,176
	Postage and courier charges	45,641,210	27,712,788	39,623,420	22,594,300
	Stamp and court fees	762,295	632,288	762,295	632,288
		219,760,086	174,916,178	213,685,248	167,235,129
31	Stationery, printing, advertisement, business promotion etc.				
	Printing and stationery	106,970,467	70,442,429	105,104,201	68,642,528
	Advertisement (Print & electronic media, POC materials etc.)	63,366,017	53,253,210	62,644,061	53,198,875
	Business promotional expenses for Skylounge	274,190,341	113,150,261	274,190,341	113,150,261
	Business promotional expenses for Priority and others	115,804,374	58,135,302	111,903,294	55,162,722
		560,331,200	294,981,202	553,841,898	290,154,386
32	Managing Director's salary and allowances (Bank only)				
	Basic salary	21,203,738	20,003,524	21,203,738	20,003,524
	Allowances	4,200,000	4,200,000	4,200,000	4,200,000
	Bonus (Festival and Incentive)	4,463,020	4,267,000	4,463,020	4,267,000
	Bank's contribution to provident fund	2,120,373	2,000,352	2,120,373	2,000,352
		31,987,131	30,470,876	31,987,131	30,470,876
33	Directors' fees and expenses				
	Meeting attendance fees	2,911,700	2,816,900	2,411,200	2,314,400
	Other expenses (refreshment, conveyance etc.)	1,047,096	1,280,410	1,047,096	1,280,410
		3,958,796	4,097,310	3,458,296	3,594,810
	Each director of the Bank was paid BDT 8,000 per board or board committee meeting attended in 2023 as per BRPD circular letter no. 11 dated 4 October 2015.				
34	Audit Fees				
	Statutory and corporate governance audit fees	3,466,966	2,356,069	1,443,900	1,159,156
	VAT on audit fees (i.e. 15%)	266,417	193,272	210,000	149,022
		3,733,383	2,549,341	1,653,900	1,308,178
35	Repairs, maintenance and depreciation				
	Depreciation: (Annexure A)				
	Building and floor spaces	36,239,358	35,198,888	36,239,358	35,198,888
	Machinery and equipments	56,088,636	55,525,423	49,440,203	54,347,421
	Computer and network equipment	118,435,429	117,605,857	116,638,029	116,806,837
	Digital banking equipment	34,676,063	21,489,311	34,676,063	21,489,311
	Electromechanical equipment	17,263,926	17,192,049	17,263,926	17,192,049
	Vehicles	11,717,800	30,540,797	11,717,800	28,795,677

Amount in BDT

Notes	Group		Bank	
	2023	2022	2023	2022
Furniture and fixtures	46,718,827	48,794,736	46,554,252	45,290,599
Software	137,177,220	76,925,506	137,177,220	75,778,598
Right of use (RoU) assets (Lease assets)	500,684,395	446,594,093	474,022,972	420,623,356
	959,001,653	849,866,662	923,729,822	815,522,738
Repairs, maintenance and spare parts				
Machinery and equipment	62,802,572	45,119,340	61,503,999	44,821,298
Vehicles	18,539,590	10,938,411	17,388,429	9,533,072
Furniture and fixtures	27,582,844	18,605,484	26,010,741	18,605,484
Rented premises- general	94,934,721	72,274,368	94,075,733	69,004,469
Rented premises-electricity & lighting	35,928,191	23,395,515	35,928,191	23,395,515
Computer and network equipment	11,141,486	11,672,817	10,425,946	10,739,959
Software maintenance	223,518,537	199,474,227	222,002,507	198,657,452
	474,447,941	381,480,163	467,335,546	374,757,250
	1,433,449,593	1,231,346,824	1,391,065,367	1,190,279,987

36 Other expenses

Business travelling and conveyance	68,965,572	54,922,337	65,487,479	53,400,981
Bank charges	68,091,343	57,952,722	65,864,809	56,645,428
Cards production & POS acquiring cost	54,826,186	11,987,249	54,826,186	11,987,249
CSR expenses (including donation)	326,369,852	143,548,250	326,301,229	143,548,250
Fees and subscriptions	8,565,416	4,843,963	7,403,474	4,333,404
Recruitment and training expenses	13,500,582	12,339,296	13,447,036	11,205,590
Entertainment and recreation	52,750,148	42,918,948	49,452,224	38,481,254
Office securities (Cash carrying, office premises etc.)	199,804,487	177,835,575	198,711,087	176,885,175
Business and internal events	20,674,089	19,242,282	20,600,260	19,242,282
Reward and recognition	23,876,633	15,641,820	23,876,633	15,641,820
Sales and collection commission (DST, Agency, Dealers)	35,431,862	38,246,484	35,431,862	38,246,484
Expense for EBL Sub-ordinated bond	2,514,140	4,199,822	2,514,140	4,199,822
Other operating expenses (uniform, freight, books, shares etc.)	28,477,085	29,234,575	28,452,973	29,189,322
Other expenses of subsidiaries 36.1	6,787,313	7,124,339	-	-
	910,634,709	620,037,663	892,369,393	603,007,062

36.1 Other expenses of subsidiaries

Registration, renewal & IPO expense	144,435	1,348,925
Guarantee premium	4,644,025	4,658,100
Other expense and regulatory charges	1,998,853	1,117,314
	6,787,313	7,124,339

36.a Disclosures on Bank's cost savings initiatives as per BRPD circular letters 28, 30 and 35 dated 26 July 2022, 27 July 2022 and 05 September 2022 respectively

Having maintained one of the lowest Cost to Income Ratio (CTIR) among peer banks for years, EBL has been extremely vigilant about costs. Our CTIR has been hovering around 40% in recent years with 44.22% in 2023 despite facing rising inflation due to our persistent cost rationalization drive. Following Bangladesh Bank circulars, EBL further intensified its effort to rationalize costs and took several initiatives in 2023:

Expenses on Electricity and Fuel incurred by the bank during the period as follows:

Amount in BDT

Particulars

Electricity bills
Fuel for generators
Fuel for office vehicles

Total

Bank	
Jan-Jun 2023	Jul-Dec 2022
47,345,421	50,339,117
4,717,306	7,378,799
8,053,466	8,095,691
60,116,193	65,813,607

Energy (electricity & fuel) cost saving initiatives: EBL curtailed allocated expenditure for fuel & electricity through strict compliance of office hours and host of other measures. Despite 45% plus increase of fuel price and increased demand of electricity due to channel expansion in 2023 (in 2023, EBL opened 2 branches, 10 sub-branches & 40 ATMs), EBL took following initiatives:

- Ensured maximum utilization of day light savings and execution of reduced office timing as per Bangladesh Bank instruction.
- Shutting down of EBL neon signs of branches/sub-branches/ATM (s) after 7.00 pm.
- Maintained AC temperate in the office premises not below 24 degree Celsius.
- Installed separate circuit breakers for each branches/sub-branches to ensure central control and prevent misuse of AC.
- Fuel consumption of pool vehicles was monitored rigorously on daily basis.
- Curtailed monthly allocated fuel for pool cars assigned for the high officials of the bank.

Expenses incurred by the bank on account of entertainment, travel, stationeries during the period as follows:

Amount in BDT

Particulars

Printing & stationeries expenses
Entertainment & recreation
Business traveling expenses

Bank	
Jan-Jun 2023	Jul-Dec 2022
55,581,817	36,175,986
25,809,245	16,872,527
24,823,353	20,321,143
106,214,415	73,369,656

Following cost savings initiatives were taken:

- Printing on both sides of paper and using of digital communication more.
- Encouraged sharing and recycling of table stationeries and cleaning materials.
- Avoiding any business meeting in premium restaurants or hotels.
- Curtailed own staff refreshments bank-wide.
- Extended use of existing assets and putting restriction on avoidable expenditure as much as possible.
- Curtailed purchase of 50% of budgeted number of laptop and desktop computers for official uses.

Amount in BDT

Notes	Group		Bank		
	2023	2022	2023	2022	
37 Other provisions					
Provision charged/(released) for protested bill & others	13.6	(11,493,774)	44,435,173	(11,493,774)	44,435,173
Provision for start-up fund	13.7	61,500,000	51,086,000	61,500,000	51,086,000
Provision charged/(released) on revaluation of equity securities	13.8	170,911,010	583,198,788	162,316,330	336,857,556
		220,917,235	678,719,960	212,322,556	432,378,729
38 Deferred tax expense/(income)- net					
Deferred tax (income)	9.10.b	(626,035,723)	(142,229,114)	(623,887,157)	(136,988,905)
Deferred tax expense/(income)	9.10.c	(33,405,849)	91,561,302	(33,405,849)	91,561,302
		(659,441,572)	(50,667,813)	(657,293,006)	(45,427,604)
39 Earnings per share					

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 2023 as per IAS- 33 *Earnings Per Share*. Diluted EPS was not required to calculate as there was no dilution possibilities during the year.

	Group		Bank	
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
Number of shares before bonus share issued	1,073,097,525	1,073,097,525	1,073,097,525	1,073,097,525
Bonus shares issued	134,137,190	134,137,190	134,137,190	134,137,190
A. Weighted average number of ordinary shares outstanding	1,207,234,715	1,207,234,715	1,207,234,715	1,207,234,715

B. Earnings Per Share (EPS)

	Group		Bank	
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
Net profit attributable to the shareholders of EBL	6,122,419,552	5,120,586,681	6,109,200,443	5,107,457,663
Number of ordinary shares outstanding	1,207,234,715	1,207,234,715	1,207,234,715	1,207,234,715
Earnings per share (EPS) (restated 2022)	5.07	4.24	5.06	4.23

Amount in BDT

Notes	Group		Bank	
	2023	2022	2023	2022

40 Changes in other assets (Cash flow items)**Opening Balance:**

Investment in DSE (TREC and Shares of DSE)	595,337,112	595,337,112	-	-
Investment in CSE (TREC and Shares of CSE)	245,379,755	245,379,755	-	-
Receivable from subsidiaries	-	-	4,043	76,556,929
Stock of stationeries	16,965,387	14,951,628	16,965,387	14,951,628
Stamps on hand	4,657,487	5,364,587	4,648,337	5,355,437
Advance to staff for expenses	683,483	820,689	683,483	820,689
Security deposits-govt. agencies	24,243,874	19,926,181	9,024,224	9,024,224
Interest and dividend receivables	1,709,239,390	1,615,863,808	1,832,856,670	1,935,455,355
Sundry receivables	1,492,076,216	1,339,322,099	1,491,849,209	1,337,696,283
Advance rent	55,446,991	62,717,244	55,027,291	60,137,688
Prepayments and advance to vendors	349,504,083	405,568,145	340,600,550	341,696,309
Deferred tax assets (net of liabilities)	2,423,604,499	2,395,811,691	2,332,586,280	2,310,033,677
Other assets of subsidiaries	55,912,726	188,119,814	-	-
	6,973,051,004	6,889,182,751	6,084,245,474	6,091,728,219

Closing Balance:

Investment in DSE (TREC and Shares of DSE)	595,337,112	595,337,112	-	-
Investment in CSE (TREC and Shares of CSE)	245,379,755	245,379,755	-	-
Receivable from subsidiaries	-	-	839,199	4,043
Stock of stationeries	47,496,348	16,965,387	47,496,348	16,965,387
Stamps on hand	3,791,797	4,657,487	3,782,647	4,648,337
Advance to staff for expenses	1,925,594	683,483	1,270,656	683,483
Security deposits-govt. agencies	22,519,105	24,243,874	9,024,224	9,024,224
Interest and dividend receivables	1,649,771,465	1,709,239,390	1,654,086,136	1,832,856,670
Sundry receivables	2,373,025,726	1,492,076,216	2,371,464,393	1,491,849,209
Advance rent	64,012,304	55,446,991	61,469,593	55,027,291
Prepayments and advance to vendors	428,699,915	349,504,083	424,530,620	340,600,550
Deferred tax assets (net of liabilities)	2,920,461,653	2,423,604,499	2,827,294,867	2,332,586,280
Other assets of subsidiaries	2,067,885	55,912,726	-	-
	8,354,488,659	6,973,051,004	7,401,258,683	6,084,245,475

Adjustment for other non-cash items

	(56,430,629)	(46,553,374)	(65,710,631)	(52,668,535)
Net cash changes in other assets	(1,437,868,284)	(130,421,630)	(1,382,723,839)	(45,185,793)

Amount in BDT

41 Changes in other liabilities (Cash flow items)
Opening balances

Notes	Group		Bank	
	2023	2022	2023	2022
Privileged creditors (payable to government)	1,084,389,883	809,991,826	1,084,389,883	809,991,826
Acquirer liabilities	1,311,132,405	1,286,229,244	1,311,132,405	1,286,229,244
Sundry creditors	168,331,491	210,513,976	168,331,491	210,513,976
Security deposit	11,648,999	5,797,180	11,648,999	5,797,180
Current tax liability/(assets)	2,242,395,712	3,368,573,510	2,198,190,233	3,335,858,484
Provision for loans, advances and OBS exposures (excluding OBO)	12,085,878,904	12,310,907,332	11,784,321,945	12,012,295,650
Provision for loans, advances and OBS exposures (OBO)	2,125,480,485	1,332,329,766	2,125,480,485	1,332,329,766
Special general provision -COVID-19	542,245,936	756,003,206	542,245,936	756,003,206
Start-up fund	138,891,631	87,805,631	138,891,631	87,805,631
Interest suspense account	2,925,099,761	2,939,008,519	2,750,271,719	2,750,794,589
Provision for protested bill & others	263,739,323	219,304,150	263,739,323	219,304,150
Provision for non-banking assets	-	-	-	-
Provision for rebate to good borrowers	46,100,257	46,100,257	46,100,257	46,100,257
Provision for loss on revaluation of shares (net)	991,718,520	408,519,732	593,294,880	256,437,323
Advance interest/commission received	24,654,179	47,469,311	23,925,705	44,036,445
Expenses payable	794,868,915	846,890,274	758,713,442	801,786,369
Interest payable on borrowing	540,661,488	266,192,477	539,487,075	266,192,477
Miscellaneous liabilities	1,809,998,964	982,488,812	1,806,961,781	976,920,826
Lease liabilities (present value of lease payments)	1,314,531,028	752,382,202	1,259,216,399	743,558,930
Net benefit obligation	443,692,007	650,816,131	443,692,007	650,816,131
Other liabilities of subsidiaries	317,395,329	477,042,127	-	-
	29,182,855,217	27,804,365,660	27,850,035,596	26,592,772,458

Closing balances

Privileged creditors (payable to government)	1,094,838,203	1,084,389,883	1,094,838,203	1,084,389,883
Acquirer liabilities	1,633,497,357	1,311,132,405	1,633,497,357	1,311,132,405
Sundry creditors	936,226,223	168,331,491	936,226,223	168,331,491
Security deposit	17,694,733	11,648,999	17,694,733	11,648,999
Current tax liability/(assets)	2,922,981,725	2,242,395,712	2,913,480,872	2,198,190,233
Provision for loans, advances and OBS exposures (excluding OBO)	13,951,753,586	12,085,878,904	13,612,832,864	11,784,321,945
Provision for loans, advances and OBS exposures (OBO)	2,154,489,366	2,125,480,485	2,154,489,366	2,125,480,485
Special general provision -COVID-19	383,309,368	542,245,936	383,309,368	542,245,936
Start-up fund	200,391,631	138,891,631	200,391,631	138,891,631
Interest suspense account	3,362,449,028	2,925,099,761	3,186,485,304	2,750,271,719
Provision for protested bill & others	252,245,548	263,739,323	252,245,548	263,739,323
Provision for rebate to good borrowers	46,100,257	46,100,257	46,100,257	46,100,257
Provision for loss on revaluation of shares (net)	1,162,629,530	991,718,520	755,611,210	593,294,880
Advance interest/commission received	16,805,715	24,654,179	16,356,229	23,925,705
Expenses payable	788,321,719	794,868,915	758,264,315	758,713,442
Interest payable on borrowing	593,201,439	540,661,488	593,201,439	539,487,075
Miscellaneous liabilities	1,106,318,893	1,809,998,964	1,105,541,862	1,806,961,781
Lease liabilities (present value of lease payments)	1,269,136,265	1,314,531,028	1,230,148,615	1,259,216,399

Notes	Amount in BDT			
	Group		Bank	
	2023	2022	2023	2022
Net benefit obligation	124,331,982	443,692,007	124,331,982	443,692,007
Other liabilities of subsidiaries	783,365,724	317,395,329	-	-
	32,800,088,291	29,182,855,217	31,015,047,378	27,850,035,594
Adjustment for other non cash items	7,439,429	(236,198,671)	8,419,131	(237,847,059)
Net cash changes in other liabilities	3,624,672,506	1,142,290,887	3,173,430,913	1,019,416,076

42 Events after the reporting period

The Board of Directors of Eastern Bank PLC. recommended 25% dividend (12.5% cash and 12.5% stock) in the board meeting held on 10 March 2024 for the year 2023. Eligible shareholders (who hold EBL shares on the record date i. e. 02 April 2024) will be eligible to receive this dividend subject to shareholders' approval in AGM. The amount of recommended dividend amount is BDT 3,018,086,788.

43 Disclosures on calculation of NAV per share and NOCF per share as per BSEC directive:

	Group		Bank	
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
Net asset value (NAV)	40,525,924,443	35,761,628,008	39,767,446,008	35,045,444,496
Net asset value per share (NAVPS) in BDT (restated 2022)	33.57	29.62	32.94	29.03
Net operating cash flow (NOCF)	9,547,352,275	12,434,386,906	9,695,053,945	12,396,852,843
Net operating cash flow per share (NOCFPS) in BDT (restated 2022)	7.91	10.30	8.03	10.27
Calculation of NAVPS:	$\frac{\text{Net asset value}}{\text{No. of shares outstanding}}$			
Calculation of NOCFPS:	$\frac{\text{Net operating cash flow}}{\text{No. of shares outstanding}}$			

Eastern Bank PLC. Schedule of Fixed Assets

as at 31 December 2023

Annexure-A

Amount in BDT

Particulars	Cost						Accumulated depreciation & amortization				Net book value at 31 December 2023
	Balance on 01 January 2023	Revaluation Reserve	Addition during the year	Disposal during the year	Balance at 31 December 2023	Balance on 01 January 2023	Charge for the year	On disposal during the year	Balance at 31 December 2023		
Tangible assets											
Land	4,060,365,301	-	2,913,303	(61,734,847)	4,001,543,757	-	-	-	-	4,001,543,757	
Building and floor spaces	1,407,955,522	-	74,053,899	-	1,482,009,421	261,431,208	36,239,358	-	297,670,566	1,184,338,855	
Capital work in progress	87,317,958	-	101,090,060	(158,566,239)	29,841,778	-	-	-	-	29,841,779	
Machinery and equipments	753,299,257	-	138,525,328	(41,745,429)	850,079,155	641,557,049	49,440,203	(41,645,307)	649,351,946	200,727,210	
Digital Banking Equipment	315,212,920	-	67,115,500	-	382,328,420	155,060,303	34,676,062	-	189,736,365	192,592,055	
Electromechanical equipments	345,278,516	-	-	-	345,278,517	72,969,208	17,263,926	-	90,233,133	255,045,383	
Computer and network equipments	1,126,811,111	-	159,609,855	(39,426,850)	1,246,994,116	806,608,349	116,638,029	(39,171,956)	884,074,421	362,919,694	
Vehicles	206,251,139	-	22,181,367	(6,363,114)	222,069,392	161,464,311	11,717,801	(6,363,112)	166,818,999	55,250,393	
Furniture and fixtures	706,575,683	-	62,111,650	(9,671,025)	759,016,307	445,182,491	46,554,252	(9,533,678)	482,203,065	276,813,242	
Right of use assets (Lease assets)	2,514,374,390	-	387,640,382	(255,530,759)	2,646,484,012	843,853,414	477,252,236	(236,304,871)	1,084,800,779	1,561,683,233	
Intangible assets											
Software	938,627,850	-	168,242,642	-	1,106,870,492	573,144,572	137,177,220	-	710,321,792	396,548,700	
At 31 December 2023	12,462,069,646	-	1,183,483,985	(573,038,263)	13,072,515,368	3,961,270,904	926,959,086	(333,018,924)	4,555,211,066	8,517,304,302	
At 31 December 2022	11,322,803,951	-	1,954,755,436	(815,489,741)	12,462,069,646	3,690,614,219	815,522,738	(544,866,050)	3,961,270,904	8,500,798,743	

Eastern Bank PLC.
Schedule of Fixed Assets Disposals
for the year 2023

Annexure-A1
Amount in BDT

Date	Particulars	Cost	Accumulated depreciation	Net book value	Sales value	Tax & VAT	Gain/(Loss)	Insurance claim received	Mode of Disposal	Buyer/ Highest bidder
20.07.23	Furniture & fixtures	9,144,015	9,143,551	464	1,642,000	267,302	1,374,095	-	Open Tender	M/S Sumon Enterprise
20.07.23	Machinery & equipment	13,537,297	13,537,158	139						
28.08.23	Computer & network equipment	38,915,052	38,914,443	609	1,395,000	227,093	1,166,753	-	Open Tender	M/S Bagdad Traders
28.08.23	Machinery & equipment	25,030,208	25,029,663	545						
05.12.23	Toyota Noah Microbus DM- CHA-53-9346	2,993,314	2,993,313	1	1,954,766	318,218	1,636,547	-	Open Tender	Mr. Apan Barua
05.12.23	Toyota Axio X DM-GA-39-8721	1,684,900	1,684,899	1	2,905,250	472,948	2,432,300	-	Open Tender	Mr. Md. Jahangir Khan
05.12.23	Toyota Axio X DM-GA-39-8722	1,684,900	1,684,899	1						
28.12.23	Computer & network equipment	511,798	257,513	254,285	3,027,432	-	-	2,536,826	Written off	Agrani Insurance Ltd.
28.12.23	Furniture & fixtures	527,010	390,127	136,883						
28.12.23	Machinery & equipment	3,177,922	3,078,484	99,438						
28.12.23	Land at Purbachol*	35,319,289	-	35,319,289	50,100,000	4,257,600	10,523,111	-	Open Tender	Mr. Zahed Rehan Iqbal
		132,525,705	96,714,050	35,811,655	61,024,448	5,543,161	17,132,806	2,536,826		

* As the sold land was revalued earlier, the gain on sale of land BDT 10,523,111 was transferred from Assets Revaluation Reserve to Retained Earnings directly as per para 9 of IAS 1 and para 41 of IAS 16.

Eastern Bank PLC. and its subsidiaries

Balance with other Banks and Financial Institutions (Group)

as at 31 December 2023

Annexure-B

Outside Bangladesh - (note-4.2)

Name of Banks and FIs	Currency	31 December 2023			31 December 2022		
		Foreign Currency	Exchange rate	Amount in BDT	Foreign Currency	Exchange rate	Amount in BDT
In demand deposit account with							
AB Bank PLC., Mumbai	USD	202,552	109.75	22,230,056	10,519	103.29	1,086,510
Al-Rajhi Bank, KSA	SAR	66,472	29.27	1,945,405	62,572	27.49	1,719,850
Bank of Bhutan, Bhutan	USD	8,457	109.75	928,196	8,567	103.29	884,947
Bank of China, China	CNY	63,980	15.37	983,385	239,075	14.80	3,539,239
Bank of Toykyo Mitsubishi, Japan	JPY	49,972,951	0.77	38,669,069	253,587,749	0.77	194,780,750
Citibank NA, USA	USD	6,750,531	109.75	740,870,809	-	-	-
Commerz Bank AG, Germany	EURO	4,972,155	120.80	600,645,298	4,044,167	109.61	443,298,125
Habib American Bank, USA	USD	1,864,203	109.75	204,596,274	109,584	103.29	11,319,182
HDFC Bank Limited, Hongkong	USD	131,976	109.75	14,484,402	482,175	103.29	49,805,149
HDFC Bank Limited, Hongkong	HKD	68,581	14.05	963,268	70,046	13.25	928,346
ICICI Bank, India	USD	10,097,029	109.75	1,108,148,898	1,798,831	103.29	185,806,076
ICICI Bank, India	INR	117,526	1.32	154,911	-	-	-
ICICI Bank Limited, Hongkong	USD	154,398	109.75	16,945,194	5,202,847	103.29	537,416,117
ICICI Bank Limited, Hongkong	HKD	2,197,146	14.05	30,860,675	1,343,898	13.25	17,811,214
JP Morgan Chase Bank NA, London	GBP	173,801	140.47	24,413,712	189,782	124.13	23,556,970
JP Morgan Chase Bank NA, Australia	AUD	769	75.17	57,798	2,906	69.60	202,283
JP Morgan Chase Bank, USA	USD	15,897,775	109.75	1,744,780,801	30,018,243	103.29	3,100,665,347
JP Morgan Chase Bank, Germany	EURO	1,228,930	120.80	148,456,926	41,239	109.61	4,520,398
Mashreqbank, USA	USD	1,478,499	109.75	162,265,221	638,935	103.29	65,997,299
Mashreq Bank, UAE	AED	260,046	29.89	7,771,698	87,157	28.13	2,451,517
Nepal Bangladesh Bank Limited, Nepal	USD	71,915	109.75	7,892,667	99,910	103.29	10,319,970
MCB Bank Limited, Pakistan	USD	250,267	109.75	27,466,854	69,440	103.29	7,172,648
National Commercial Bank - Jeddah	SAR	200,000	29.27	5,853,340	-	-	-
Nordea Bank, Norway	NOK	-	-	-	232,201	10.44	2,423,664
Standard Chartered Bank, Srilanka	USD	4,658	109.75	511,258	4,778	103.29	493,573
Standard Chartered Bank, India	USD	5,276,006	109.75	579,041,665	484,419	103.29	50,036,929
Standard Chartered Bank, USA	USD	49,678,988	109.75	5,452,268,920	28,013,066	103.29	2,893,545,238
Standard Chartered Bank, Singapore	SGD	44,130	83.15	3,669,388	17,869	76.53	1,367,523
Standard Chartered Bank, Germany	EURO	39,975	120.80	4,829,097	-	-	-
Wells Fargo Bank, USA	USD	9,774,425	109.75	1,072,743,103	3,621,501	103.29	374,074,617
Zurcher Kantonal Bank, Zurich, Switzerland	CHF	13,012	130.21	1,694,265	18,416	111.22	2,048,333
				12,026,142,551			7,987,271,813

Eastern Bank PLC. and its subsidiaries

Borrowing from Banks and Financial Institutions (Group)

as at 31 December 2023

Annexure-B1

Outside Bangladesh - (note-11.2)

Name of Banks and FIs	Currency	31 December 2023			31 December 2022		
		Foreign Currency	Exchange rate	Amount in BDT	Foreign Currency	Exchange rate	Amount in BDT
Abu Dhabi Commercial Bank, Dubai	USD	10,000,000	109.75	1,097,500,000	25,000,000	103.29	2,582,317,500
Asian Development Bank (ADB)	USD	-	-	-	1,176,471	103.29	121,520,821
Bank Muscat	USD	3,000,000	109.75	329,250,000	7,000,000	103.29	723,048,900
CaixaBank, S.A., Spain	USD	25,000,000	109.75	2,743,750,000	51,000,000	103.29	5,267,927,700
Citibank NA, Singapore	USD	15,000,000	109.75	1,646,250,000	20,000,000	103.29	2,065,854,000
Citibank NA, USA	USD	-	-	-	4,268,832	103.29	440,939,185
Commercial Bank of Dubai	USD	13,000,000	109.75	1,426,750,000	11,000,000	103.29	1,136,219,700
Commercial Bank of Qatar	USD	-	-	-	5,000,000	103.29	516,463,500
Deutsche Investitions-und Entwicklungsgesellschaft MBH (DEG)	USD	15,000,000	109.75	1,646,250,000	25,000,000	103.29	2,582,317,500
HDFC Bank, India	USD	10,000,000	109.75	1,097,500,000	15,000,000	103.29	1,549,390,500
International Islamic Trade Finance Corporation (ITFC)	USD	7,914,272	109.75	868,591,312	-	-	-
JP Morgan Chase, Singapore	USD	15,471,170	109.75	1,697,960,935	28,551,331	103.29	2,949,144,107
KfW IPEX-Bank GmbH, Frankfurt, Germany	USD	25,057,269	109.75	2,750,035,312	24,537,048	103.29	2,534,497,939
Mashreq Bank, Dubai	USD	25,000,000	109.75	2,743,750,000	25,000,000	103.29	2,582,317,500
Mashreq Bank, Hongkong	USD	25,000,000	109.75	2,743,750,000	-	-	-
National Bank of Ras Al-Khaimah	USD	20,000,000	109.75	2,195,000,000	13,000,000	103.29	1,342,805,100
OEEB Development Bank, Austria	USD	12,000,000	109.75	1,317,000,000	16,000,000	103.29	1,652,683,200
Standard Chartered Bank, Germany	USD	-	-	-	1,549	103.29	159,954
Standard Chartered Bank, Singapore	USD	2,651,861	109.75	291,041,696	10,151,861	103.29	1,048,613,087
State Bank of India, Hongkong	USD	-	-	-	2,000,000	103.29	206,585,400
United Bank Limited, UAE	USD	-	-	-	8,500,000	103.29	877,987,950
Wells Fargo, USA	USD	20,000,000	109.75	2,195,000,000	21,000,000	103.29	2,169,146,700
				26,789,379,256			32,349,940,242



Eastern Bank PLC.

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 information is given below.

i) Directors' interest in different entities

Name of Directors	Status with the Bank	Name of the firms/companies in which directors of the Bank are interested as proprietor, partner, director, managing agent, guarantor, employee etc.	Status	Percentage of holding/ interest in the concern
Md. Showkat Ali Chowdhury	Chairman	Need Fashion Wear & Textile Ltd.	Chairman	35.00%
		Chittagong Properties Holding Ltd.	Chairman	50.00%
		Finlay (International) Ltd.	Chairman	81.00%
		KAPS Bangladesh Ltd.	Chairman	12.50%
		JF (Bangladesh) Ltd.	Chairman	81.00%
		Port Link Housing Ltd.	Chairman	50.00%
		Finlay Properties Ltd.	Chairman	55.00%
		Z & Z Holdings Ltd.	Managing Director	0.01%
		Peninsula Housing & Development Ltd.	Director	36.00%
		Legend Property Development Ltd.	Managing Director	50.00%
		Z.N. Enterprise Ltd.	Managing Director	50.00%
		Zaran Off Dock Ltd.	Managing Director	30.00%
		Namreen Enterprise Ltd	Managing Director	50.00%
		ABC Steel Enterprise Ltd.	Managing Director	80.00%
		S.L. Steels Ltd.	Managing Director	50.00%
		Unique Refineries Ltd.	Managing Director	55.00%
		Port Link Logistics Centre Ltd.	Managing Director	25.00%
		South Asia Securities Ltd.	Director	7.10%
		Peninsular Shipping Services Ltd.	Director	25.00%
		Consolidated Tea & Plantation Ltd.	Director	6.25%
		The Consolidated Tea & Lands Company (Bangladesh) Limited	Director	6.25%
		Baraooa (Sylhet) Tea Co. (BD) Ltd.	Director	6.25%
		Eastern Industries Ltd.	Director	25.00%
Bay Hill Hotel and Ressorsts Ltd.	Director	40.00%		
S.N. Corporation	Partner	50.00%		
Z. A Enterprise Limited	Managing Director	50.00%		
T. A. Enterprise Limited	Managing Director	50.00%		
Associate Enterprise Limited	Managing Director	50.00%		
M. Ghaziul Haque	Director	MGH Aviation Services Ltd.	Chairman	10.00%
		Last Mile Deliveries Limited	Chairman	5.00%
		Haytrans Bangladesh Limited	Chairman	10.00%
Mir Nasir Hossain	Director	Mir Akther Hossain Ltd.	Managing Director	14.90%
		Mir Ceramic Ltd.	Managing Director	88.00%
		Mir Telecom Ltd.	Managing Director	32.50%
		Mir Holdings Ltd.	Managing Director	50.00%

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
		Mir Pharmaceuticals Ltd.	Managing Director	50.00%
		Bangla Telecom Ltd.	Managing Director	40.00%
		Coloasia Limited	Managing Director	50.00%
		BTS Communications (BD) Limited	Managing Director	40.00%
		MIR LPG limited	Managing Director	40.00%
		Mir Communications Ltd.	Chairman	40.00%
		Mir Energy Ltd.	Chairman	40.00%
		Mir Denim Limited	Chairman	50.00%
		Mir Tex Limited	Managing Director	40.00%
		Agrani Insurance Co. Ltd.	Shareholder	3.72%
		Chaldal Limited	Representative Director	11.20%
		Mir Securities Ltd.	Chairman	0.03%
		Fair Trading	Proprietorship	100.00%
		M.N Poultry	Proprietorship	100.00%
		Jupiter Technology	Proprietorship	100.00%
Salina Ali	Director	Unique Group of Companies Ltd.	Chairperson	12.25%
		Unique Hotel & Resorts PLC	Chairperson	5.71%
		Borak Real Estate Ltd.	Chairperson	32.00%
		Unique Ceramic Industries (Pvt.) Ltd.	Chairperson	37.25%
		Borak Travels (Pvt.) Ltd.	Chairperson	50.00%
		Hansa Management Ltd.	Chairperson	12.50%
		Unique Vocational Training Center Ltd.	Chairperson	12.00%
		Unique Property Development Ltd.	Chairperson	12.00%
		Unique Share Management Ltd.	Managing Director	12.00%
		Crescent Commercial Center Ltd.	Managing Director	20.00%
		Sonargaon Economic Zone Ltd.	Chairperson	5.00%
		Gulshan Clinic Ltd.	Director	25.00%
		Borak Zahir Company Ltd.	Director	20.00%
		Tribeni International Ltd.	Chairperson	20.00%
		Arial Dairy and Agro Industries Ltd.	Chairperson	13.00%
		Purnima Construction (Pvt) Ltd.	Managing Director	0.20%
Anis Ahmed	Director	MGH Logistics Private Limited	Managing Director	95.00%
		MGH Holdings Limited	Managing Director	98.00%
		Bangladesh Port Management Services Limited	Managing Director	3.10%
		Peninsular Shipping Services Limited	Managing Director	79.98%
		MGH Restaurants PVT. Limited	Managing Director	97.00%
		Galileo Bangladesh Limited	Managing Director	80.00%
		One World Aviation Ltd.	Managing Director	41.68%
		RAS Holidays Limited	Managing Director	95.00%
		MGH Global Forwarding Limited	Managing Director	96.66%
		Transmarine Logistics Ltd.	Managing Director	75.00%
		Total Transportation Ltd.	Managing Director	99.98%
		Tricon Global Logistics Ltd.	Managing Director	79.98%
		Global Freight Limited	Managing Director	96.86%



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
		International Brands Limited	Managing Director	99.53%
		Integrated Transportation Services Ltd.	Managing Director	99.50%
		Emirates Shipping Lines Bangladesh Ltd.	Managing Director	78.05%
		Radio Furti Limited	Managing Director	95.00%
		Portlink Housing Limited	Managing Director	50.00%
		Port Link Logistics Center Limited	Director	49.98%
		Last Mile Deliveries Limited	Managing Director	95.00%
		MGX.Com Ltd.	Managing Director	95.00%
		Jatra.Com Ltd.	Managing Director	30.00%
		GTM Xpress Limited	Managing Director	90.00%
		DC Bypass	Managing Director	90.00%
		Obhai Solutions Limited	Managing Director	0.29%
		Bangladesh Express Company Ltd.	Managing Director	20.00%
		Waadaa Limited	Managing Director	51.22%
		MGH Aviation Services Limited	Managing Director	90.00%
		Consolidated Tea & Plantation Limited	Director	10.00%
		The Consolidated Tea & Lands Company (Bangladesh) Limited	Director	10.00%
		Baraooora (Sylhet) Tea Company Limited	Director	10.00%
Mufakkharul Islam Khasru	Director	Finlay Properties Ltd.	Managing Director	15.00%
Gazi Md. Shakhawat Hossain	Director	Bay Hill Hotel & Resorts Ltd.	Representative Director	40.00%
		Unique Hotel & Resorts PLC	Representative Director	4.79%
		Unique Meghnaghat Power Ltd.	Representative Director	51.00%
		General Electric Company (BD) Ltd.	Director	0.00%
K.J.S. Banu	Director	Samorita Hospital Limited	Director	3.26%
Ruslan Nasir	Director	Mir Akhter Hossain Ltd.	Director	7.45%
		Mir Ceramic Ltd.	Deputy Managing Director	2.00%
		Mir Telecom Ltd.	Director	22.50%
		Mir Holdings Ltd.	Director	10.00%
		Bangla Telecom Ltd.	Director	20.00%
		Coloasia Limited	Director	10.00%
		BTS Communications (BD) Limited	Director	20.00%
		Agrani Insurance securities Ltd.	Shareholder	2.50%
		MIR LPG limited	Director	20.00%
		Mir Communications Ltd.	Director	15.00%
		Mir Energy Ltd.	Director	15.00%
		Mir Denim Limited	Director	15.00%
		Mir Tex Limited	Director	20.00%
		Mir Pharmaceuticals Ltd.	Director	20.00%
		Mir Securities Ltd.	Director	0.03%
		Orange Pie	Partnership	50.00%
Zara Namreen	Director	Namreen Power Ltd.	Managing Director	50.00%
		Finlay Bazar Ltd.	Managing Director	60.00%

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
Dr. Toufic Ahmad Choudhury	Independent Director	Bangladesh Academy for Securities Markets (BASM)	Director General	No
		Palli Karma Sahayak Foundation (PKSF)	Director (PKSF nominated)	No
		Institute for Inclusive Finance and Development (InM)	Director	No
		National Credit Rating Ltd. (NCRL)	Director	1.00%
		C & A Textile	Independent Director	No
Barrister K.M. Tanjib-ul Alam	Independent Director	Swarna Bhumi Limited	Director	50.00%
		Frame and Focus Limited	Director	33.00%
		Biman Bangladesh Airlines Limited	Director	0.00%
Ali Reza Iftekhhar	Managing Director	EBL Securities Ltd.	Director	0.000057%
		EBL Investments Ltd.	Director	0.000015%
		EBL Finance (HK) Ltd.	Director	-

- ii) **Significant contracts where Bank is a party & wherein Directors have interest:** Nil
- iii) **Shares issued to Directors and Executives without consideration or exercisable at discount :** Nil
- iv) **Related party transactions :** Please see Annexure -C1
- v) **Lending policies to related parties :** Related parties are allowed Loans and Advances as per General Loan Policy of the Bank.
- vi) **Business other than Banking business with any related concern of the directors as per section-18(2) of the Bank Company Act 1991:**
Nil
- vii) **Investments in the securities of directors and their related concern :** Nil

Eastern Bank PLC.

Related party transactions

Annexure-C1

Related party transaction is a transfer of resources, services, or obligations between related parties, regardless of whether a price is charged as per IAS 24. The Bank in normal course of business had transactions with other entities that fall within the definition of 'Related Party' as contained in International Accounting Standards (IAS)-24 *Related party disclosures* and as defined in the BRPD circular no 14, dated 25 June 2003.

1 The significant related party transactions during the year were as follows:

1.a Non-funded facilities:

Amount in BDT

Name of the organization	Representing directors	Nature of interest of the directors with the borrowing firm/individual	Nature of facilities	Sanctioned amount	Outstanding as at 01 January 2023	Outstanding as at 31 December 2023	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:

Amount in BDT

Representing directors	Nature of interest with EBL	Approved limit	Outstanding as at 01 January 2023	Outstanding as at 31 December 2023
Md. Showkat Ali Chowdhury	Chairman	250,000	-	26,177
Mir Nasir Hossain	Director	500,000	-	-
Kishwar Jahan Sayeeda Banu	Director	500,000	386.56	-
Mufakkharul Islam Khasru	Director	500,000	-	76,329
Ruslan Nasir	Director	475,000	-	-
Mohd. Noor Ali	Spouse of director	500,000	-	-
Arifa Ferdous	Spouse of director	625,000	102.28	575
Anis Ahmed	Director	1,000,000	384,568.43	144,919
Salina Ali	Director	1,000,000	-	431
Mahbuba Nasir	Spouse of director	1,000,000	-	-
Mahreen Nasir	Daughter of director	1,000,000	-	-

2) Transactions relating to procurement, service & rent:

Amount in BDT

Name of the Company/Person	Related Directors of EBL	Nature of transactions	Transactions made in 2023	Outstanding as at 31 December 2023
Coloasia Limited	Mir Nasir Hossain & Ruslan Nasir	Remaining payment of 2022 for monthly recurring charge for EBL Data Center at Jashore.	200,100	-
BTS Communications (BD) Ltd.	Mir Nasir Hossain & Ruslan Nasir	Remaining payment of 2022 for AMC of Active Juniper, Cisco equipment, Router & Switch of Data Center (Q4-2022)	946,519	-
Unique Hotel & Resorts PLC	Salina Ali	Payment for service and branding, and Food bill of Skylounge at HSIA, Dhaka	391,233,339	-
Unique Hotel & Resorts PLC	Salina Ali	Advance payment for Skylounge service at HSIA, Dhaka from July'23 to June'24	-	75,525,125

Name of the Company/Person	Related Directors of EBL	Nature of transactions	Transactions made in 2023	Outstanding as at 31 December 2023
Unique Hotel & Resorts PLC.	Salina Ali	Security Deposit against lease rental agreement for ATM booth at the Westin, Gulshan, Dhaka.	-	438,900
Unique Hotel & Resorts PLC.	Salina Ali	Rental payment for ATM booth at the Westin, Gulshan, Dhaka.	290,400	-
Unique Hotel & Resorts PLC.	Salina Ali	Various customer proposition and clients entertainment from the Westin, Gulshan, Dhaka.	137,940	-
Borak Real Estate Ltd.	Salina Ali	Rental payment for EBL ATM at Borak Mehenur, Banani, Dhaka.	580,800	-
Md. Showkat Ali Chowdhury	Md. Showkat Ali Chowdhury	Rental payment for EBL DST Sales office, ATM Booth, Godown, Generator and Garages at Dhanmondi, Dhaka.	3,742,182	-
Tashmia Ambarin	Md. Showkat Ali Chowdhury	Advance rent for EBL New Market Branch & Godown at New Market, Chattogram	-	2,199,600
Tashmia Ambarin	Md. Showkat Ali Chowdhury	Rental payment for EBL New Market Branch & Godown at New Market, Chattogram	9,271,020	-
Namreen Enterprise Ltd.	Md. Showkat Ali Chowdhury	Advance rent for EBL Gulshan Avenue Branch & other office premises (CAD, SAMD, ATM Booth, Cards, Cards Operation, Payroll, E & M-Commerce, Digital Banking and, Contact Center) at ZN Tower, Gulshan, Dhaka.	-	244,606,511
Namreen Enterprise Ltd.	Md. Showkat Ali Chowdhury	Rental payment for EBL Gulshan Avenue Branch & other office premises (CAD & SAMD & ATM Booth, Cards, Cards Operation, Payroll, E & M-Commerce, Digital Banking, Contact Center) at ZN Tower, Gulshan, Dhaka.	178,383,742	-

Discontinuation of transactions with “related parties”: Following Bangladesh Bank BRPD circular -12 dated 15 June 2022 (restricting banks from procuring goods or services from “related parties”), EBL discontinued procuring goods and services (i.e. courier, internet, refreshment items etc.) from respective related party entities except Unique Hotel & Resorts PLC. and replaced all those by suitable alternatives by the end of 2022. However, EBL Skylounge situated at HSIA, Dhaka of which service is taken from Unique Hotel & Resorts PLC (UHRL) is yet to be replaced due to its unique nature of propositions and absence of ready and suitable alternatives. Considering the business sensitivity (especially cards business) and unavailability of suitable alternative for replacing UHRL, EBL applied and got permission from Bangladesh Bank to continue with the UHRL till 30th June 2024 (Ref. BRPD letter no. LS-2/745(19)/2023-5425 dated 13th July, 2023).

3 Inter-company balances between EBL and Subsidiaries

Amount in BDT

Name of subsidiaries	Nature of account	Balance as at 31 December 2023
EBL Securities Limited	In special notice deposits (SND)	8,822,632
	In current deposit (CD) account	556,503,199
	Share trading account	839,199
	Short term finance (OD)	374,444,537
	Dividend receivable account	50,000,000
EBL Investments Limited	In special notice deposits (SND)	18,994,740
EBL Finance (HK) Limited	In nostro account	752,537,926
	Short term finance (OD)	4,554,611,200
EBL Asset Management Limited	In special notice deposits (SND)	1,539,807

4 Compensation of key management personnel

Refer to note : 32



Eastern Bank PLC.

Disclosure regarding outstanding REPO and Reverse REPO

Annexure-D

Amount in BDT

a. Disclosure regarding outstanding REPO as on 31 December 2023

SI	Counterparty name	Agreement date	Reversal date	Amount (Cash Con 1st Leg cash consideration)
NIL				

There is no outstanding REPO as on 31 December 2023

Disclosure regarding outstanding Reverse REPO as on 31 December 2023

SI	Counterparty name	Agreement date	Reversal date	Amount (Cash Con 1st Leg cash consideration)
NIL				

There is no outstanding Reverse REPO as on 31 December 2023

b. Disclosure regarding overall transaction of REPO and reverse REPO.

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year
Securities sold under REPO			
With Bangladesh Bank	1,268,908,800.00	8,157,139,800.00	840,675,982.63
With other Banks & Financial Institutions	187,014,800.00	5,045,998,250.00	1,957,517,425.88
Securities purchased under Reverse REPO			
With Bangladesh Bank	-	-	-
With other Banks & Financial Institutions	96,551,500.00	24,155,842,757.28	9,502,055,486.46

Eastern Bank PLC.

Details of non banking assets (NBA) obtained u/s 33 (7) as of 31 December 2023

Annexure-D1

SL	Name of the accounts	Status of NBA	Entitlement Date	Asset details	Forced sale value (BDT million)	Market value (BDT million)	Legal status
1	Innovative Computer, Dhaka	Not recognized	7/6/2007	Land Area: 11.25 decimal (Equiv. 7.50 katha in local Measurement) in 3 schedule at Mouza - West Durgapur, Demra, Dhaka.	2.20	2.73	Physical possession & mutation is yet to be completed.
2	M/s Safa Garments, Dhaka	Do	18/1/2005	Land Area: 18 decimal Mouza - Vatara, Gulshan, Dhaka.	57.60	72.00	Do
3	Arshim & Com, Dhaka	Do	27/3/2007	Land Area: 19.8 decimal equivalent to 12 katha at Mouza- Lala Sarai, Cantonment, Dhaka.	33.60	42.00	Do
4	H.M. Younus, Dhaka	Do	10/1/2008	Land Area: 184 decimal Mouza- Shibrampur, Joydebpur, Gazipur.	132.48	165.60	Do
5	Tri Angle Trading Associate, Dhaka	Do	29/4/2007	Land Area: 33 decimal Mouza- Pathalia, Savar, Dhaka.	3.37	3.96	Property already sold at Tk. 4.01 million out of which EBL received a PO for Tk. 0.601 million but completion of mutation formalities in the name of EBL is under process. Upon completion of mutation formalities, highest bidder will pay the rest amount & sale deed will be executed accordingly.
6	Stec Fashion Ltd., Dhaka	Do	26/1/2009	Land Area: 25 decimal. Mouza- Dokkhin Khan, Dhaka. (5.03 decimal land of Goran Chat bari Mouza, Mirpur, Dhaka has been sold through auction for Tk. 15.50 lac)	4.90	6.06	Property partially sold. Physical possession & mutation of rest of property is yet to be completed.
7	North American Computing, Dhaka	Do	22/7/2007	Land Area: 6.5 decimal Mouza- Uttar Sona Tanggar, Mohammadpur, Dhaka.	4.68	5.85	The property was sold at Tk. 5 million out of which Tk. 4.7 million was received and rest of Tk. 0.3 million will be received at the time of execution & registration of Sale deed in favour of the highest bidder. NB : The property has already been recorded in BS Khatian of various people. As such, a Power of Attorney has given to the highest bidder for record correction. Accordingly, a Title suit No.338/19 filed in the Court of 3rd Joint District Judge, Dhaka for record correction which is pending.
8	M/s Unicorn Bangladesh Ltd, Dhaka	Do	22/11/2007	Land Area: 16.5 decimal Mouza- Bhola Samair, Gulshan, Dhaka.	476.15	560.18	Physical possession & mutation is yet to be completed.
9	Royel Paper Store, Dhaka	Do	21/5/2009	Land Area: 106.5 decimal Mouza- Shrikhondo, Dhanmondi, Dhaka.	18.04	22.55	Do
10	M/s Computer Bazar Network, Dhaka	Do	23/6/2009	Land Area: 14 decimal Mouza- Nandipara, Sabuzbag, Dhaka.	1.68	2.10	Do



SL	Name of the accounts	Status of NBA	Entitlement Date	Asset details	Forced sale value (BDT million)	Market value (BDT million)	Legal status
11	M/s Sylcar Plaza, Sylhet	Do	27/5/2012	Land Area: 21 & 14 decimal, Mouza- Sylhet Sadar, Sylhet.	21.20	26.60	Property already sold at Tk. 11 million out of which received Tk. 1.1 million but mutation formalities in the name of EBL is in process. Once completion of mutation formalities, highest bidder/s will pay the rest amount & sale deed to be executed accordingly.
12	Orion Fishing Limited, Dhaka	Do	13/5/2012	Land Area: 3.5 & 20.83 katha at Dhaka and Chattogram.	102.90	128.62	Physical possession & mutation is yet to be completed.
13	Al Karim Traders, Chattogram.	Do	19/1/2012	Land Area: 8 decimal Dokkhin Pahartoli, Double Mooring, Chattogram.	10.50	13.20	Do
14	Bhuiyan (Any & Amy) Corporation, Dhaka	Do	7/6/2007	Land Area: 4.95 decimal or equiv. 3 Katha, Bhola Samair, Gulshan, Dhaka.	8.40	10.50	Do
15	Ariful Karim, Chattogram.	Do	5/11/2008	Land Area: 148 decimal with 4 storied building, West Nasirabad, Chattogram.	125.80	148.00	Do
16	Miner International, Dhaka	Do	15/3/2006	Land Area: 18 decimal, Jatrabari, Demra, Dhaka.	10.80	24.87	Title Suit No. 1479/08 filed by Mr. Md. Abdul Monnaf is pending in the 7th joint district judge court, Dhaka. Physical possession & mutation is also yet to be completed.
17	M/s Eastern Industries, Sylhet	Do	11/6/2012	Land Area: 1.5 decimal Mouza- Sylhet Sadar, Sylhet.	0.96	1.20	Bank obtained Certificate u/s 33(7) of ARA Ain,2003 on 27.05.12 and a General Notice was published on 13.01.14 in the Daily Ittefaq& the Daily Jugantar to sell out the mortgage property. Sale of the said property by Tk.1.1 million was duly approval of the Board in its 530th meeting held on 17.04.2014. A Misc. Case No. 39/15 filed by Bank on 16-11-15 before the Artha Rin Adalat, Sylhet against Islamic Bank Bangladesh Ltd. Taltala Branch, Sylhet, stating that, The borrower Eastern Industries was mortgaged the same land to EBL & IBBL. We obtained the Certificate u/s 33(7) over the said land in execution Case, and when we proceeded for mutation the same in the name of EBL, Sylhet Branch, at the same time IBBL is also applied for mutation over the same land. Then the concern AC(Land) dismissed the mutation case and passed an order that the disputed issue will be settled by the Artha Rin Adalat, Sylhet. Later on we filed the instant Misc. Case No.39/15 on 16-11-15 before the Artha Rin Adalat, Sylhet praying for cancellation of judgment & decree as well Certificate 33(7) of ARA issued in favour of IBBL. The said Misc. Case is pending for disposal.

SL	Name of the accounts	Status of NBA	Entitlement Date	Asset details	Forced sale value (BDT million)	Market value (BDT million)	Legal status
18	M/s M.A. Rob, Khulna	Do	23/11/2011	Land Area: 51 decimal at Puratan Kasba, Jashore, [200 sq yards of land at Khulna has been sold at BDT 3.8 million]	9.29	11.61	Mrs. Julia Siddique, Judgement Debtor No.03 filed a Misc. case 03/2023 for releasing third part mortgage property which is pending for disposal. Execution Case No. 17/1999 pending in Artha Rin Adalat, Khulna which is pending for hearing application of hand over physical possession. *Mutation formality has been completed of 200 sq yards in the name of EBL. Execution of registration is completed in favor of the highest bidder. Physical possession in favor of the highest bidder is in process.
19	Maruti Enterprise, Bogura	Do	3/10/2012	Land Area: 41.5 decimal & 37 decimal Mouza- Betgari, Bogura sadar.	51.95	64.94	Islami Bank Bangladesh Limited, Bogura Branch filed Writ Petition No. 8010/2016 against EBL & others challenging the legality of the order no. 88 dated 29-02-2016 passed by the Artha Rin Adalat, Bogra in Artha Execution Case No. 76/2002 for directing the IBBL to deposit in court TK. 15,50,000/- being 50% of the proceeds of an auction sale in favor of the Eastern Bank PLC. Upon hearing, the Honorable High Court Division vide order dated 12.11.2018 discharged the rule on 12-11-2018 in favor of bank. Thereafter, Islami Bank, Bogura Branch, filed Civil Petition for Leave to Appeal No.1560/2019 on the Appealate Division which is pending for hearing.
20	Calix International, Dhaka	Do	28/11/2004	Land Area: 0.0992 Ajutangso, Kotowali, Dhaka	12.00	15.00	Physical possession is yet to be completed. First Appeal No.116/2003 is pending for hearing.
21	Save Power Manufacturing Industries Ltd.	Do	18/11/2020	Land Area: 84.50 dec land at Sreenarayankandi, PS - Titas, Sub-Registry Office -Gouripur, Cumilla	12.15	15.21	We have already sold 82 decimal land out 84.50 decimal land at Tk. 13.3 million only. Rest 2.50 decimal will be sold immediately.
22	M/s Alif Traders	Do	18/1/2021	Land Area: 16 decimal, Mouza-Muzgunni, PS-Daulatpur, Dist- Khulna.	1.36	1.60	Physical possession & mutation is yet to be completed.
23	M/S Cosmetic Gallery	Do	14/2/2021	Land Area (1) 25 decimal land at Equria, Keranigonj, Dhaka (2) 0.878 katha or eqvlt 1.45 decimal land at Mirpur Housing (Joarshahara), Mirpur-14, PS Kafrul, Dhaka	15.41	19.27	ARA: Artha Rin Suit No.177/19 filed on 21.03.19 for Tk.20.7 million as on 28.02.19. The said Artha Rin Suit decreed in favor of the Bank on 27-11-19. Subsequently, Execution Case No.91/20 filed on 06-02-20 for Tk.23 million. We obtained Certificate u/s 33(7) of ARA. 2nd Execution case filed on 06-09-2021 for Tk. 14,163,265.15 as on 31.08.2021, which is pending. Physical possession of both schedules are yet to be completed. Mutation of schedule (1) 25 decimal land at Equria, Keranigonj, Dhaka is completed. Mutation of schedule (2) 1.45 decimal land at Mirpur Housing Estate, Kafrul, Dhaka is yet to be completed. However we have sold the 0.878 katha or eqvlt 1.45 decimal land at Mirpur Housing at Tk. 5.9 million. Mutation, sale permission & registration favoring buyer is under process.
Total NBA obtained u/s 33 (7)					1,117.41	1,363.64	

Note: Valuation of those properties have been made by professional valuation firm at different stages.

Eastern Bank PLC. and its subsidiaries

Business segmental Profit and Loss Account

for the year ended 31 December 2023

Annexure-E

BDT in million

Particulars	Bank			Subsidiaries					Group
	DBO	OBO	Solo	EBLSL	EBLIL	EBLFHKL	EBLAML	Elimination	
Interest income	24,140	2,618	26,541	366	3	380	2	(422)	26,870
Interest expense	15,689	2,921	18,393	341	1.7	373	1	(422)	18,687
Net interest income	8,451	(303)	8,148	25	1	7	1	-	8,183
Investment income	7,682	-	7,682	130	19	-	13	(152)	7,692
Fees, commission and brokerage	3,004	11	3,014	260	15	103	5	-	3,396
FX income	1,383	2	1,385	-	-	-	-	-	1,385
Other operating income	281	18	299	1.65	6	-	-	-	307
Total operating income	20,801	(273)	20,528	416	41	110	20	(152)	20,963
Salary and allowances (excluding those of MD)	5,339	-	5,339	116	15	53	10	-	5,532
Rent, taxes, insurance, utilities etc.	522	-	522	11	1	2	1	-	537
Legal and professional expenses	128	-	128	1	0.4	0.1	-	-	129
Postage, stamp, telecommunication etc.	214	-	214	-	-	6	-	-	220
Stationery, printing, advertisement etc.	554	-	554	5	1.1	-	0.12	-	560
Managing Director's salary and allowances (Bank only)	32	-	32	-	-	-	-	-	32
Directors' fees and expenses	3	-	3	0.3	0.2	-	0.07	-	4
Audit fees	2	-	2	0.2	0.1	2	0.1	-	4
Repairs, maintenance and depreciation	1,391	-	1,391	27	6	6	3.2	-	1,433
Other operating expenses	862	31	892	11	2	5	0.7	-	911
Total operating expense	9,047	31	9,077	172	25	74	15	-	9,363
Profit before provisions	11,754	(304)	11,451	244	16	36	5	(152)	11,600
Provisions:									
Provision for loans, advances & OBS exposures	1,599	(150)	1,449	37	-	-	-	-	1,487
Other provisions	212	-	212	(2)	-	-	11	-	221
Total provisions	1,811	(150)	1,662	35	-	-	11	-	1,708
Profit before tax	9,943	(154)	9,789	209	16	36	(6)	(152)	9,893
Tax provision	3,680	-	3,680	80	5	5	1	-	3,770
Profit after tax for the year	6,263	(154)	6,109	129	11	31	(6)	(152)	6,122

Eastern Bank PLC. and its subsidiaries

Business segmental Balance Sheet

as at 31 December 2023

Annexure-E1

BDT in million

Particulars	Bank			Subsidiaries					Group
	DBO	OBO	Solo	EBLSL	EBLIL	EBLFHKL	EBLAML	Elimination	
Assets									
Cash in hand (including balance with Bangladesh Bank and its agent bank)	20,940	-	20,940	0.10	0.02	-	-	-	20,940
Balances with other banks and financial institutions	14,531	4,693	18,053	1,086	19	1,384	12	(1,338)	19,216
Money at call and on short notice	3,100	-	3,100	-	-	-	-	-	3,100
Investments	94,023	-	94,023	2,674	716	-	248	-	97,661
Loans and advances	324,208	29,149	353,357	3,736	52	3,787	-	(5,027)	355,905
Fixed assets including land, building, furniture and fixtures	8,517	-	8,517	45	9	3	8	-	8,582
Other assets	10,541	22	10,563	964	33	3	9	(3,218)	8,354
Non banking assets	-	-	-	-	-	-	-	-	-
Total assets	475,861	33,863	508,554	8,506	829	5,175	276	(9,583)	513,758
Liabilities									
Borrowing from other banks, financial institutions and agents	41,021	31,817	71,668	4,317	57	4,555	-	(4,929)	75,667
Deposits and other accounts	365,512	591	366,104	-	-	-	-	(1,338)	364,765
Other liabilities	28,356	2,659	31,015	1,743	48	115	32	(153)	32,800
Total liabilities	434,889	35,067	468,787	6,060	105	4,669	32	(6,421)	473,232
Total shareholders' equity	40,971	(1,204)	39,767	2,446	725	506	244	(3,162)	40,526
Total liabilities & shareholders' equity	475,861	33,863	508,554	8,506	829	5,175	276	(9,583)	513,758



Eastern Bank PLC.

Highlights on the overall activities/performance

Annexure-F

Sl No	Particulars		2023	2022
1	Paid up capital	BDT	12,072,347,150	10,730,975,250
2	Total capital (Tier-1 & 2)	BDT	46,889,746,397	40,760,584,030
3	Surplus/(shortage) capital (over MCR)	BDT	15,704,884,136	12,858,999,315
4	Total assets	BDT	508,554,061,455	455,989,142,514
5	Total deposits	BDT	366,103,725,686	317,097,305,113
6	Total loans and advances	BDT	353,356,932,292	308,915,602,911
7	Total contingent liabilities and commitments	BDT	199,235,393,266	165,095,905,495
8	Loans to deposits ratio (total loans/total deposits)	%	96.52	97.42
9	% of classified loans against total loans and advances	%	3.10	2.78
10	Profit after tax and provisions	BDT	6,109,200,443	5,107,457,663
11	Loans classified during the year (Gross)	BDT	3,552,150,907	2,939,353,718
12	Provision held against classified loans	BDT	6,267,489,468	4,666,559,710
13	Surplus of provision	BDT	1,219,056,201	914,835,097
14	Cost of fund (interest expense/simple average borrowing and deposits)	%	4.43	3.55
15	Interest bearing assets	BDT	445,914,153,094	400,054,047,370
16	Non-interest bearing assets	BDT	62,639,908,361	55,935,095,144
17	Income from investments	BDT	7,681,670,127	6,705,461,835
18	Return on assets (ROA) (PAT/average assets)	%	1.27	1.21
19	Return on investment or ROI (PAT/average equity, long term borrowings and deposits)	%	2.22	2.01
20	Earnings per share (restated 2022)	BDT	5.06	4.23
21	Operating profit per share (Operating profit/ weighted average number of shares) (restated 2022)	BDT	9.48	8.32
22	Price earnings ratio (PE ratio) (restated 2022)	Times	5.81	7.52

Eastern Bank PLC.

History of raising Paid up capital

Annexure-G

Year	Description	Number of shares issued			Face value	Increase in paid up capital (BDT)	Total paid up capital (BDT)
		Bonus shares	Subscribed shares	Cumulative paid up shares			
1993	As per MOA & AOA	-	6,000,000	6,000,000	100	600,000,000	600,000,000
2001	20% Bonus Share	1,200,000	-	7,200,000	100	120,000,000	720,000,000
2003	15% Bonus Share	1,080,000	-	8,280,000	100	108,000,000	828,000,000
2007	25% Bonus Share	2,070,000	-	10,350,000	100	207,000,000	1,035,000,000
2008	34% Bonus Share	3,519,000	-	13,869,000	100	351,900,000	1,386,900,000
	Right Share 2:1R at Par	-	6,934,500	20,803,500	100	693,450,000	2,080,350,000
2009	20% Bonus Share	4,160,700	-	24,964,200	100	416,070,000	2,496,420,000
2010	17% Bonus Share	4,243,914	-	29,208,114	100	424,391,400	2,920,811,400
2011	Change of denomination of face value from BDT 100 to BDT 10 per share	-	-	292,081,140	10	-	2,920,811,400
2011	55% Bonus Share	160,644,627	-	452,725,767	10	1,606,446,270	4,527,257,670
2012	35% Bonus Share	158,454,018	-	611,179,785	10	1,584,540,180	6,111,797,850
2016	15% Bonus Share	91,676,967	-	702,856,752	10	916,769,670	7,028,567,520
2017	5% Bonus Share	35,142,837	-	737,999,589	10	351,428,370	7,379,995,890
2019	10% Bonus Share	73,799,958	-	811,799,547	10	737,999,580	8,117,995,470
2021	17.5% Bonus Share	142,064,920	-	953,864,467	10	1,420,649,200	9,538,644,670
2022	12.5% Bonus Share	119,233,058	-	1,073,097,525	10	1,192,330,580	10,730,975,250
2023	12.5% Bonus Share	134,137,190	-	1,207,234,715	10	1,341,371,900	12,072,347,150

Eastern Bank PLC.

Statement of Year wise Tax Assessment Status

Annexure-H

Amount in BDT

Income Year	Assessment Year	Tax Provision	Tax Paid	Subsequent adjustments	Excess/ (shortage) in provision	Status	Remarks/Ground of appeal
2008	2009-2010	1,136,123,212	1,110,662,438	-	25,460,774	Pending before High Court	Gain on sale of govt. securities was exempted by Sec 32 (7) of ITO, 1984 but tax authorities disallowed unjustifiably.
2009	2010-2011	1,283,105,154	1,283,105,154	-	-	Pending before High Court	
2010	2011-2012	1,570,000,000	1,334,435,176	-	235,564,824	Pending before High Court	Tax authorities charged 'excess profit tax' unjustifiably while defining 'capital' narrowly.
2011	2012-2013	1,739,842,732	1,860,714,175	-	(120,871,443)	Pending before High Court	
2012	2013-2014	2,186,375,000	2,251,593,767	(65,218,767)	-	Assessment Completed	Assessment completed & tax paid in full.
2013	2014-2015	2,589,787,489	2,480,889,617	108,897,872	-	Assessment Completed	Assessment completed & tax paid in full.
2014	2015-2016	1,995,209,737	1,893,775,904	101,433,833	-	Assessment Completed	Assessment completed & tax paid in full.
2015	2016-2017	1,385,199,398	1,243,469,326	141,730,072	-	Assessment Completed	Assessment completed & tax paid in full.
2016	2017-2018	1,773,164,131	1,675,145,868	98,018,263	-	Assessment Completed	Assessment completed & tax paid in full.
2017	2018-2019	1,844,979,911	1,719,610,320	116,461,499	8,908,092	Assessment Completed	Assessment completed & tax paid in full.
2018	2019-2020	1,791,759,651	1,814,288,624	44,170,522	(66,699,495)	Assessment Completed	Assessment completed & tax paid in full.
2019	2020-2021	3,140,950,267	3,061,971,774	3,750,000	75,228,493	Assessment Completed	Assessment completed & tax paid in full.
2020	2021-2022	2,738,698,697	2,759,500,611	-	(20,801,914)	Assessment Completed	Assessment completed & tax paid in full.
2021	2022-2023	3,855,014,674	3,821,115,540	-	33,899,134	Assessment Completed	Assessment completed & tax paid in full.
2022	2023-2024	3,033,354,808	2,954,691,985	-	78,662,823	Tax Return submitted	Tax Return submitted.
		32,063,564,861	31,264,970,279	549,243,294	249,351,288		

Statutory and Non-statutory Investments of the Bank

Statutory investments are made by the Bank to fulfill its regulatory requirements and in compliance with Bangladesh Bank ALM (Asset Liability Management) Guidelines in order to protect the interest of depositors and to maintain adequate liquidity support. Pursuant to section 33 of the Bank Company Act 1991 (amended up to date) and subsequent Bangladesh Bank circulars, the Bank has been maintaining Statutory Liquidity Ratio (SLR) of at least 13% of Weekly Average Demand and Time Liabilities (ADTL) of two months before of reporting month. Besides, for maintaining ALM ratios like LCR, MCO, Commitments etc. as per Bangladesh Bank guidelines, the Bank has been maintaining high quality liquid assets as statutory investments. Therefore, the Bank's statutory investments are made in mostly Govt. Treasury bills (T-bills), Treasury bonds (T-bonds) and Bangladesh Bank bills.

Statutory investments of the Bank can be either Held for Trading (HFT) or Held to Maturity (HTM). HFT securities are purchased to generate capital gain through Sale or REPO, and HTM securities are purchased for interest income and amortization gain.

As at end of 2023, EBL held investment in Treasury bills and bonds of BDT 70,336 million, which consists of investment in HFT of BDT 14,452 million and in HTM of BDT 55,884 million, against mandatory

requirement for SLR of BDT 47,731 million. The rate of return of such bills and bonds ranged from 8.28%-11.22%.

While banks are primarily known to use its fund for funded facilities like loans and advances, a substantial amount of fund is also used in order to make investments for below purposes:

- Mandatory statutory investments for maintaining ratios and compliances, and
- Opportunistic investments for relatively higher return.

Although investments in Treasury bills and Treasury bonds are considered as mandatory investments, a substantial amount in excess of SLR requirement is held for maintaining ALM ratios and good risk free return. On the contrary, opportunistic investments (Non-statutory investments) are made into Subordinated bonds & Perpetual bonds issued by other banks to strengthen capital and Zero coupon bonds, Corporate bonds, Preference shares, Capital Market instruments etc. for higher return and tax benefit thereon.

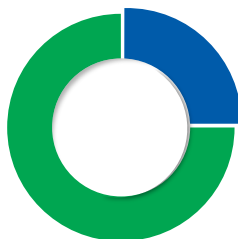
Statutory investments are made by ALCO (Asset Liability Committee), whereas non-statutory investments are made by the Investment Committee as per the Bank's Investment Policy which is aligned with Bangladesh Bank guidelines and set limits.

Bank's non-statutory investments are as follows:

BDT in million

Particulars	31 December 2023	Coupon rate/ rate of return	31 December 2022	Coupon rate/ rate of return
Corporate bonds (non-convertible)	700	9.40%	900	9.00%
Subordinated bonds (issued by other banks)	8,340	8.07%-9.38%	9,630	7.23% -9.00%
Perpetual bonds (issued by other banks)	5,000	10.00%	5,000	10.00%
Zero coupon bonds	237	7.50%	355	7.50%
Preference shares	4,245	6.29%-9.00%	5,195	6.25%-8.60%
Ordinary shares & mutual funds (quoted and unquoted)	5,162	4.24%	4,722	6.93%
Prize bonds	4	-	3	-
Total	23,687		25,805	

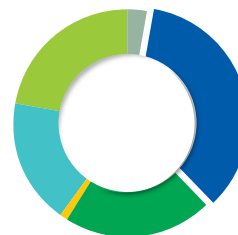
EBL's total investments as at year-end 2023



Non-statutory investment, 25%

Statutory investment, 75%

EBL's non-statutory investments as at year-end 2023



Corporate bonds, 3% Subordinated bonds 35% Perpetual bonds 21% Preference shares 18% Ordinary shares & MFs, 22% Prize bonds, 0%

Disclosures on Derivative Investments (Financial Instruments)

Derivatives are financial instruments whose value fluctuate depending on an underlying asset.

The Bank takes position in certain derivatives for trading and risk management purposes with the expectation of profiting from favorable movements in prices, rates or indices. Derivatives held for risk management purposes include hedges that either meet the hedge accounting requirement or hedges including economic hedges which do not meet the hedge accounting requirements. The Bank has both derivative financial instruments recorded as assets or liabilities in notional amounts. The notional amount is recorded gross and is the quantity of the derivative contracts' underlying instrument (i.e. equity instrument, foreign currency, reference rate or index). The notional amounts indicate the volume of transactions outstanding at the year-end and are not indicative of market or credit risk either.

Bank's non-statutory investments are as follows:

BDT in million

Derivatives held for trading	Transactions during the year	Notional amount (outstanding)
Foreign exchange contracts (Forward Buy)*	31,441.78	Nil
Interest rate swaps	Nil	Nil

Derivatives in economic hedge relationship	Accrued credit amount during the year	Accrued debit amount during the year	Notional amount (outstanding receivable)
Interest rate swaps	240.81	238.15	Nil
Credit derivative contracts	Nil		Nil

Derivatives used as cash flow hedges and held for trading	Transactions during the year	Notional amount (outstanding)
Foreign currency swaps*	355,697.15	19,092.10

*Average deal rate has been used as currency conversion rate.

The notional value is the outstanding of the underlying asset which is multiplied by using standard midrate.

Derivatives often involve an exchange of cash or other assets in the future with little or no initial investment. Common derivatives that the Bank deals with are forwards/futures and swaps. These instruments frequently involve a high degree of leverage and the value of the amounts required to be exchanged can be significantly higher than the initial investment. A relatively small movement in the value of the underlying asset, rate or index may have a significant impact on the profit or loss of the Bank. The Bank's derivative assets and financial liabilities are generally not offset in the statement of financial position (Balance Sheet) unless the netting criteria are met as per IFRS.

Derivatives held for trading

Most of the Bank's derivative trading activities relate to deals with customers that are normally offset by transactions with other counterparties. The Bank may also take positions with the expectation of profiting from favorable movements in prices, rates or indices.

Derivative financial instruments held or issued for hedging purposes

As part of its asset and liability management, the Bank uses derivatives for economic hedging purposes in order to reduce its exposure to market risk. This is achieved by hedging specific financial instruments, portfolios of fixed rate financial instruments and forecast transactions, as well as hedging of aggregate financial position exposures. Where possible, the Bank applies hedge accounting.

Offsetting

The Bank has various netting agreements in place with counterparties to manage the associated credit risk. Such arrangements primarily include: Repo and Reverse Repo transactions, securities borrowing and lending arrangements, and over-the-counter and exchange traded derivatives. These netting agreements and similar arrangements generally enable the counterparties to set-off liabilities against available assets received in the ordinary course of business and/or in the event of the counterparty's default. The offsetting right is a legal right to settle, or otherwise eliminate, all or a portion of an amount due by applying an amount receivable from the same counterparty against it, thus, reducing credit exposure. However, the offsetting criteria in IFRS are not met in all cases.

Qualitative disclosures

The Company has a Board approved policy in dealing with derivative transactions. The Asset Liability Committee (ALCO) monitors such transactions and reviews the risk involved. The Bank's exposure to derivative contracts is monitored on regular basis as part of its overall risk management framework.

Eastern Bank PLC.

Offshore Banking Operation, Bangladesh

Balance Sheet

as at 31 December 2023

Particulars	Notes	2023		2022	
		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		16,000,000	1,756,000,000	-	-
Outside Bangladesh		26,756,763	2,936,554,698	9,429,053	973,952,377
		42,756,763	4,692,554,698	9,429,053	973,952,377
Money at call and on short notice					
		-	-	-	-
Investment					
		-	-	-	-
Loans and advances					
	4				
Loans, cash credits, overdrafts etc.	4.1	91,415,791	10,032,883,038	126,160,248	13,031,432,630
Bills purchased and discounted	4.2	174,175,029	19,115,709,453	346,608,157	35,802,092,351
		265,590,820	29,148,592,491	472,768,405	48,833,524,981
Fixed assets					
		-	-	-	-
Other assets					
	5	202,000	22,169,516	290,000	29,954,894
Non banking assets					
		-	-	-	-
TOTAL ASSETS		308,549,583	33,863,316,705	482,487,458	49,837,432,251
CAPITAL AND LIABILITIES					
Borrowing from other banks, financial institutions and agents					
	6				
Bangladesh Bank		-	-	-	-
Other banks and FIs					
Demand borrowing	6.1	10,658,856	1,169,809,481	66,515,683	6,870,584,486
Term borrowing	6.2	279,245,537	30,647,197,665	395,998,022	40,903,704,836
		289,904,393	31,817,007,146	462,513,704	47,774,289,323
		289,904,393	31,817,007,146	462,513,704	47,774,289,323
Deposits and other accounts					
	7				
Current deposits and other accounts	7.1	5,387,114	591,235,735	2,839,810	293,331,634
Fixed deposits	7.2	-	-	-	-
		5,387,114	591,235,735	2,839,810	293,331,634
Other liabilities					
	8	24,225,425	2,658,740,424	26,667,312	2,754,538,681
TOTAL LIABILITIES		319,516,932	35,066,983,305	492,020,827	50,822,159,638
CAPITAL/SHAREHOLDERS' EQUITY					
Paid up capital		-	-	-	-
Foreign currency translation gain/(loss)	9	-	(229,117,865)	-	(164,282,968)
Surplus in profit and loss account	16	(10,967,349)	(974,548,735)	(9,533,368)	(820,444,419)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		308,549,583	33,863,316,705	482,487,458	49,837,432,251
OFF-BALANCE SHEET ITEMS					
Contingent liabilities:					
Acceptance and endorsements		5,749,227	630,977,654	6,771,544	699,451,062
Letters of guarantee		-	-	-	-
Bills for collection		6,823,130	748,838,556	5,684,690	587,187,021
Irrevocable letters of credit		4,017,576	440,928,992	4,894,288	505,544,206
Other commitments		-	-	-	-
TOTAL OFF-BALANCE SHEET ITEMS		16,589,933	1,820,745,203	17,350,521	1,792,182,289

The annexed notes 1 to 16 form an integral part of these financial statements.

Eastern Bank PLC.

Offshore Banking Operation, Bangladesh

Profit and Loss Account

for the year ended 31 December 2023

Particulars	Notes	2023		2022	
		USD	BDT	USD	BDT
Interest income	10	24,362,695	2,618,163,769	20,691,193	1,936,070,812
Interest paid on deposits and borrowings	11	27,183,948	2,921,352,914	17,264,018	1,615,390,757
Net interest income		(2,821,254)	(303,189,145)	3,427,175	320,680,055
Fees, commission and brokerage	12	112,589	12,099,475	129,651	12,131,442
Other operating Income	13	166,256	17,866,867	250,835	23,470,540
Total operating income		(2,542,409)	(273,222,803)	3,807,661	356,282,037
Operating expenses	14	284,081	30,529,061	196,229	18,361,076
Profit before provision		(2,826,490)	(303,751,865)	3,611,432	337,920,962
Less :provision for unclassified koans and advances (Including provision for off balance sheet items)	15	(1,392,509)	(149,647,548)	4,698,785	439,664,344
Profit/(loss) before tax for the year		(1,433,981)	(154,104,317)	(1,087,353)	(101,743,382)
Less. provision for income tax		-	-	-	-
Profit/(loss) after tax for the year		(1,433,981)	(154,104,317)	(1,087,353)	(101,743,382)
Balance of profit brought forward from previous year		-	-	-	-
Retained earnings carried forward	16	(1,433,981)	(154,104,317)	(1,087,353)	(101,743,382)

The annexed notes 1 to 16 form an integral part of these financial statements.

Eastern Bank PLC.

Offshore Banking Operation, Bangladesh

Notes to the financial statements

as at and for the year ended 31 December 2023

1 Nature of business

EBL has an Offshore Banking Unit ('OBU' or 'the Unit') operated as 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 non-funded facilities and to accept savings/current/term deposits in freely convertible foreign currencies to and from non-resident person/institutions, fully foreign owned enterprises (Type 'A') in EPZs, PEPZs, EZs and Hi-Tech Parks, etc. Besides, OBU offers short term loan facility to the Type 'B' industrial enterprises in EPZs, PEPZs, EZs and Hi-Tech Parks. In addition, OBO discounts/purchases accepted usance/deferred bills against import from abroad (Bills Finance), and discounts/purchases accepted usance/deferred export bills against direct and deemed exports of products produced in Bangladesh, of persons resident in Bangladesh.

The unit commenced its operations on 19 May 2004 and its office is located at 100 Gulshan Avenue, Dhaka-1212.

2 Significant accounting policies and basis of preparations

Basis of preparation

2.1 Statement of compliance

The financial statements of the operation / the Unit as at and for the year ended 31 December 2023 have been prepared in accordance with International Financial Reporting Standards (IFRSs), the "First Schedule" (section 38) of the Bank Company Act 1991 (as amended up to date). The accounting policies set out in the financial statements of DBO of the Bank have been applied consistently in these financial statements except otherwise instructed by the Bangladesh Bank as prime regulator.

2.2 Loans and advances

- a) Loans and advances comprise of non-derivative financial assets with fixed or determinable payments and are not quoted in an active market. These are recognised at gross amount on the date when they are originated. The bank has not designated any loans and advances upon initial recognition as at fair value through profit and loss account or other comprehensive income.
- b) Classification of loans into substandard/doubtful/bad-loss category and general provision (GP) on unclassified loans (0.25% to 2%), certain off balance-sheet exposures (0% to 1%); special GP for COVID-19 (1% to 2%) and specific provision (SP) on classified loans (5% to 100%) including rescheduled loans are made on the basis of quarter-end review and in compliance with BRPD Circular no.14/2012, BRPD circular no. 03/2019, BRPD circular no. 16/2020, BRPD circular no. 19/2021, BRPD circular no. 14/2022 and subsequent BRPD circulars and circular letters as issued by Bangladesh Bank time to time. Provisions and interest suspense are separately shown under other liabilities as per First Schedule of Bank Company Act 1991 (as amended up to date), instead of netting off with loans.

2.3 General

Allocation of common expenses

Operating 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 reclassified and rearranged to conform to the current year's presentation.

These financial statements of the unit cover one calendar year from 1 January 2023 to 31 December 2023.

	Notes	2023		2022		
		USD	BDT	USD	BDT	
3	Balance with other banks and financial institutions					
	Inside Bangladesh					
	Commercial Bank of Ceylon PLC.	-	-	-	-	
	National Credit and Commerce Bank PLC.	16,000,000	1,756,000,000	-	-	
		16,000,000	1,756,000,000	-	-	
	Outside Bangladesh					
	Standard Chartered Bank, USA	26,712,762	2,931,725,601	9,429,053	973,952,377	
	Standard Chartered Bank, Germany	44,001	4,829,097	-	-	
		26,756,763	2,936,554,698	9,429,053	973,952,377	
		42,756,763	4,692,554,698	9,429,053	973,952,377	
4	Loans and advances					
	Loans, cash credits, overdrafts, etc.	4.1	91,415,791	10,032,883,038	126,160,248	13,031,432,630
	Bills discounted and purchased	4.2	174,175,029	19,115,709,453	346,608,157	35,802,092,351
			265,590,820	29,148,592,491	472,768,405	48,833,524,981
4.1	Loans, cash credit, overdraft etc.					
	Inside Bangladesh :					
	Loans		4,518,725	495,930,061	68,878,345	7,114,630,245
	Overdraft		44,506,639	4,884,603,623	1,871,647	193,327,481
			49,025,364	5,380,533,684	70,749,992	7,307,957,727
	Outside Bangladesh :					
	Overdraft		42,390,427	4,652,349,354	55,410,256	5,723,474,903
			42,390,427	4,652,349,354	55,410,256	5,723,474,903
			91,415,791	10,032,883,038	126,160,248	13,031,432,630
4.2	Bills purchased and discounted					
	Inside Bangladesh :					
	Bills discounted		-	-	-	-
	Bills financed		174,175,029	19,115,709,453	346,608,157	35,802,092,351
			174,175,029	19,115,709,453	346,608,157	35,802,092,351
	Outside Bangladesh :					
	Bills discounted		-	-	-	-
	Bills financed		-	-	-	-
			-	-	-	-
			174,175,029	19,115,709,453	346,608,157	35,802,092,351
5	Other assets					
	Prepayments		190,000	20,852,515	290,000	29,954,894
	Interest receivable on term placement		12,000	1,317,001	-	-
			202,000	22,169,516	290,000	29,954,894
6	Borrowings from other banks, financial institutions and agents					
	Demand borrowings	6.1	10,658,856	1,169,809,481	66,515,683	6,870,584,486
	Term borrowings	6.2	279,245,537	30,647,197,665	395,998,022	40,903,704,836
			289,904,393	31,817,007,146	462,513,704	47,774,289,323

Notes	2023		2022	
	USD	BDT	USD	BDT
6.1 Demand borrowings				
In non interest bearing account with				
Standard Chartered Bank, Germany	-	-	1,549	159,954
In interest bearing account with				
Eastern Bank PLC. (DBO)	10,658,856	1,169,809,481	66,514,134	6,870,424,532
	10,658,856	1,169,809,481	66,515,683	6,870,584,486
6.2 Term borrowings				
Inside Bangladesh				
Bank Asia Limited	-	-	10,000,000	1,032,927,000
BRAC Bank PLC.	-	-	16,000,000	1,652,683,200
Commercial Bank of Ceylon PLC	5,000,000	548,750,000	20,000,000	2,065,854,000
HSBC	-	-	8,000,000	826,341,600
Jamuna Bank PLC.	10,000,000	1,097,500,000	6,000,000	619,756,200
NCC Bank PLC.	-	-	4,000,000	413,170,800
Prime Bank PLC.	-	-	5,400,000	557,780,580
State Bank of India, Dhaka	11,500,000	1,262,125,000	10,500,000	1,084,573,350
City Bank PLC.	-	-	5,000,000	516,463,500
First Security Islami Bank PLC.	2,000,000	219,500,000	-	-
Investment Promotion & Financing Facility (IPFF)	4,150,965	455,568,409	2,181,311	225,313,503
Modhumoti Bank Limited	2,500,000	274,375,000	-	-
	35,150,965	3,583,443,409	87,081,311	8,994,863,733
Outside Bangladesh				
Abu Dhabi Commercial Bank, UAE	10,000,000	1,097,500,000	25,000,000	2,582,317,500
Asian Development Bank (ADB)	-	-	1,176,471	121,520,821
Bank Al-Falah Ltd., UAE	-	-	-	-
Bank Muscat, Muscat	3,000,000	329,250,000	7,000,000	723,048,900
CaixaBank, S.A., Spain	25,000,000	2,743,750,000	51,000,000	5,267,927,700
Citibank NA, Singapore	15,000,000	1,646,250,000	20,000,000	2,065,854,000
Citibank NA, USA	-	-	-	-
Commercial Bank of Dubai	13,000,000	1,426,750,000	11,000,000	1,136,219,700
Commercial Bank of Qatar	-	-	5,000,000	516,463,500
Deutsche Investitions-und Entwicklungsgesellschaft MBH (DEG)	15,000,000	1,646,250,000	25,000,000	2,582,317,500
Doha Bank, Qatar	-	-	-	-
HDFC Bank, India	10,000,000	1,097,500,000	15,000,000	1,549,390,500
International Islamic Trade Finance Corporation (ITFC)	7,914,272	868,591,312	-	-
JP Morgan Chase, Singapore	15,471,170	1,697,960,935	28,551,331	2,949,144,107
KfW IPEX-Bank GmbH, Frankfurt, Germany	25,057,269	2,750,035,312	24,537,048	2,534,497,939
Korea Development Bank, Singapore	-	-	-	-
Mashreq Bank, Dubai	25,000,000	2,743,750,000	25,000,000	2,582,317,500
Mashreq Bank, Hongkong	25,000,000	2,743,750,000	-	-
National Bank of Ras Al-Khaimah, UAE	20,000,000	2,195,000,000	13,000,000	1,342,805,100
OEEB Development Bank, Austria	12,000,000	1,317,000,000	16,000,000	1,652,683,200
Standard Chartered Bank, Singapore	2,651,861	291,041,696	10,151,861	1,048,613,087
State Bank of India, Hongkong	-	-	2,000,000	206,585,400
United Bank Limited, UAE	-	-	8,500,000	877,987,950
Wells Fargo, NA	20,000,000	2,195,000,000	21,000,000	2,169,146,700
	244,094,572	26,789,379,256	308,916,711	31,908,841,104
	279,245,537	30,647,197,665	395,998,022	40,903,704,836

	Notes	2023		2022		
		USD	BDT	USD	BDT	
6.1.a	Classification based on type of security					
	Secured	-	-	-	-	
	Unsecured	289,904,393	31,817,007,146	462,513,704	47,774,289,323	
		289,904,393	31,817,007,146	462,513,704	47,774,289,323	
7	Deposits and other accounts					
	Current deposits and other accounts	7.1	5,387,114	591,235,735	2,839,810	293,331,634
	Term deposits	7.2	-	-	-	-
			5,387,114	591,235,735	2,839,810	293,331,634
7.1	Current deposits and other accounts:					
	Current account		4,731,015	519,228,879	2,580,048	266,500,169
	Other accounts	7.1.a	656,099	72,006,856	259,761	26,831,465
			5,387,114	591,235,735	2,839,810	293,331,634
7.1.a	Other accounts:					
	Interest payable on deposit		-	-	-	-
	Margin on facility		656,099	72,006,856	259,761	26,831,465
			656,099	72,006,856	259,761	26,831,465
8	Other liabilities					
	Provision for taxation	8.1	-	-	-	-
	General provision for loans and advances		2,456,008	269,546,909	4,580,538	473,136,156
	General provision for off balance sheet exposures		97,668	10,719,066	116,658	12,049,953
	Specific provision for loans and advances		17,077,206	1,874,223,391	15,880,061	1,640,294,377
	Special general provision for COVID-19		45,964	5,044,559	492,098	50,830,180
	Interest suspense account		2,341,802	257,012,731	2,011,302	207,752,856
	Interest payable on borrowing		2,131,219	233,901,287	3,523,706	363,973,069
	Privileged creditors		75,268	8,260,611	62,481	6,453,816
	System GL balances		290	31,868	467	48,275
			24,225,425	2,658,740,424	26,667,312	2,754,538,681
8.1	Provision for tax of the unit is accounted for in the book of Eastern Bank PLC.					
9	Foreign currency translation gain/(loss)					
	The foreign currency translation gain/(loss) is a net result of exchange difference of year end standard mid rate and monthly average of standard mid rate arising from translation of functional currency to presentation currency. Assets and liabilities of OBU have been presented into Taka (which is functional currency of the Bank) using year end standard mid rate of exchange of the Bank i.e. USD 1 = BDT 109.7500 (2022: BDT 103.2927) and incomes and expenses are translated using monthly average of standard mid rate of exchange (USD 1= BDT 107.4661).					
10	Interest income					
	Interest on advances		24,195,242	2,600,168,281	20,446,047	1,913,132,507
	Interest on placement with other banks		167,453	17,995,488	245,146	22,938,305
			24,362,695	2,618,163,769	20,691,193	1,936,070,812
11	Interest paid on deposits and borrowings					
	Interest on demand borrowings		1,977,210	212,483,007	2,000,076	187,146,697
	Interest on term borrowings		25,206,739	2,708,869,907	15,263,943	1,428,244,060
			27,183,948	2,921,352,914	17,264,018	1,615,390,757

Notes	2023		2022	
	USD	BDT	USD	BDT
12	Commission, exchange and brokerage			
Fees & commission	109,240	11,739,547	139,468	13,050,015
Exchange gain/(loss) net off exchange gains*	3,349	359,928	(9,817)	(918,573)
	112,589	12,099,475	129,651	12,131,442
*The net result of exchange differences arising from day to day transactions & revaluation of monetary items are recognized in profit and loss account as per IAS 21 <i>The Effect of changes in Foreign Exchange Rates</i> .				
13	Other operating income			
Rebate of foreign correspondence charges	96,215	10,339,823	176,533	16,518,149
Swift charges recovered	17,050	1,832,297	14,927	1,396,716
Postage charges recovered	1,794	192,740	2,342	219,122
Service charges (others)	51,198	5,502,006	57,033	5,336,552
	166,256	17,866,867	250,835	23,470,540
14	Operating expenses			
Account maintenance & processing fees	284,081	30,529,061	196,229	18,361,076
Other charges	-	-	-	-
	284,081	30,529,061	196,229	18,361,076
15	Provision for loans and advances			
General provision for loans	(2,124,530)	(228,314,923)	267,628	25,041,895
General provision for off-balance sheet exposures	(18,990)	(2,040,812)	3,768	352,581
Special general provision for COVID-19	(446,135)	(47,944,340)	(350,154)	(32,763,812)
Specific provision	1,197,145	128,652,528	4,777,542	447,033,680
	(1,392,509)	(149,647,548)	4,698,785	439,664,344
16	Surplus in profit and loss account			
Opening balance	(9,533,368)	(820,444,419)	(8,446,015)	(718,701,037)
Add: Profit/(loss) during the year	(1,433,981)	(154,104,317)	(1,087,353)	(101,743,382)
	(10,967,349)	(974,548,735)	(9,533,368)	(820,444,419)
Less: Transferred to DBO during the year	-	-	-	-
	(10,967,349)	(974,548,735)	(9,533,368)	(820,444,419)

Financial Statements of the Subsidiaries

Directors' Report to the shareholders of EBL Securities Limited (EBLSL)

The Board of Directors of EBL Securities Limited (EBLSL) takes pleasure in presenting the Directors' Report on the Company's operational and financial activities, along with the audited financial statements for the year ended on December 31, 2023 for your kind consideration.

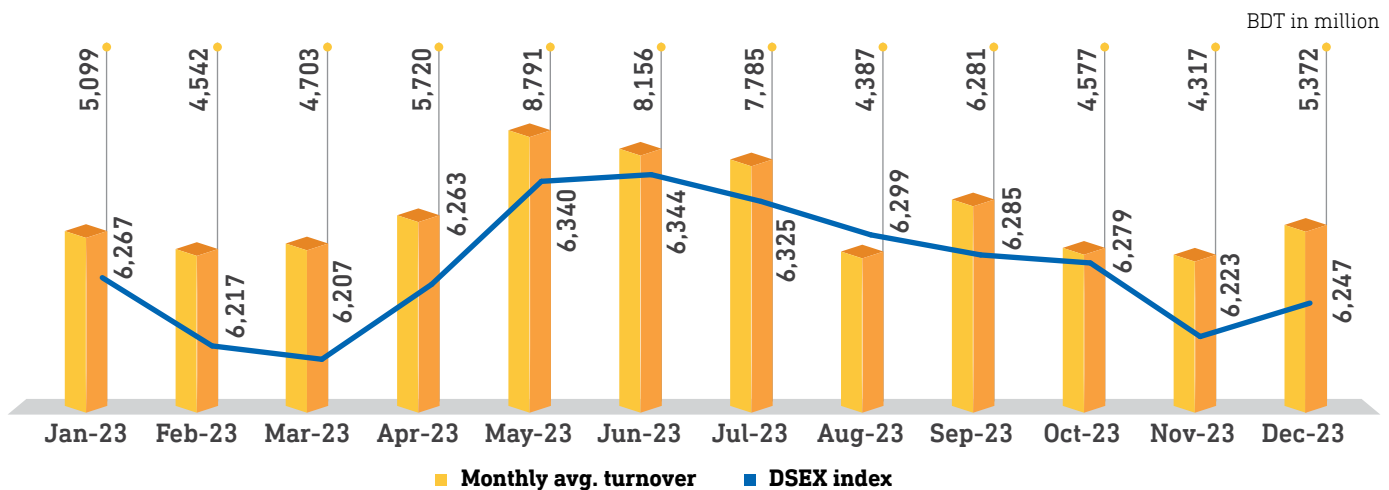
Market scenario in 2023

The range-bound capital market endured difficult times throughout the year, while the broad index of the Dhaka bourse (DSEX) observed sideways movement, moving around 6,178 points to 6,367 points and closing at 6,246 points by the end of the year, marking a marginal 0.6% increase. Meanwhile, the total market capitalization merely increased by 2.6% to BDT 7,808.5 billion.

The continuation of the floor price mechanism has been a pressing concern in the market, having an impact on liquidity and fund flow as around 60% of the total market capitalization (excluding debt securities) was mostly illiquid throughout the year, which is also evident from the daily average turnover falling by 39.8% to BDT 5.8 billion as compared to BDT 9.6 billion in the previous year. This trend reflects a subdued investment sentiment owing to a challenging macroeconomic landscape. Moreover, the continuous depreciation of the local currency and the persistent inflationary pressure have also posed challenges to corporate profitability that fueled further concerns among investors about the market. Furthermore, slowdown in trading activities has also impeded the listing of new securities in the market, with only two companies debuting on the main board through IPOs, compared to nine in 2022.

Besides, rising interest rates in the money market following the Bangladesh Bank's monetary tightening initiatives to combat inflation have also affected the flow of funds into the capital market. The central bank came up with SMART lending rate system in its monetary policy stance from July 2023, which led to a gradual uptick in bank lending and deposit rates. Moreover, increased government borrowing from commercial banks, along with the continuous sale of dollars from the central bank's reserves, have fueled the prevailing liquidity stress in the country's banking sector. However, foreign loan support from the IMF has eased pressure on the country's foreign exchange reserves by the end of the year, providing a cushion to the prevailing adversities on the macroeconomic front. Nevertheless, pre-election economic uncertainties weighed significantly on investor sentiment, prompting a cautious approach towards capital market exposure.

On a positive note, the stock market regulator came up with several developments in the market this year, including the launch of the Alternative Trading Board (ATB) platform and the introduction of primary auction participation in T-Bond for all investors. Moreover, the resolution of issues regarding the exclusion of bonds and fixed-income securities from banks' capital market exposure through the Bank Company Act, 1991 (amended up to date) provided regulatory clarity. Nevertheless, the capital market of Bangladesh navigated through challenging times in 2023, owing to internal constraints and various external factors.



EBL Securities Limited

EBL Securities Limited (EBLSL) is one of the top-tier full-service brokerage houses in Bangladesh and ranks among the top five stockbrokers of the Dhaka Stock Exchange (DSE). EBLSL offers a wide range of services including trade execution in both DSE and CSE, CDBL services, margin loan, foreign trade and panel brokerage services.

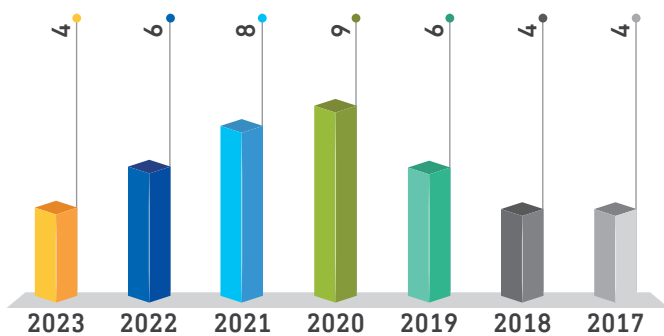
EBLSL also encourages investment based on fundamentals and has an in-house research team that provides equity valuation reports, industry & macroeconomic reviews, daily & weekly market updates, and helps investors in making informed investment decisions.

EBLSL also has research distribution agreements with several leading international research distribution platforms, including Refinitiv, CFA ARX, Research Pool etc. as part of its endeavor to attract foreign clients.

Financial highlights

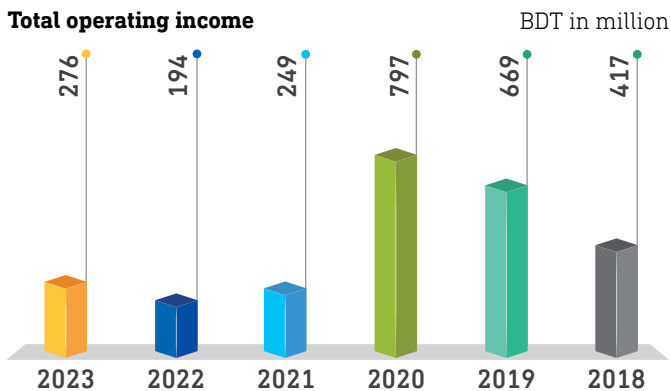
In 2023, EBL Securities Limited (EBLSL) adeptly navigated through the challenges in a subdued market environment, demonstrating resilience by elevating its market share from 6.0% in 2022 to 6.9% in 2023, while its turnover ranking on the Dhaka Stock Exchange (DSE) has also improved to 4th position in 2023, up from 6th in 2022.

EBLSL yearly rank on DSE

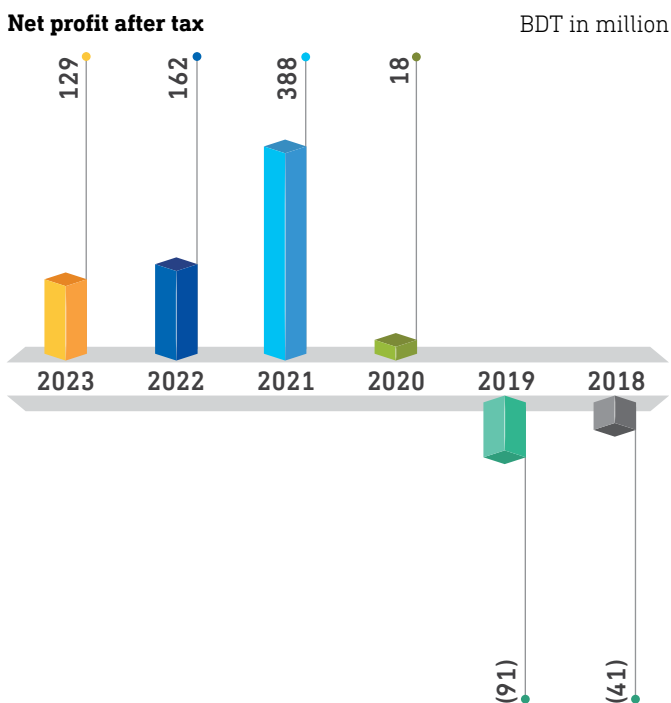


Despite a downbeat vibe and lower turnover in the market, EBSL has been able to maintain a stable financial performance as the company earned total operating income of BDT 417.38 mn and net profit of BDT 129.41 mn during the year. However, the operating profit margin declined to 58.5% in 2023 from 75.9% in 2022 due to reduced commission income and investment income amid overall sluggishness in the market, but the cost-to-income ratio still remained one of the lowest among the top-tier brokerage firms

Total operating income



Net profit after tax



Dividend

The EBSL also disbursed BDT 100.00 mn of dividend (77.3% Payout) during the year, which was one of the highest dividend payouts among the peer companies.

Year	2023	2022	2021	2020	2019
Dividend (BDT mn)	100	150	300	-	-
Payout (%)	77.3%	92.8%	77.2%	N/A	N/A

Awards & achievements

The Company achieved the 1st prize (Best Stock Broker & Stock Dealer in Bangladesh) in the Golden Jubilee of Independence Award 2022 organized by the Bangladesh Securities and Exchange Commission (BSEC) during the year 2023 in recognition of its significant contributions to the development and progress of the country's capital market.

Way forward

- Ensuring effective monitoring of margin loan and proper management of Negative Equity
- Implementing Order Management System (OMS) to ensure better compliance, efficient trade operation and seamless integration of back-office & front-office operations
- Launching EBSL's Mobile Application to offer more web-based services to clients to ensure maximum customer satisfaction
- Investing in human capital development, arranging training programs, and encouraging job rotation within the organization
- Enhancing investment opportunities and broadening the client base by promoting investment in Government Securities (G-Sec) as a secure and profitable investment avenue
- Exploring cross-selling opportunities by co-branding with parent i.e. Eastern Bank PLC. and sister concerns to maximize offline and online customer outreach
- Maximizing synergy for EBL family through exploring mutual business opportunities

Market outlook for 2024

The capital market is poised for a turnaround in 2024, shedding the subdued performance of the preceding years. A potential rebound and investor enthusiasm is on the horizon, driven by several factors: moderate improvement of the macroeconomic scenario going forward, alleviation of investors' concerns regarding domestic political issues; particularly about the 12th National Parliament Election, and the expected reversal of regulatory restrictions set during the challenging periods in the preceding two years.

The Bangladesh Securities and Exchange Commission (BSEC) is likely to contemplate the withdrawal of the floor price mechanism. While this may trigger an initial correction in the market as investors would prefer to liquidate a certain portion of their holdings that were illiquid on the floor for a long period of time, a subsequent recovery is expected, and overall market turnover can be expected to improve owing to heightened investor participation and the injection of fresh funds, along with the unlocked funds becoming available for reinvestment.

Bangladesh Bank has prioritized controlling inflation in its recent monetary policy, accompanied by recent policy rate hikes, as it aims to bring down inflation by mid-2024. However, challenges may arise in achieving this goal due to potential further cuts to energy subsidies and the depreciation of the local currency (BDT). The liquidity concern in the banking sector is expected to be alleviated in 2024 due to rising deposit rates. Exports and remittances are expected to witness an uptrend despite the challenges faced in 2023, while the current account balance can be expected to remain positive in 2024. This will likely foster positive investor sentiment in the coming year.

Additionally, the historically high yield of Government Securities (G-Sec) is likely to attract increased interest from both retail and institutional investors, driving participation in the G-Sec trading platform. DSE-SME is also expected to see increased participation as a number of new companies were enlisted on the platform this year, while some are on their way to getting listed on the SME Board by next year.

Unlike 2023, companies with sound fundamentals from FMCG, Pharmaceuticals & Chemicals, Bank and Insurance are expected to stand out in 2024 and companies from Engineering, Construction and Textiles may report earnings recovery. Companies heavily leveraged and reliant on imported raw materials may encounter challenges sustaining their profitability margins and earnings. While the broad index and average daily turnover may remain relatively stable compared to the previous year, a renewed sense of optimism in the market due to improvements in the macroeconomic environment could lead to an increase in both the core index and market turnover. Investors should keep an eye on the potential sectors and companies with strong fundamentals, as they may offer promising investment opportunities in the coming year.

Credit Rating

The Company has done its credit rating by Emerging Credit Rating Limited and achieved A+ (A Plus) rating in the long term which indicates a strong ability to repay principal and pay interest on timely basis. In short term rated ST-2: The second highest category; indicates a high likelihood that principal and interest will be paid on a timely basis.

Appointment of auditors

As per section 210 of the Companies Act 1994, the Company's statutory Auditors MABS & J Partners will retire at the 27th AGM of the Company. They carried out the audit for the year ended 31.12.2023 and submitted their report in time. They have done their job properly. The Board has also recommended appointing MABS & J Partners as the auditor of the company for the year 2024.

Compliance with Laws and Regulations

The Company maintained the relevant laws and regulations while conducting its business activities. The Company ensures compliance with the provisions of all concerned regulatory authorities.

Acknowledgement

On behalf of the Board of Directors, I extend my sincere gratitude to our clients, business partners, and shareholders for their unwavering support towards EBL Securities Limited. A special note of appreciation goes to the management team and all the employees for their devotion, integrity, hard work and professionalism in meeting the many challenges throughout this difficult year.

Finally, the members of the Board would also like to thank the Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange (DSE) PLC., Chittagong Stock Exchange (CSE) PLC. and Central Depository Bangladesh Limited (CDBL) for their contributions to the growth of the company.

For and on behalf of the Board of Directors,

Chairman

EBL Securities Limited



ম্যাবস এন্ড জে পার্টনার্স
MABS & J Partners
Chartered Accountants

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 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) 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 financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standard Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our ethical responsibilities in accordance with the IESBA code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The financial statements of EBL Securities Limited for the year ended 31 December 2022, were audited by Aziz Halim Khair Choudhury, Chartered Accountants who expressed an unmodified opinion on those financial statements on 14 February 2023.

Responsibilities of management and those charged with governance for the financial statements

Management of EBL Securities Limited is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations and such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, to communicate with them all relationship and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other legal and regulatory requirements

In accordance with the Companies Act 1994 and Securities and Exchange Rules 2020, We also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and
- d) the expenditure was incurred for the purpose of the company's business.

Signed for and on behalf of
MABS & J Partners
Chartered Accountants

Nasir U Ahmed, FCA, FCS, CGMA (AICPA),
ACMA (UK), FCA (England & Wales)
Deputy Managing Partner
ICAB Enrollment No: 0535
DVC: 2402240535AS205447

Dhaka,
24 February 2024

EBL Securities Limited

Statement of Financial Position

as at 31 December 2023

Particulars	Notes	Amount in BDT	
		2023	2022
Assets			
Non-current assets		969,326,986	975,743,667
Property, plant and equipment	4	44,723,321	51,390,914
Deferred tax assets	5	83,886,798	83,635,885
Investment with DSE & CSE	6	840,716,867	840,716,867
Current assets		7,805,152,417	6,611,066,470
Investment in shares	7	2,674,428,030	2,102,010,325
Advance, deposits and prepayments	8	284,942,617	222,906,786
Accounts receivable	9	23,025,088	58,157,591
Loan to clients	10	3,736,378,318	3,823,671,260
Cash and cash equivalents	11	1,086,378,364	404,320,508
Total assets		8,774,479,404	7,586,810,137
Equity and liabilities			
Shareholders' equity		2,446,176,167	2,166,769,633
Share capital	12	1,750,000,000	1,500,000,000
Revaluation reserve for investment with DSE & CSE	13	639,212,367	639,212,367
Capital reserve	14	16,163,400	-
Retained earnings	15	40,800,400	27,557,266
Non-current liabilities			
Lease liability net off current maturity	16	4,259,744	28,117,197
Current liabilities		6,324,043,493	5,391,923,307
Current portion of lease liability	16	16,899,584	-
Accounts payable	17	773,494,206	300,999,001
Short term loan	18	4,316,645,557	3,886,662,623
Liabilities for expenses	19	78,958,663	143,793,784
Other liabilities	20	851,339,889	816,018,674
Provision for tax	21	286,705,594	244,449,225
Total liabilities		6,328,303,237	5,420,040,504
Total equity and liabilities		8,774,479,404	7,586,810,137

The annexed notes from 1 to 31 form an integral part of these financial statements.



Managing Director

Signed in terms of our separate report of even date.

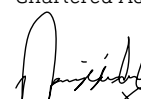


Director



Chairman

Signed for and on behalf of
MABS & J Partners
Chartered Accountants



Nasir U Ahmed, FCA, FCS, CGMA (AICPA),
ACMA (UK), FCA (England & Wales)
Deputy Managing Partner
ICAB Enrollment No: 0535
DVC: 2402240535AS205447

Dhaka,
24 February 2024

EBL Securities Limited

Statement of Profit or Loss and Other Comprehensive Income

for the year ended 31 December 2023

Particulars	Notes	Amount in BDT	
		2023	2022
Operating income			
Brokerage commission income	22	300,347,543	426,554,263
Direct expenses	23	(40,431,176)	(57,553,534)
Net brokerage commission income		259,916,367	369,000,729
Interest income	24	26,113,538	71,354,865
Investment income	25	129,707,312	225,384,568
Other operating income	26	1,645,048	3,016,269
Total operating income		417,382,265	668,756,431
Operating expenses	27	(173,103,763)	(160,850,073)
Net operating profit		244,278,502	507,906,358
Provision for loans and off balance sheet exposures:			
Specific provision (charged) for margin loan		(37,363,784)	-
Provision (charged)/released for diminution in value of quoted securities		2,042,569	(225,526,044)
		(35,321,215)	(225,526,044)
Profit before income tax (A)		208,957,287	282,380,314
Current tax		(79,801,666)	(121,441,263)
Deferred tax (expense)/income		250,913	694,948
Total income tax expense (B)	28	(79,550,753)	(120,746,315)
Net profit/(loss) for the period (C=A-B)		129,406,534	161,633,999
Other comprehensive income		-	-
Total comprehensive income/(loss)		129,406,534	161,633,999
Earnings per share (EPS)	29	0.74	1.08

The annexed notes from 1 to 31 form an integral part of these financial statements.

Managing Director

Signed in terms of our separate report of even date.

Director

Chairman

Signed for and on behalf of

MABS & J Partners

Chartered Accountants

Nasir U Ahmed, FCA, FCS, CGMA (AICPA),

ACMA (UK), FCA (England & Wales)

Deputy Managing Partner

ICAB Enrollment No: 0535

DVC: 2402240535AS205447

Dhaka,

24 February 2024

EBL Securities Limited

Statement of Cash Flows

for the year ended 31 December 2023

Particulars	Notes	Amount in BDT	
		2023	2022
A. Cash flows from operating activities:			
Profit after tax		129,406,534	161,633,999
Net gain on sale of fixed assets		(42,600)	-
Depreciation & amortization		23,081,511	22,397,339
(Increase) in advance, deposits and prepayments		(62,035,830)	37,699,102
Provision for interim dividend		(100,000,000)	(150,000,000)
Deferred tax		(250,913)	(694,948)
(Increase)/Decrease in accounts receivable		35,132,503	143,641,101
Increase/(Decrease) in accounts payable		472,495,205	(265,099,580)
(Decrease) in liabilities for expenses		(64,835,121)	(198,680,341)
Increase in other liabilities		28,363,346	230,376,108
Increase in provision for tax		42,256,369	5,494,502
Net cash flow from/(used in) operating activities		503,571,003	(13,232,718)
B. Cash flows from investing activities:			
Decrease/(Increase) in investment in securities		(572,417,705)	(133,667,458)
Decrease in loans to customer		87,292,941	20,301,492
Proceed from sale of assets		751,905	-
Acquisition of fixed assets		(17,123,223)	(47,137,065)
Net cash used in investing activities		(501,496,082)	(160,503,032)
C. Cash flows from financing activities:			
Increase in capital		250,000,000	-
Receipt of short term loan		429,982,934	89,151,938
Net cash (used in)/flow from financing activities		679,982,934	89,151,938
D. Net surplus/(deficit) in cash and cash equivalents (A+B+C)		682,057,856	(84,583,812)
E. Cash and cash equivalents at the beginning of the year		404,320,508	488,904,320
F. Cash and cash equivalents at the end of the period (D+E)		1,086,378,364	404,320,508

The annexed notes from 1 to 31 form an integral part of these financial statements.



Managing Director
Dhaka,
24 February 2024



Director



Chairman

Statement of Changes in Equity

for the year ended 31 December 2023

Particulars	Amount in BDT				
	Share capital	Revaluation reserve for investment with DSE & CSE	Retained earnings	Capital reserve	Total equity
Balance as at 01 January 2023	1,500,000,000	639,212,367	27,557,266	-	2,166,769,633
Net profit for the year	-	-	129,406,534	-	129,406,534
Paid-up capital	250,000,000	-	-	-	250,000,000
Capital reserve	-	-	(16,163,400)	16,163,400	-
Interim dividend	-	-	(100,000,000)	-	(100,000,000)
Balance as at 31 December 2023	1,750,000,000	639,212,367	40,800,400	16,163,400	2,446,176,167
Balance as at 01 January 2022	1,500,000,000	639,212,367	15,923,267	-	2,155,135,634
Net profit for the year	-	-	161,633,999	-	161,633,999
Interim dividend	-	-	(150,000,000)	-	(150,000,000)
Balance as at 31 December 2022	1,500,000,000	639,212,367	27,557,266	-	2,166,769,633

The annexed notes from 1 to 31 form an integral part of these financial statements.



Managing Director
Dhaka,
24 February 2024



Director



Chairman



EBL Securities Limited

Notes to the Financial Statements

as at and for the year ended 31 December 2023

1. Company and its activities

1.1 Legal status and nature of the company

EBL Securities Limited is one of the leading brokerage houses domiciled in Bangladesh which has been constituted by taking over LRK Securities Ltd., incorporated under the Companies Act 1994 vide incorporation no. C-32161 (1282)/97. EBL Securities Limited is the TREC holder (Trading Right Entitlement Certificate) of both Dhaka Stock Exchange (DSE) PLC. and Chittagong Stock Exchange (CSE) PLC. bearing certificate no. 026 and 021 dated 03 November 2013 and 28 October 2013 respectively. EBL Securities Limited is a subsidiary of Eastern Bank PLC and its registered office is located at Jiban Bima Corporation, 10 Dilkusha C/A, Dhaka-1000.

1.2 Principal activities and nature of operation

The principal activities of the company are to buy, sell, deal and invest in shares, stocks, debentures and other securities, to become TREC holder of stock exchange in Bangladesh and/or elsewhere and undertake all the functions of a Stock Exchange TREC holder.

2. Basis of preparation and significant accounting policies

2.1 Statement of compliance

The financial statements are prepared on the historical cost basis except measuring fair value of DSE & CSE TREC and shares and therefore, did not take into consideration the effect of inflation. The financial statements have been prepared and the disclosures of information have been made in accordance with the Companies Act, 1994, the Securities and Exchange Rules, 2020, the Listing Rules of Dhaka Stock Exchange, Guidelines from Bangladesh Securities & Exchange Commission (BSEC), International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) and other applicable laws and regulations.

2.2 Other regulatory compliances

As required, EBL Securities Limited also complies with the applicable provisions of the following major laws/ statutes:

- Securities and Exchange Rules, 2020;
- Securities and Exchange Commission Act, 1993;
- Securities and Exchange Commission (Stock-Dealer, Stock-Broker and Authorized Representatives) Rules, 2000;
- Exchanges Demutualization Act, 2013;
- Income Tax Act, 2023;
- Value Added Tax and Supplementary Duty Act, 2012;
- Value Added Tax and Supplementary Duty Rules, 2016;
- Negotiable Instruments Act, 1881; and
- Other applicable laws and regulations.

2.3 Basis of measurement

The financial statements, except statement of cash flows, have been prepared on the accrual basis of accounting.

2.4 Components of financial statements

- Statement of financial position
- Statement of profit or loss and other comprehensive income
- Statement of changes in equity
- Statement of cash flows
- Notes to the financial statements

2.5 Functional and presentational currency

These financial statements are presented in Bangladeshi Taka (BDT) which is the functional currency of the company. The amounts in these financial statements have been rounded off to the nearest integer.

2.6 Use of estimates and judgments

Preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities, income and expenses. These financial statements contained information about the assumptions it made about the future and other major sources of estimation uncertainty at the end of the reporting year that have a significant risk of resulting in a material adjustment to the carrying amount of assets, liabilities, income and expenses within the next financial year.

In accordance with the guidelines as prescribed by IAS 37: *Provisions, Contingent Liabilities and Contingent Assets*, provisions are recognized in the following situation:

- When the company has an obligation as a result of past events;
- When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- Reliable estimates can be made of the amount of the obligation.

2.7 Consistency

In accordance with the IFRS framework for the presentation of financial statements together with IAS 1 and IAS 8, EBL Securities Limited applies the accounting disclosure principles consistently from one period to the next. Where "New Accounting Policy" or "Changes in Accounting Policy" is applied or corrections of errors are accounted for, the requirement of IAS 8 is followed. However, we have applied the same accounting principles in 2023 as was for in 2022.

2.8 Going concern

The company has neither any intention nor legal or regulatory compulsion to liquidate or curtail materially the scale of any of its operations in foreseeable future as such the management has adopted the basis of 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.

2.9 Reporting period

The financial statements of the company cover 12 (Twelve) months from 01 January 2023 to 31 December 2023 and is followed consistently.

2.10 Investment in stock exchanges for membership

In accordance with section 8 of the Exchanges Demutualization Act, 2013, both stock exchange membership has been converted into shares through the issuance of two completely de-linked assets to the former members in the Exchange, namely (a) fully paid-up shares and (b) trading right. Exchanges shall have the authority to issue Trading Right Entitlement Certificate (TREC), as per the Exchanges Demutualization Act, 2013 and as outlined in the scheme, to provide the right to trade any securities enlisted in Dhaka Stock Exchange (DSE) 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 depreciation. Cost includes expenditures that are directly attributable to the acquisition of the property, plant and equipment. Depreciation has been charged on additions when the assets are put into use on the basis of straight-line method in accordance with IAS-16: *Property, Plant and Equipment*.

3.1.2 Subsequent costs

The cost of replacing part of an item of property, plant and equipment is 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 is ready to use. Depreciation & amortization rates are as follows:

Nature of Assets	Rate of Depreciation
Furniture & fixture	10%
Television & multimedia	20%
Computer & accessories	33.33%
Generator	20%
Office equipment	20%
Office decoration	10%
Vehicle	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 Cash and cash equivalents

Cash and cash equivalents includes cash in hand and cash at bank which are held and available for use by the company without any restriction. There is insignificant risk of change in the value of the above items.

3.4 Accounts receivable

Accounts 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.

3.5 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 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.

3.6 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.

3.7 Recognition and measurement of financial assets

In accordance with International Financial Reporting Standard (IFRS) 9, financial assets are 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.

3.8 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 Act, 2023. The income tax rate is 27.50% for a private limited company or non-listed company in Bangladesh.

3.9 Revenue recognition

Revenue is recognized only when the performance obligation is satisfied in accordance with the International Financial Reporting Standard (IFRS)-15: *Revenue from Contracts with Customers*.

3.9.1 Brokerage commission

Brokerage income is recognised when buy/sell order executed and the net commission income received from the customers is reflected accordingly in the financial statements.

3.9.2 Interest income from margin loan

Income from margin loan is recognized on accrual basis . Such income is calculated considering daily margin loan balance of the respective customers. Income is recognized on quarterly rest.

3.9.3 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 Suspense interest account

Suspense interest account is created against interest income from negative equity customers and vulnerable margin account.

3.11 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.

3.12 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 includes fixed and variable lease payment (less any adjustment for initial payment), and amount is expected to be paid under residual value of guarantees. In 2023, the company reassessed all lease payment of existing contracts. The lease liabilities are presented in the note 16 of these financial statements.

3.13 Provision for diminution in value of investments

Investment in quoted shares and un-quoted shares are revalued at the period end at cost price. Provision should be made for any loss arising from diminution in value of investment in light with BSEC ref # BSEC/SMMID/NE/2023/840, dated 22 October, 2023. However, full provisions have been made for any loss arising from diminution in value of investment.

3.14 Earnings per share (EPS)

This has been calculated by dividing the profit after tax (PAT) by the weighted average number of ordinary shares outstanding as on 31 December 2023 as per IAS-33: *Earnings per share*. Diluted EPS has been calculated based on the number of new common shares.

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 event are 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 rearranged wherever considered necessary to conform to the current year's presentation.

		Amount in BDT	
		2023	2022
4.	Property, plant and equipment		
	A. Cost		
	i) Freehold assets		
	Opening balance	80,233,394	71,306,086
	Add: Addition during the year	4,796,111	8,927,308
		85,029,505	80,233,394
	Less: Disposal during the year	1,049,267	-
		83,980,238	80,233,394
	ii) Right of used assets (RoU assets)		
	Opening balance	45,640,319	7,430,562
	Add: Addition during the year	12,327,112	38,209,757
		57,967,431	45,640,319
	Less: Adjustment of lease	6,862,628	-
		51,104,803	45,640,319
	Total cost (A)	135,085,041	125,873,713
	B. Accumulated depreciation		
	i) Freehold assets		
	Opening balance	56,142,367	50,059,150
	Add: Charged during the year	6,607,611	6,083,217
		62,749,978	56,142,367
	Less: Adjustment for disposal	1,049,267	-
		61,700,711	56,142,367
	ii) Right of use assets (RoU assets)		
	Opening balance	18,340,432	2,026,310
	Add: Charged during the year	16,473,900	16,314,122
		34,814,332	18,340,432
	Less: Adjustment of lease	6,153,323	-
		28,661,009	18,340,432
	Total accumulated depreciation (B)	90,361,720	74,482,799
	Written down value (A-B)	44,723,321	51,390,914
	The schedule of property, plant and equipment is given in Annexure-A.		
5.	Deferred tax assets		
	Opening Balance	83,635,885	82,940,937
	Add: Deferred tax assets during the year	250,913	694,948
		83,886,798	83,635,885
6.	Investments with DSE & CSE		
	Value of investment with DSE	6.1	595,337,112
	Value of investment with CSE	6.2	245,379,755
		840,716,867	840,716,867

	Notes	Amount in BDT	
		2023	2022
6.1 Value of investment with DSE			
DSE TREC value		481,427,540	481,427,540
DSE shares (5,411,329 shares par value of Tk. 10.00 each)		113,909,572	113,909,572
		595,337,112	595,337,112
6.2 Value of investment with CSE			
CSE TREC value		201,500,000	201,500,000
CSE shares (4,287,330 shares par value of Tk. 10.00 each)		43,879,755	43,879,755
		245,379,755	245,379,755
7. Investment in shares			
Cost price of dealer account			
Quoted shares (sector-wise)			
Fuel & Power		118,209,361	118,209,361
Textile		-	70,638,434
Bank		239,570,100	228,525,910
NBFIs		576,797,860	434,295,458
Engineering		68,893,278	8,423,150
Pharmaceuticals & Chemicals		289,457,961	316,369,968
Insurance		589,248,617	236,966,500
Others		424,097,746	282,853,436
		2,306,274,923	1,696,282,219
Strategic investment account			
Insurance		3,172,606	3,172,606
		3,172,606	3,172,606
Special purpose fund			
Bank		187,223,410	187,223,410
Pharmaceuticals & Chemicals		37,054,264	37,054,264
Fuel & Power		4,381,068	4,381,068
Insurance		-	37,575,000
Others		86,321,759	86,321,759
		314,980,501	352,555,501
Total quoted shares		2,624,428,030	2,052,010,325
Unquoted shares			
Investment in BD Venture Capital Ltd. (23,10,000 nos. of shares)		20,000,000	20,000,000
Investment in Xpert Fintech Ltd. (3,00,000 nos. of shares)		30,000,000	30,000,000
		50,000,000	50,000,000
Total cost price of shares		2,674,428,030	2,102,010,325

Amount in BDT

	Notes	2023	2022
Market value of dealer account			
Quoted shares (sector-wise)			
Fuel & Power		91,555,380	91,435,380
Textile		-	60,442,983
Bank		193,323,016	180,336,850
NBFIs		521,231,432	373,352,671
Engineering		63,581,403	13,561,272
Pharmaceuticals & Chemicals		243,011,188	253,187,699
Insurance		511,388,881	193,070,248
Others		368,959,372	284,493,840
		1,993,050,672	1,449,880,943
Strategic investment			
Insurance		1,965,390	1,914,811
		1,965,390	1,914,811
Special purpose fund			
Bank		147,185,210	146,959,124
Pharmaceuticals & Chemicals		35,385,919	35,301,787
Fuel & Power		4,090,000	4,090,000
Insurance		-	17,370,000
Others		85,167,077	85,167,077
		271,828,206	288,887,988
		2,266,844,268	1,740,683,742
8. Advance, deposits and prepayments			
Advance against income tax	8.1	268,440,361	205,698,051
Advance against office rent		-	419,700
Advance against security deposit		240,000	249,000
Security deposit against head office		6,104,448	6,104,448
Security deposit against branch & extension office		4,633,622	4,769,747
Advance against expenses		654,938	804,611
Prepaid insurance premium against motor vehicle		119,247	111,229
Advance against purchase of shares (Dealer BO A/C)	8.2	4,750,000	4,750,000
		284,942,617	222,906,786
8.1 Advance against income tax			
Opening balance		205,698,051	207,331,674
Add: Addition during the year	8.1.1	62,742,310	83,895,965
		268,440,361	291,227,639
Less: Adjustment during the year	8.1.2	-	85,529,588
		268,440,361	205,698,051
8.1.1 Advance income tax during the year			
Under Section 53BBB		51,891,879	74,044,367
AIT on bank interest & others		10,850,432	9,851,598
		62,742,310	83,895,965

	Notes	Amount in BDT	
		2023	2022
8.1.2 Adjustment during the year			
Under section 53BBB		-	68,237,280
AIT on bank interest & others		-	17,292,308
		-	85,529,588
8.2 Advance against purchase of shares (Dealer BO A/C)			
Asiatic Laboratories Ltd		4,750,000	4,750,000
		-	-
		4,750,000	4,750,000
9. Accounts receivable			
Receivable from DSE (Broker)		1,120,369	49,602,294
Receivable from CSE (Broker)		567,379	5,961,905
Dividend receivable		21,232,075	2,547,753
Receivable from clients (Fees & charges)		105,265	45,639
		23,025,088	58,157,591
10. Loan to clients		3,736,378,318	3,823,671,260
11. Cash & cash equivalents			
Cash in hand		97,407	57,282
Cash at bank	11.1	1,086,280,957	404,263,226
		1,086,378,364	404,320,508

11.1 Cash at Bank

Name of the Bank	Account Type	Account Number	Nature of Accounts	Amount	Amount
Al-Arafah Islami Bank Ltd.	SND	0021220003053	CCA	227,453,510	89,965,544
	Current	0021020023058	Dealer A/C	289,784,213	27,835,436
	SND	0021220004539	IPO A/C	15,920	16,201
Eastern Bank PLC.	SND	1011220125506	Expenditure A/C	7,142,034	5,387,975
		1021360217189	SND	289	214
	Current	1011070603665	CCA	556,503,199	272,726,402
	SND	1011030526178	Strategic Investment	1,622,298	1,517,943
1011030544180		-	58,011	4,546,378	
Midland Bank Ltd.	SND	002-1090000053	-	200	1,350
Prime Bank PLC.	Current	2118111026824	-	46,725	115
Social Islami Bank Ltd.	Current	0181330012584	-	438,721	1,292,601
Shimanto Bank Ltd.	Current	1001241000329	-	67,685	68,375
Trust Bank Ltd.	Current	00220210021344	-	87,699	93,839
Citizens Bank PLC.	Current	1001111000333	-	68,412	-
Mutual Trust Bank Ltd.	Current	1301000101135	-	14,882	-
Standard Chartered Bank	Current	01-1307867-01	CCA	2,977,162	810,852
				1,086,280,957	404,263,226

	Notes	Amount in BDT			
		2023	2022		
12. Share capital					
Authorized capital					
200,000,000 ordinary shares of Tk. 10 each		2,000,000,000	2,000,000,000		
		2,000,000,000	2,000,000,000		
Issued, subscribed and paid-up capital					
175,000,000 ordinary shares of Tk. 10.00 each fully paid in cash		1,750,000,000	-		
150,000,000 ordinary shares of Tk. 10.00 each fully paid in cash		-	1,500,000,000		
		1,750,000,000	1,500,000,000		
12.1 Distribution schedule of the above shares is given below:					
Name of Shareholders	% of Holdings	No. of Shares		Amount in BDT	
		2023	2022	2023	2022
Eastern Bank PLC.	99.999657%	174,999,400	149,999,400	1,749,994,000	1,499,994,000
Ali Reza Iftekhar	0.000057%	100	100	1,000	1,000
Masudul Hoque Sardar	0.000057%	100	100	1,000	1,000
M. Khorshed Anowar	0.000057%	100	100	1,000	1,000
M Khurshed Alam	0.000057%	100	100	1,000	1,000
Mahmoodun Nabi Chowdhury	0.000057%	100	100	1,000	1,000
Md. Abdullah Al Mamun	0.000057%	100	100	1,000	1,000
	100.00%	175,000,000	150,000,000	1,750,000,000	1,500,000,000
Paid up capital:					
Denomination of shares of EBL Securities Limited has been changed from BDT 1,000.00 to BDT 10.00 per share in its EGM held on 9th November, 2023.					
The Board of EBL Securities Limited (EBLSL) approved increasing paid-up capital in its 155th Board Meeting held on 27th December, 2023 from BDT 150.00 crore to BDT 175.00 crore through issuance of 2,50,00,000 ordinary shares of BDT 10.00 each totalling BDT 25.00 crore in favour of existing shareholder Eastern Bank PLC.					
Eastern Bank Plc. deposited BDT 25.00 crore in the bank account of EBL Securities Limited on 31st August, 2023 as share money deposit. In this regard, EBL Securities Limited allotted 2,50,00,000 shares @ BDT 10.00 each in favour of Eastern Bank PLC.					
The return of allotment in form XV is being duly filed with the registrar of Joint Stock Companies and Firms, Dhaka, Bangladesh.					
13. Revaluation reserve for investment with DSE & CSE					
Revaluation Reserve on DSE Investment				595,332,612	595,332,612
Revaluation Reserve on CSE Investment				43,879,755	43,879,755
				639,212,367	639,212,367
14. Capital reserve					
Capital Reserve during the year				16,163,400	-
				16,163,400	-
A mandatory provision has been made for 10% of last year profit after tax as capital reserve in accordance with Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy) Rules, 2019 # Part B[rule(1)(b); rule 5(2)]					
15. Retained earnings					
Opening balance				27,557,266	15,923,267
Add: Net profit during the year				129,406,534	161,633,999
				156,963,800	177,557,266
Less: Capital reserve				16,163,400	-
Less: Interim dividend during the year				100,000,000	150,000,000
				40,800,400	27,557,266

Amount in BDT

	Notes	2023	2022
The company has declared interim cash dividend amounting to Taka 10.00 crore in two different phases for the year ended December, 2023. Both the declaration was approved in 152nd & 155th Board Meeting held on 26th June & 27th December respectively during the year 2023.			
16. Lease liability			
Opening balance		28,117,197	5,470,134
Add: Addition during the year		9,510,862	38,209,757
		37,628,059	43,679,891
Less: Adjustment during the year		16,468,731	15,562,694
		21,159,328	28,117,197
Less: Current portion of lease liability		16,899,584	-
Non current portion of lease liability		4,259,744	28,117,197
17. Accounts payable			
Payable to DSE		53,180,266	156,794
Payable to DSE (Dealer)		174,863,757	-
Payable to clients against IPO proceeds (Shikder Insurance Ltd.)		8,080,000	-
Payable to clients & exchanges (CCA Interest)	17.1	21,080,992	23,870,249
Payable to clients	17.2	516,289,191	275,797,545
Interest payable against short term loan/overdraft	17.3	-	1,174,413
		773,494,206	300,999,001
17.1 Payable to clients & exchanges (CCA Interest)			
Payable to eligible Clients		7,378,632	19,119,645
Payable to exchange(s)		13,702,360	4,750,604
		21,080,992	23,870,249
17.2 Payable to clients			
Eastern Bank PLC.		839,199	-
EBL Asset Management Ltd.	17.2.1	2,317,811	2,318,049
EBL Investments Ltd.	17.2.2	2,337,570	1,865,047
Payable to clients		509,579,175	270,490,893
Payable to clients (closed BO accounts)		1,215,435	1,123,556
		516,289,191	275,797,545
17.2.1 Payable to EBL Asset Management Ltd.			
Payable against BO A/C		1,000	1,238
Payable against security deposit		2,316,811	2,316,811
		2,317,811	2,318,049
17.2.2 Payable to EBL Investments Ltd.			
Payable against BO A/C		20,759	285,403
Payable against security deposit		2,316,811	1,579,644
		2,337,570	1,865,047
17.3 Interest payable against short term loan/overdraft			
Payable to SIBL		-	1,174,413
		-	1,174,413

		Amount in BDT	
	Notes	2023	2022
18.	Short term Loan		
	Eastern Bank PLC.	374,444,537	1,285,591,512
	Trust Bank Ltd.	519,067,965	978,814,328
	Community Bank Bangladesh PLC.	202,735,866	230,764,775
	Midland Bank Ltd.	191,353,851	197,728,674
	Shimanto Bank Ltd.	315,542,574	447,738,120
	Social Islami Bank Ltd.	-	49,975,000
	Citizens Bank PLC.	106,526,900	-
	Mutual Trust Bank Ltd.	857,258,755	-
	Prime Bank PLC.	1,749,715,109	696,050,214
		4,316,645,557	3,886,662,623
19.	Liabilities for expenses		
	Audit fees	263,188	240,188
	Payable to Mubasher Financial Services BSC	73,500	73,500
	Dividend payable	50,000,000	110,000,000
	CDBL charges	744,685	601,826
	Outstanding liabilities	27,877,290	32,878,270
		78,958,663	143,793,784
20.	Other liabilities		
	Provision for diminution in value of investments	357,583,762	359,626,330
	Provision for loss on margin loan	297,579,525	297,579,525
	Specific Provision for margin financing	37,363,783	-
	Suspense interest accounts	158,812,818	158,812,818
		851,339,889	816,018,674
20.1	Provision for diminution in value of investments		
	Opening balance	359,626,331	134,100,286
	(Addition)/Release during the year	2,042,569	(225,526,044)
		357,583,762	359,626,330
20.2	Provision for loss on margin loan		
	Opening balance	297,579,525	297,579,525
	Addition/Release during the year	-	-
		297,579,525	297,579,525
20.3	Specific provision for margin financing		
	Specific provision for margin financing	37,363,783	-
		37,363,783	-
	Provision is made in accordance with all outstanding margin exposures (Note 10.00 : Loan to clients) @ 1% on the basis of Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy) Rules, 2019 Part B [rule (1)(b); rule 5(2)].		
20.4	Suspense interest accounts		
	Opening balance	158,812,818	176,609,817
	Less: Adjustment during the year	-	17,796,999
		158,812,818	158,812,818
21.	Provision for tax		
	Opening balance	244,449,225	238,954,723
	Add: Provision made during the year	79,801,667	121,441,263
		324,250,892	360,395,986
	Less: Adjustment during the year	37,545,298	115,946,761
		286,705,594	244,449,225

	Notes	Amount in BDT	
		2023	2022
21.1 Provision made during the year			
Under section 53BBB		51,891,879	74,044,366
Provision for tax on other operating income		27,909,788	47,396,897
		79,801,667	121,441,263
21.2 Adjustment/paid during the year			
Under section 53BBB		-	68,237,280
AIT on bank interest & others		37,545,298	47,709,480
		37,545,298	115,946,761
22. Brokerage commission income			
Brokerage commission (DSE)		275,889,512	393,224,123
Brokerage commission (CSE)		10,496,568	12,748,422
Brokerage commission (Dealer)		6,298,418	7,470,383
Settlement commission		7,663,045	13,111,334
		300,347,543	426,554,263
23. Direct expenses			
Howla charge		3,500	26,000
Laga charge		24,117,563	34,843,832
CDBL charge		16,310,112	22,683,702
		40,431,176	57,553,534
24. Interest income			
Bank interest		539,291	547,934
Interest income on margin loan		365,194,878	343,549,302
		365,734,169	344,097,236
Less: Interest expense on short term loan		339,620,631	272,742,371
		26,113,538	71,354,865
25. Investment income			
Dividend income from investment		63,409,049	44,063,773
Dividend income from DSE		5,411,329	-
Dividend income from CSE		4,287,330	-
Capital gain/(loss) on investment		56,599,604	181,320,796
		129,707,312	225,384,568
26. Other operating income			
Income from IPO application		9,370	39,430
BO opening fees		180,000	186,000
BO closing fees		142,745	176,843
BO annual fees		811,600	1,018,800
Income from other source		137,000	843,726
Gain on sale of fixed assets		42,600	-
Income from PF against forfeiture A/C		321,733	751,470
		1,645,048	3,016,269

Amount in BDT

	Notes	2023	2022
27. Operating expenses			
Salary & allowances	27.1	114,112,203	105,637,574
Rent , utilities, insurance, taxes etc	27.2	8,987,305	8,360,477
Legal & professional fees	27.3	928,728	292,814
Directors' fees & expenses	27.4	258,500	242,000
Stationery, printing, advertisement, business promotion etc.	27.5	4,777,302	3,899,745
Repairs, maintenance & depreciation	27.6	27,333,372	26,546,554
Other operating expenses	27.7	16,706,353	15,870,909
		173,103,763	160,850,073
27.1 Salary & allowances			
Basic salary		50,240,572	46,491,354
Other salary & allowances		37,097,762	33,549,544
Festival bonus		8,384,700	14,869,700
Performance bonus		10,000,000	7,000,000
Contribution to provident fund		8,389,168	3,726,976
		114,112,203	105,637,574
27.2 Rent, utilities, insurance, taxes etc.			
VAT on office rent		2,685,945	2,658,271
Utility bill		5,918,806	5,306,187
Insurance premium		382,554	396,020
		8,987,305	8,360,477
27.3 Legal & Professional fees			
Legal & professional expenses		928,728	292,814
		928,728	292,814
27.4 Directors' fees & expenses			
Directors' fees & expenses		258,500	242,000
		258,500	242,000
27.5 Stationery, printing, advertisement, business promotion etc			
Stationery		1,076,863	1,070,990
Business promotion		3,007,916	2,011,878
International market development fees		-	779,027
Advertisement		692,523	37,850
		4,777,302	3,899,745
27.6 Repairs, maintenance & depreciation			
Depreciation & amortization		6,607,610	6,083,217
Depreciation on right of use assets (RoU asset)		16,473,900	16,314,122
		23,081,510	22,397,339
Repair & maintenance		609,484	224,881
Computer accessories		183,490	932,858
Office maintenance		1,505,539	1,621,563
Software maintenance & development fee		1,167,111	431,427
Car maintenance		786,238	938,486
		4,251,863	4,149,215
		27,333,372	26,546,554

Amount in BDT

	Notes	Amount in BDT	
		2023	2022
27.7 Other operating expenses			
Training, seminar & meeting		53,546	1,112,066
Postage, courier & documentation charge		75,842	54,397
DSE & SEC subscription & others		579,861	474,032
CSE Subscription & others		4,567	4,527
Registration & renewal		182,234	612,144
Connectivity rent		1,826,736	1,929,775
Interest expense on lease liability		1,437,482	2,159,062
Entertainment		2,214,627	2,056,770
Newspapers & magazine		4,112	2,040
Audit fees		218,500	195,500
Travelling & conveyance		2,146,652	304,006
Security charge		638,000	594,000
Medical expense		1,976,935	1,135,648
Bid registration charge		8,000	19,000
Guarantee premium		4,644,025	4,658,100
Bank charges		695,234	559,842
		16,706,353	15,870,909
28. Income tax expenses			
Current year		79,801,666	121,441,263
Deferred Tax expense/ (income)		(250,913)	(694,948)
		79,550,753	120,746,315
29. Earnings per Share (EPS)			
Net profit attributable to shareholders		129,406,534	161,633,999
Number of ordinary shares		175,000,000	150,000,000
Earnings per Share (EPS)		0.74	1.08

Earning per shares (EPS) has been computed by dividing the Profit After Tax (PAT) by the weighted average number of ordinary shares outstanding on 31 December, 2023 as per IAS-33 (EPS). Denomination of shares of EBL Securities Limited has been changed from BDT 1,000.00 to BDT 10.00 per share in its EGM held on 9th November, 2023. Therefore, diluted EPS has been calculated based on the number of new common shares. Previous year's EPS has also been restated based on the existing number of shares.

30. Related party disclosure:

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 company in normal course of business had transactions with other entities that fall within the definition of "Related Party" as contained in International Accounting Standard (IAS)-24 *Related party disclosure*.

The significant related party transactions during the year were as follows:

Amount in BDT

Name of related parties	Nature of relationship	Nature of transaction	As on 31.12.23	As on 31.12.22
Eastern Bank PLC.	Parent company	Banking transaction	374,444,537	1,285,591,511
		Stock buy/sell	839,199	-
EBL Asset Management Ltd.	Sister concern	Security deposit for rent	2,316,811	2,316,811
		Stock buy/sell	1,000	1,238
EBL Investment Ltd.	Sister concern	Security deposit for rent	2,316,811	1,579,644
		Stock buy/sell	20,759	285,403

31. Contingent Liabilities:

There is no such contingent liabilities as on 31 December, 2023 to be reported.

EBL Securities Limited

Schedule of Property, Plant and Equipment

as at 31 December 2023

Annexure - A

Amount in BDT

Particulars	Cost				Rate (%)	Accumulated Depreciation & Amortization				Written Down Value as at 31 December 2023
	Balance as at 01 January 2023	Addition during the year	Disposed/ Adjusted during the year	Balance as at 31 December 2023		Balance as at 01 Jan 2023	Charged during the year	Disposed/ Adjusted during the year	Balance as at 31 December 2023	
Freehold assets:										
Furniture & fixture	2,839,511	-	-	2,839,511	10%	1,548,710	237,229	-	1,785,939	1,053,572
Television & multimedia	949,420	-	-	949,420	20%	811,657	88,794	-	900,451	48,969
Office equipment	5,388,236	327,650	-	5,715,886	20%	5,133,238	227,185	-	5,360,423	355,463
Generator	727,500	-	-	727,500	20%	727,498	-	-	727,498	2
Computer & accessories	18,701,686	3,275,460	1,049,267	20,927,879	33.33%	13,978,609	2,315,684	1,049,267	15,245,026	5,682,853
Office decoration	26,787,262	-	-	26,787,262	10%	11,662,304	2,553,618	-	14,215,921	12,571,341
Vehicles	21,917,076	-	-	21,917,076	20%	19,729,572	525,000	-	20,254,572	1,662,505
Intangible asset (software)	2,922,703	1,193,001	-	4,115,704	33.33%	2,550,780	660,101	-	3,210,881	904,823
Leasehold assets:										
Right of use assets (RoU)	45,640,319	12,327,112	6,862,628	51,104,803		18,340,432	16,473,900	6,153,323	28,661,009	22,443,794
Total as at 31 December 2023	125,873,713	17,123,223	7,911,895	135,085,041.0		74,482,800	23,081,511	7,202,590	90,361,720	44,723,321
Total as at 31 December 2022	78,736,648	47,137,065	-	125,873,713		52,085,461	22,397,339	-	74,482,800	51,390,914

Directors' Report of EBL Investments Limited (EBLIL)

The Board of Directors of EBL Investments Limited (EBLIL) is pleased to present the Directors Report on the operational and financial activities of EBLIL together with the audited financial statements for the year ended 31 December 2023 for your valued consideration, approval and adoption which has been prepared in compliance with section 184 of the Companies Act, 1994 and the requirements mandated by the regulatory bodies.

EBL Investments Limited

EBL Investments Limited (EBLIL) is a fully owned subsidiary of Eastern Bank PLC. (EBL). It has obtained license from Bangladesh Securities & Exchange Commission (BSEC) as full-fledged Merchant Bank in 2013. Paid up Capital of EBLIL is BDT 68 Crore. EBLIL provides a full range of investment banking facilities including conventional merchant banking activities. EBLIL also focuses on originating, structuring, underwriting and executing debt financing including syndications, corporate bonds, and other debt linked products.

Capital market Outlook

During 2023, the Capital Market of Bangladesh faced a challenging environment marked by both internal and external factors. The year turned shaky for the market. Capital Market experienced notable fluctuations mainly due to bleak macroeconomic environment such as high inflation, exchange rate pressures, and economic uncertainties at home and abroad. Moreover, though the floor price policy was imposed to stabilize the market, it limited the flexibility and discouraged many investors. Furthermore, stagnant trading activities have also impeded the listing of new securities in the market. But in 2023 the stock market regulator came up with several developments in the market including the launch of the Alternative Trading Board (ATB) platform and the introduction of primary auction participation in T-Bond for BO accountholders.

The capital market is expected for an improvement in 2024 driven by several factors such as stability in key macroeconomic indicators, withdrawal of the floor price, and the injection of fresh funds.

Financial highlights of EBLIL

Amount in BDT

Financial position	2023	2022
Total assets	850,500,268	513,544,388
Total liabilities	125,915,336	79,890,887
Operating revenue	43,229,952	45,205,317
Operating expense	27,187,934	26,682,908
Net profit before tax	16,042,018	8,522,409
Net profit after tax	10,931,431	6,747,337
Paid-up capital	680,000,000	400,000,000
Shareholders' equity	724,584,932	433,653,501
Return on assets	1.29%	1.31%
Return on equity	1.51%	1.56%

Board of Directors of EBLIL

Board of Directors	Status in Board
Mufakkharul Islam Khasru	Chairman
K.J.S. Banu	Director
Ruslan Nasir	Director
Ali Reza Iftekhar	Director
Ahmed Arefin FCA	Managing Director

Shareholding position

Name of shareholders	% of holding	No. of shares
Eastern Bank PLC.	99.99999%	6,799,999
Ali Reza Iftekhar	0.000015%	1
	100%	6,800,000

Acknowledgement

I, on behalf of the Board of Directors, would like to express heartiest thanks and gratitude to our business partners and shareholders for their continuous support and confidence in EBL Investments Limited (EBLIL). A special note of appreciation goes to our management team and all the employees for their devotion, integrity, hard work, and professionalism. My sincere gratitude also goes to Bangladesh Securities and Exchange Commission (BSEC), Stock Exchange(s), and all other regulatory bodies in Bangladesh for their invaluable

assistance, support, guidance and counsel towards the growth of this company.

For and on behalf of the board of directors



Chairman

EBL Investments Limited



Independent auditor's report to the Shareholders of EBL Investments Limited

Report on the audit of the Financial Statements

Opinion

We have audited the financial statements of EBL Investments Limited, which comprise the statement of financial position as at 31 December 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) 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 Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standard Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our ethical responsibilities in accordance with the IESBA code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements of EBL Investment Limited for the year ended 31 December 2022, were audited by Aziz Halim Khair Choudhury, Chartered Accountants who expressed an unmodified opinion on those financial statements on 14 February 2023.

Responsibilities of management and those charged with governance for the financial statements

Management of EBL Investments Limited is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 2020 and other application laws and regulations and 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.



ম্যাবস এন্ড জে পার্টনার্স
MABS & J Partners
Chartered Accountants

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, to communicate with them all relationship and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other legal and regulatory requirements

In accordance with the Companies Act 1994 and Securities and Exchange Rules 2020, We also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and
- d) the expenditure was incurred for the purpose of the company's business.

Signed for and on behalf of
MABS & J Partners
Chartered Accountants

Masud Alam Chowdhury, ACA
Partner

ICAB Enrollment No: 2088
DVC: 2402182088AS354009

Dhaka,
18 February 2024

EBL Investments Limited

Statement of Financial Position

as at 31 December 2023

Particulars	Notes	Amount in BDT	
		2023	2022
ASSETS			
Non-current assets		15,563,329	17,885,659
Property, plant and equipment	5	9,256,606	12,406,984
Deferred tax asset	6	6,306,723	5,478,675
Current assets		834,936,939	495,658,728
Cash and cash equivalents	7	19,075,587	72,947,984
Advances, deposit & prepayments	8	24,722,679	14,465,937
Margin loan	9	51,795,004	54,203,443
Accounts receivable	10	23,716,360	9,100,400
Investments	11	715,627,309	344,940,964
TOTAL ASSETS		850,500,268	513,544,388
EQUITY AND LIABILITIES			
Shareholders' equity		724,584,932	433,653,501
Share capital	12	680,000,000	400,000,000
Retained earnings	13	44,584,932	33,653,501
Non-current liabilities		5,531,509	7,615,046
Leased liability net of current maturity	14	5,531,509	7,615,046
Current liabilities		120,383,827	72,275,841
Current portion of lease liability	14	2,083,535	1,923,690
Short term loan	15	56,748,223	-
Trade payable	16	7,715,335	15,588,771
Provision for income tax	17	8,003,903	9,158,885
Other liabilities	18	45,832,832	45,604,494
Total liabilities		125,915,336	79,890,887
TOTAL EQUITY AND LIABILITIES		850,500,268	513,544,388

The annexed notes from 1 to 28 form an integral part of these financial statements.

Managing Director

Director

Chairman

This is the statement of financial position referred to in our separate report of even date.

Dhaka,
18 February 2024

Signed for and on behalf of
MABS & J Partners
Chartered Accountants

Masud Alam Chowdhury ACA
Partner
ICAB Enrollment No: 2088
DVC: 2402182088AS354009

EBL Investments Limited

Statement of Profit or Loss and Other Comprehensive Income

for the year ended on 31 December 2023

Particulars	Notes	Amount in BDT	
		2023	2022
Operating income		43,229,952	45,205,317
Fees & commission	19	15,057,972	15,109,343
Investment income	20	19,203,795	25,957,973
Interest & other income	21	8,968,185	4,138,001
Operating expenses		27,187,934	26,682,908
Administrative expenses	22	27,187,934	26,682,908
Operating profit before provision		16,042,018	18,522,409
Provision (charged)/released for diminution in value of investments	23	-	(7,054,723)
Provision (charged)/released for negative equity	23	-	(2,945,277)
Profit/ (loss) before tax		16,042,018	8,522,409
Income tax expense		5,110,587	1,775,072
Current tax	24	5,938,634	4,511,035
Deferred tax	6	(828,048)	(2,735,964)
Net profit/ (loss) after tax		10,931,431	6,747,337
Other comprehensive income		-	-
Total comprehensive income		10,931,431	6,747,337
Earnings per share	25	1.61	1.69

The annexed notes from 1 to 28 form an integral part of these financial statements.


Managing Director


Director


Chairman

This is the statement of profit or loss and other comprehensive income referred to in our separate report of even date.

Dhaka,
18 February 2024

Signed for and on behalf of
MABS & J Partners
Chartered Accountants



Masud Alam Chowdhury ACA
Partner
ICAB Enrollment No: 2088
DVC: 2402182088AS354009

EBL Investments Limited

Statement of Cash Flows

for the year ended on 31 December 2023

Particulars	Notes	Amount in BDT	
		2023	2022
A. Cash flows from operating activities			
Net profit/ (loss) during the period		10,931,431	6,747,337
Depreciation and amortization		3,675,379	3,865,030
Decrease/ (increase) of advances, deposit & prepayments		(937,167)	(552,661)
Decrease/(increase) in accounts receivable		(14,615,960)	34,603,289
(Decrease)/increase in trade payable		(7,873,437)	(11,405,229)
(Decrease)/increase in provision for tax		5,938,634	4,511,035
Income tax paid		(16,413,192)	(7,896,639)
Increase/(decrease) in other liabilities		228,338	13,882,774
Increase/(decrease) in deferred tax liability/(asset)		(828,047)	(2,735,964)
Increase/(decrease) in lease liability		(1,923,692)	8,965,492
Net cash flow from operating activities		(21,817,712)	49,984,464
B. Cash flows from investing activities			
Received from/(issue) of margin loan		2,408,440	3,951,218
Investment in securities		(370,686,345)	(138,598,370)
Disposal of fixed assets		-	700,868
Acquisition of fixed assets		(525,000)	(11,745,519)
Net cash flow from/ (used in) investing activities		(368,802,906)	(145,691,803)
C. Cash flows from financing activities			
Received against share money deposit		280,000,000	100,000,000
Loan taken from MTBL		56,748,223	-
Net cash flow from/ (used in) financing activities		336,748,223	100,000,000
D. Net increase/(decrease) in cash and bank balance (a+b+c)		(53,872,394)	4,292,660
E. Opening cash and cash equivalent		72,947,984	68,655,323
F. Unrealised foreign exchange gain/loss		-	-
F. Closing cash and cash equivalent		19,075,587	72,947,984

The annexed notes from 1 to 28 form an integral part of these financial statements.

Managing Director

Dhaka

18 February 2024

Director

Chairman

Statement of Changes in Equity

for the year ended on 31 December 2023

Particulars	Amount in BDT		
	Paid up capital	Retained earnings	Total equity
Balance as at 01 January 2023	400,000,000	33,653,501	433,653,501
Addition during the year	280,000,000	-	280,000,000
Net profit/ (loss) for the period	-	10,931,431	10,931,431
Total as at 31 December 2023	680,000,000	44,584,932	724,584,932
Balance as at 01 January 2022	300,000,000	26,906,164	326,906,164
Addition during the year	100,000,000	-	100,000,000
Net profit/ (loss) for the period	-	6,747,337	6,747,337
Total as at 31 Decemeber 2022	400,000,000	33,653,501	433,653,501

The annexed notes from 1 to 28 form an integral part of these financial statements.

Managing Director

Dhaka,

18 February 2024

Director

Chairman

EBL Investments Limited

Notes to the financial statements

as at & for the year ended 31 December 2023

1. Company and its activities

1.1 Legal status and nature of the company

EBL Investments Limited (EBLIL or the Company), a full-fledged merchant bank and subsidiary of Eastern Bank PLC. was incorporated in Bangladesh under the Companies Act, 1994 with the Registrar of Joint Stock Companies and Firms (RJSCF) on 30 December 2009 vide registration no. C-81417/09 as a Private Ltd. Company. Besides, EBL Investments Limited obtained license on 27 January 2013 vide BSEC registration no. MB-80/2013 as per the Bangladesh Securities and Exchange Commission (Merchant Banker and Portfolio Manager) Rules, 1996 to carry out merchant banking operation in Bangladesh and on 04 August 2013 vide BSEC registration no. CDBL-DP-396 under the Depository (User) Regulations, 2003 to carry out depository functions.

EBL Investments Limited has achieved an unparalleled reputation as a leading Merchant Banker through providing portfolio management services by maintaining a high level of professional expertise and integrity in client relationship. EBLIL's registered office is located at Bangladesh Shipping Corporation Tower 2-3, Rajuk Avenue (4th Floor), Motijheel C/A, Dhaka-1000.

1.2 Principal activities and nature of operation

Main activities of EBLIL include underwriting of securities, issue management, portfolio management, capital restructuring, corporate advisory services, etc. EBLIL performs its portfolio management activities in two ways:

- (i) Investors Discretionary Account (IDA), where portfolio management operates as per clients' decisions;
- (ii) Discretionary Portfolio Account (DPA), 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, 2020, International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs) and other applicable laws and regulations.

2.2 Other regulatory compliances

As required, EBL Investments Limited also complies with the applicable provisions of the following major laws/ statutes:

- Securities and Exchange Commission Act, 1993;
- Securities and Exchange Commission Rules, 2020;
- Income Tax Ordinance, 1984;
- Income Tax Act, 2023;
- Value Added Tax and Supplementary Duty Act, 2012;
- Value Added Tax and Supplementary Duty Rules, 2016;
- Negotiable Instruments Act, 1881; and
- Other applicable laws and regulations.

2.3 Basis of measurement

The financial statements, except statement of cash flow, have been prepared on the accrual basis of accounting under the historical cost convention.

2.4 Functional and presentational currency

These financial statements are presented in Bangladeshi Taka (BDT) which is the functional currency of the company. The amounts in these financial statements have been rounded off to the nearest integer.

2.5 Components of financial statements

- Statement of Financial Position
- Statement of Profit or Loss and Other Comprehensive Income
- Statement of Changes in Equity
- Statement of Cash Flows
- Notes to the Financial Statements

2.6 Use of estimates and judgments

Preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities, income and expenses. These financial statements contained information about the assumptions it made about the future and other major sources of uncertain estimation at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amount of assets, liabilities, income and expenses within the next financial year. In accordance with the guidelines as prescribed by IAS 37: *Provisions, Contingent Liabilities and Contingent Assets*. Provisions are recognized in the following situation:

- (i) When the company has an obligation as a result of past events;
- (ii) When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (iii) Reliable estimates can be made of the amount of the obligation.

2.7 Consistency

In accordance with the IFRS framework for the presentation of financial statements together with IAS 1 and IAS 8, EBL Investments Limited applies the accounting disclosure principles consistently from one period to the next. Where selecting and applying new accounting policies, changes in accounting policies, corrections of errors, the amounts involved are accounted for, retrospectively, in accordance with the requirement of IAS 8. We, however, have applied the same accounting principles in 2023 as was for in financial statements for 2022.

2.8 Going concern

The Company has adequate resources to continue in operation for the foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the financial statements. The current credit facilities and adequate resources of the company provide sufficient funds to meet the present requirements of its existing businesses and operations.

2.9 Reporting period

The financial statements of the Company cover for the period from 01 January 2023 to 31 December 2023 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 Capita 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 its residual values at 15%.

3.3 Impairment

The carrying value of the Company's assets other than inventories, are reviewed at closing date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of the asset or its cash-generating unit exceeds its recoverable amount. Impairment losses, if any, are recognized in the Statement of Profit or Loss and Other Comprehensive Income.

3.4 Statement of cash flows

The Statement of Cash Flows shows changes in cash and bank balances during the financial year. It has reported cash flows during the year classified by operational activities, investing activities and financing activities. It is prepared under indirect method in accordance with IAS :7 *Statement of Cash Flows*.

3.5 Cash and bank balance

Cash and bank balance includes cash in hand, cash at bank and stamp in hand which are held and are available for use by the company without any restriction. There is insignificant risk of change in the value of the above items.

3.6 Margin loan to customer

EBL Investments Limited extends margin loan to the portfolio investors at an agreed ratio (between investors deposit and loan amount) of purchased securities against the respective investor account. The investors are to maintain the margin as per set rules and regulations. The margin is monitored on daily basis as it changes due to change in market price of shares. If the margin falls below the minimum requirement, the investors are required to deposit additional fund to maintain margin as per rules otherwise the securities are sold to bring the margin to the required level.

3.7 Investment in securities

Investments in listed securities are recognized at cost. Quarterly impairment test is carried out by comparing cost with market price. In case of diminution of market value compared to cost, provision is made on portfolio basis but no unrealized gain is booked when market value exceeds cost.

3.8 Recognition and measurement of financial assets

In accordance with IFRS 9: Financial Instruments, financial assets may be recognized at fair value, with a gain or loss taken to the Statement of Profit or Loss and Other Comprehensive Income at net investment income. A financial asset or financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing in the near term.

3.9 Provision for income tax

Provision for income tax is made on the basis of company's computation based on the best estimate of taxable profit in accordance with Income Tax Act, 2023.

3.10 Revenue recognition

Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the enterprise and in accordance with IFRS 15: *Revenue from Contracts with Customers*.

3.10.1 Management fee

Management fee is charged to IDA clients for rendering services like receipt of shares from brokers, delivery of shares to brokers, custody of shares and collection of corporate entitlements, etc. The fee is charged on daily market value of securities for IDA clients per annum and recognized as of accrual basis.

3.10.2 Transaction/ settlement fee

Transaction/ settlement fee is recognized as income when selling or buying order executed.

3.10.3 Interest income from margin loan

Income from margin loan is recognized on accrual basis. Such income is calculated considering daily margin loan balance of the respective customers. Income is recognized quarterly.

3.10.4 Dividend income and gain/(loss) on sale of marketable securities

Dividend income is recognized when receive or payment right is established whereas profit or loss arising from the sale of securities is accounted for only when shares are sold in the market and profit is realized or loss is incurred.

3.11 Leases

EBLIL has applied IFRS 16: *Leases* for the first time with the date of initial application of 21 October 2020 and continued this in the year 2023 using modified retrospective approach where the company measured the lease liability at the present value of the remaining lease payments and recognized a right-of-use asset at the date of the initial application on a lease by lease basis.

According to IFRS 16 *Leases*, a contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Control is conveyed where the customer has both the right to direct the identified asset's use and to obtain substantially all the economic benefits from that use.

An asset is typically identified by being explicitly specified in a contract, but an asset can also be identified by being implicitly specified at the time it is made available for use by the customer.

Upon lease commencement, the company recognizes a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the lease liability plus any initial direct costs incurred by the company. Adjustments may also be required for lease incentives, payments at or prior to commencement and restoration obligations or similar. After lease commencement, the company measures the right-of-use asset using a cost model. Under the cost model a right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment.

The lease liability is initially measured at present value of the future lease payments discounted using the discount rate implicit in the lease. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others.

On the statement of financial position, right-of-use assets have been included in non-current assets and lease obligations have been included in current liabilities (to be paid in the next year) and non-current liabilities (net of current obligation) which is separately disclosed.

3.12 Earnings per Share

Earnings per Share (EPS) has been computed by dividing the profit after tax (PAT) by the number of ordinary share outstanding as on 31 December 2023 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 cost price. Provision should be made for any loss arising from diminution in value of investment according to BSEC directive no. BSEC/SRI/NE/2020/333, dated 27 March, 2023.

3.15 Events after the reporting period

Events after the reporting period, also known as non-adjusting events, are disclosed in the notes when material as well as provide additional information about the company's positions at the period end date.

3.16 General

i) Figures have been rounded off to the nearest integer.

ii) Previous year's figures have been rearranged wherever considered necessary to conform to the current year's presentation.

3.17 Application of international accounting and financial reporting standards

The financial statements have been prepared in compliance with the requirement of IASs and IFRSs as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and applicable in Bangladesh. EBL Investments Limited applied following IASs and IFRSs:

Name of the IASs	IAS No.
Presentation of Financial Statements	1
Statements of Cash Flow	7
Accounting Policies, Changes in Accounting Estimates and Errors	8
Income Taxes	12
Property, Plant and Equipment	16
Employee Benefits	19
Related Party Disclosures	24
Provisions, Contingent Liabilities and Contingent Assets	37
Intangible Assets	38
Name of the IFRSs	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.

Amount in BDT

5. Property, plant and equipment
i) Freehold assets

A) Opening balance

Add: Addition during the period

Less: Disposal during the period

Accumulated depreciation

B) Opening balance

Add: Charge for the period

Less: Disposal during the period

ii) Right of use assets (leased assets)

C) Opening balance

Add: Addition during the period

Less: Disposal during the period

Less: Accumulated depreciation during the period

Written down value (A-B+C)

 Details are shown in **Annexure-A**.

Notes
2023
2022

	10,268,588	12,128,709
	525,000	925,281
	10,793,588	13,053,990
	-	2,785,402
	10,793,588	10,268,588
	7,058,808	7,445,767
	1,511,333	1,697,575
	8,570,141	9,143,342
	-	2,084,534
	8,570,141	7,058,808
	10,820,240	5,601,549
	-	10,820,238
	10,820,240	16,421,787
	-	5,601,549
	3,787,080	1,623,034
	7,033,160	9,197,204
	9,256,606	12,406,984

6. Deferred tax liability/(asset)

Amount in BDT

Name of the assets	Accounting base	Tax base	Temporary difference	Deferred tax liability/ (asset)	Deffered tax liability/ (asset)
Software & intangibles	668,628	693,021	(24,393)	(9,147)	(218,608)
Office equipment	649,074	1,205,060	(555,986)	(208,495)	(337,206)
Office decoration & other accessories	365,297	894,922	(529,625)	(198,610)	(130,304)
Furniture & fixture	242,958	255,979	(13,021)	(4,883)	889
Motor vehicle	297,490	1,703,413	(1,405,923)	(527,221)	(463,798)
Right of use assets (leased asset)	7,033,160	10,820,240	(3,787,080)	(1,420,155)	(391,436)
Investment in securities	412,138,061	436,604,804	(24,466,743)	(2,446,674)	(2,446,674)
Margin loan	47,817,570	51,795,004	(3,977,434)	(1,491,538)	(1,491,538)
				(6,306,723)	(5,478,675)

7. Cash and cash equivalents

Cash in hand

Stamp in hand

Cash at bank

7.1

	17,760	6,016
	9,150	9,150
	19,048,677	72,932,818
	19,075,587	72,947,984

7.1 Cash at bank

Name of bank account	Type	Account number	Bank name	2023	2022
EBL Investments Ltd-client consolidated account	SND	1011220286924	EBL	12,064,330	14,288,270
EBL Investments Ltd-operation account		1011220286902		238,404	766,573
EBL Investments Ltd-own portfolio account		1011220286913		64,219	4,185,532
EBL Investments Ltd-public issue application account		1011220378465		50,448	51,133
EBL Investments Ltd-shanchay		1011030534981		2,870	2,443,918
EBL Investments Ltd-Puji		1011030534970		598,386	2,312,856
EBL Investments Ltd-current deposits - corporate		1011060286890		270	270
EBL Investments Ltd-Capital A/C		1011220001025		683,867	210,473
Eastern Bank-SND (DPA A/C)-000012		1011220000012		47,266	-
Eastern Bank- HPA		HPA		1011360000033	
EBL Investments Ltd	Current	1301000206853	MTBL	198	-
EBL Investments Ltd	SND	0021220005507	Al-Arafah IBL	53,730	53,794
				19,048,677	72,932,818

Amount in BDT

Notes

2023

2022

8. Advances, deposits and prepayments

CDBL security deposit		200,000	200,000
Security deposit to EBLSL		2,316,811	1,579,644
Advance against fixed assets		-	250,000
Advance against CDBL registration renewal fees		450,000	-
Advance against LFA		387	387
Advance against legal & professional expense		452,500	452,500
Advance income tax	8.1	21,302,981	11,983,406
		24,722,679	14,465,937

8.1 Advance income tax

Opening balance	11,983,406	5,205,450
Add: Addition during the period	9,319,575	6,777,956
		21,302,981
		11,983,406

9. Margin loan

Margin loan to customer	51,795,004	54,203,443
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10. Accounts receivables

Receivable from EBLSL	20,759	279,582
Receivable from IDLC	138	-
Trustee related expenses receivable	180,115	105,115
Issue management fee	1,750,000	250,000
Trustee fee	1,761,000	361,000
Dividend	1,748,377	2,027,696
Interest income from T-bill	5,431,573	-
Corporate advisory fees	12,060,000	5,850,000
Underwriting fee	500,000	-
Receivable from EBLIL employees' provident & gratuity fund	264,398	227,007
		23,716,360
		9,100,400

Amount in BDT

	Notes	2023	2022		
11. Investment in shares and bond					
Investments in share	11.1	436,604,804	344,940,964		
Investment in IPO		683,000	-		
Investments in T-bill and bond		278,339,505	-		
		715,627,309	344,940,964		
11.1 Investments in share (sector wise cost)					
NBFI		17,906,963	17,906,963		
Engineering		25,660,759	25,660,759		
Pharmaceuticals & chemicals		15,324,210	4,975,133		
Textile		100,220,293	100,220,293		
Fuel & power		32,389,016	32,389,016		
Cement		29,984,185	29,984,185		
Bank		41,442,420	41,442,420		
Insurance		119,279,487	53,676,063		
Food & allied		22,857,641	35,189,377		
Paper & print		18,002,949	-		
Corporate bond		13,536,881	3,496,755		
		436,604,804	344,940,964		
Investments in share (sector wise market price)					
NBFI		15,708,936	15,707,561		
Engineering		21,908,057	21,908,057		
Pharmaceuticals & chemicals		13,874,313	4,742,503		
Cement		25,555,559	24,227,609		
Textile		54,768,495	56,666,195		
Fuel & power		28,212,000	28,212,000		
Bank		30,044,536	30,060,030		
Insurance		97,273,950	42,456,800		
Food & allied		17,725,542	28,272,220		
Paper & print		11,895,000	-		
Corporate bond		13,516,116	3,476,348		
		330,482,502	255,729,322		
12. Share capital					
A) Authorized capital					
10,000,000 ordinary shares of Tk 100 each		1,000,000,000	1,000,000,000		
B) Issued, subscribed and fully paid up capital					
Issued against cash		680,000,000	400,000,000		
		680,000,000	400,000,000		
12.1 A distribution schedule of the above shares is given below:					
		No. of shares		Amount in BDT	
Name of shareholders	% of holding	2023	2022	2023	2022
Eastern Bank PLC.	99.99999%	6,799,999	3,999,999	679,999,900	399,999,900
Ali Reza Iftekhar	0.000015%	1	1	100	100
	100%	6,800,000	4,000,000	680,000,000	400,000,000
13. Retained earnings					
Opening balance		33,653,501	26,906,164		
Add: Net profit /(loss) after tax during the period		10,931,431	6,747,337		
		44,584,932	33,653,501		

	Notes	Amount in BDT	
		2023	2022
14 Lease liability			
Opening balance		9,538,736	573,244
Add: Addition during the period		-	10,820,238
		9,538,736	11,393,481
Less: Adjustment during the period		1,923,692	1,854,745
Less: Current portion of lease liability		2,083,535	1,923,690
		7,615,044	7,615,046
15. Short term loan			
Mutual Trust Bank Ltd.		56,748,223	-
		56,748,223	-
16. Trade payable			
Client deposit-IDA		7,009,352	12,487,191
Client deposit-Shanchay & Puji		458,393	2,853,992
Payable to clients sale		247,589	247,589
		7,715,335	15,588,771
17. Provision for tax			
Opening balance		9,158,885	5,766,534
Add: Provision made during the period		5,938,634	4,511,035
		15,097,520	10,277,568
Less: Paid during the period (prior year)		7,093,617	1,118,683
		8,003,903	9,158,885
Provision for current tax is made @ 37.50% on PBT considering the admissible and inadmissible expenses.			
18. Other liabilities			
Provision for diminution in value of investments		24,466,743	24,466,743
Provision for negative equity		3,977,434	3,977,434
Interest suspense A/C for negative equity		17,150,906	16,015,224
BSEC annual trustee fee payable		50,000	-
Bonus payable		59,561	1,000,000
Provision for gratuity fund		13,188	58,844
Audit fees		115,000	86,250
		45,832,832	45,604,494
19. Fees & commission			
Management fees		617,372	757,720
Settlement fees		2,108,517	3,134,695
IPO application income		2,495	15,820
Underwriting fees		520,000	146,567
Documentation fees		7,000	11,500
Trustee fees		3,750,000	4,580,000
Accounts opening & closing fees		31,188	20,400
Issue management fees		1,500,000	500,000
Dividend collection fees		-	442
Corporate advisory fee		6,210,000	5,850,000
CDBL fees income		311,400	92,200
		15,057,972	15,109,343
20. Income/(loss) from investment			
Dividend income		6,551,855	9,854,482
Gain/(loss) from sale of securities		12,651,940	16,103,491
		19,203,795	25,957,973



		Amount in BDT	
	Notes	2023	2022
21.	Interest & other income		
	Interest income from bank accounts	2,300,303	1,864,739
	Other income from PF & others	6,074,959	614,699
	Margin loan interest	592,923	1,658,563
		8,968,185	4,138,001
22.	Administrative expenses		
	Salary & allowance	14,729,873	17,206,758
	CDBL expenses	429,259	311,494
	Directors' fees & expenses	176,000	95,500
	Travelling & conveyance	164,814	157,437
	Entertainment	164,333	192,901
	Network connectivity	271,925	196,875
	Training, seminar & other expenses	3,833	20,110
	Promotional expenses	893,164	181,675
	Depreciation and amortization on PPE	1,511,333	1,697,575
	Depreciation on right of use assets (leased asset)	2,164,046	2,167,455
	Stationary, printing & advertisement	205,325	150,403
	Office maintenance	741,499	407,300
	Electricity expenses	140,366	119,454
	Telephone expenses	12,256	29,513
	Utilities, WASA & water bill	255,180	239,369
	Security expenses (group-4)	257,400	158,400
	VAT expenses on lease rental	365,778	347,520
	Newspaper, postage & courier	-	190
	Registration, renewal & license fees	395,280	318,395
	Software maintenance	78,750	227,850
	Website development & maintenance	270,169	63,000
	Car maintenance, fuel & insurance	505,179	435,212
	IPO expenses	6,000	6,115
	Insurance expenses	57,470	108,921
	Audit, legal & professional fees	540,701	647,583
	Medical expense	200,262	199,414
	Financial expenses	804,991	673,863
	Interest expenses	1,698,223	-
	Professional membership fees	29,000	32,000
	Miscellaneous expense	115,525	290,626
		27,187,934	26,682,908
22.1	Salary & allowance		
	Basic salary	6,603,505	5,407,463
	Contribution to gratuity fund	13,188	58,844
	Performance bonus	-	514,522
	Other allowances	8,113,180	11,225,929
		14,729,873	17,206,758
22.2	Rent, taxes, insurance, utilites etc.		
	VAT expenses on lease rental	365,778	347,520
	Electricity expenses	140,366	119,454
	Utilities, WASA & water bill	255,180	239,369
	Insurance expenses	57,470	108,921
		818,794	815,264
22.3	Legal & professional expenses		
	Legal & professional expenses	412,923	561,333
		412,923	561,333

		Amount in BDT	
Notes		2023	2022
22.4	Postage, stamp, telecommunication etc..		
	Telephone expenses	12,256	29,513
	Newspaper, postage & courier	-	190
		12,256	29,703
22.5	Stationery, printing, advertisement, business promotion etc.		
	Promotional expenses	893,164	181,675
	Stationary, printing & advertisement	205,325	150,403
		1,098,489	332,078
22.6	Directors' fees & expenses		
	Directors' fees & expenses	176,000	95,500
		176,000	95,500
22.7	Audit fees		
	Audit fees	127,778	86,250
		127,778	86,250
22.8	Repair, maintenance and depreciation		
	Depreciation and amortization on PPE	1,511,333	1,697,575
	Depreciation on right of use assets (leased asset)	2,164,046	2,167,455
	Office maintenance	741,499	407,300
	Software maintenance	78,750	227,850
	Website development & maintenance	270,169	63,000
	Car maintenance, fuel & insurance	505,179	435,212
		5,270,976	4,998,392
22.9	Other operating expenses		
	CDBL expenses	429,259	311,494
	Travelling & conveyance	164,814	157,437
	Entertainment	164,333	192,901
	Network connectivity	271,925	196,875
	Training, seminar & other expenses	3,833	20,110
	Security expenses (group-4)	257,400	158,400
	IPO expenses	6,000	6,115
	Registration, renewal & license fees	395,280	318,395
	Medical expense	200,262	199,414
	Professional membership fees	29,000	32,000
	Interest expenses on lease liability	514,825	462,069
	Financial expenses	290,166	211,794
	Interest expenses	1,698,223	-
	Miscellaneous expense	115,525	290,626
		4,540,845	2,557,630
23.	Expenses/provision for diminution value of investments & negative equity		
	Provision (charged)/released for diminution in value of investments	-	(7,054,723)
	Provision (charged)/released for negative equity	-	(2,945,277)
		-	(10,000,000)
24.	Current tax expenses		
	Capital gain on investment share @ 10%	1,265,194	1,610,349
	Dividend income @ 20%	1,310,371	1,970,896
	Other income @37.5%	3,363,069	929,789
		5,938,634	4,511,035
25.	Earnings per share		
	Net (loss)/profit attributable to the shareholders	10,931,431	6,747,337
	Number of shares	6,800,000	4,000,000
	Earnings per share	1.61	1.69

26. Contingencies and commitments

There are no contingent assets or liabilities and unrecognized contractual commitments on the balance sheet date.

27. Events after the balance sheet date

There is no significant event subsequent to the balance sheet date to report which had an influence on the balance sheet or the income statement as at and for the period ended 31 December 2023.

28. Related party disclosures

During the period end 31 December 2023, the company entered into a number of transactions with related parties in the normal course of business. The names of the significant related parties, nature of the transactions [expenditures/(revenue)/, receivables/ (payables) and dividend payments] and amounts thereof have been set out below in accordance with the provisions of IAS-24 *Related Party Disclosures*. The nature of relationship and significance of the amounts have been considered in giving this disclosure.

28.1 Related party transactions during the period

Amount in BDT

Name of related parties	Nature of relationship	Nature of transaction	Transaction value determination	Balance asset/(liability)	
				2023	2022
Eastern Bank PLC.	Parent company	Bank balance	Bank accounts	18,947,484	72,879,024
EBL Securities Ltd.	Sister concern	Office rent and other utilities	Lease agreement	-	-
		Security deposit for office rent	Lease agreement	2,316,811	1,579,644
		Stock buy/sell	Panel broker transaction	20,759	285,403
Eastern Bank PLC.	Parent company	Corporate advisory	Accounts receivable	12,060,000	5,850,000

EBL Investments Limited

Schedule of Property, Plant and Equipment

as at 31 December 2023

Annexure-A

Amount in BDT

Name of the assets	Cost				Rate	Depreciation				Written down value as on 31 December 2023
	Balance as on 01 January 2023	Addition during the period	Disposal during the period	Balance as on 31 December 2023		Charged during the period	Disposal during the period	Balance as on 31 December 2023		
Freehold assets										
Software & intangibles	1,911,752	525,000	-	2,436,752	15%	164,588	-	1,768,124	668,628	
Office equipment	3,493,342	-	-	3,493,342	20%	426,347	-	2,844,268	649,074	
Office decoration & other accessories	1,450,263	-	-	1,450,263	20%	281,585	-	1,084,966	365,297	
Furniture & fixture	438,331	-	-	438,331	10%	43,833	-	195,373	242,958	
Motor vehicle	2,974,900	-	-	2,974,900	20%	594,980	-	2,677,410	297,490	
Leasehold assets										
Right of use assets (RoU)	10,820,240	-	-	10,820,240		2,164,046	-	3,787,080	7,033,160	
As at 31 December 2023	21,088,828	525,000	-	21,613,828		3,675,379	-	12,357,221	9,256,606	
As at 31 December 2022	17,730,258	11,745,519	8,386,951	21,088,828		3,865,030	7,686,083	8,681,842	12,406,984	



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 2023.

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 2023 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 2023 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.

Directors

The directors during the year and up to the date of this report were:-

Eastern Bank PLC. (formerly known as Eastern Bank Limited)
Iftekhhar Ali Reza Md

In accordance with the Company's Articles of Association, all directors are not subject to rotation or retirement at the annual general meeting and are therefore continue in office at the forthcoming annual general meeting.

Directors' material interests in transactions, arrangements and contracts that are significant in relation to the Company's business

Save as disclosed in note 15 to the financial statements, no other transactions, arrangements and contracts of significance in relation to the Company's business to which the Company, or a specified undertaking of the Company, any one of its holding companies, its subsidiaries or fellow subsidiaries was a party and in which a

director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Directors' interests in the shares and debentures of the Company or any other body corporate

At no time during the year was the Company, or a specified undertaking of the Company, any one of its holding companies, its subsidiaries or fellow subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

Management contracts

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year.

Other matters

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements misleading.

Auditor

The financial statements have been audited by Kingston C.P.A. Limited who retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting.

On behalf of the Board
For and on behalf of
Eastern Bank PLC.

Authorized Signature(s)
Chairman, Eastern Bank PLC.
Hong Kong, 17 January 2024

ROOM 9, 19TH FLOOR, KODAK HOUSE II, 39 HEALTHY STREET EAST, QUARRY BAY, HONG KONG.
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EBL Finance (HK) Limited

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 22, which comprise the statement of financial position as at 31 December 2023, 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 material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance ("HKCO").

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") 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 opinion.

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the directors' report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of directors and those charged with governance for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the 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 HKSA 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.khicpa.org.hk/file/media/section6_standards/standards/Audit-n-assurance/auditre/fs_pf.pdf

This description forms part of our auditor's report.



Kingston C.P.A. Limited
Certified Public Accountants, Hong Kong
Auditor, LAW Hoi Kit; P.C. No. P06627
17 January 2024

EBL Finance (HK) Limited

Statement of Comprehensive Income

for the year ended 31 December 2023

Particulars	Notes	2023	2022
		HK\$	HK\$
Revenue	4	34,527,771	29,394,886
Cost of sales		(27,168,765)	(16,329,077)
Gross profit		7,359,006	13,065,809
Other income and net gains or (losses)	4	655,607	1,008,075
Operating expenses		(5,364,510)	(5,167,792)
Operating profit	5	2,650,103	8,906,092
Finance costs	6	(10,313)	(12,313)
Profit before taxation		2,639,790	8,893,779
Income tax	7		
Over/(under) provision in prior year		138,587	(66,028)
Provision for the year		(500,000)	(1,450,000)
		(361,413)	(1,516,028)
Profit for the year		2,278,377	7,377,751
Other comprehensive income for the year, net of income tax		-	-
Total comprehensive income for the year		2,278,377	7,377,751

The annexed notes form an integral part of these financial statements.

EBL Finance (HK) Limited

Statement of Financial Position

as at 31 December 2023

Particulars	Notes	2023	2022
		HK\$	HK\$
Assets and Liabilities			
Non-current assets			
Property, plant and equipment	10	182,697	624,592
Current assets			
Bills financed	11	261,430,997	391,558,012
Interest receivables		8,157,255	8,363,696
Deposits and prepayments		181,030	179,830
Cash and cash equivalents		98,516,624	72,624,028
		368,285,906	472,725,566
Current liabilities			
Accruals and other payables		7,608,569	8,974,190
Receipt in advance		32,001	54,965
Lease liabilities	12	184,984	427,686
Provision for taxation		379,776	615,567
Bank overdraft	13	324,268,550	425,536,020
		332,473,880	435,608,428
Net current assets		35,812,026	37,117,138
Total assets less current liabilities		35,994,723	37,741,730
Lease liabilities		-	184,984
Net assets		35,994,723	37,556,746
Equity			
Capital and reserves			
Share capital (issued and fully paid - 1,410,000 ordinary shares)		11,410,000	11,410,000
Retained profits		24,584,723	26,146,746
Total equity		35,994,723	37,556,746

Approved and authorized for issue by the board of directors 17 January 2024

On behalf of the Board

For and on behalf of Eastern Bank PLC.

Authorized Signature(s)

Director

Eastern Bank PLC.

Director

Iftekhar Ali Reza Md

The annexed notes form an integral part of these financial statements.

EBL Finance (HK) Limited

Statement of Changes in Equity

for the year ended 31 December 2023

Particulars	Share capital	Retained profits	Total
	HK\$	HK\$	HK\$
Balance at 1 January 2022	11,410,000	22,445,175	33,855,175
Net profit for the year	-	7,377,751	7,377,751
Other comprehensive income	-	-	-
Dividend (Note 9)	-	(3,676,180)	(3,676,180)
Balance at 31 December 2022	11,410,000	26,146,746	37,556,746
Net profit for the year	-	2,278,377	2,278,377
Other comprehensive income	-	-	-
Dividend (Note 9)	-	(3,840,400)	(3,840,400)
Balance at 31 December 2023	11,410,000	24,584,723	35,994,723

The annexed notes form an integral part of these financial statements.

EBL Finance (HK) Limited

Statement of Cash Flows

for the year ended 31 December 2023

Particulars	Notes	2023	2022
		HK\$	HK\$
Cash flows from operating activities			
Profit before taxation		2,639,790	8,893,779
Adjustment for:			
Interest expense		27,168,765	16,329,077
Depreciation		441,895	460,638
Interest on lease liabilities		10,313	12,313
Interest income		(104,930)	-
Operating cash flows before working capital changes		30,155,833	25,695,807
Decrease in bills financed		130,127,015	67,096,167
Decrease/(increase) in interest receivables		206,441	(3,294,547)
Increase in deposits and prepayments		(1,200)	(36,500)
(Decrease)/increase in accruals and other payables		(1,365,621)	2,102,037
Decrease in receipts in advance		(22,964)	(254,314)
Cash generated from operations		159,099,504	91,308,650
Tax paid		(597,204)	(912,846)
Interest paid		(27,168,765)	(16,329,077)
Net cash generated from operating activities		131,333,535	74,066,727
Cash flows from investing activities			
Payments to acquire property, plant and equipment		-	(899)
Interest received		104,930	-
Net cash generated from/(used in) investing activities		104,930	(899)
Cash flows from financing activities			
Capital element of lease rental paid		(427,686)	(439,967)
Dividend paid		(3,840,400)	(3,676,180)
Interest on lease liabilities		(10,313)	(12,313)
Net cash used in financing activities		(4,278,399)	(4,128,460)
Net increase in cash and cash equivalents		127,160,066	69,937,368
Cash and cash equivalents at beginning of year		(352,911,992)	(422,849,360)
Cash and cash equivalents at end of year*		(225,751,926)	(352,911,992)
*Analysis of cash and cash equivalents at end of year			
Bank balances		98,516,624	72,624,028
Bank overdrafts		(324,268,550)	(425,536,020)
		(225,751,926)	(352,911,992)

The annexed notes form an integral part of these financial statements.

EBL Finance (HK) Limited

Notes to the financial statements

as at and for the year ended 31 December 2023

1 Organisation and operations

The Company is a private company incorporated in Hong Kong with limited liability. The address of its registered office is Unit 1201, 12th Floor, Albion Plaza, 2-6 Granville Road, Tsimshatsui, Hong Kong.

The principal activity of the Company is engaged in money lending business.

2 Application of new and revised Hong Kong Financial Reporting Standards (HKFRSs)

The financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance.

In the current year, the Company has applied for the first time a number of new standards, amendments and interpretations ("new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are effective for accounting periods beginning on or after 1 January 2023 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.

HKAS 1	Classification of Liabilities as Current or Non-current ¹
HKAS 1	Non-current liabilities with Covenants ¹
HKAS 7 and HKFRS 7 (Amendment)	Supplier Finance Arrangements ¹
HK Int 5 (Revised)	Hong Kong Interpretation 5 (Revised) Presentation of Financial Statements - Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ¹

¹ Effective for annual periods beginning on or after 1 January 2024.

3 Significant accounting policies

(a) Statement of compliance

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, the financial statements include applicable disclosures required by the Hong Kong Companies Ordinance.

(b) Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, as modified by the financial assets at fair value through other comprehensive income, financial assets and financial liabilities at fair value through profit or loss.

The financial statements have also been prepared under the accrual basis of accounting.

(c) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated 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:-

Property 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 assets. Any gain or loss arising on derecognition of the assets (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the statement of comprehensive income in the year in which the item is derecognised.

(d) Leased assets

At inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

At the lease commencement date, the Company recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Company enters into a lease in respect of a low-value asset, the Company decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the 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

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). These financial statements are presented in Hong Kong dollar, which is the Company's functional and presentation currency.

(ii) Transactions, assets and liabilities

Transactions in foreign currencies are translated at the approximate rates ruling on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the approximate rates ruling at the end of reporting period. Exchange gains or losses are recognised in profit or loss.

(l) Employee retirement benefits

Costs of employee retirement benefits are recognised as an expense in the year in which they are incurred.

(m) Related parties

Two parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

(n) Revenue recognition

Revenue is recognised when it is possible that the economic benefits will flow to the Company and when the revenue can be measured reliably on the following bases:-

- (i) Interest income is recognised on a time proportion basis.
- (ii) Fees, commission and charges on letter of credit are recognised when the services are rendered.

4 Revenue, other income and net gains or (losses)

Revenue represents interest income on bills financed; fees, commission and charges on letter of credit.

Revenues recognised during the year are as follows:-

	2023 HK\$	2022 HK\$
Revenue		
Interest income on bills financed	27,608,292	22,914,444
Fees, commission and charges on letter of credit	6,919,479	6,480,442
	34,527,771	29,394,886
Other income and net gains or (losses)		
Bank interest income	104,930	-
Net exchange gain	550,677	1,008,075
	655,607	1,008,075
Total revenues	35,183,378	30,402,961

5 Operating profit

Operating profit is stated after charging:-

Auditor's remuneration	91,750	75,000
Depreciation	441,895	460,638
Retirement benefit costs	65,536	92,927
Salaries and allowances	3,764,807	3,453,487
Variable lease payments not included in the measurement of lease liabilities	164,739	94,024

6 Finance costs

Interest on lease liabilities	10,313	12,313
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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 (2022: 8.25% to 16.5%).

(b) No provision for deferred taxation has been made in the financial statements as there are no material deductible and taxable temporary differences needed to be accounted for in the year.

8 Directors' emoluments

During the years ended 31 December 2023 and 2022, 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, arrangements 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, arrangements and contracts to which the Company, or a specified undertaking of the Company, any one of its holding companies, its subsidiaries or fellow subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

9 Dividends

Final dividend for 2022 declared and paid of HK\$2.72 (2022: HK\$0.197) per share	3,840,400	134,866
1st interim dividend for 2023 declared and paid of HK\$Nil (2022: HK\$2.27) per share	-	1,655,000
2nd interim dividend for 2023 declared and paid of HK\$Nil (2022: HK\$1.38) per share	-	1,886,314
	3,840,400	3,676,180

10 Property, plant and equipment

	Properties leased for own use HK\$	Machineries and equipments HK\$	Furniture and fixtures HK\$	Total HK\$
Cost				
At 1 January 2022	912,005	167,922	366,735	1,446,662
Additions	853,858	899	-	854,757
Disposals	(912,005)	-	-	(912,005)
At 31 December 2022	853,858	168,821	366,735	1,389,414
Accumulated depreciation				
At 1 January 2022	718,204	161,924	336,061	1,216,189
Provided for the year	439,285	3,465	17,888	460,638
Eliminated on disposals	(912,005)	-	-	(912,005)
At 31 December 2022	245,484	165,389	353,949	764,822
Provided for the year	426,929	2,975	11,991	441,895
At 31 December 2023	672,413	168,364	365,940	1,206,717
Carrying amounts				
At 31 December 2023	181,445	457	795	182,697
At 31 December 2022	608,374	3,432	12,786	624,592

11 Bills financed

The following is the aging analysis of bills financed at the end of the reporting period:-

	2023 HK\$	2022 HK\$
0-3 months	84,581,047	162,966,369
4-6 months	110,331,174	128,203,123
7-9 months	59,006,576	54,864,431
10-12 months	1,154,248	45,524,089
Over 12 months	6,357,952	-
	261,430,997	391,558,012

12 Lease liabilities

The following table shows the remaining contractual maturities of the Company's lease liabilities at the end of the current and previous reporting periods:-

	31 December 2023		31 December 2022	
	Present value of the minimum lease payments	Total minimum lease payments	Present value of the minimum lease payments	Total minimum lease payments
	HK\$	HK\$	HK\$	HK\$
Within 1 year	184,984	186,150	427,686	438,000
After 1 year but within 2 years	-	-	184,984	186,150
After 2 years but within 5 years	-	-	-	-
After 5 years	-	-	-	-
	184,984	186,150	612,670	624,150
Less: Total future interest expenses		(1,166)		(11,480)
Present value of lease liabilities		184,984		612,670

13 Bank overdrafts

The general banking facilities are secured by the corporate guarantee from holding company.

14 Financial instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are set out as follows:-

	2023 HK\$	2022 HK\$
Financial assets		
Financial assets at FVPL	-	-
Equity instruments at FVOCI	-	-
Financial assets at amortized cost	368,104,876	472,545,736
Financial liabilities		
Financial liabilities at FVPL	-	-
Financial liabilities at amortized cost	331,909,120	434,565,175

15 Related party Transactions

During the year, the Company had the following transaction with a related party in the normal course of business:-

Type of transaction	Related Party	Relationship	Connected directors	2023 HK\$	2022 HK\$
Interest expense	Eastern Bank PLC. (formerly known as Eastern Bank Limited)	Holding company and director	Iftekhhar Ali Reza Md	27,168,765	16,329,077

16 Financial risk management

The Company is exposed to various kinds of risks in its operation and financial instruments. The Company's risk management objectives and policies mainly focus on minimising the potential adverse effects of these risks on the Company by closely monitoring the individual exposure as follows:-

(a) Market risk**(i) Currency risk**

(1) The Company receives its interest income and service fee and pays loan from holding company and interest expenses, mainly in US dollar, that exposes it to foreign currency risk arising from such purchases and sales and the resulting payables and receivables. The Company closely and continuously monitors the exposure as follows:-

Since HK dollar is pegged to US dollar, there is no significant exposure expected on US dollar transactions and balances.

(2) Sensitivity analysis

As the net exposure of the Company to foreign currency is relatively small, change in foreign currency exchange rate will have no material impact on the financial performance of the Company.

(ii) Interest 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.

(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:-

	2023 HK\$	2022 HK\$
Due and payable		
0-3 months	332,397,477	435,286,676
4-6 months	76,403	106,590
7-9 months	-	107,249
10-12 months	-	107,913
Over 12 months	-	184,984
Total current and non-current liabilities	332,473,880	435,793,412

(d) Fair value

The Company's financial instruments are carried at amounts not materially different from their fair values as at 31 December 2023.

17 Immediate and ultimate holding company

The directors regard Eastern Bank PLC. (formerly known as Eastern Bank Limited), a company incorporated in Bangladesh, as being the immediate and ultimate holding company.

18 Critical accounting estimates and judgement

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates.

Judgements made by management have no significant effect on the financial statements. Revisions to accounting estimates are recognised in the period which the estimates are revised and in any future periods affected.

Directors' Report of EBL Asset Management Limited (EBLAML):

Dear Shareholders,

The Directors of EBL Asset Management Limited take the pleasure in presenting the Directors' Report together with the audited financial statements for the year ended 31 December 2023.

EBL Asset Management Limited (EBLAML) was incorporated on 9 January 2011 to carry out asset management business. EBLAML obtained license from Bangladesh Securities & Exchange Commission (BSEC) on 25 May 2017 to run full-fledged business operations.

Products and services of EBL Asset Management Ltd:

- Mutual Fund Management
- Corporate Advisory
- Portfolio Management for HNWI (High-net-worth individuals)

Features of Mutual Fund (EBL AML 1st Unit Fund) managed by EBL Asset Management Ltd:

Approved Size of the Fund	:	BDT 40.00 Crore
Sponsor & Asset Manager	:	EBL Asset Management Ltd.
Trustee & Custodian	:	ICB Capital Management Ltd.

EBL Asset Management Ltd. has pursuing its best to realize the vision to become the best Fund Manager of Bangladesh by ensuring professionalism, integrity & trust.

Overview of financial performance of EBL Asset Management Ltd and EBL AML 1st Unit Fund

EBL Asset Management Ltd.

BDT in million

Particulars	2023	2022	2021
Operating income	9.77	7.17	27.41
Operating profit/(loss)	(5.52)	(6.88)	14.92
Net profit/(loss)	(6.33)	(6.29)	12.63
Total assets	253.58	261.21	299.19

EBL AML 1st Unit Fund

BDT in million

Particulars	2023	2022	2021
Fund raise by EBL AML 1st Unit Fund (YoY)	255.67	179.18	160.01
Dividend declared to unit holders of EBL AML 1st Unit Fund (%)	6.25%	5.00%	12.00%

Economic outlook

The macroeconomy experienced a challenging year with rising pressure from global recession, high inflation, currency devaluation etc. Moreover, the ongoing Russia-Ukraine war has escalated the challenges further by impacting the overall trade and the world's supply chain. However, there are several positive aspects on the horizon. Recently, Bangladesh Bank (BB) has removed the interest rate cap and introduced a new rate system called SMART rate. On top of that, a few big infrastructural projects are up and running that will drive GDP growth.

Capital market outlook

The capital market experienced a challenging year as macroeconomic pressure led to a volatile market. Moreover, the continuation of war and the power sector challenges impacted several business performances. Overall, the market produced a meagre 0.64% gain in 2023 with a massive 39.8% drop in turnover.

Mutual fund industry outlook

Mutual Fund industry is still in early stage in our country compared to its peers as the Asset Under Management (AUM) is BDT 58.6bn in 2023. The conclusion of the general election showing a positive impact on the market and the recent floor price removal from the capital market has received much appreciation. Overall, we can firmly say that, 2024 will be a better year for the mutual fund industry.



Roadmap to 2024

We hope 2024 will be a positive one for mutual fund industry due to the gradual improvement in the macroeconomy of the country and the positive outlook of the capital market. Moreover, we have seen a few IPOs already in 2024 and expect more IPOs will come that may impact the earnings positively.

Internal control

The system of internal control is sound in design and has effectively been implemented and monitored.

Auditors appointment

The Board discussed and reviewed to appoint an external auditor for the year 2024 and recommended for re-appointment of External Auditors MABS & J Partners, Chartered Accountants for the Accounting year 2024 until holding the next Annual General Meeting (AGM).

Acknowledgement

On behalf of the Board of Directors, I take the opportunity to express our heart-felt appreciation and gratitude to our business partners, shareholders, management team, all the employees, Bangladesh Securities and Exchange Commission and all other regulatory bodies who were involved in the growth of this Company for their invaluable assistance, support, guidance and counsel.

Barrister K. M. Tanjib-ul Alam

Chairman

EBL Asset Management Limited



ম্যাবস এন্ড জে পার্টনার্স
MABS & J Partners
Chartered Accountants

Independent auditor's report to the Shareholders of EBL Asset Management Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of EBL Asset Management Limited, which comprise the statement of financial position as at 31 December 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) 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 Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standard Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our ethical responsibilities in accordance with the IESBA code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements of EBL Asset Management Limited for the year ended 31 December 2022, were audited by Aziz Halim Khair Choudhury, Chartered Accountants who expressed an unmodified opinion on those financial statements on 22 February 2023.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management of EBL Asset Management Limited is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 2020 and other application laws and regulations and such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, to communicate with them all relationship and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and Securities and Exchange Rules 2020, We also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and
- d) the expenditure was incurred for the purpose of the company's business.

Dhaka,
18 February 2024

Signed for and on behalf of
MABS & J Partners
Chartered Accountants

Masud Alam Chowdhury, ACA
Partner
ICAB Enrollment No: 2088
DVC: 2402182088AS670251

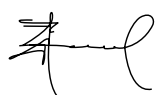
EBL Asset Management Limited

Statement of Financial Position

as at 31 December 2023

Particulars	Notes	Amount in BDT	
		2023	2022
Assets			
Non-current assets			
Property, plant and equipment	4	8,383,328	10,610,915
Investment in EBL AML 1st Unit Fund at market price	5	68,838,404	51,720,000
Deferred tax asset	11	2,973,264	1,903,659
Total non-current assets		80,194,996	64,234,573
Current assets			
Investment in shares at market price	5	153,929,645	112,462,867
Accounts receivable	6	2,478,280	4,447,261
Advance income tax	8	2,283,069	1,205,613
Cash and cash equivalents	9	11,545,491	76,391,090
Advance & prepayments	10	3,147,162	2,468,258
Total current assets		173,383,647	196,975,089
Total assets		253,578,642	261,209,662
Equity and liabilities			
Shareholders' equity			
Share capital	12	250,000,000	250,000,000
Retained earnings	13	(6,193,065)	140,361
Total shareholders' equity		243,806,935	250,140,361
Non-current liabilities			
Lease liability net off current maturity	14	5,531,511	7,615,046
Current liabilities			
Current portion of lease liability	14	2,083,535	1,923,690
Accounts payable	15	158,702	177,806
Provision for tax	16	1,997,959	1,352,758
Total current liabilities		4,240,196	3,454,254
Total liabilities		9,771,707	11,069,300
Total equity and liabilities		253,578,642	261,209,662

The annexed notes from 1 to 25 form an integral part of these financial statements.



Managing Director



Director



Chairman

This is the statement of financial position referred to in our separate report of even date.

Signed for and on behalf of
MABS & J Partners
Chartered Accountants



Masud Alam Chowdhury, ACA
Partner
ICAB Enrollment No: 2088
DVC: 2402182088AS670251

Dhaka,
18 February 2024

EBL Asset Management Limited

Statement of Profit or Loss and Other Comprehensive Income

for the year ended 31 December 2023

Particulars	Notes	Amount in BDT	
		2023	2022
Operating income			
Interest income	17	1,907,771	9,663,174
Investment income	18	13,344,596	7,158,524
Income from unit fund	19	5,154,447	4,107,107
Unrealized gain/(loss)	20	(10,637,248)	(13,760,464)
Total operating income		9,769,566	7,168,341
Operating expenses	21	(15,291,504)	(14,050,894)
Total operating expenses		(15,291,504)	(14,050,894)
Operating profit		(5,521,938)	(6,882,553)
Provision for diminution in value of investment		-	-
Profit/(loss) before income tax		(5,521,938)	(6,882,553)
Current tax	22	(1,881,093)	(1,213,432)
Deferred tax income/(expense)	22.1	1,069,605	1,809,297
Income tax expenses		(811,488)	595,865
Net profit/(loss) for the year		(6,333,426)	(6,286,688)
Other comprehensive income/(loss)		-	-
Total comprehensive income/(loss)		(6,333,426)	(6,286,688)
Earnings per share (EPS)	23	(2.53)	(2.51)

The annexed notes from 1 to 25 form an integral part of these financial statements.

Managing Director

Director

Chairman

This is the statement of profit or loss and other comprehensive income referred to in our separate report of even date

Signed for and on behalf of
MABS & J Partners
 Chartered Accountants

Masud Alam Chowdhury, ACA
 Partner
 ICAB Enrollment No: 2088
 DVC: 2402182088AS670251

Dhaka,
 18 February 2024

EBL Asset Management Limited

Statement of Cash Flows

for the year ended 31 December 2023

Particulars	Notes	Amount in BDT	
		2023	2022
A. Cash flows from operating activities:			
Net profit/(loss) for the year		(6,333,426)	(6,286,688)
Depreciation		2,450,115	2,542,147
Unrealized (gain)/loss		10,637,248	13,760,464
Changes in account receivables		1,968,981	(2,306,702)
Changes in account payables		(19,104)	174,065
Changes in other asset		1,096	(261,563)
Income tax expense		811,488	(595,865)
Income tax paid/adjusted		(2,313,348)	(1,459,708)
Net cash flows from operating activities		7,203,050	5,566,149
B. Cash flows from investing activities:			
Changes in investment in securities		(69,222,431)	(105,337,930)
Acquisition of property, plant & equipment		(222,528)	(948,503)
IPO application money		(680,000)	22,037,500
Loan given to EBLSL		-	160,000,000
Net cash flows from investing activities		(70,124,959)	75,751,067
C. Cash used in financing activities			
Payment of lease liability		(1,923,690)	(1,855,023)
Dividend payment		-	(40,000,000)
Net cash used in financing activities		(1,923,690)	(41,855,023)
D. Net increase/(decrease) in cash and cash equivalents (A+B+C)		(64,845,599)	39,462,193
E. Unrealized foreign exchange gain/(loss)		-	-
F. Cash and cash equivalents at the beginning of the year		76,391,090	36,928,897
G. Cash and cash equivalents at the end of the year (D+E+F)		11,545,491	76,391,090
Cash and cash equivalents			
Cash in hand		5,684	1,142
Balances with banks and financial institutions		11,539,807	76,389,948
		11,545,491	76,391,090
Net operating cash-flows per units (NOCFPU)	24	2.88	2.23



Managing Director

Dhaka,
18 February 2024



Director



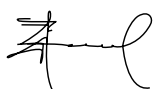
Chairman

Statement of Changes in Equity

for the year ended 31 December 2023

Particulars	Amount in BDT		
	Share capital	Retained earnings	Total shareholders' equity
Balance as at 01 January 2023	250,000,000	140,361	250,140,361
Net profit/(loss) for the year	-	(6,333,426)	(6,333,426)
Prior year adjustment	-	-	-
Dividend	-	-	-
Balance as at 31 December 2023	250,000,000	(6,193,065)	243,806,935
Balance as at 01 January 2022	250,000,000	45,730,501	295,730,501
Net profit/(loss) for the year	-	(6,286,688)	(6,286,688)
Prior year adjustment	-	696,548	696,548
Dividend	-	(40,000,000)	(40,000,000)
Balance as at 31 December 2022	250,000,000	140,361	250,140,361

The annexed notes from 1 to 25 form an integral part of these financial statements.



Managing Director

Dhaka,
18 February 2024



Director



Chairman

EBL Asset Management Limited

Notes to the Financial Statements

as at & for the year ended 31 December 2023

1. Company and its activities

1.1 Legal status and nature of the company

EBL Asset Management Ltd. (here-in-after referred to as 'EBLAML' or "the Company") was incorporated in Bangladesh with the Registrar of Joint Stock Companies (RJSC) vide registration no. C-89481/11 dated 9th January 2011 as a Private Ltd. Company, limited by shares under the Companies Act, 1994 and got license from Bangladesh Securities & Exchange Commission (BSEC) on 25th May 2017 for full-fledged asset management operation. It is a subsidiary company of Eastern Bank PLC. (EBL). EBL holds all the shares of the company except 1 (One) share which is held by an individual. The registered office of the company is located at Bangladesh Shipping Corporation Tower 2-3, Rajuk Avenue (4th Floor), Motijheel C/A, Dhaka-1000.

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) as adopted by FRC 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 Limited also complies with the applicable provisions of the following major laws/ statutes:

- Securities and Exchange Rules, 2020;
- Securities and Exchange Commission Act, 1993;
- Income Tax Act, 2023;
- VAT and SD Act 2012;
- 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 for 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 2023 to 31 December 2023.

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 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.

3.1.3 Depreciation

Depreciation on property, plant and equipment is charged using straight line method on all assets. Depreciation rates are as follows:

Nature of Assets	Rate of Depreciation
Furniture & Fixture	10%
Machinery and Equipment	20%
Motor Vehicle	12.50%

3.1.4 Right of use assets (RoU)

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 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 initially recognized at cost plus the expenditures that are directly attributable to the acquisition of the security. After initial reorganization listed securities are valued at Fair Value Through Profit or Loss as per IFRS 9.
- Fair Value has determined by taking the closing price of the securities in the Dhaka Stock Exchange (DSE) at the statement of Financial Position date.

3.4 Accounts Receivable

Accounts receivables includes interest receivables, dividend receivables, receivable from EBLAML 1st Unit Fund and receivable from trading account.

3.5 Cash and cash equivalents

Cash and cash equivalents include cash in hand and cash at bank which are held and available for use by the company without any restriction. There is insignificant risk of change in the value of these items.

3.6 Provision for income tax

Provision for income tax is made on the basis of company's computation based on the best estimate of taxable profit in accordance with Income Tax Act, 2023.

3.7 Revenue recognition

Revenue is recognized only when performance obligation is filled in accordance with the International Financial Reporting Standard (IFRS)-15 *Revenue from contracts with customers*.

3.7.1 Interest income from loan

In general, interest Income from loan is recognized on accrual basis. Such income is calculated on loan balance of the respective parties. Income is recognized on daily basis and applied to the customers' account on quarterly basis.

3.7.2 Net Investment income

- Dividend income is recognized when right to receive the income established (i.e. immediately after the record date);
- Capital gain/(loss) arising from sale of securities are recognized in the statement of Profit or Loss at the date when transaction takes place excludes expenditures that are directly attributable to the sale of the security.

3.7.3 Unrealized gain/(loss)

Unrealized gain/(loss) from investment in securities has been valued at Fair Value through Profit or Loss.

3.8 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.

3.9 Earnings Per Share

Earnings Per Share (EPS) has been computed by dividing the net profit & loss for the year by the number of ordinary share outstanding as on 31 December 2023 as per IAS-33: *Earnings per share*.

3.10 Events after the balance sheet date

Events after the balance sheet date that provide additional information about the company's position at the balance sheet date are reflected in the financial statements. Events after the balance sheet date that are not adjusting event are disclosed in the notes when material.

3.11 General

- i) Figures have been rounded off to the nearest integer.
- ii) Previous year's figures have been rearranged wherever considered necessary to conform to the current year's presentation.

3.12 Application of International Accounting Standards (IASs):

The financial statements have been prepared in compliance with requirement of IASs & IFRSs as adopted by the Financial Reporting Council (FRC) and applicable laws and regulations in Bangladesh. EBL Asset Management Ltd. applied following IASs and IFRSs:

Name of the IASs/ IFRSs	IASs/ IFRSs	No.
Presentation of financial statements	IAS	1
Statements of cash flow	IAS	7
Accounting policies, changes in accounting estimates and errors	IAS	8
Events after the reporting period	IAS	10
Income taxes	IAS	12
Property, plant and equipment	IAS	16
Employee benefits	IAS	19
Borrowing costs	IAS	23
Related party disclosures	IAS	24
Financial instruments: presentation	IAS	32
Earnings per share	IAS	33
Provisions, contingent liabilities and contingent assets	IAS	37
Financial instruments: disclosures	IFRS	7
Financial instruments	IFRS	9
Fair value measurement	IFRS	13
Revenue from contracts with customers	IFRS	15
Leases	IFRS	16

	Notes	Amount in BDT	
		2023	2022
4 Property, plant and equipment			
Cost/ revaluation			
i) Furniture, fixtures and equipment			
Opening balance		2,698,321	1,749,818
Add: Addition during the year		222,528	948,503
		2,920,849	2,698,321
ii) Right of use assets (RoU)			
Opening balance		10,820,238	6,541,842
Add: Addition during the year		-	10,820,238
Less: Disposal during the year		-	(6,541,842)
		10,820,238	10,820,238
Total		13,741,087	13,518,559
Accumulated depreciation			
i) Furniture, fixtures and equipment			
Opening balance		1,284,609	948,997
Add: Charged during the year		286,067	335,612
		1,570,676	1,284,609
ii) Right of use assets (RoU)			
Opening balance		1,623,036	5,958,344
Add: Charged during the year		2,164,048	2,206,536
Less: Disposal during the year		-	(6,541,844)
		3,787,083	1,623,036
Total		5,357,759	2,907,644
Written down value		8,383,328	10,610,915

Schedule of property, plant and equipment is given in **Annexure - A**

5 Investment in shares			
Cost value:			
Quoted shares (sector wise)			
Bank		5,647,120	-
Engineering		5,748,549	5,748,549
Financial institutions		110,883,425	110,883,425
Fuel & power		11,793,480	11,793,480
Insurance		26,939,357	87,980
Travel & leisure		16,723,935	-
Un-quoted shares (sector wise)			
Mutual fund		69,999,998	50,000,000
		247,735,864	178,513,434
Market value:			
Quoted shares (sector wise)			
Bank		5,562,658	-
Engineering		3,394,897	3,394,897
Financial institutions		98,680,668	98,678,003
Fuel & power		10,142,744	10,142,744
Insurance		23,930,338	247,224
Travel & leisure		12,218,340	-
Un-quoted shares (sector wise)			
Mutual fund		68,838,404	51,720,000
		222,768,049	164,182,867

Details of investment in shares has given in **Annexure - B**

		Amount in BDT	
		2023	2022
6	Accounts receivable		
	Receivable from EBL Securities Ltd. (Trading)	1,000	1,238
	Dividend receivable	509,882	51,836
	Interest receivable from EBL Securities Ltd.	-	-
	Interest receivable from FDR	692,222	292,898
	Receivable from EBLAML 1st Unit Fund	1,275,176	4,101,288
		2,478,280	4,447,261
6.1	Interest receivable from EBL Securities Ltd.(EBLSL)		
	Opening balance	-	-
	Add: Interest receivable from EBLSL	-	7,966,389
		-	7,966,389
	Less: Amount paid by EBLSL	-	7,966,389
		-	-
7	Loan		
	Opening balance	-	160,000,000
	Add: Loan to EBLSL	-	-
		-	160,000,000
	Less: Amount paid by EBLSL	-	160,000,000
		-	-
8	Advance income tax		
	Opening balance	1,205,613	1,789,796
	Add: Addition during the year	2,283,068	1,309,708
		3,488,681	3,099,504
	Less: Adjustment during the year	1,205,612	1,893,891
		2,283,069	1,205,613
9	Cash and cash equivalents		
	Cash in hand	5,684	1,142
	Bank balances	1,539,807	55,749,713
	Fixed deposit receipts	10,000,000	20,640,235
		11,545,491	76,391,090
9.1	Bank balances		
	Name of bank	Type	Account Number
	Eastern Bank PLC.	SND	355583
	Eastern Bank PLC.	STD	000014
	Eastern Bank PLC.	STD	250038
			1,539,807
			55,749,713
10	Advance & prepayments		
	Security deposit (Office Rent) - EBLSL	2,316,811	2,316,811
	BSEC annual Fee	100,000	100,000
	Prepaid insurance	5,594	6,690
	Advance to others	44,757	44,757
	IPO application money	680,000	-
		3,147,162	2,468,258
11	Deferred tax asset		
	Carrying amount of assets	231,151,377	174,793,782
	Less: Tax base	257,851,854	191,104,017
	Deductible temporary difference	(26,700,477)	(16,310,235)
	Deferred tax (asset)/liability	(2,973,264)	(1,903,659)
	Less: Opening balance deferred tax asset	(1,903,659)	(94,362)
	Deferred tax (income)/expense	(1,069,605)	(1,809,297)

Amount in BDT

	Notes	Amount in BDT					
		2023	2022				
12 Share capital							
Authorized capital							
2,500,000 ordinary shares of Tk. 100.00 each		250,000,000	250,000,000				
Issued, subscribed and paid up capital							
2,500,000 ordinary shares of Tk. 100.00 each fully paid in cash		250,000,000	250,000,000				
12.1 A distribution schedule of the above shares is given below:							
Name of shareholders		2023		2022			
		No. of shares	% of Holding	Amount in BDT	No. of shares	% of Holding	Amount in BDT
Eastern Bank PLC.		2,499,999	99.99%	249,999,900	2,499,999	99.99%	249,999,900
Ahmed Shaheen		1	0.01%	100	1	0.01%	100
		2,500,000	100%	250,000,000	2,500,000	100%	250,000,000
13 Retained earnings							
Opening balance						140,361	45,730,501
Add: Net profit/(loss) for the year						(6,333,426)	(6,286,688)
Add: Prior year adjustment						-	696,548
Less: Dividend						-	(40,000,000)
						(6,193,065)	140,361
14 Lease Liability							
Opening balance						9,538,736	573,521
Add: Addition during the year						-	10,820,238
Less: Adjustment during the year						1,923,690	1,855,023
						7,615,046	9,538,736
Less: Current portion of lease liability						2,083,535	1,923,690
						5,531,511	7,615,046
15 Accounts payable							
Audit fee						86,250	57,500
Payable for source tax						72,452	77,814
Payable for VAT						-	3,232
Payable to others						-	19,800
Payable for Employees' Provident Fund						-	19,460
Payable to EBL Securities Limited	15.1					-	-
						158,702	177,806
15.1 Payable to EBL Securities Limited							
Opening balance						-	-
Add: Addition during the year						3,262,930	3,083,157
						3,262,930	3,083,157
Less: Paid during the year						3,262,930	3,083,157
						-	-
16 Provision for tax							
Opening balance						1,352,758	2,183,217
Add: Provision made during the year	16.1					1,881,093	1,213,432
Less: Adjustment during the year						1,235,892	2,043,891
						1,997,959	1,352,758

		Amount in BDT	
	Notes	2023	2022
16.1	Provision made during the year		
	On business income	-	163,786
	On investment income	1,881,093	1,049,646
		1,881,093	1,213,432
17	Interest income		
	Bank interest	96,331	557,025
	Interest on loan & FDRs	1,811,440	9,106,149
		1,907,771	9,663,174
18	Investment income		
	Dividend income	9,445,882	3,337,936
	Capital gain on investment	3,898,714	3,820,588
		13,344,596	7,158,524
19	Income from unit fund		
	Management fees	5,154,447	4,107,107
		5,154,447	4,107,107
20	Unrealized gain/(loss)		
	Opening unrealized gain/(loss)	(14,330,567)	(570,103)
	Less: Closing unrealized gain/(loss)	(24,967,815)	(14,330,567)
	Charged during the year	(10,637,248)	(13,760,464)
21	Operating expenses		
	Salary & allowances	9,653,491	8,598,882
	Rent, taxes, insurance, utilities etc.	942,695	840,627
	Legal & professional expenses	-	14,893
	Postage, stamp, telecommunication etc.	44,792	55,579
	Stationery, printing, advertisement, business promotion etc.	121,791	115,620
	Trustee and Directors' fees & expenses	66,000	165,000
	Audit fees	86,250	57,500
	Repairs, maintenance and depreciation	2,868,841	2,799,611
	Other operating expenses	1,507,644	1,403,182
		15,291,504	14,050,894
21.1	Salary & allowances		
	Basic salary	5,584,088	5,012,852
	Other salary and allowances	2,912,509	2,766,450
	Festival bonus	975,000	809,850
	Contribution to provident fund	181,893	9,730
		9,653,491	8,598,882
21.2	Rent, taxes, insurance, utilities etc.		
	VAT expense on lease rental	365,777	347,520
	Utility bill	561,804	481,464
	Insurance expense	15,113	11,643
		942,695	840,627

	Notes	Amount in BDT	
		2023	2022
21.3 Legal & professional expenses			
Legal & professional expenses		-	14,893
		-	14,893
21.4 Postage, stamp, telecommunication etc.			
Telephone bill		692	11,479
Internet connectivity charge		44,100	44,100
		44,792	55,579
21.5 Stationery, printing, advertisement, business promotion etc.			
Stationery		92,358	80,327
Advertisement expense		6,195	16,485
Printing & publication expense		23,238	18,808
		121,791	115,620
21.6 Trustee and directors' fees & expenses			
Meeting fees		66,000	165,000
		66,000	165,000
21.7 Audit fees			
Audit fees		86,250	57,500
		86,250	57,500
21.8 Repairs, maintenance and depreciation			
Depreciation on freehold assets		286,067	335,612
Depreciation expenses on right of use assets (RoU assets)		2,164,048	2,206,536
		2,450,115	2,542,147
Repair & maintenance-motor vehicle		65,885	24,541
Repair & maintenance		16,020	7,100
Website maintenance expense		126,000	94,500
Web page development expense		93,332	-
Office maintenance		117,489	131,323
		418,726	257,464
		2,868,841	2,799,611
21.9 Other operating expenses			
Registration & renewal		128,985	121,645
Training & seminar		69,996	1,530
Entertainment		76,788	27,714
Conveyance		41,998	33,230
Medical expense		9,798	39,550
Miscellaneous expense		20,000	-
Car rental expenses		-	164,757
Bidding fee		9,000	9,000
Fuel		299,038	215,118
Security service fee		198,000	198,000
Web hosting expense		24,773	19,628
Bank charge		6,728	4,600
Interest expenses on leased liability		514,825	461,790
Excise duty		107,150	103,150
Account maintenance charges		115	3,020
BO renewal fees		450	450
		1,507,644	1,403,182

Amount in BDT

	Notes	2023	2022
22 Income tax expenses			
Current tax		(1,881,093)	(1,213,432)
Deferred tax income/(expenses)	22.1	1,069,605	1,809,297
		(811,488)	595,865

22.1 Deferred tax income/(expenses)

Furniture & fixture		(26,981)	(13,752)
Machineries & equipment		(50,029)	(51,807)
Motor vehicle		(22,473)	(13,908)
Right of use asset		(377,000)	(391,135)
Investment in securities		(2,496,782)	(1,433,057)
As on december 31, 2023		(2,973,264)	(1,903,659)
As on december 31, 2022		(1,903,659)	(94,362)
Deferred tax income/(expenses)		1,069,605	1,809,297

23 Earnings per share (EPS)

Net profit for the year		(6,333,426)	(6,286,688)
Outstanding number of shares		2,500,000	2,500,000
Earnings per share		(2.53)	(2.51)

During the year, the company's earnings per share decreased compared to the previous year. This was due to an increase in operating expenses, a decrease in interest income, and an increase in unrealized loss.

24 Net operating cash-flows per units (NOCFPU)

Net cash inflow/outflow from operating activities		7,203,050	5,566,149
Outstanding number of shares		2,500,000	2,500,000
Net operating cash flows per unit		2.88	2.23

During this year, the net operating cash flows per unit have increased compared to last year due to an increase in accounts receivable and a decrease in accounts payable.

25. Related party disclosure

The company, in normal case of business, carried out a number of transactions with other entities that fall within the definition of related party contained in International Accounting Standard 24 *Related party disclosures*. All transactions involving related parties arising in normal course of business are conducted on an arm's length basis at commercial rates on the same terms and conditions as applicable to the third parties. Details of transaction with related parties and balances with them as at 31 December 2023 were as follows:

Name of related party	Nature of relationship	Nature of transaction	Transaction during the year		Balance Asset/(Liability)	
			Dr./Adjustment	Cr./Adjustment	2023	2022
Eastern Bank PLC.	Parent company	Banking transaction	70,382,180	124,592,085	1,539,807	55,749,713
EBL Securities Limited	Sister concern	Office rent and other utilities	3,262,930	3,262,930	-	-
		Security deposit for office rent	-	-	2,316,811	2,316,811
		Stock Buy/Sell	154,437,104	154,437,342	1,000	1,238
EBL AML 1st Unit Fund	Fund under magement	Management fees	5,150,786	7,976,899	1,275,175	4,101,288

EBL Asset Management Limited

Schedule of Property, Plant and Equipment

as at 31 December 2023

Annexure - A

Amount in BDT

Particulars	Cost			Rate (%)	Depreciation			Net Book Value as on 31 December 2023
	Balance as on 01 January 2023	Addition during the year	Disposal during the year		Balance as on 31 December 2023	Charge during the year	Disposal during the year	
Freehold assets:								
Furniture & fixtures	957,468	-	-	10%	460,451	95,747	-	401,270
Machinery & equipment	883,096	222,528	-	20%	747,959	83,101	-	274,564
Motor vehicle	857,757	-	-	12.50%	76,199	107,220	-	674,338
Leasehold assets:								
Office building	10,820,238	-	-		1,623,036	2,164,048	-	7,033,155
Total as at 31 December 2023	13,518,559	222,528	-		2,907,644	2,450,115	-	8,383,328
Total as at 31 December 2022	8,291,660	11,768,741	6,541,842		6,907,341	2,542,147	6,541,844	2,907,644

Investment in securities

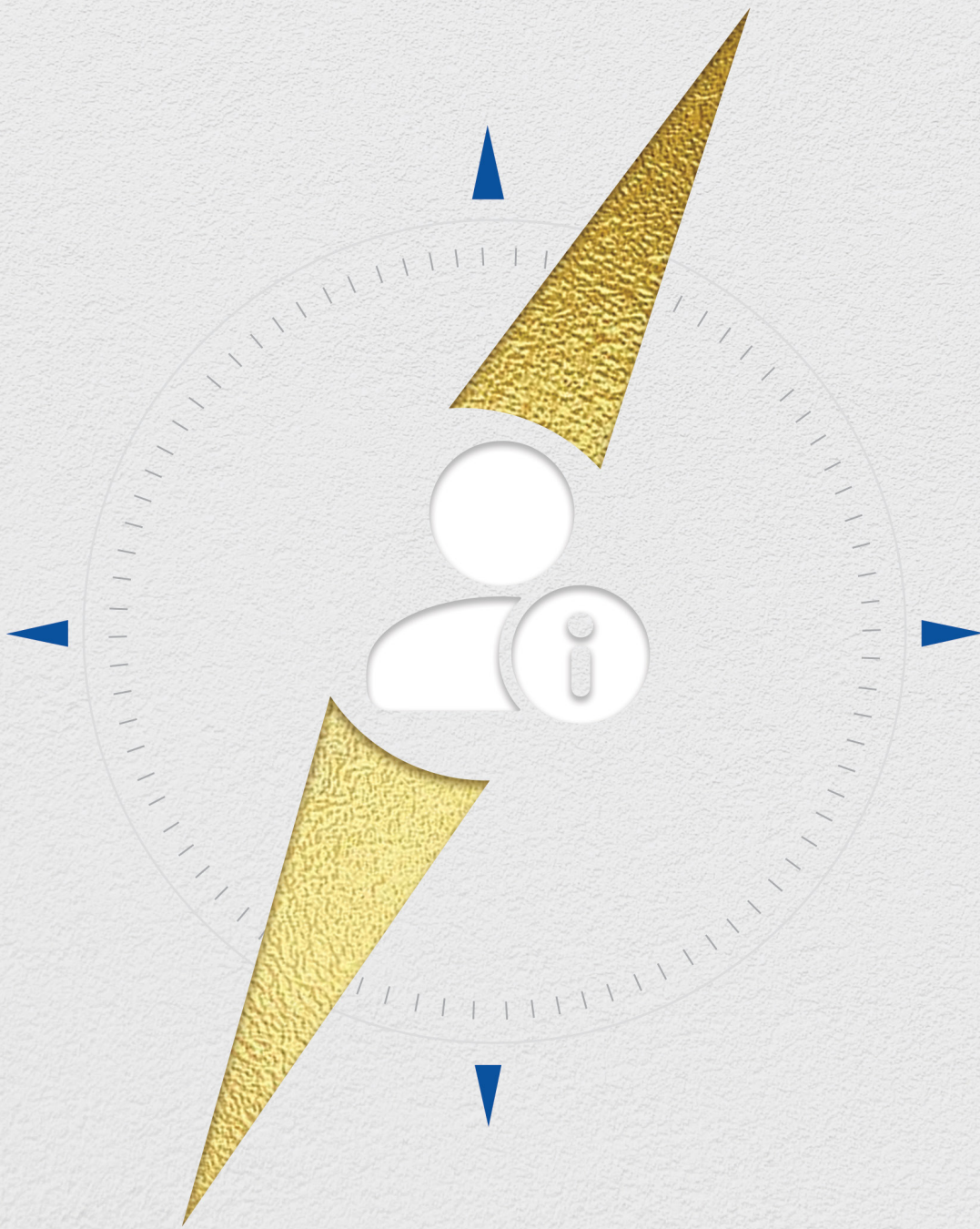
as at 31 December 2023

Annexure - B

Amount in BDT

SL. No.	Sector	Name of Securities	Number of Share	Weighted Average Price	Total Cost Value	Market Price	Total Market Value	Unrealized Gain/ (Loss)
Quoted shares:								
1	Bank	The City Bank Ltd.	105,973	21.41	2,269,376	21.40	2,267,822	(1,554)
2	Bank	Mercantile Bank Ltd.	247,732	13.63	3,377,744	13.30	3,294,836	(82,908)
3	Engineering	BBS Cables Limited	68,034	84.50	5,748,549	49.90	3,394,897	(2,353,653)
4	Financial institutions	DBH Finance PLC.	81,019	97.27	7,880,340	56.70	4,593,777	(3,286,563)
5	Financial institutions	IDLC Finance Ltd.	2,023,374	50.91	103,003,085	46.50	94,086,891	(8,916,194)
6	Fuel & Power	Summit Power Limited	298,316	39.53	11,793,480	34.00	10,142,744	(1,650,736)
7	Insurance	Delta Life Insurance Company Ltd.	108,024	162.20	17,521,634	136.50	14,745,276	(2,776,358)
8	Insurance	Sonali Life Insurance Company Limited	113,536	82.95	9,417,723	80.90	9,185,062	(232,660)
9	Travel & Leisure	Unique Hotel & Resorts PLC	215,491	77.61	16,723,935	56.70	12,218,340	(4,505,595)
					177,735,866		153,929,645	(23,806,221)
Unquoted shares:								
10	Mutual Fund-Open ended	EBL AML 1st Unit Fund	6,932,367	10.10	69,999,998	9.93	68,838,404	(1,161,594)
					247,735,864		222,768,049	(24,967,815)

SUPPLEMENTARY INFORMATION



Navigating Our Integrated Report

Elements	Particulars	Referred to	Page
Organizational overview and external environment	Organization's ethics, culture and values	Vision and Mission, Core values	13
	1. Ownership and operating structure, 2. Principal activities and markets	Corporate Directory	16
	Key quantitative information	Information for Stakeholders	64-84
	Significant factors affecting the external environment and the organization's response	PESTEL Analysis	202-203
Governance	Organization's leadership structure, including the skills and diversity	<ul style="list-style-type: none"> • Profile of Directors of the Board • Management Committee • Report of the Audit Committee of the Board • Report of the Risk Management Committee of the Board • Report of the Asset Liability Committee (ALCO) • Report of the Executive Risk Management Committee (ERMC) • Governance structure 	24-31, 88-90, 91-93, 94-95, 96, 99
	Mandatory and voluntary code of corporate governance adopted by the Company.	<ul style="list-style-type: none"> • Roles & responsibilities as per regulatory requirement • BSEC Code of Corporate Governance: Our Compliance Status • Bangladesh Bank Corporate Governance Guidelines: Our Compliance Status • Status of Compliance with the Companies Act, 1994 (Amended up to 2020) • Disclosure on Governance under Bangladesh Secretarial Standards (BSS) 	102-104, 112-121, 122-130, 131, 139-140
	Code of ethical conduct adopted by the Company in relation to ethical business.	Code of Conduct and Ethical Guidelines	14-15
	Specific processes used to make strategic decisions and to establish and monitor the culture of the organization, including its attitude to risk and mechanisms for addressing integrity and ethical issues	<ul style="list-style-type: none"> • Internal control system 	109-111
	Particular actions those charged with governance have taken to influence and monitor the strategic direction of the organization and its approach to risk management	<ul style="list-style-type: none"> • Risk Management report • Report of the Audit Committee of the Board • Report of the Risk Management Committee (RMC) of the Board 	88-90, 91-93, 146-184,
	Key Policies	Information on Important policies and practices	142
Stakeholder relationships	Stakeholder identification. Relationship, engagement and organization's approach	Stakeholders Engagement	197
Capitals	Description of six capitals	Six capitals	190-196
Business model	Description of organization's business model	Business Model and Value Creation	186-187



Elements	Particulars	Referred to	Page
Performance	1. Quantitative indicators with respect to targets and risks and opportunities, 2. Organization's response to key stakeholders' legitimate needs and interests 3. Organization's effect on six capital 4. Linkage between current and past performance and organization's outlook	<ul style="list-style-type: none"> • Financial statements • Information for Stakeholders • Six capital • Stakeholders Engagement • Directors Report 2023 	<p>274-456 64-84 190-196 197 58-63</p>
	Significant impact of regulations on performance or the organization's non-compliance with laws or regulations on its operations.	Statement of Non-Compliance with Mandatory Requirements and Regulatory Statutes	138
Risks, opportunities and internal controls	Specific source of risks and opportunities	Risk Management	146-184
	Organization's assessment of the likelihood that the risk or opportunity		
	Key risk mitigation or management		
	Risk Management Report which includes details about risk, root cause, potential impact, response to risk, risk rating		
Strategy and resource allocation	Organization's short, medium and long term strategic objectives	Strategy and resource allocation plan	188-189
	Strategies it has in place, or intends to implement, to achieve those strategic objectives		
	Resource allocation plans it has to implement its strategy		
Outlook	The organization's expectations about the external environment the organization is likely to face in the short, medium and long term	Stewardship	49-63
	How the organization is currently equipped to respond to the critical challenges and uncertainties that are likely to arise.		
	The availability, quality and affordability of capitals the organization uses or affects, including how key relationships are managed and why they are important to the organization's ability to create value over time.	Six capitals	190-196
	The external environment, and risks and opportunities, with an analysis of how these could affect the achievement of strategic objectives	PESTEL Analysis	202-203
Basis of preparation and presentation	A summary of the organization's materiality determination process	Material topics	198-199
	A description of the reporting boundary and how it has been determined	About Our Integrated Report	5
	A summary of the significant frameworks and methods used to quantify or evaluate material matters		
Responsibility for an integrated report	An acknowledgement of their responsibility to ensure the integrity of the integrated report	About Our Integrated Report	5
Conciseness	An integrated report should be concise.	Complied	N/A
Reliability and completeness	Include all material matters, both positive and negative,	Material Topics	198-199
Consistency and comparability	The information in an integrated report should be presented maintaining consistency over time and comparability	Complied	N/A
Connectivity of information	Connectivity between – Capitals, content elements, past present and future, Financial and other information'	Six capitals	190-196
Materiality	Disclose information about matters that substantively affect the organization's ability to create value over the short, medium and long term	Material Topics	198-199
Assurance on the Report	The policy and practice relating to seeking assurance on the report	About Our Integrated Report	5

Branch Network

DHAKA

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Dhanmondi Branch House#21, Road#08, Dhanmondi R/A, Dhaka-1205. IP Phone: 09666777325; Ext- 5150, 5160, 5165, 5153, 5178, 5154, 5155 E-mail: info@ebl-bd.com	Dhanmondi Main Branch Suvastu Zenim Plaza (Ground floor), Plot No. 37(old 312)Br,Road No.16 (old 27), Ward No. 15, Dhanmondi,Dhaka. IP Phone: 09666777325,Ext- 9500, 9501, 9511, 9515, 9517, 9512, 9506, 9516, 9503 E-mail: info@ebl-bd.com	Dohar Branch Ashraf Ali Choudhury Plaza, Holding No 83, College Road, Joypara, Dohar, Dhaka IP Phone: 09666777325, Ext: 6200, 6204, 6202, 6203, 6205, 6201 E-mail: info@ebl-bd.com
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<p>Madhabdi SME-AGRI Branch 242/1, Algi Road, Parkshipur, Madhabdi Bazar, Madhabdi, Narsingdi IP Phone: 09666777325, Ext: 6350, 6351, 6353, 6352, 1863 E-mail: info@ebl-bd.com</p>	<p>Mawna Branch Creative Bhaban (ground floor), Mawna Chowrasta, Sreepur, Gazipur IP Phone: 09666777325, Ext: 970, 971, 972, 973, 974, 975, 976 E-mail: info@ebl-bd.com</p>	<p>Mirpur Branch Plot-17, Main Road-3, Block-A, Section-11, Mirpur, Dhaka -1216. IP Phone: 09666777325, Ext: 5200, 5205, 5207, 5210, 5206, 5215, 5214, 5212, 5209, 5204, 5212, 5213 E-mail: info@ebl-bd.com</p>
<p>Mirpur Dar-us-salam Road Branch Chand plaza, 10 Dar-Us- Salam Road, Mirpur# 01, Dhaka-1216. IP Phone: 09666777325, Ext: 5582, 5576, 5578, 5580, 5583, 5585, 5584 E-mail: info@ebl-bd.com</p>	<p>Moghbaraz Branch Shafi Complex, Holding No# 1/A, West Moghbaraz, New Circular Road, Ramna, Dhaka. IP Phone: 09666777325, Ext: 1203, 5551, 5552, 5556, 5558, 5560, 5559, 5553 E-mail: info@ebl-bd.com</p>	<p>Motijheel Branch 88 Motijheel C/A, Dhaka. IP Phone: 09666777325, Ext: 1782, 5051, 5056, 5060, 5052, 5057, 5059, 5057, 5061 E-mail: info@ebl-bd.com</p>
<p>Mouchak Branch Siddique Shopping Complex (Ground Floor), Mouchak, Kaliakair, Gazipur IP Phone: 09666777325, Ext: 1768, 1770, 1771 E-mail: info@ebl-bd.com</p>	<p>Narayangonj Branch 64 BangaBandhu Road [Islam Plaza], Narayangonj IP Phone: 09666777325, Ext: 6075, 6077, 6079, 6085, 6084, 6081, 6082, 6080, 6076, 6078 E-mail: info@ebl-bd.com</p>	<p>Narayangonj SME-AGRI Branch S S Tower, 30/14 Loyal Tank Road, Tanbazar, Narayangonj IP Phone: 09666777325, Ext: 6100, 6101, 6102, 6105, 6106, 6103, 6104 E-mail: info@ebl-bd.com</p>
<p>Ponchoboti Branch 101-102 Ponchobotir Mor, (GF and 1st floor), Fatulla, Narayangonj IP Phone: 09666777325, Ext: 960, 962, 964, 961, 5758, 963, 965 E-mail: info@ebl-bd.com</p>	<p>Principal Branch 10, Dilkusha C/A, GF, Jiban Bima Bhaban, Dhaka. IP Phone: 09666777325, Ext: 5000, 5001, 5004, 5009, 5013, 5005, 5014, 5020 E-mail: info@ebl-bd.com</p>	<p>Progoti Sarani Branch Azahar Comfort Complex, Holding no# 130/A, Road# Progoti Sarani, Middle Badda, Gulshan, Dhaka. IP Phone: 09666777325, Ext: 5450, 5452, 5451, 5462, 5466, 5460, 5463, 5453, 5458, 5464 E-mail: info@ebl-bd.com</p>
<p>Satmosjid Road Branch ANZ Square, Plot No# 53, Road No# 3/A, Satmosjid Road, Dhanmondi, Dhaka-1209 IP Phone: 09666777325, Ext: 5250, 5251, 5252, 5280, 5281, 5286, 5255, 5254 E-mail: info@ebl-bd.com</p>	<p>Savar Branch Bristi Villa, E/4, Talbagh, Abul Kashem Sandip Sarak, Savar, Dhaka IP Phone: 09666777325, Ext: 6300, 6301, 6302, 6303, 6304, 6308, 6306, 6307 E-mail: info@ebl-bd.com</p>	<p>Shantinagar Branch Iris Noorjehan (1st Floor), Plot no# 104, Kakrail Road, Ramna, Dhaka Phone: 02-8300028, 02-8300053, 02-8300218 E-mail: info@ebl-bd.com</p>
<p>Shyamoli Branch 16-A/5 Ring Road, Shyamoli, Dhaka-1207 IP Phone: 09666777325, Ext: 5350, 5351, 5352, 5353, 5355, 5356, 5359, 5357, 5360 E-mail: info@ebl-bd.com</p>	<p>Sonargaon Branch Bhuiyan Plaza, Habibpur, Mogradpara, Sonargaon, Narayangonj IP Phone: 09666777325, Ext: 5825, 5827, 5831, 5828, 5830, 5826, 5832, 5829 E-mail: info@ebl-bd.com</p>	<p>Sonargaon Road Branch A H N Tower (1st Floor), 13 & 15 Bir Uttam C R Datta Road (Sonargaon Road), Biponon C/A, Bangla Motor, Shahbag, Dhaka. IP Phone: 09666777325, Ext: 5100, 5101, 5102, 5105, 5115, 5114, 5107, 5114, 5112, 5113, 5108 E-mail: info@ebl-bd.com</p>
<p>Tangail Branch Rahman Center (1st floor), 55 Victoria Road, Tangail IP Phone: 09666777325, Ext: 6277, 6276, 6278, 6282, 6279, 259, 6280 E-mail: info@ebl-bd.com</p>	<p>Uttara Branch House# 1, Road# 5, Sector# 4, Uttara, Dhaka Phone: 02-58957370, 58958859 E-mail: info@ebl-bd.com</p>	<p>Uttara Garib-E-Newaz Avenue Branch Plot No# 15 (1st floor), Sector# 11, Garib -E-Newaz Avenue, Uttara, Dhaka-1230. IP Phone: 09666777325, Ext: 5600, 5601, 5602, 5606 E-mail: info@ebl-bd.com</p>
<p>Wari Branch 40/1 Rankin Street (GF, 1st & 2nd Floor), Wari, Dhaka Phone: 02223389170, 47110949 E-mail: info@ebl-bd.com</p>		

CHATTOGRAM		
Agrabad Branch 33 Agrabad C/A, Chattogram IP Phone: 09666777325, Ext:3071, 3072, 3082, 3083, 3079, 3085, 3089, 909, 3096, 3084, 3087 E-mail: info@ebl-bd.com	Bangabandhu Sheikh Mujib SN Branch Bangabandhu Sheikh Mujib Shilpa Nagar, Union: Ichakhali, P.S: Mirsarai, Chattogram IP Phone: 09666777325, Ext: 9301, 9302, 9304, 9303, 9307, 9305 E-mail: info@ebl-bd.com	Bhatiary Branch Dhaka Trunk Road, Bhatiary Station, Chattogram-4315 IP Phone: 09666777325, Ext: 3575, 3576, 3577 E-mail: info@ebl-bd.com
Brahmanbaria Branch Malek Khayer Plaza# 95, Paik Para, Jame Masjid Road, (North Side of Kumarshil Point), Brahmanbaria. Phone: (0851)-61648-49, 58614 E-mail: info@ebl-bd.com	CEPZ Branch 1279/A, Saleh Complex, CEPZ Gate, Bandar, Chattogram. IP Phone: 09666777325, Ext: 3400, 3405, 3401, 3409, 3406, 3408, 3402, 3412 E-mail: info@ebl-bd.com	Chandgaon Branch House No# 16, Road No# 01,Block # A, Chandgaon R/A, Chattogram - 4212. IP Phone: 09666777325, Ext: 3223, 3229, 3227, 3230, 3228, 32323, 3237 E-mail: info@ebl-bd.com
Chowmuhani Branch KIRON IMPERIAL (GF, 1st and 2nd Floor), 1460 Karimpur Road, Chowmuhani, Begumgonj, Noakhali IP Phone: 09666777325, Ext: 3325, 3326, 3329, 3327, 899, 3332, 3330 E-mail: info@ebl-bd.com	Cox's Bazar Branch 10, Hotel Motel Zone, Kolatali Road, Cox's Bazar IP Phone: 09666777325, Ext: 3275, 3277, 3280, 3279, 3281, 3276 E-mail: info@ebl-bd.com	Cumilla SME-AGRI Branch Chowdhury Plaza, 195 Jail Road, Ghutala, Kotwali, Cumilla IP Phone: 09666777325, Ext:3475, 3476, 3477, 3478, 3480, 3484, 3479, 251 E-mail: info@ebl-bd.com
Feni SME-AGRI Branch Kazi Alamgir Center,26 S.S.K Road, Feni. IP Phone: 09666777325, Ext: 3350, 3351, 3353, 3355, 3356, 3357,1720 E-mail: info@ebl-bd.com	Halishahar Branch House # 01, 1st Floor, Road # 01, Block # L, Halishahar Housing Estate, Chattogram IP Phone: 09666777325, Ext:3375, 3376, 3377, 3378, 3381, 3383 E-mail: info@ebl-bd.com	Hathazari Branch Haji Sultan Market, Fotika, Hathazari sadar, Chattogram., IP Phone: 09666777325, Ext: 3450, 3451, 3452, 3455, 3453 E-mail: info@ebl-bd.com
Jamal Khan Branch CPDL AM Majesta (1st Floor), 84, Jamal Khan Road, Chattogram IP Phone: 09666777325, Ext:3650, 3651, 3652, 3653, 3654, 3657, 3656 E-mail: info@ebl-bd.com	Jubilee Road Branch Mannan Bhaban (Ground Floor), 156, Nur Ahmed Sarak, Jubilee Road, Chattogram IP Phone: 09666777325, Ext: 3125, 3126, 3127, 3135, 3130, 3133, 3134 E-mail: info@ebl-bd.com	Khatungonj Branch 173 Khatungonj, Badsha Market, Chattogram IP Phone: 09666777325, Ext: 3101, 3102, 3104, 3105, E-mail: info@ebl-bd.com
Khulshi Branch 10, Zakir Hossain Road, Khulshi, Chattogram. IP Phone: 09666777325 Ext-3675, 3677, 3678 E-mail: info@ebl-bd.com	Lohagara Branch MK Shopping Complex, 694 Lohagara, Chattogram IP Phone: 09666777325, Ext:3425, 3427, 3430, 3429, 3426, 3431 E-mail: info@ebl-bd.com	Maijdee Branch Alif Plaza, Main Road, Maijdee, Noakhali IP Phone: 09666777325, Ext: 3600, 3601, 3602, 3605, 3606, 3608, 1927 E-mail: info@ebl-bd.com
Mehedibag Branch Epic Emdad Heights, 38 Chatteshwari Circle, Mehedibag, Chattogram IP Phone: 09666777325, Ext: 3550, 3556, 3559, 3557, 3551, 3554, 3555 E-mail: info@ebl-bd.com	Muradpur Branch Jumairah Fairmont Trade Centre (GF and 1st floor), 327 (Old), CDA Avenue Muradpur, Panchlaish, Chattogram IP Phone: 09666777325, Ext: 3700, 3701, 3702, 3704, 3706, 3711 E-mail: info@ebl-bd.com	Nazirhat Branch Zaria Community Center, East Farhadabad, Doulatpur, Fatikchari, Chattogram IP Phone: 09666777325, Ext: 3500, 3501, 1606, 1604, 1839 E-mail: info@ebl-bd.com
New Market Branch 904/731, H S S Road (New Market More), Alkaran, Kotwali, Chattogram IP Phone: 09666777325, Ext: 3150, 3152, 3153, 3154, 3157, 3158, 3159 E-mail: info@ebl-bd.com	O. R. Nizam Road Branch Avenue Centre, 787 CDA Avenue, Chattogram IP Phone: 09666777325, Ext: 1799, 3185, 3182, 3178, 3187, 3176, 3184, 3180, 3177 E-mail: info@ebl-bd.com	Panchlaish Branch Al-Hakim Plaza, 14, Panchlaish R/A, Chattogram IP Phone: 09666777325, Ext: 3250, 3252, 3253, 3254, 3256, 3265, 3251 0241355766 E-mail: info@ebl-bd.com
Raozan Branch Bharetoshowri Market, Kaptai Road, Noapara, Raozan, Chattogram IP Phone: 09666777325, Ext: 3200, 3201, 3203, 3204, 3206, 3207, 3205 E-mail: info@ebl-bd.com	Sirajuddowla Road Branch 94 Sirajuddowla Road, Dewan Bazar, Chandanpura, Chattogram IP Phone: 09666777325, Ext:3300, 3302, 3304, 3307, 3308, 3301, 3303, 3309 E-mail: info@ebl-bd.com	

**SYLHET****Chouhatta Branch**

Plot# 01, Tea Board Building, Zindabazar Road, Chouhatta Point, Sylhet
 IP Phone: 09666777325,
 Ext: 1404, 1953, 872, 982, 3801, 3780, 883, 859, 2132, 3782, 3779, 3783
 E-mail: info@ebl-bd.com

Fenchuganj Branch

Tuta Miah Mansion (1st Floor), Fenchuganj Bazar, Fenchuganj, Sylhet
 IP Phone: 09666777325,
 Ext: 1679, 2122, 1678, 2121, 2120
 E-mail: info@ebl-bd.com

Moulvibazar Branch

26, Sylhet Trunk Road, 1st Floor, Moulvi Bazar, Sylhet
 IP Phone: 09666777325,
 Ext: 3725, 3726, 3730, 3731, 3729, 3728
 E-mail: info@ebl-bd.com

Upashahar Branch

504 Gas Bhaban [GF], Mehdi Bagh, Sylhet
 IP Phone: 09666777325, Ext: 3750, 3752, 3751, 3757, 3758, 3756, 3754, 3753
 E-mail: info@ebl-bd.com

KHULNA**Fulbarigate Branch**

Altaf Plaza, Jogipole, Fulbari Gate, Khan Jahan Ali, Khulna
 IP Phone: 09666777325, Ext: 1823, 6451, 6452, 6454, 6456, 6457, 6465, 6453
 E-mail: info@ebl-bd.com

Jashore Branch

25/A R.N. Road (1st Floor), Jashore
 IP Phone: 09666777325, Ext: 6382, 6377, 6376, 6383, 6378, 6381, 6380, 6376
 E-mail: info@ebl-bd.com

Khulna Branch

Tayamun Centre & Properties, 181, Jashore Road, Khulna
 IP Phone: 09666777325, Ext: 6400, 6401, 6402, 6403, 6404, 6405, 6406, 6407, 6408, 6409, 6410, 6412
 E-mail: info@ebl-bd.com

Mongla Branch

Pouro Multi-purpose Building (1st floor), Mongla Port Pourashava, Digraj Bazar, P.S: Mongla, Dist:Bagerhat.
 IP Phone: 09666777325, Ext: 9801, 9802, 9804, 9805, 9806, 9812, 9811, 9813
 E-mail: info@ebl-bd.com

RAJSHAHI**Bogura Branch**

1020/1092, Satani Mega Centre, Sherpur Road, Bogura- 5800
 IP Phone: 09666777325; Ext: 6500, 6501, 6502; Tel: 02589903931, 02589903932
 E-mail: info@ebl-bd.com

Rajshahi Branch

Doinik Barta Complex (Ground Floor), Alupotti, Natore Road, Rajshahi-6000
 IP Phone: 09666777325;
 Ext: 6475, 6477, 6478
 E-mail: info@ebl-bd.com

BARISHAL**Barishal Branch**

Bishnu Priya Bhaban, 69, Sadar Road, Barishal
 IP Phone: 09666777325, Ext: 6550, 6552, 6553, 6554, 6555, 6556
 E-mail: info@ebl-bd.com

RANGPUR**Rangpur Branch**

House # 11, Road # 01, Dhap Jail Road, Rangpur
 IP Phone: 09666777325, Ext: 1825, 6526, 6531, 6528, 6530, 6529, 211, 1884, 1885
 E-mail: info@ebl-bd.com

MYMENSINGH**Mymensingh SME-AGRI Branch**

Josho Madhab, 47/A, MuktiJodda Saroni Sarak, Choto Bazar, Mymensingh City Corporation, Kotwali, Mymensingh
 IP Phone: 09666777325;
 Ext: 6325, 6326, 6327
 E-mail: info@ebl-bd.com

Sub-Branch

<p>Anwara Sub-branch S R Super Market Thana Road Sadar Union, Ward# 04 PO & PS Anowara, Chattogram IP Phone: 09666777325, Ext: 9100, 9102, 9101, 9103 E-mail: info@ebl-bd.com</p>	<p>Bishwanath Sub-branch Grand Complex , Mosula,Word No# 02, Notun Bazar, Bishwanath, Sylhet IP Phone: 09666777325, Ext: 3825, 3826, 3827, 3828 E-mail: info@ebl-bd.com</p>	<p>Chandpur Sadar Sub-branch Holding- 812, Hazi Mohasin Road, Chitrolekha More, Chandpur Sadar, Chandpur. IP Phone: 09666777325, Ext: 9110, 9111, 9112, 9113 E-mail: info@ebl-bd.com</p>
<p>Chandra Sub-branch Momota Super Market, House No# 86/2, Block: H, Ward# 7, Sattar Road, Palli Bidyut, Chandra, Gazipur. IP Phone: 09666777325, Ext: 6870, 6871, 6872, 6873 E-mail: info@ebl-bd.com</p>	<p>Chauddagram Sub-branch Patwary shopping complex (1st floor) Holding No# 102, Wapda Road, Ward# 04, Chauddagram pourashava, Chauddagram, Cumilla. IP Phone: 09666777325, Ext: 9120, 9122, 9121, 9123 E-mail: info@ebl-bd.com</p>	<p>Daudkandi Sub-branch Abid Plaza, Holding No# 045-3- 16, Daudkandi Bisshoroad, Ward no. 04, Daudkandi Pouroshova P.S: Daudkandi, District: Cumilla, Bangladesh. IP Phone: 09666777325, Ext: 9190, 9192, 9193 E-mail: info@ebl-bd.com</p>
<p>Daulatpur Sub-branch SS Center Shopping Mall. Holding : 1/1 Ward# 6, Jessore Khulna Highway Road, Daulatpur Khulna IP Phone: 09666777325, Ext: 6900, 6901, 6902, 6903 E-mail: info@ebl-bd.com</p>	<p>Dinajpur Sub-branch Northan Plaza (1st floor), Holding No# 1019- 984/1, Goneshtola, Kotowali, Dinajpur IP Phone: 09666777325, Ext: 9600, 9601, 9602, 9603 E-mail: info@ebl-bd.com</p>	<p>Dohazari Sub-branch Hazari Tower (1st Floor), Dohazari, Chandanaish, Chattogram. IP Phone: 09666777325, Ext: 632, 631, 639, 636, 638 E-mail: info@ebl-bd.com</p>
<p>Doyaganj Sub-branch Jannat Villa, Holding No# 30/1, Monir Hossian Lane, Doyagonj, Word No# 40, Gandaria, Dhaka. IP Phone: 09666777325 Ext: 9372 E-mail: info@ebl-bd.com</p>	<p>Kallyanpur Sub-Branch 1/5, Kallyanpur, main road, Mizan Tower (1st floor), Mirpur, Dhaka. IP Phone: 09666777325, Ext: 9550, 9551, 9552, 9553 E-mail: info@ebl-bd.com</p>	<p>Kanchpur Sub-branch Sonargaon Mega Complex (ground floor), 96 Kanchpur, Sonargaon, Narayanganj IP Phone: 09666777325, Ext: 6885, 6886, 6887, 6888 E-mail: info@ebl-bd.com</p>
<p>Karnaphuli EPZ Sub-branch Old Zone Services Building (ground floor), KEPZ Complex, Ward No# 40, Patenga, Chattogram IP Phone: 09666777325, Ext: 3900, 3901, 3902, 3903 E-mail: info@ebl-bd.com</p>	<p>Kochukhet Sub-branch 234/6, Kochukhet Road, Dhaka Cantonment, Dhaka IP Phone: 09666777325, Ext: 9367, 9366, 9364, 9365 E-mail: info@ebl-bd.com</p>	<p>Kushtia Sadar Sub-branch Holding No. 176-178, Tamij Uddin Super Market (1st floor) N S Road, Kushtia Sadar, Kushtia IP Phone: 09666777325, Ext: 9725, 9726, 9728, 9727 E-mail: info@ebl-bd.com</p>
<p>Laksham Sub-branch M.M Tower (1st floor), Holding No# 1550, Ward No# 04, Chouddhagram Road Laksam Pourashava, Thana: Laksam, Cumilla IP Phone: 09666777325, Ext: 3925, 3926, 3927, 3928 E-mail: info@ebl-bd.com</p>	<p>Manikganj Sub-branch Kalims Tower (1st floor), Holding# 40, 41 & 42, Shahid Rafique Sarak, P.O & P.S: Manikganj Sadar, Manikganj. IP Phone: 09666777325, Ext: 9785, 9786, 9787, 9788 E-mail: info@ebl-bd.com</p>	<p>Mirpur DOHS Sub-branch Mirpur DOHS Shopping Complex (3rd floor) Shop No# 32, Road No# 09, Ward No# 02, Pallabi, Dhaka. IP Phone: 09666777325, Ext: 9620, 9621, 9622, 9623 E-mail: info@ebl-bd.com</p>
<p>Mirsarai Sub-branch Hazi Renu Miah Master Shopping Complex, Holding No# 183-0069, Ward No# 02, Mirsarai, Chattogram IP Phone: 09666777325, Ext: 3852, 3853, 3850, 3851 E-mail: info@ebl-bd.com</p>	<p>Mugda Sub-branch Holding No# 44/4 (1st floor), Atish Dipankar Road, Mughda, Ward No# 06, Dhaka South City Corporation, Thana: Mughda, Dis: Dhaka IP Phone: 09666777325, Ext: 9140, 9141, 9142, 9143 E-mail: info@ebl-bd.com</p>	<p>Munshigonj Sadar Sub-branch R.K Tower (1st floor), Holding # 605, Bagh Mahmud Ali, Sadar Hospital Road, Munshiganj Sadar, Munshiganj IP Phone: 09666777325, Ext: 9130, 9131, 9132, 9133 E-mail: info@ebl-bd.com</p>
<p>Narsingdhi Sadar Sub-branch HoldingNo# 406, Fulmia Super Market (1st floor), Central Mosjid Road, Narsingdi Bazar, Narsingdi IP Phone: 09666777325, Ext: 9640, 9641, 9642, 9643 E-mail: info@ebl-bd.com</p>	<p>Nawabganj Sub-branch Chamak Plaza , Baghmara, Kolakopa., Nawabgonj, Dhaka-1320. IP Phone: 09666777325, Ext: 6175, 6176, 6177, 6178 E-mail: info@ebl-bd.com</p>	<p>Nikunja Sub-branch DSE Tower (ground floor), Holding No#46, Road#21, Ward#17, Dhaka North City Corporation, Khilkhet, Nikunjo-2, Dhaka IP Phone: 09666777325, Ext: 9630 E-mail: info@ebl-bd.com</p>



<p>Olipur Sub-branch Habiganj Industrial Park, Holding No# 65, Olipur, Shayestaganj, Habiganj IP Phone: 09666777325, Ext: 9170, 9171, 9173 E-mail: info@ebl-bd.com</p>	<p>Pabna Sub-branch 619/6, P.K. Shaha Road, Manama A.M.Plaza (first floor) Dilalpur, Pabna. IP Phone: 09666777325, Ext: 9160, 9161, 9162, 9163 E-mail: info@ebl-bd.com</p>	<p>Pallabi Sub-branch M.M Complex, Holding No# 11, Road No# 02, Harun Mollah Road, Ward No# 06, Dhaka North City Corporation, Pallabi, Mirpur, Dhaka. IP Phone: 09666777325, Ext: 9385, 9387, 9386, 9388 E-mail: info@ebl-bd.com</p>
<p>Patiya Sub-branch Hajee Amju Miah Tower, Holding No# 584, Arakan Road, Ward No# 07, Patiya, Chattogram. IP Phone: 09666777325, Ext: 3915, 3917, 3916, 3918 E-mail: info@ebl-bd.com</p>	<p>Satkhira Sub-branch Holding No # 0657, Tufan Companyr More, Abul Kashem Road, Satkhira Sadar, Satkhira. IP Phone: 09666777325, Ext: 9610, 9611, 9613 E-mail: info@ebl-bd.com</p>	<p>Sreemangal Sub-branch Holding No# 491, Al Hera Tower (1st floor), Moulvibazar Road, Sreemangal, Moulvibazar, Bangladesh IP Phone: 09666777325, Ext: 9150, 9152, 9153 E-mail: info@ebl-bd.com</p>
<p>Saidpur Sub-branch Holding No# 0043-00, Ward No# 02, Naya Bazar, Tulshiram Road, Syedpur Pourashava, Syedpur, Nilphamari. IP Phone: 09666777325, Ext: 9590, 9591, 9592, 9593 E-mail: info@ebl-bd.com</p>	<p>Tejgaon Sub-branch Sheikh Abdul Motin Complex, Holding No.# 189/A, East Nakhalpara, Hazi Moron Ali Road, Tejgaon, Dhaka. IP Phone: 09666777325, Ext: 9356, 9357, 9358, 9359 E-mail: info@ebl-bd.com</p>	<p>Tongi Sub-branch Kutub Complex, Holding No# 65, Anarkoli Road, Ward# 57, Gazipur City Corporation, Tongi, Gazipur. IP Phone: 09666777325, Ext: 9565, 9566, 9567, 9568 E-mail: info@ebl-bd.com</p>



Registered address: 100 Gulshan Avenue, Gulshan, Dhaka-1212
E-mail: info@ebl-bd.com | Web: www.ebl.com.bd

NOTICE OF THE 32ND ANNUAL GENERAL MEETING

Notice is hereby given that the **32nd Annual General Meeting (AGM)** of Eastern Bank PLC. will be held on Monday, April 29, 2024 at 11.00 AM (Bangladesh Standard Time) by using Digital Platform through the link <https://agmbd.live/ebl2024> to transact the following Agenda:

AGENDA:

01. To receive, consider and adopt the Audited Financial Statements of the Bank for the year ended December 31, 2023 along with the Reports of the Auditors' and the Directors' thereon.
02. To declare Dividend for the year ended December 31, 2023 as recommended by the Board of Directors.
03. To elect Directors.
04. To approve the appointment of Independent Director.
05. To appoint the Statutory Auditors of the Bank for the term until the holding of next Annual General Meeting, and to fix their remuneration.
06. To appoint the Corporate Governance Compliance Auditors for the year 2024 of the Bank, and to fix their remuneration.

By order of the Board of Directors

Md. Abdullah Al Mamun FCS
Company Secretary

Dated, Dhaka
March 28, 2024

Notes:

- The Board of Directors recommended for **payment of 12.50% (Twelve point five zero percent) Cash Dividend and issuance of 12.50 % (Twelve point five zero percent) Stock Dividend (Bonus Shares)** on the profit of the Bank as at the close of business on December 31, 2023.
- The 'Record Date' in lieu of Book Closure will be on Tuesday, April 02, 2024. The Shareholders whose names would appear in the Register of Members of the Company and/or in the Depository Register on the 'Record Date' (April 02, 2024) will be eligible to join the 32nd AGM and entitled to receive the Dividends as mentioned above.
- A Member eligible to join the Annual General Meeting (AGM) is entitled to appoint a Proxy to join & 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 Annual General Meeting.
- All Hon'ble Shareholders of EBL are 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 **April 01, 2024 (Before Record Date)**.
- As per Income Tax Act, 2023, Shareholders' without having e-TIN, Tax will be deducted @ 15% (Fifteen Percent) instead of @ 10% (Ten Percent) from payable Cash Dividend.
- Detail login process for the meeting will be available in the Company's website at www.ebl.com.bd. The Members will be able to submit their questions/comments and vote electronically 24 hours before commencement of the AGM and during the AGM. Please visit our website for a Guidance Note for any technical assistance required to access the virtual meeting.
- The soft copy of the Annual Report-2023 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 Participants. The Annual Report-2023 will also be available in the website of the Bank within the stipulated time prior to holding of the 32nd AGM.
- Depository Participants (DP) / Stock Brokers are requested to send the list of Margin Account Holders based on Record Date, if any, within **April 18, 2024** 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' (April 02, 2024).



Shareholders can
join Virtual AGM from
Laptop, PC, Mobile or
Tab using this QR Code.

ইস্টার্ন ব্যাংক পিএলসি.

নিবন্ধিত কার্যালয়
১০০, গুলশান এভিনিউ, গুলশান
ঢাকা-১২১২

প্রক্সি ফরম

আমি/আমরা ----- ঠিকানা -----
ইস্টার্ন ব্যাংক পিএলসি. এর শেয়ারহোল্ডার হিসাবে এতদ্বারা জনাব/বেগম ----- কে
ঠিকানা ----- অথবা
তাঁর অপারগতায় জনাব/বেগম ----- কে
ঠিকানা ----- প্রক্সি
হিসাবে আমার/আমাদের পক্ষে ২০২৪ ইং সালের ২৯ এপ্রিল সোমবার, সকাল ১১.০০ ঘটিকায় (বাংলাদেশ সময়) ডিজিটাল প্ল্যাটফর্মের মাধ্যমে অনুষ্ঠিতব্য কোম্পানীর ৩২তম বার্ষিক সাধারণ সভায়
এবং পরবর্তী যে কোন মূলতবী সভায় উপস্থিত থেকে ভোট দেওয়ার জন্য নিযুক্ত করলাম।

শেয়ারহোল্ডারের স্বাক্ষর -----
প্রক্সির স্বাক্ষর -----
ফোলিও/বিও নং -----

রাজস্ব টিকেট
একশত টাকা

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। শেয়ারহোল্ডার ও প্রক্সির স্বাক্ষর কোম্পানীর নথিভুক্ত নমুনা স্বাক্ষরের সাথে মিল থাকা বাঞ্ছনীয়। 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 পূর্বে কোম্পানীর শেয়ার ডিপার্টমেন্টে প্রেরন করা না হলে কোন ব্যক্তি উক্ত সভায় প্রক্সি হিসাবে বিবেচিত হবেন না। শেয়ারহোল্ডার অথবা তাঁর প্রক্সির প্রত্যেকটা আলোচ্যসূচীতে ভোট দেওয়ার অধিকার থাকবে।

ইস্টার্ন ব্যাংক পিএলসি.

নিবন্ধিত কার্যালয়
১০০, গুলশান এভিনিউ, গুলশান
ঢাকা-১২১২

শেয়ারহোল্ডার/প্রক্সির হাজিরা পত্র

আমি/আমরা ২৯ এপ্রিল সোমবার, সকাল ১১.০০ ঘটিকায় (বাংলাদেশ সময়) ডিজিটাল প্ল্যাটফর্মের মাধ্যমে অনুষ্ঠিতব্য ইস্টার্ন ব্যাংক পিএলসি. এর ৩২তম বার্ষিক সাধারণ সভায় আমরা/ আমাদের
উপস্থিতি লিপিবদ্ধ করলাম।

শেয়ারহোল্ডারের নাম ----- স্বাক্ষর -----
শেয়ার সংখ্যা ----- ফোলিও/বিও নং -----
প্রক্সির নাম ----- স্বাক্ষর -----



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Annual Report



Eastern Bank PLC.

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Dhaka-1212
Bangladesh

