



Crafting the Economy



ANNUAL REPORT 2022





Crafting the Economy of Bangladesh has been a complex yet remarkable journey. Over the years, Bangladesh has made significant strides in transforming its economy from an agrarian-based society to a thriving manufacturing and service-oriented economy. The country's strategic focus on export-oriented industries, particularly garments and textiles, has played a pivotal role in its economic growth. Bangladesh has successfully positioned itself as a leading global player in the textile industry, leveraging its low-cost labor advantage and competitive production capabilities. Additionally, the government has implemented various policy reforms to attract foreign direct investment, foster entrepreneurship, and develop key sectors such as information technology and pharmaceuticals. These efforts have contributed to sustained economic growth, increased employment opportunities, and a significant reduction in poverty rates.

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LETTER OF TRANSMITTAL

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

Subject: Annual Report 2022 of Union Bank Limited.

Muhtaram

Assalamu Alaikum Wa Rahmatullah,

Reference to the above, we enclose herewith the copy of Annual Report of Union Bank Limited including Directors' Report & Corporate Governance Report along with audited Financial Statements as on 31 December 2022. The Report includes Balance Sheet, Profit and Loss Statement, Cash Flow Statement, Statement of Changes in Equity and Liquidity Statement along with notes thereon, of Union Bank Limited for the year ended 31 December 2022.

This is for your kind information and record please.

Ma-Assalam



Ali Hossain Bhuiyan ACS
Company Secretary

NOTICE OF THE 10TH ANNUAL GENERAL MEETING

Notice is hereby given that the **10th Annual General Meeting** of the Members of Union Bank Limited will be held on **Thursday, the 15th June 2023 at 11:00 AM** by using **Digital Platform** through the link <https://unionbank.digitalagmbd.net> to transact the following business:

ORDINARY BUSINESS:

01. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st December 2022 along with the Auditors' Report and the Directors' Report thereon.
02. To approve Dividend for the year ended 31st December 2022 as recommended by the Board of Directors.
03. To re-elect Directors in place of the Directors' retirement and/or elect new Director.
04. To appoint External Auditor of the Company for the period until the next Annual General Meeting and to fix their remuneration.
05. To appoint Compliance Auditor as per Corporate Governance Code by BSEC for the year 2023 and to fix their remuneration.
06. Any other agenda (if any) with the permission of the Chair.

SPECIAL BUSINESS:

1. To approve change of name in accordance with the Companies Act, 1994 (Amendment 2020).

"RESOLVED THAT pursuant to the provision of section 11a of the Companies Act, 1994 (Amendment 2020) read with all the applicable rules as amended till date and approval of the Board of Directors of the company in its 98th meeting held on 29 March 2023, the shareholders of the company be and is hereby accorded to change the registered name of the Bank as 'Union Bank PLC' instead of 'Union Bank Limited',

FURTHER RESOLVED THAT the name 'Union Bank Limited' wherever appears in Bank's Memorandum of Association and Articles of Association and any other documents of the Bank be substituted by the name 'Union Bank PLC'.

FURTHER RESOLVED THAT the Managing Director or Company Secretary of the Bank is hereby authorized to file necessary application to RJSC along with other regulatory body, if needed, sign necessary documents, and submit such papers as may be required to give effect to the said resolution."

2. To approve the modification of the use of proceeds of IPO fund.

"RESOLVED THAT as per Prospectus approved by Bangladesh Securities and Exchange Commission (BSEC), time limit for utilizing IPO fund in Investment in Capital Market has been expired and consequently recommended by the Board of Directors of the Bank, the shareholders of the company be and is hereby accorded to extend the time for utilizing the IPO fund till June 30, 2024.

FURTHER RESOLVED THAT if there is any un-utilized fund allocated in IPO Expense, the remaining fund can be transferred to Investment in SME with time extension till June 30, 2024.

FURTHER RESOLVED THAT the Management of the Company is hereby authorized to take necessary initiative for submitting application to Bangladesh Securities and Exchange Commission, sign necessary documents, and submit such papers as may be required to give effect to the said resolution."

All members are requested to attend the AGM on the date, time and place as mentioned above.

Date: May 24, 2023
Dhaka, Bangladesh



By order of the Board
Sd-
Ali Hossain Bhuiyan ACS
Company Secretary

NOTES:

- a. The **“Record Date”** was on Wednesday the 24th May 2023. The Shareholders whose names appeared in the Members Register of the Company under Central Depository Bangladesh Limited (CDBL) on Record Date will be eligible to attend the 10th AGM and would be qualified to receive Cash Dividend for the year 2022.
- b. The Board of Directors recommended 05% Cash dividend for the year ended 31st December 2022.
- c. Any Member of the Company entitled to attend and vote at the AGM may appoint a Proxy to attend and vote on his/her behalf. The Proxy Form duly filled in and signed by the Member and stamped, must be submitted at the Registered Office of the Company/sent through e-mail to **share@unionbank.com.bd** at least 48 (Forty-Eight) hours before the meeting.
- d. The members may join the AGM through the link **https://unionbank.digitalagmbd.net** as it will be conducted using digital platform. In order to login into the system, the shareholders need to put their 16-digit Beneficial Owner (BO) Number and other credentials as a proof of their identity. The shareholders will be able to submit their questions/comments electronically before 24 (twenty-four) hours of commencement of the AGM through above link and also during the Annual General Meeting. Link of the meeting and login details will be notified to the respective Member’s email address and by SMS. Full login/participation process for the Digital Platform meeting will also be available in the Bank’s website: www.unionbank.com.bd.
- e. The Online (real time) or e-voting option will be opened before 24 hours prior to start of Annual General Meeting and shall remain open up to the closure of General Meeting.
- f. The members are requested to update their respective BO accounts along with bank account details, mailing address, email address, contact number and 12 digits TIN through Depository Participant.
- g. As per Bangladesh Securities & Exchange Commission Notification No. BSEC/CMRRCD/2006-158/ 208/Admin/81 dated 20 June 2018, soft copy of the Annual Report-2022 of the Bank, Proxy Form and Notice of the 10th AGM will be forwarded to all the members at their respective e-mail available in their Beneficial Owners (BO) accounts maintained with the Depository. Shareholders may also collect the printed copy of the Annual Report-2022 from the registered address of the Company. Soft copy of the Annual Report-2022, Notice of 10th AGM, Proxy Form and Attendance Slip will also be available at the website of the Bank.
- h. Election of Directors shall be dealt in accordance with the provisions of the Articles of Association of the Company and the relevant rules/circulars of the regulatory authorities.
- i. Appointment of External Auditor as per provision of the Act.
- j. Compliance Auditor will be appointed for the year 2023.
- k. Concerned Depository participants (DP)/Merchant Banks are requested to provide us with a list of their margin loan holders who hold shares of the Bank, as on record date with the details of Shareholders’ name, BO ID, shareholding position, cash dividend receivable, tax rate etc. (in MS Excel format), within 14th June, 2023, along with the name of the contact person to the Share Department of the company and also soft copy of the same **share@unionbank.com.bd** for facilitating payment of Cash Dividend. The DP/ Stock Brokers are requested to provide us duly signed forwarding with their Bank Account name & number, routing number etc. for receiving the dividends of their margin loan holders.
- l. As per Bangladesh Securities & Exchange Commission’s Circular No. SEC/CMRRCD/2009-193/154 dated October 24, 2013 **“No benefit in cash or kind, other than in the form of Dividend (i.e. No Food/Box/Gift Coupon etc.)” to be distributed at the AGM.**



CORPORATE PROFILE

REGISTERED NAME OF THE COMPANY

Union Bank Limited

LEGAL FORM

A Scheduled Commercial Bank incorporated on March 7, 2013 as a Public Limited Company under the Companies Act, 1994 and Bank Companies Act, 1991.

REGISTERED OFFICE

Bahela Tower, 72, Gulshan Avenue
Gulshan-1, Dhaka-1212, Bangladesh
E-mail : info@unionbank.com.bd
web : www.unionbank.com.bd
Telephone : +88-02-222297310
SWIFT : UBLDBDDH

HEAD OFFICE

Bahela Tower, 72, Gulshan Avenue
Gulshan-1, Dhaka-1212, Bangladesh
E-mail : info@unionbank.com.bd
web : www.unionbank.com.bd
Telephone : +88-02-222297310

CERTIFICATE OF INCORPORATION NUMBER

C-107837/13, Dated: March 7, 2013

CERTIFICATE OF COMMENCEMENT OF BUSINESS NUMBER

Issue No 34637-43, Dated: March 7, 2013

BANGLADESH BANK APPROVAL NUMBER

BRPD (P3) 745(60)/2013-1122 Dated: March 10, 2013

VAT REGISTRATION NUMBER

000875584-0101

TAX PAYER'S IDENTIFICATION NUMBER

796739852073

EXTERNAL AUDITOR

Rahman Mostafa Alam & Co., Chartered Accountants
Principal Office:
Paramount Heights (7th Floor, D2 & C1)
65/2/1, Box Culvert Road, Purana Paltan
Dhaka-1000, Bangladesh

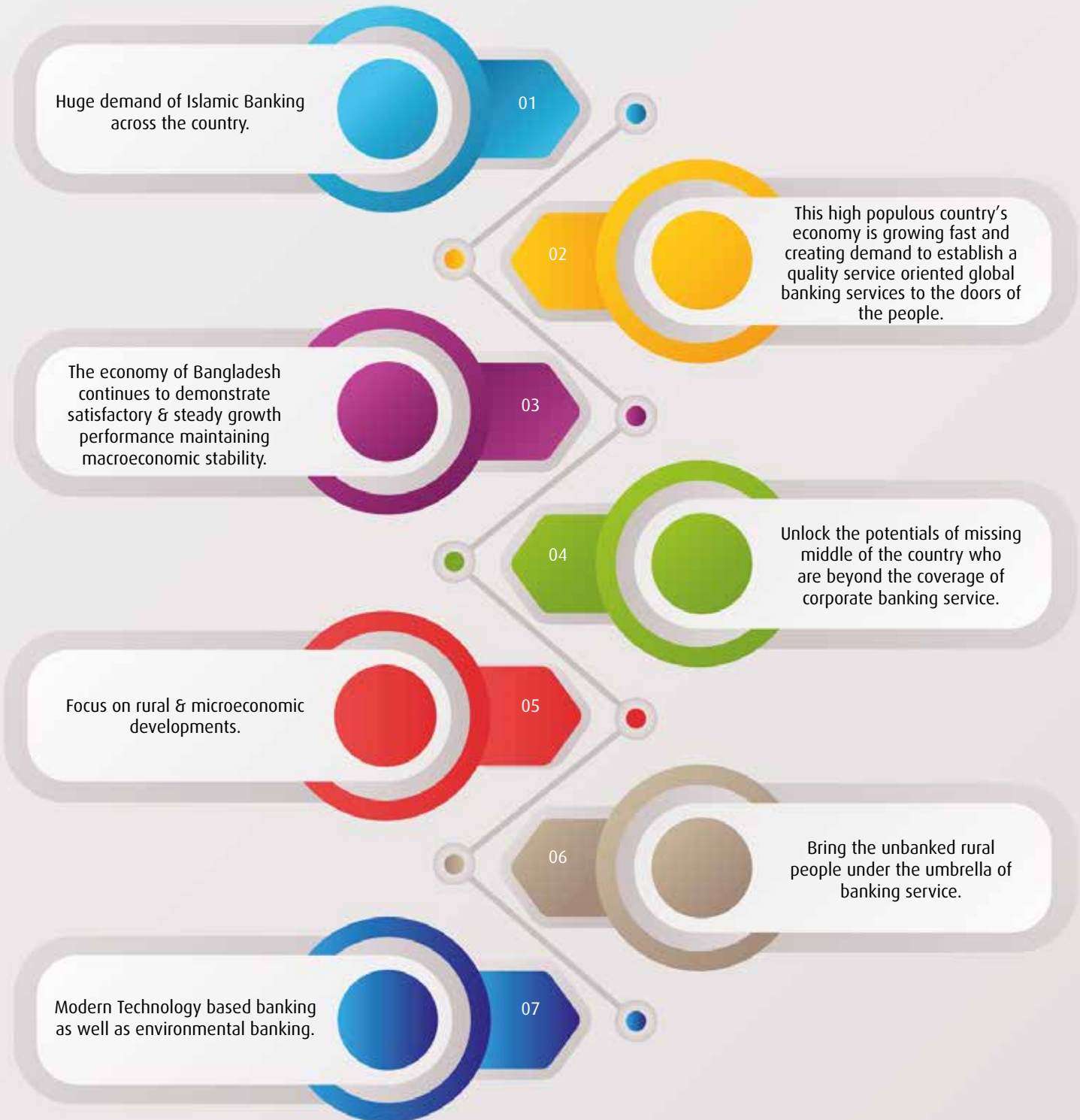
TAX CONSULTANT

K. M. Hasan & Co.
Chartered Accountants
Corporate Office:
Hometown Apartments (8th & 9th Floor)
87, New Eskaton Road
Dhaka-1000, Bangladesh

COMPLIANCE AUDITOR

M M Yasin & Co
House # 22, Road # 12, Block # F
Niketon, Gulshan - 1,
Dhaka-1212, Bangladesh.

A PREMISE OF UNION BANK





OUR VISION

To become socially committed world class financial institution.



OUR MISSION

- Emancipate our poor people from abject poverty by empowering them with smooth banking service.
- Be the leading provider of Islamic Shari'ah compliant banking services in Bangladesh.
- Provide fast, accurate and satisfactory customer service by maintaining corporate & business ethics and transparency at all levels.
- Ensure technology based professional banking environment with strong capital base.
- Thrust on investment facilitating banking product.



FOCAL POINTS OF FIVE (05) YEARS' STRATEGIC PLAN

- Proactive Risk Management and Governance
- Corporate Governance
- Compliance with Laws and Regulations
- Strengthening Internal Control & Compliance & Review System
- Maintaining Stakeholders Loyalty
- Constant Monitoring of Customer Service
- Optimization of Operating Cost
- Reducing Non Performing Loans
- Increasing Bad Loan Recovery
- Deposit Growth with a View to Optimizing Cost of Fund
- Lending Growth with Industry Business Segment focuses i.e. Sustainable Financing, SME Financing, Green Financing, Agriculture Financing, Women Entrepreneurship Development etc.
- Increase Profitability Aligned with Environment Friendly Sustainable Development
- Maintaining Optimum Liquidity
- Risk Appetite Statement for all Material Risks
- Reducing Service Fee
- Increasing Customer Base for Addressing Financial Inclusion
- Efficient Communication with Stakeholders
- Automation and Effective Management Information System
- Corporate Social Responsibilities (CSR) Activities of Union Bank Limited
- Human Resource Development

FINANCIAL PERFORMANCE AT A GLANCE

				(Tk. In million)	
SL No.	Particulars	2022	2021		
1	Authorized Capital	20,000.00	10,000.00		
2	Paid-up Capital	9,869.34	5,589.34		
3	Shareholder's Equity	15,280.30	10,010.54		
4	Total Capital (Tier - 1 + Tier - 2)	21,437.97	16,021.72		
5	Statutory Reserve	3,028.78	2,414.62		
6	Total Assets	272,908.82	236,606.10		
7	Total Liabilities	257,628.52	226,595.56		
8	Deposits	213,375.30	200,229.79		
9	Total Investment and Advance	222,275.44	193,822.28		
10	Total Contingent Liabilities	6,424.12	10,393.46		
11	Total Risk Weighted Asset	187,564.46	152,977.26		
12	Total Fixed Assets	4,953.13	4,054.54		
13	Operating Income	7,495.51	6,581.12		
14	Operating Expenditure	3,346.93	2,983.12		
15	Profit before provision & Tax	4,148.58	3,597.99		
16	Profit before Tax	3,070.79	2,232.36		
17	Net profit after Tax	1,513.50	872.36		
18	Foreign Exchange Business:				
	a) Import Business	9,247.60	10,448.30		
	b) Export Business	4,801.95	4,099.80		
	c) Remittance	6,514.99	8,476.32		
19	No. of Foreign Correspondent	153	149		
20	Profit earning Assets	237,643.29	211,677.13		
21	Non profit Earning Assets	35,265.53	24,928.96		
22	Investment Deposit Ratio (in %)	99.64%	91.55%		
23	Capital To Risk Weighted Assets Ration (CRAR)	11.43%	10.47%		
24	Dividend:				
	a) Cash	5% (recommended)	5%		
	b) Bonus	-	5%		
	c) Right Share	-	-		
25	Cost of Fund	8.48%	8.90%		
26	Net Assets Value Per Share	15.82	17.91		
27	Earing Per Share (EPS)	1.57	1.56		
28	Return on Assets (ROA)	0.59%	0.39%		
29	Number of Employees	2,125.00	1,794.00		
30	Number of Branches	112	104		
31	Number of Sub-Branches	46	31		

SHAREHOLDERS' INFORMATION

Union Bank Limited Details of Capital Fund As on 31 December 2022

Tk. In Crore

Regulatory Capital Requirement in line with Basel-III	2022	2021
I. Tier - 1 Capital		
a. Common Equity Tier - 1 Capital (CET-1)		
Paid up Capital	986.93	558.93
Statutory Reserve	302.88	241.46
Other Reserve	14.57	14.57
Retained Earnings	223.64	186.08
Adjustment for Deferred Tax Assets	(10.57)	(9.79)
	1,517.46	991.26
b. Additional Tier - 1 Capital (AT-1)		
Total Tier 1 Capital (a+b)	1,517.46	991.26
II. Tier - 2 Capital		
General Provision	306.34	296.70
Mudaraba Subordinated Bond	320.00	320.00
Excess Amount Over Maximum Limit of T-2	-	(5.79)
	626.34	610.91
A. Total Regulatory Capital (I+II)	2,143.80	1,602.17
B. Total Risk Weighted Assets	18,756.45	15,297.73
C. Minimum Capital Requirement	1,875.64	1,529.77
D. Capital Surplus/(Shortfall) (A-C)	268.15	72.40
Capital to Risk Weighted Assets Ratio (CRAR)	11.43%	10.47%
Capital to Risk Weighted Assets Ratio (CRAR):		
a. Common Equity Tier-1 Capital to Risk Weighted Assets	8.09%	6.48%
b. Tier - 1 Capital to Risk Weighted Assets	8.09%	6.48%
c. Tier - 2 Capital to Risk Weighted Assets	3.34%	3.99%
Total (b+c)	11.43%	10.47%

The background is a solid purple color with a low-poly, geometric pattern of various shades of purple. In the top-left and bottom-right corners, there are intricate, interconnected line patterns in a darker purple, resembling a honeycomb or crystalline structure. In the bottom-left corner, there are several large, white, rounded rectangular shapes that overlap each other, resembling stylized letters or abstract forms.

Directors and Management Information

BOARD OF DIRECTORS

The Board of Directors consists of 10 Directors including 2 Independent Directors. The Independent directors were appointed and their tenure was fixed in compliance with Corporate Governance Code, 2018 of Bangladesh Securities and Exchange Commission (BSEC) and the Bank Companies Act of 1991. The Board Members of Union Bank Limited is highly motivated and committed to achieve the bank's objectives.

The Board is actively involved in formulation of major strategic policies, providing guidance, monitoring financial performance and suggest course of action, overseeing internal control operations, approving the annual budget and major capital expenditures, approving audit reports and taking other major decisions.

Additionally, the Board is responsible for timely reporting to stakeholders regarding the Bank's affairs and performance. They also ensure compliance with various Rules, Regulations, Notifications and Orders issued by Regulatory Authorities. The Board's commitment extends to implementing good Corporate Governance practices within the Bank.

Chairman

Ahsanul Alam

Vice-Chairman

Mollah Fazle Akbar

Directors

Ms. Marzina Sharmin
Showkat Hossain, FCA
Md. Rashedul Alam
Mohammad Fazlay Morshed
Ms. Halima Begum
Osman Goni

Independent Directors

Md. Abdul Quddus
Md. Abdus Salam, FCA

Ex-Officio Director

A.B.M Mokammel Hoque Chowdhury

Company Secretary

Ali Hossain Bhuiyan ACS



Ahsanul Alam
Chairman

(Representative of Unique Investment & Securities Ltd.)

Ahsanul Alam, young and promising entrepreneur, is the Chairman of Union Bank Limited. He comes of a renowned and respected Muslim family reputed for doing business countrywide for a long time. He has completed his education from Singapore. He belongs to such a family which has a wide range of businesses and because of that he has been under the umbrella of business environment from his early age. He has been assisting his family in running business from 2004 as a Chief Executive of S. Alam & Co. He is the proprietor of M/s Genesis Enterprise. He has been acting as the Managing Director of Genesis Textiles Accessories & Apparels Limited, Blythe Ltd, Artsy Holdings Limited, Shining Assets Ltd, Affinity Assets Ltd, Wesco Ltd. He is also one of the Directors of Norinco Engineering Limited & Hasan Abasan (Pvt) Ltd. With his dynamic leadership he has made himself as a professionally successful businessman in textile, garments and trading sector. He is also the Chairman of the Executive Committee of the Board of Directors of Union Bank Limited.



Mollah Fazle Akbar

Vice-Chairman

(Representative of Reliable Entrepreneurs Ltd.)

Lieutenant General Mollah Fazle Akbar PhD, ndc, psc was commissioned in the Corps of Artillery, Bangladesh Army on 30 November 1976. His last assignment was Commandant, National Defence College (NDC), Bangladesh prior to going on Retirement on 16 February 2016. In his long service career, beside the regimental appointments, he served in different capacities. After retirement he worked as the CEO of Regent Airways, Bangladesh for about two years from 2016 - 2018. He was also a Director of First Security Islamic Bank Limited (FSIBL). At Present he is the CEO of Fly Dhaka, an upcoming Bangladeshi Private Airlines.

As staff he worked as Assistant Defence Adviser at Bangladesh High Commission in India and Colonel Staff in an Infantry Division. He also performed as Director of Military Operations and Director of Artillery in General Staff Branch, Army Headquarters.

Lieutenant General Akbar commanded an Air Defence Artillery Brigade (ADA) of Bangladesh Army and a Field Artillery Brigade. He was also the first Sector Commander of Bangladesh Sector in Liberia, UNMIL (United Nations Mission in Liberia) where he inducted and commanded a Brigade Group force. Before his last assignment as Commandant, National Defence College (NDC) he was holding the appointment of the Director General (DG) of Directorate General of Forces Intelligence (DGFI). General Akbar was the 'Colonel Commandant of the Regiment of Artillery' of Bangladesh Army from March 2010 to February 2015.

He attended a number of courses both at home and abroad. He completed his Anti Aircraft Firing Drone Course from China and Security Intelligence Administration Course from United Kingdom. He is a graduate of Army Command and Staff College, Quetta, Pakistan. He is also a graduate of National Defence College, Bangladesh.

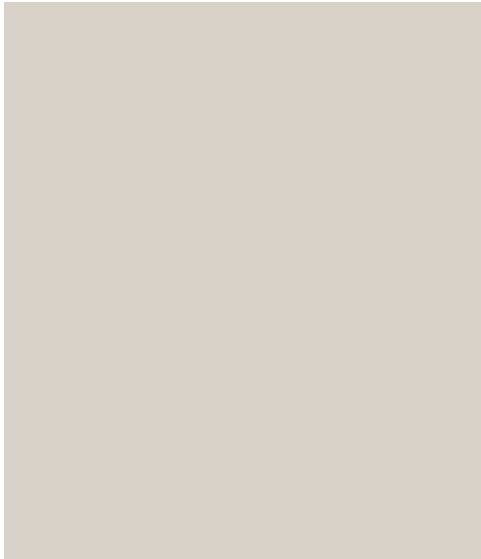
Lieutenant General Akbar earned Bachelor of Science degree in War Studies from Baluchistan University,

Pakistan and obtained Bachelor of Arts degree from University of Dhaka, Bangladesh. He completed Masters in Social Studies (MSS) in Political Science from University of Dhaka and Masters of Business Administration (MBA) from Royal University, Dhaka. He earned his coveted Masters of Philosophy (M.Phil.) from National University of Bangladesh. He completed Ph. D on "Connectivity in South Asia: Impact on Bangladesh Economy and Development" from Bangladesh University of Professional (BUP), Dhaka.

The General attended a number of International Seminars & Conferences and presented papers on contemporary issues. To mention a few:

- a. Shangri-La Dialogue, Singapore (2009).
 - b. Shangri-La Dialogue, Singapore (2010)
 - c. Asia Pacific Intelligence Chiefs Conference, Tokyo, Japan (2011).
 - d. Shangri-La Dialogue, Singapore (2011).
 - e. Oman Security Conference (2012).
 - f. Oman Security Conference (2013).
 - g. Attended Seminar and Program on Managing Defence in Wider Security Context, Dhaka (2013) – Organized jointly by Defence Academy, UK and Cranfield University, UK.
 - h. Attended Conference on 'Measures for Forging Indo-Pacific Security' organised by USI, India on Nov, 2015.
 - i. Attended conference on 'Culture as a Tool for Regional Cooperation' organised by IDSA, New Delhi, India on Nov 2015.
 - j. Attended conference on "The Raisina Dialogue 2016 - India's Global Conclave" jointly organised by the Observer Research Foundation, India, and the Ministry of External Affairs, Government of India on Mar 2016.
- Some of the papers those presented in different conferences and seminars are:
- a. Presented paper on Disaster Management: Bangladesh Experience – Asia Pacific Intelligence Chiefs Conference, Singapore (2009).
 - b. Presented paper on Importance of Information Sharing for Disaster Management - Asia Pacific Intelligence Chiefs Conference, Seoul, South Korea (2010).
 - c. Presented Keynote paper at National Defence College, Tanzania (2012) on Role of National Defence College on Strategic Planning of National Security and Development.
 - d. Presented paper on 'Sri Lanka's Post Conflict Successes: Implications and Gains in Security for Bangladesh in the Context of Regional Stability' at Sri Lanka Defence Seminar 2013.
 - e. Presented Keynote Speech on 'Strategic Importance of the Indian Ocean to Asian and Global Security' at Royal Brunei Armed Forces Command and Staff Course, Brunei 2014.
 - f. Presented paper on 'Indian Ocean Region: Emerging Strategic Cooperation, Competition and Conflict Scenarios' at USI International Seminar, India 2014.
 - g. Presented paper on, 'Culture as a Tool for Regional Cooperation-Bangladesh Perspective' at IDSA, New Delhi on Nov 2015.

The General is happily married and proud father of a daughter. He is a keen golfer and has a great knack for studies on international issues. He also likes to travel to different parts of the world.



Ms. Marzina Sharmin

Director

Ms. Marzina Sharmin is one of the Sponsor Shareholders and Directors of Union Bank Limited and she is also the member of Executive Committee of the Board of Directors. She was born in a renowned Muslim family in Chattogram. She is a business graduate with expertise knowledge in the field of business. Ms. Marzina Sharmin started her business career as the proprietor of M/s. Marzina Trading which deals with general trading and wholesale business of different products. She is the Chairman of Kingston Flour Mills Limited. She is also an expert in Share Market, Securities & Investment Sector and acting as Times Securities Limited. She has more than 23 years of business experience.



Showkat Hossain, FCA

Director

(Representative of Western Designer Ltd.)

Showkat Hossain is a renowned, distinguished and one of the senior most persons in the field of Chartered Accountancy and currently holding the position of Chairman of the Risk Management Committee of the Board of Directors of Union Bank Limited. He hails from an aristocratic Muslim family of Chattogram. Showkat Hossain FCA is the 42nd President of the Institute of Chartered Accountants of Bangladesh (ICAB). He became an Associate Member in 1977 and Fellow Member in 1986 of ICAB. He served the ICAB as Vice President in the years 2004, 2006, 2007, 2012 & 2013. Mr. Hossain is a Senior Partner of Hoda Vasi Chowdhury & Co., Chartered Accountants since 1998. Earlier he was the Finance Director of Sunman Group of Companies, Qualified Assistants of Ahmed Ahmed & Co., Chartered Accountants. He also worked in Glaxo Laboratories (Bangladesh) Ltd. as Internal

Auditor prior to qualifying as Chartered Accountants. He worked in Eastern Refinery Ltd. as Management Accountants after qualifying as Chartered Accountants during 1977-1979. He also worked in Ras Lanuf Oil & Gas Processing Co. Inc (RASCO) the only Petrochemical Complex of Libya for about 15 years during 1979 to 1993. He is the Chairman of a Charitable Organization named the Chirayata Shanti Society, Life Time Member of Chattogram Kidney Foundation & Maa O Shisu General Hospital, Society for Assistance to Hearing Impaired Children (SAHIC), Treasurer Chittagong Eye Infirmary Training Center (CIETC), Executive Committee Member of Bangladesh National Society for Blinds (BNSB), He is a Director of Imperial Hospital Ltd., Pahartali, Chattogram, Vice Chairman of Concern Services for Disabled (CSD). He is a Member of the Chattogram Club Limited. He was the Director of Chattogram WASA and Past Independent Director of Chattogram Stock Exchange (CSE), Past Academic Council member of Daffodil International University, Dhaka.



Rashedul Alam

Director

(Representative of Ocean Resorts Ltd.)

Rashedul Alam is a well-established businessman of Chattogram who hails from a Muslim noble family. He started his business career by joining family business and earned more than two decades of hands on experience in the field of trading business, tourism, agriculture, land development and steel manufacturing sector. He is the Partner of M/s. Rafi Enterprise and M/s. Khorshed Paribahan Sangstha. Mr. Alam is also the Director of Bangladesh Petro Chemical Limited, S. Alam Hatchery Limited, S. Alam Properties Limited and Fatehabad Farm Limited. He is the Managing Director of Ocean Resorts Ltd. & Global Trading Corporation Limited. For business purposes he travelled to United Kingdom, Canada, China, India, Singapore, Malaysia, Thailand and several other countries of the world. He is a member of Risk Management Committee and Executive Committee of the Board of Directors of Union Bank Limited.

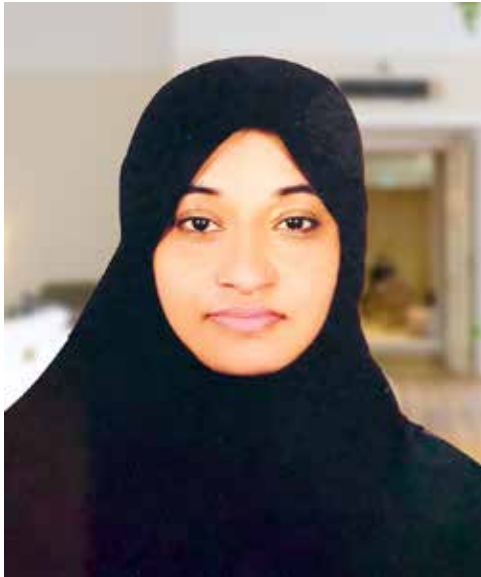


Mohammad Fazlay Morshed

Director

(Representative of C&A Fabrics Ltd.)

Mohammad Fazlay Morshed is a dynamic business person who hails from a renowned Muslim family. He completed B.Com. in his educational life. Mr. Morshed has an expertise in the field of trading specially importing commodities. He is the Managing Director of M.R.M Trading Limited, Chittagong Logistics Limited and Worth Avenue Steels Limited. Mr. Morshed is the Adviser of C & A Fabrics Limited. With his dynamic leadership he made himself a professionally successful businessman in trading sector in Bangladesh. He travelled USA & other countries for professional purpose. He is a member of Audit Committee of the Board of Directors of Union Bank Limited.



Ms. Halima Begum

Director

(Representative of Lion Securities & Investment Limited.)

Ms. Halima Begum was born in a reputed Muslim family in Chattogram. As a member of a business oriented family she has established herself as a woman entrepreneur in field of trading business. She is the proprietor of Halima Trading Enterprise. She has the expertise of running business for the last 14 years with good reputation. She was the former Director of Reliance Finance Limited. She is a member of Risk Management Committee of the Board of Directors of Union Bank Limited.



Osman Goni

Director

(Representative of C&A Accessories Limited.)

Osman Goni is a nominee Director of C&A Accessories Limited in the Board of Directors of Union Bank Limited. He is a well-established and dynamic businessman who hails from a respectable Muslim family. He was born in Chattogram on April 05, 1967. He has a vast business knowledge in the area of trading, manufacturing, real estate, tourism. He is the Managing Director of S. Alam Cold Rolled Steels Limited. He is also the Director of S. Alam Cement Limited, S. Alam Trading Company Limited, S. Alam Bag Manufacturing Mills Limited, Ocean Resorts Limited, Modern Properties Limited and Shah Amanat Prakritik Gas Co. Ltd. In addition to his business, Mr. Goni is associated with many other philanthropic activities in the country. He has travelled many countries around the world for business purposes. Mr. Goni is a member of Risk Management Committee of Board of Directors of Union Bank Limited.



Md. Abdul Quddus Independent Director

Md. Abdul Quddus was born in a renowned Muslim family in Noakhali. He has completed his Graduation & Master's degree in Economics. Mr. Md. Abdul Quddus is a very successful & prominent banker in his professional life. He served Rupali Bank Limited, IFIC Bank Limited, The City Bank Limited, First Security Islami Bank Limited & NRB Global Bank Limited for more than 39 years in different posts & positions. He was the founder Managing Director of NRB Global Bank Limited. He has played the role as CEO of First Security Islami Bank Foundation. This successful banker traveled many countries for attending seminar, training and conference in his bright professional life.



Md. Abdus Salam FCA Independent Director

Md. Abdus Salam FCA was born on 1st December 1956 in a noble Muslim family. He is a qualified Chartered Accountant and a Fellow Member of the Institute of Chartered Accountants of Bangladesh. He completed his graduation and post-graduation in Accounting from the University of Dhaka in 1978 and 1980 respectively. He is also the Independent Director of Agricultural Marketing Company Limited (Pran) and Rangpur Foundry Limited (RFL). He served in a number of state owned banks, private banks and institutions in various responsible positions. He served as the CEO and Managing Director of Janata Bank Ltd. for 3 years and as the Managing Director of Bangladesh Krishi Bank for about 3 years. He was a consultant in NRB Global Bank Limited and an Advisor in First Security Islami Bank Limited. He also served successfully in Agrani Bank Limited, Karmasangsthan Bank and Sonali Bank Limited holding different positions for more than 28 years. Mr. Salam was associated with professional bodies like BAFEDA and ABB

as Chairman and Vice Chairman respectively. He has expertise in Accounting, Finance and Compliance issues. He is a fellow of National Defense College (ndc). Mr. Salam was awarded with "Shilpacharya Zainul Abedin Gold Medal" for his contribution in Banking. He took part in various seminars, trainings and workshops in home and abroad. Currently he is the Chairman of Audit Committee of the Board of Directors of Union Bank Limited.



**A.B.M Mokammel Hoque
Chowdhury**
Managing Director

A.B.M Mokammel Hoque Chowdhury is the Managing Director of Union Bank Ltd. Prior to joining in the bank, he served First Security Islami Bank Limited in different capacities. He has about 22 years of experience in banking sector. During his service tenure in banks, he served as the head/wing head of different divisions, departments and branches. By the pathway of his colorful banking career, Mr. Chowdhury explored himself as a dynamic banker and played catalyst roles in achieving the organizational objectives of the banks by leading from the front.

Earlier, he started his career as Probationary Officer in First Security Islami Bank Limited in the year 2001. He is an MBA, Major in HRM. Mr. Chowdhury visited different countries of the world including USA, United Kingdom, Scotland, Germany, Switzerland, France, Netherlands, Australia, Singapore, Thailand, UAE etc. He also attended various training programs, seminars and workshops at home and abroad.

SPONSORS/PLACEMENT SHAREHOLDERS

(As on December 31, 2022)

1. **UNIQUE INVESTMENT & SECURITIES LTD.**
Represented by Ahsanul Alam
2. **RELIABLE ENTREPRENEURS LTD.**
Represented by Mollah Fazle Akbar
3. **Ms. MARZINA SHARMIN**
4. **LION SECURITIES & INVESTMENT LTD.**
Represented by Ms. Halima Begum
5. **C&A FABRICS LTD.**
Represented by Mohammad Fazlay Morshed
6. **WESTERN DESIGNER LTD.**
Represented by Showkat Hossain, FCA
7. **OCEAN RESORTS LTD.**
Represented by Rashedul Alam
8. **C&A ACCESSORIES LTD.**
Represented by Osman Goni
9. **Ms. FARZANA BEGUM**
10. **SHAHIDUL ALAM**
11. **HUSSAIN MUHAMMAD ERSHAD**
12. **ASHIK AHMED**
13. **Ms. FARZANA PARVEEN**
14. **BELAL AHMED**
15. **Ms. SHAHANA FERDOUS**
16. **MORSALIN ISLAM SHOURADIP**
17. **ARIF AHMED**
18. **MOHAMMAD MOSTAN BILLAH ADIL**
19. **DR. MEHE ZEBUNNESA RAHMAN**
20. **ZIAUDDIN AHMED**

COMMITTEES

(As on April 30, 2023)

Executive Committee of the Board of Directors

Ahsanul Alam	Chairman
Mollah Fazle Akbar	Member
Ms. Marzina Sharmin	Member
Rashedul Alam	Member

Audit Committee of the Board of Directors

Md. Abdus Salam, FCA	Chairman
Showkat Hossain, FCA	Member
Mohammad Fazlay Morshed	Member

Risk Management Committee of the Board of Directors

Showkat Hossain, FCA	Chairman
Rashedul Alam	Member
Ms. Halima Begum	Member
Osman Goni	Member

Shari'ah Supervisory Committee

Prof. Md. Mozahidul Islam Chowdhury	Chairman
Mufti Mohammad Muhibbullahil Baqee	Member Secretary
Prof. Dr. Zubair Mohammad Ehsanul Hoque	Member
Maulana Aa. Kha. Ma Abu Bakar Siddiq	Member
Dr. H.M. Shahidul Islam Barakaty	Member
Prof. Dr. A. M. Kazi Mohammad Harun ur Rashid	Member
Dr. Md. Ruhul Amin Rabbani	Member
Maulana Mohammed Shoaib Uddin	Member
Maulana Mohammad Harunar Rashid	Member

TOP MANAGEMENT



A.B.M Mokammel Hoque Chowdhury
Managing Director



Md. Nazrul Islam
Deputy Managing Director



Shafiuddin Ahmed
Deputy Managing Director

DIVISIONAL HEADS



Md. Golam Mostafa
SEVP
and HIAC, Head Office



Md. Mainul Islam Chowdhury
EVP
and Head of HRD & GSD, Head Office



Md. Azadur Rahman
EVP
and Head of IAD & SAMD, Head Office



Saiful Momin
EVP
and Head of ICT Division, Head Office



Md. Idris Ali
SVP
and Head of AML & CFT Division, Head Office



Mustafa Zaved Bin Shaheed
SVP
and Head of RMG & TFD, Head Office



Muhammed Didarul Alam
SVP
and Head of Treasury Division, Head Office



Riyadh Mohammad Chowdhury
SVP
and Head of IRMD, Head Office



Md. Ruhul Amin
VP
and Chief Financial Officer, FAD, Head Office



Abdul Kayum
VP
and In-Charge, SME Finance Department
& SFU Under IRMD, Head Office



Badiul Alam
VP
and Head of Audit Unit under IC&CD, Head Office



Chowdhury S M Atiqur Rahman Hyder
VP
and Head of BOCD, Head Office



Shah Md. Mustafizur Rahman
SVP
and In-Charge, BACH Unit under Treasury Division
Head Office



Md. Hedayet Ullah
SVP
and In-Charge, Training Institute, Head Office



Maheenu Aziz
SVP
and In-Charge, CTOU under ID, Head Office



Mohammad Salah Uddin
SVP
and In-Charge, RMD & Centralised MIS, Head Office



Rubyat Ara
SVP
and In-Charge, ID, Head Office



Md. Shahriar Rauf
AVP
and PS to Managing Director
& In-Charge, CABD, Head Office



Ali Hossain Bhuiyan ACS
AVP
and Company Secretary, Head Office



A. K. M. Zahir Uddin Iqbal Chowdhury
AVP
and In-Charge, PRD, Head Office

MANAGEMENT TEAM

(As on April 30, 2023)



Sl	Name of Executives	Designation	Present Place of Posting
1	Mr. A.B.M Mokammel Hoque Chowdhury	Managing Director	Head Office
2	Mr. Md. Nazrul Islam	DMD	Head Office
3	Mr. Shafiuddin Ahmed	DMD	Head Office
4	Mr. Md. Golam Mostafa	SEVP	Head Office
5	Mr. Md. Mainul Islam Chowdhury	EVP	HRD & GSD, Head Office (As Head)
6	Mr. Md. Azadur Rahman	EVP	IAD & SAMD, Head Office (As Head)
7	Mr. Saiful Momin	EVP	ICT Division, Head Office (As Head)
8	Mr. Md. Idris Ali	SVP	AML & CFT Division, Head Office (As Head)
9	Mr. Md. Munirul Islam	SVP	Gulshan Branch, Dhaka (As Manager)
10	Mr. Md. Kabirul Hasan	SVP	Dhanmondi Branch, Dhaka (As Manager)
11	Mr. Mustafa Zaved Bin Shaheed	SVP	RMG & TFD, Head Office (As Head)
12	Mr. Muhammed Didarul Alam	SVP	Treasury Division, Head Office (As Head)
13	Mr. Mohammad Sirajul Kabir	SVP	Khatungonj Branch, Chattogram (As Manager)
14	Mr. Riyadh Mohammad Chowdhury	SVP	IRMD, Head Office (As Head)
15	Mr. Md. Modasser Hossain	SVP	Bijoy Sarani Branch, Dhaka (As Manager)
16	Mr. Md. Arfan Ali	VP	Laldighi Branch, Chattogram (As Manager)
17	Mr. Enamul Elahi	VP	Banani Branch, Dhaka (As Manager)

Sl	Name of Executives	Designation	Present Place of Posting
18	Mr. Badiul Alam	VP	Audit Unit, IC & CD, Head Office (As Head)
19	Mr. Khaled Mahmud	VP	Islampur Branch, Dhaka (As Manager)
20	Mr. A.N.M. Sadan Jahan	VP	Mirpur Branch, Dhaka (As Manager)
21	Mr. Md. Rofiqul Islam	VP	SAMD, Head Office
22	Mr. Chowdhury S M Atiqur Rahman Hyder	VP	BOCD, Head Office (As Head)
23	Mr. Sajjad Karim	VP	Agrabad Branch, Chattogram (As Manager)
24	Mr. Mohammad Mafidul Haque	VP	HRD, Head Office
25	Mr. Md. Abul Kalam	VP	GSD, Head Office
26	Mr. Md. Ruhul Amin	VP & CFO	FAD, Head Office
27	Mr. Abdul Kayum	VP	SME Finance Dept. & SFU, Under IRMD, Head Office (As In-Charge)
28	Mr. Humayun Kabir	VP	Zindabazar Branch, Sylhet (As Manager)
29	Mr. M. Rezaul Karim	VP	Kumira Branch, Chattogram (As Manager)
30	Mr. Mohammad Moniruzzaman	VP	Dilkusha Branch, Dhaka (As Manager)
31	Mr. Mohammad Farhad	VP	MD's Sectt., Head Office
32	Mr. Khan Md. Abu Muhit	SAVP	Khulna Branch, Khulna (As Manager)
33	Mr. Syed Fazle Elahi	SAVP	Cumilla Branch, Cumilla (As Manager)
34	Mr. Shah Md. Mustafizur Rahman	SAVP	BACH Unit, Treasury Division, Head Office (As In-Charge)
35	Mr. Mizanur Rahman	SAVP	Dewan Bazar Branch, Chattogram (As Manager)
36	Mr.Kazi Abdul Kyum Khadem	SAVP	Brahmanbaria Branch, Brahmanbaria (As Manager)
37	Mr. Md. Hedayet Ullah	SAVP	Training Institute, HO (As Principal (Acting))
38	Mr. M.Q.M Obaidullah	SAVP	GSD, Head Office
39	Mr. Md. Shariful Alam Mondal	SAVP	IRMD, Head Office
40	Mr. Mohammad Abdul Aziz	SAVP	D.T Road Eidgah Branch, Ctg (As Manager)
41	Mr. Mohammad Khaled Hossain	SAVP	Jamuna Future Park Branch, Dhaka (As Manager)
42	Mr. Mohammad Nurul Amin	SAVP	Feni Branch, Feni (As Manager)
43	Mr. Golam Sarwarul Hoque	SAVP	Agrabad Branch, Chattogram (As Manager Operation)
44	Mr. Maheenul Aziz	SAVP	CTOU Under ID, Head Office (As In-Charge)
45	Mr. Mohammed Zahirul Alam	SAVP	Khatungonj Branch, Chattogram (As Manager Operation)
46	Mr. Mohammad Nazrul Islam Moonce	SAVP	Panthapath Branch, Dhaka (As Manager)
47	Mr. Mohammad Salah Uddin	SAVP	RMD & Centralised MIS, Head Office (As In-Charge)
48	Ms. Rubyat Ara	SAVP	ID, HO(As In-Charge)
49	Mr. Md. Mizanur Rahman	SAVP	Tajmahal Road Branch, Dhaka (As Manager)
50	Mr. Md. Mamnur Rashid	SAVP	IC & CD, Head Office
51	Mr. Mofazzal Haider	SAVP	IRMD, Head Office

Sl	Name of Executives	Designation	Present Place of Posting
52	Mr. Mohammad Salequr Rahman	SAVP	Barodighirpar Branch, Hathazari, Chattogram (As Manager)
53	Mr. Md. Nurul Islam	SAVP	Bogura Branch, Bogura (As Manager)
54	Mr. Muhammad Firoz Haidar	SAVP	Satkhira Branch, Satkhira (As Manager)
55	Mr. Md. Shahidul Islam	AVP	Munshigonj Branch, Munshigonj (As Manager)
56	Mr. Md. Monsur Ahmed	AVP	Nawabpur Road Branch, Dhaka (As Manager)
57	Mr. Kayes Mahmud	AVP	Elephant Road Branch, Dhaka (As Manager)
58	Mr. Mohammad Shamim Ahmed Akan	AVP	Narayanganj Branch, Narayanganj (As Manager)
59	Mr. Golam Sarowor	AVP	Dhanmondi Branch, Dhaka (As Manager Operation)
60	Mr. Abdul Maleque	AVP	Hemayetpur Branch, Savar, Dhaka (As Manager)
61	Mr. Amiruzzaman	AVP	Dinajpur Branch, Dinajpur (As Manager)
62	Mr. K.A.B.M Wahid Iqbal Sumi	AVP	Bijoy Sarani Branch, Dhaka (As Manager Operation)
63	Mr. Md. Golam Sarwar Jahan	AVP	Chapai Nawabganj Branch, Chapai Nawabganj (As Manager)
64	Mr. Anis Ahmed	AVP	Ashkona Bazar Branch, Dhaka (As Manager)
65	Mr. Mohammad Kalam Hossain	AVP	FAD, Head Office
66	Mr. Md. Bashir Uddin Sikder	AVP	Banani Branch, Dhaka (As Manager Operation)
67	Mr. Md. Shahriar Rauf	AVP	PS to Managing Director & In-Charge, CABD, HO
68	Mr. Saiful Azam	AVP	Treasury Division, Head Office
69	Mr. Syed Abdullah Al Masum	AVP	Raozan Branch, Chattogram (As Manager)
70	Mr. Mohammad Ali Hossain Bhuiyan ACS	AVP & Company Secretary	BCS, Head Office
71	Ms. Azizun Nesa	AVP	HRD, Head Office
72	Mr. Md. Kamrul Islam	AVP	Patiya Branch, Chattogram (As Manager)
73	Mr. Chowdhury Md. Arfanul Hoque Hakkani	AVP	Cox's Bazar Branch, Cox's Bazar (As Manager)
74	Ms. Anupama Zaman	AVP	HRD, Head Office
75	Mr. Sumit Das	AVP	Agrabad Branch, Chattogram
76	Mr. Md. Rafiqul Islam Islamabadi	AVP	Sarkarhat Branch, Chattogram (As Manager)
77	Mr. Mohammad Hossain	AVP	Muradpur Branch, Chattogram (As Manager)
78	Mr. Mohammad Abdur Rahim	AVP	Panthapath Branch, Dhaka
79	Mr. M M Mazharul Islam	AVP	Bijoyagar Branch, Dhaka (As Manager)
80	Mr. Mohammed Yakub Ali	AVP	Bandartila Branch, Chattogram (As Manager)
81	Mr. Mohammed Abdul Kader Bhuyan	AVP	Ati Bazar Branch, Keranigonj (As Manager)
82	Mr. A. K. M. Zahir Uddin Iqbal Chowdhury	AVP	PRD, HO (As In-Charge)
83	Mr. Mohammad Thohidul Mawla	AVP	Mirpur Branch, Dhaka (As Manager Operation)
84	Mr. Ahammad Bin Shahirul Ibna Riaz	AVP	ICT Division, Head Office

Sl	Name of Executives	Designation	Present Place of Posting
85	Mr. Feroz Mahmud	AVP	Jubilee Road Branch, Chattogram (As Manager)
86	Mr. Md. Shariful Islam	AVP	Jotpukuria Bazar Branch, Chattogram (As Manager)
87	Mr. Mohammad Moynul Hasan	AVP	ICT Division, Head Office
88	Mr. Md. Abdul Mumin	AVP	ICT Division, Head Office
89	Mr. Kazi Reza Shahinoor Alam	AVP	Rangpur Branch, Rangpur (As Manager)
90	Mr. Jakir Hossen	AVP	Hatkhola Branch, Dhaka (As In-Charge)
91	Mr. Sohel Parvez Choudhury	AVP	Gulshan Branch, Dhaka
92	Mr. Mostafizur Rohman	AVP	RMG & TFD., Head Office
93	Mr. Md. Hossain Al Mamun	AVP	ICT Division, Head Office
94	Mr. Md. Rezaul Karim	AVP	Uttara Branch, Dhaka (As Manager)
95	Mr. Md. Rafiqul Islam	AVP	Bonpara Branch, Natore (As Manager)
96	Mr. Mohammed Rashid Shahid	AVP	Gulshan Branch, Dhaka (As Manager Operation)
97	Mr. Abu Kawser	FAVP	Bazar Hasnabad Branch, Narsingdi (As Manager)
98	Mr. Syed Mizanur Rahman	FAVP	Tangail Branch, Tangail (As Manager)
99	Mr. Md. Nizam Uddin	FAVP	Madhabdi Branch, Narsingdi (As Manager)
100	Mr. Md. Mamunul Islam	FAVP	SAMD, Head Office
101	Mr. Md. Alamgir Majumder	FAVP	Khilpara Branch, Chatkhil, Noakhali (As Manager)
102	Mr. S. M. Fakhruddin Omar	FAVP	Keranigonj Branch, Dhaka (As Manager)
103	Mr. Md. Shah Alam	FAVP	Mawna Branch, Sreepur, Gazipur (As Manager)
104	Mr. Muhammad Didarul Islam	FAVP	Patiya Branch, Chattogram
105	Mr. Md. Babor Ali	FAVP	Jashore Branch, Jashore (As Manager)
106	Mr. Mohammad Solayman	FAVP	Kanchan Branch, Narayangonj (As Manager)
107	Mr. A. K. M. Mourshed Alam	FAVP	Treasury Division, Head Office
108	Mr. Muhammad Golam Rahman Chowdhury	FAVP	Laldighi Branch, Chattogram
109	Mr. A. B. M. Mokarram Mahmud	FAVP	Rajshahi Branch, Rajshahi (As Manager)
110	Mr. Md. Mizanur Rahman	FAVP	SAMD, Head Office
111	Mr. Shah Md. Golam Sarwar Chowdhury	FAVP	Banasree Sub Branch, Under Gulshan Branch, Dhaka (As In-Charge)
112	Mr. Shanker Kumar Roy	FAVP	IRMD, Head Office
113	Mr. Md. Hafiqur Rahman	FAVP	Ataikula Branch, Pabna (As Manager)
114	Mr. Mohammed Mohshin	FAVP	ID, Head Office
115	Mr. Sheikh Firoj Ahmod	FAVP	Khulna Branch, Khulna (As Manager Opertion)
116	Mr. Md. Salim Ahmed	FAVP	Moulvibazar Branch, Moulvibazar (As Manager)
117	Mr. Mohammad Akramul Hoque	FAVP	Fatikchari Branch, Chattogram (As Manager)
118	Mr. Tanvir Ahmad Chowdhury	FAVP	Kadamtali Branch, Chattogram (As Manager)

SL	Name of Executives	Designation	Present Place of Posting
119	Mr. Mumin Ahmed	FAVP	Goalabazar Branch, Sylhet (As Manager)
120	Mr. Azmal Hossen	FAVP	Ramu Branch, Cox's Bazar (As Manager)
121	Mr. Shazzadul Islam	FAVP	GSD, Head Office
122	Mr. Shah Md. Rashid-Un-Nabi	FAVP	ICT Division, Head Office
123	Mr. Md. Amir Hossain	FAVP	ICT Division, Head Office
124	Mr. Chowdhury Mohammad Amjad Ali	FAVP	Tilpapara Sub Branch, Under Hatkhola Branch, Dhaka (As In-Charge)
125	Mr. Ali Newaz	FAVP	Jubilee Road Branch, Chattogram (As Manager Operation)
126	Mr. Moshfiqur Rahman Khan	FAVP	Barishal Branch, Barishal (As Manager)
127	Mr. Md. Sirajul Islam Khan	FAVP	Jhalokati Branch, Jhalokati (As Manager)
128	Mr. Mohammed Abul Kasem	FAVP	Nazumeah Hut Branch, Chattogram (As Manager)
129	Mr. Kaisarul Alam	FAVP	Khatungonj Branch, Chattogram
130	Mr. Mohammad Hasanur Rahman	FAVP	Ashulia Branch, Dhaka (As Manager)
131	Mr. Maminul Hoque	FAVP	HRD, Head Office
132	Mr. Muhammad Ali	FAVP	Khatungonj Branch, Chattogram
133	Mr. Md. Yousuf Ali	FAVP	Shakpura Chowmuhani Branch, Chattogram (As Manager)
134	Mr. Mohammed Showkat Osman	FAVP	SAMD, Head Office
135	Ms. Shudhi Sultana	FAVP	Panthapath Branch, Dhaka
136	Mr. Mohammed Ali Nowshad Chowdhury	FAVP	O.R Nizam Road Branch, Chattogram (As Manager)
137	Mr. Mohammad Abul Hossain	FAVP	Pahartoli Branch, Chattogram (As Manager)
138	Mr. Shoayeb Md. Muntasir Morshed	FAVP	Bijoyagar Branch, Dhaka (As Manager Operation)
139	Mr. Mohammad Azizul Islam	FAVP	Jamuna Future Park Branch, Dhaka (As Manager Operation)
140	Mr. Syed Reza E Rabbe	FAVP	SFU, IRMD, Head Office
141	Mr. Borhanul Azam Chowdhury	FAVP	Kumira Branch, Chattogram (As Manager Operation)
142	Mr. Md. Solaiman	FAVP	Merul Badda Sub Branch, Under Gulshan Branch, Dhaka (As In-Charge)
143	Mr. Moinuddin Ahmad	FAVP	Banskhali (Chandpur) Branch, Chattogram (As Manager)
144	Mr. Md. Fuad Bin Hossain	FAVP	ICT Division, Head Office
145	Mr. Md. Azharul Islam	FAVP	Habigonj Branch, Habigonj (As Manager)
146	Ms. Tamanna Afroz	FAVP	Dilkusha Branch, Dhaka (As Manager Operation)
147	Ms. Shilpi Dutta	FAVP	Jubilee Road Branch, Chattogram



মাননীয় চেয়ারম্যানের বাণী

বিস্মিল্লাহির রাহমানির রাহিম

সম্মানিত শেয়ারহোল্ডারবৃন্দ

আসসালামু আলাইকুম ওয়া রাহমাতুল্লাহ,

পরম করুণাময় আল্লাহর নামে শুরু করছি যিনি আমাকে ইউনিয়ন ব্যাংক লিমিটেড এর দশম বার্ষিক সাধারণ সভায় আপনাদের সবাইকে স্বাগত জানানোর সুযোগ করে দিয়েছেন। সম্মানিত পরিচালনা পর্ষদ, ব্যবস্থাপনা কর্তৃপক্ষ এবং সকল কর্মকর্তা কর্মচারীসহ ব্যাংকের সকলের ঐকান্তিক প্রচেষ্টায় অর্জিত সাফল্য উদযাপন করতে আমরা সমবেত হয়েছি। ক্রমবর্ধমান প্রতিযোগিতামূলক পরিস্থিতি সত্ত্বেও, ইউনিয়ন ব্যাংক তার দৃঢ়তা, সক্ষমতা এবং প্রবৃদ্ধির ধারা অক্ষুন্ন রেখেছে। আজ আমরা অত্যন্ত গর্বের সাথে ৩১ ডিসেম্বর, ২০২২ সালের সমাপ্ত বছরের সাফল্যের সার্বিক চিত্র, নিরীক্ষিত আর্থিক বিবরণী এবং বিজ্ঞ পরিচালকদের প্রতিবেদনসমূহ উপস্থাপন করছি।



বিশ্ব অর্থনীতিঃ

২০২২ সালে বিশ্ব অর্থনীতি যুদ্ধ, মূল্যস্ফীতি এবং জ্বালানী সংকটসহ বেশ কিছু অর্থনৈতিক বিপর্যয়ের মুখোমুখি হয়েছে। এই আধুনিক সময়ে এর আগে বিশ্বে এরকম পরিস্থিতির সম্মুখীন হতে হয়নি। ভূ-রাজনৈতিক ও অর্থনৈতিক সংকট থেকে উদ্ধৃত অস্থিরতা ও ভবিষ্যৎ অনিশ্চয়তার কারণে ব্যবসা-বাণিজ্য ক্ষতিগ্রস্ত হওয়ায় তা সার্বিকভাবে ব্যক্তি ও দেশকে প্রভাবিত করেছে। অনেক দেশ সতর্কতার সহিত কোভিড বিধিনিষেধ প্রত্যাহার করে অর্থনীতির চাকা সচল রাখতে চেষ্টা করছিল কিন্তু ইউক্রেন-রাশিয়া সংঘাতের মতো ভূ-রাজনৈতিক উত্তেজনা এবং কেন্দ্রীয় ব্যাংকগুলোর সুদের হার বৃদ্ধির কারণে তা ব্যাহত হয়েছে। বিশ্বের কিছু শীর্ষস্থানীয় কোম্পানি নিজেদের ব্যয় কমাতে তাদের কর্মী ছাটাইসহ শাখা অফিস এবং রিটেইল শো-রুম বন্ধ করে দিয়েছে। এমতাবস্থায় মুদ্রাস্ফীতির নেতিবাচক খবর এবং ক্রমবর্ধমান ভূ-রাজনৈতিক উত্তেজনা বিশ্ব অর্থনীতিতে কেমন পরিস্থিতি তৈরী করবে তা অনুমান করা কঠিন।

ওয়ার্ল্ড ইকোনমিক আউটলুক এর জানুয়ারি ২০২৩ সংখ্যায়, ২০২২ সালে বৈশ্বিক প্রবৃদ্ধি ধরা হয়েছে ৩.৪ শতাংশ এবং তা ২০২৩ সালে ২.৯ শতাংশে নেমে যাওয়ার আশংকা প্রকাশ করেছে। বিশেষজ্ঞরা বলছেন, ২০২৩ সালেও ইউক্রেন-রাশিয়ার দ্বন্দ্বের কারণে বিভিন্ন সংকট সৃষ্টি হবে এবং মূল্যস্ফীতি

রোধে নীতি নির্ধারকেরা সুদহার বাড়ানো অব্যাহত রাখতে পারে যার জন্য মুদ্রা সরবরাহ কমে যাবে, বৈশ্বিক অর্থায়ন ব্যয় বৃদ্ধি পাবে এবং সেইসাথে বিনিয়োগের পরিমাণ কমে যেতে পারে। ২০২২ সালে ইউরোপ তার জ্বালানী সংকট এড়াতে তেল ও গ্যাসের পাশাপাশি আমদানি করা এলএনজি এর উপর নির্ভরশীল ছিল। বর্তমানে, বড় অর্থনীতির দেশ চীন তার জ্বালানী চাহিদা মেটাতে এলএনজি'র আমদানি বাড়িয়েছে তাই এলএনজি আমদানিতে ইউরোপকে চীনের সাথে তীব্র প্রতিযোগিতায় নামতে হবে। কারণ দেশটি তার “জিরো কোভিড” নীতি থেকে দূরে সরে আসায় সেখানে রিওপেনিং শুরু হয়েছে এবং পূর্ণোদ্যমে ব্যবসায়িক কার্যক্রম বেড়েছে। আশা করা হচ্ছে চীনের অর্থনীতির প্রত্যাবর্তন বিশ্ব অর্থনীতিকে লাভবান করবে।

মহামারী মোকাবিলা, ঋণ সংকট, বৈশ্বিক বাণিজ্য, আর্থিক নিরাপত্তা বেটনী এবং গ্রীণ এনার্জির মতো ক্ষেত্রগুলোতে বহুপাক্ষিক সহযোগিতা বৃদ্ধি করা অত্যন্ত গুরুত্বপূর্ণ। বৈশ্বিক মূল্যস্ফীতিকে মোকাবেলার জন্য দেশগুলোর যথোপযুক্ত নীতি সুদহার নির্ধারণ করা উচিত। কোভিড-১৯ এর পুনরুত্থান যাতে না ঘটে সেজন্য টিকা ও চিকিৎসার সহজলভ্যতা বাড়ানোর জন্য সম্মিলিত প্রচেষ্টা অব্যাহত রাখতে হবে এবং ভবিষ্যৎ মহামারী মোকাবিলায় সক্রিয় ব্যবস্থা গ্রহণ করতে হবে। আর্থিক স্থিতিশীলতা নিশ্চিত করতে ম্যাক্রোপ্রডেসিয়াল টুলস্ এর যথাযথ ব্যবহার এবং নন-ব্যাংক আর্থিক খাতের ঝুঁকি দূরীকরণে কাজ করে যেতে হবে। আন্তর্জাতিক বাণিজ্যের ডিজিটলাইজেশন ও আধুনিকায়নে দেশগুলির একে অপরকে সহযোগিতা করা এবং কার্যকর নীতি প্রণয়ন করে টেকসই অর্থায়ন ও উৎপাদন নিশ্চিত করা জরুরী। পাশাপাশি ঋণ পুনর্গঠন এবং বিভিন্ন সংস্কার বাস্তবায়নের মাধ্যমে দেশগুলোর ঋণ সক্ষমতা পুনরুদ্ধার করা এবং প্রবৃদ্ধির উপকরণগুলোর মান উন্নয়নের মাধ্যমে সাপ্লাই-সাইড নীতি গ্রহণ করা উচিত। সাময়িক ভর্তুকি এবং সামাজিক নিরাপত্তা কর্মসূচীর মত প্রকল্পগুলোর মাধ্যমে অরক্ষিত, ক্ষতিগ্রস্ত ও সুবিধাবঞ্চিত জনসাধারণকে সহায়তা করে সামাজিক বৈষম্য দূর করার কাজ এগিয়ে নিতে হবে।

বাংলাদেশের অর্থনীতিঃ

বাংলাদেশের অর্থনীতি গত দশকের একটা দীর্ঘ সময় ধরে প্রবৃদ্ধির ইতিবাচক ধারা বজায় রেখেছিল। কিন্তু কোভিড-১৯ মহামারীর কারণে তা থমকে যায়। যেখানে ২০১৮-১৯ অর্থবছরে জিডিপি প্রবৃদ্ধির হার ছিল ৭.৮৮ শতাংশ এবং মহামারীর কারণে ২০১৯-২০ সালে তা কমে দাঁড়িয়েছিল ৩.৪৫ শতাংশে। এ সময় সরকার ও বাংলাদেশ ব্যাংক কর্তৃক সম্প্রসারণমূলক রাজস্ব ও মুদ্রানীতির আওতায় কৃষি, সিএমএসএমই, বৃহৎ শিল্প ও সেবা খাতের উন্নয়নসহ নানাবিধ পদক্ষেপ গ্রহণ করে। এর ফলে সামগ্রিক অর্থনৈতিক কর্মকাণ্ড বৃদ্ধি পায়, রপ্তানি প্রবৃদ্ধি ইতিবাচক ধারায় প্রত্যাবর্তন করে এবং সামগ্রিকভাবে দেশের অর্থনীতির জিডিপি ২০২০-২১ এবং ২০২১-২২ অর্থবছরে আকর্ষণীয়ভাবে বৃদ্ধি পেয়ে যথাক্রমে ৬.৯৪ শতাংশ এবং ৭.২৫ শতাংশে দাঁড়ায়। সরকার চলমান বাজেটে ২০২২-২৩ অর্থবছরের জন্য জিডিপি প্রবৃদ্ধির লক্ষ্যমাত্রা ৭.৫০ শতাংশ নির্ধারণ করেছে। প্রবৃদ্ধির এই ধারা আগামীতে বজায় রাখতে সক্রিয় বহুপাক্ষিক ব্যবস্থায় সরকারী ও বেসরকারী অংশীদারিত্বের মাধ্যমে বিনিয়োগকে উৎসাহিত করছে এবং বিদেশী বিনিয়োগকে আকৃষ্ট করতে নতুন নতুন রপ্তানী প্রক্রিয়াকরণ অঞ্চল নির্মাণ করছে।

বর্তমানে দেশের অর্থনীতি সংকট কাটিয়ে উঠার চেষ্টা করছে। কিছু সংকট যেমন যুক্তরাষ্ট্রের কঠোর মুদ্রা নীতি এবং রাশিয়া ও ইউক্রেন যুদ্ধের সময়কাল ও তীব্রতা আমাদের নিজেদের হাতে নেই। এগুলোর নেতিবাচক প্রভাব অনিবার্যভাবেই দেশের সামষ্টিক অর্থনীতিতে মুদ্রাস্ফীতি, বাণিজ্য ঘাটতি এবং আমদানিজনিত মূল্যস্ফীতি বৃদ্ধির মত বিরূপ পরিস্থিতি তৈরী করেছে। এর ফলে সরকার রাজস্ব সংগ্রহ, সরকারী ব্যয় এবং চলতি হিসাবের ভারসাম্য রক্ষার ক্ষেত্রে বিভিন্ন চ্যালেঞ্জের সম্মুখীন হচ্ছে। মার্কিন ডলারের বিপরীতে টাকার বিনিময় হার কমে যাওয়ার পাশাপাশি ডলার সংকটের কারণে বাংলাদেশের বৈদেশিক মুদ্রার রিজার্ভ কিছুটা কমে গিয়েছে। এই সংকটসমূহ মোকাবিলার নিমিত্তে বাংলাদেশ ব্যাংক ২০২২-২৩ অর্থবছরের জন্য সতর্কতামূলক সংকেচনমুখী মুদ্রানীতি প্রণয়ন করে যার প্রধান চ্যালেঞ্জ হলো টাকার অভ্যন্তরীণ ও বাহ্যিক মান অর্থাৎ মূল্যস্ফীতি ও বিনিময় হারকে স্থিতিশীল রাখা। এছাড়া কাংখিত জিডিপি প্রবৃদ্ধি অর্জন ও কর্মসংস্থান সৃষ্টির লক্ষ্যে চলমান অর্থনৈতিক পুনরুদ্ধার কার্যক্রমে সমর্থন অব্যাহত রাখাও এই নীতির অপরিহার্য অংশ হিসেবে বিবেচনায় নেয়া হয়েছে।

বৈশ্বিক সংকটগুলো দীর্ঘায়িত হলে এবং জলবায়ুর বিরূপ প্রভাবে ভবিষ্যতে খাদ্যসংকটের আশংকা করছে জাতিসংঘের খাদ্য ও কৃষি সংস্থা। বাংলাদেশের খাদ্যনিরাপত্তার বড় ঝুঁকি না থাকলেও সরকার সবার জন্য খাদ্য নিরাপত্তা নিশ্চিত করতে স্বল্প, মধ্যম ও দীর্ঘমেয়াদী কর্মপরিকল্পনা বাস্তবায়ন করছে। এই পরিকল্পনার মধ্যে রয়েছে কৃষি উৎপাদন বৃদ্ধি, সার ও কৃষি কার্যক্রমের জন্য ভর্তুকি এবং মৎস ও পশুসম্পদ খাতের উন্নয়নের প্রচেষ্টা। সর্বাঙ্গিক প্রচেষ্টার অংশ হিসেবে কারিগরি শিক্ষা, টিকাদান কর্মসূচী এবং আর্থিক খাতের সংস্কারের জন্য সরকার বিভিন্ন পদক্ষেপ গ্রহণ করেছে। এছাড়া প্রণোদনা এবং বিশেষ তহবিলের মাধ্যমে শিল্প খাতকে সহায়তা প্রদান অব্যাহত রাখা হয়েছে যার ফলে শিল্পে উৎপাদনের প্রত্যাবর্তন ঘটেছে। পদ্মা বহুমুখী সেতু এবং মেট্রো রেল পরিবহণ ও যোগাযোগ ব্যবস্থাকে বদলে দিয়েছে। এগুলো জিডিপিতে ব্যাপক অবদান রাখবে। তাছাড়া কর্নফুলী টানেল, পদ্মা রেল সেতু, বঙ্গবন্ধু রেল সেতু এবং ঢাকা এলিভেটেড এক্সপ্রেসওয়ের মত বিভিন্ন উন্নয়নমূলক কর্মকান্ড দেশের অর্থনীতিকে সামনের দিকে এগিয়ে নিয়ে যাবে।

বিভিন্ন চ্যালেঞ্জ সত্ত্বেও দেশের ক্রমবর্ধমান তথ্য প্রযুক্তি খাতের উন্নয়ন প্রচেষ্টার অংশ হিসেবে সরকার ডিজিটাল বাংলাদেশকে ব্রাউন্ডিং করছে। তবে এ মুহূর্তে বাজেট ঘাটতি যাতে না বাড়ে সেদিকে বিশেষ নজর দিতে হবে। প্রয়োজনে কিছু জায়গা থেকে ভর্তুকি কমিয়ে এবং রাজস্ব বাড়িয়ে বর্তমান সংকটময় পরিস্থিতি সামাল দিতে হবে। দক্ষ কর্মীবাহিনী তৈরীর লক্ষ্যে মানব সম্পদে বিনিয়োগের মাধ্যমে দেশের অর্থনীতিকে জ্ঞানভিত্তিক অর্থনীতিতে পরিণত করতে সম্মিলিতভাবে কাজ করে যেতে হবে। সম্প্রসারণমূলক আর্থিক নীতি অনুসরণ করে ছোট বড় উদ্যোগগুলোর উৎপাদনশীলতা বাড়াতে সমর্থন করে যেতে হবে।

বর্তমানে দেশের ব্যাংক ও আর্থিক প্রতিষ্ঠানগুলো যেসব সমস্যায় ভুগছে তার মধ্যে অন্যতম হলো তারল্য সংকট। এই সংকট শুধু অর্থনৈতিক সক্ষমতার ক্ষেত্রেই ঝুঁকিপূর্ণ নয় বরং এটা বিভিন্ন দাতা সংস্থা ও বিদেশী বিনিয়োগকারীদের মধ্যেও ভীতির সঞ্চার করতে পারে। এই সংকট নিরসনে সরকারসহ সকল অংশীদারদেরকে একসাথে কাজ করে যেতে হবে। শেয়ারবাজারে উঠা-নামা বিনিয়োগকারীদের মাঝে যে সংশয় তৈরী করছে সেটি যাতে দীর্ঘমেয়াদী

না হয় সেদিকেও নজর দিতে হবে। চলমান কিংবা ভবিষ্যৎ মূল্যস্ফীতি বিবেচনায় নিয়ে ঋণের সুদহার নির্ধারণে যথাযথভাবে কাজ করে যেতে হবে। আমানতের অস্থিরতা নিরসনকল্পে, ঋণ এবং আমানত এর মাঝে একটি সুস্থ ভারসাম্য নীতি বজায় রাখার দিকে নজর দিতে হবে। সরকারের গৃহীত বিভিন্ন স্বল্প মেয়াদী ও দীর্ঘমেয়াদী আর্থিক সংস্কার বাস্তবায়নে কেন্দ্রীয় ব্যাংক এবং বিভিন্ন আর্থিক নিয়ন্ত্রক সংস্থা জনবান্ধব সক্রিয় কার্যক্রম গ্রহণে সমর্থ হলে বাংলাদেশ আরও স্থিতিশীল ও টেকসই অর্থনৈতিক ভবিষ্যতের দিকে এগিয়ে যাবে।

সমৃদ্ধির পথে ইউনিয়ন ব্যাংকঃ

ইউনিয়ন ব্যাংক লিমিটেড ১১তম বছরে পদার্পণ করেছে। এ পর্যন্ত ব্যাংকের দক্ষ কর্মীবাহিনী নীতি, শিষ্টাচার, সততা, ন্যায়পরায়নতা ও পেশাদারিত্বের সর্বোচ্চ মান বজায় রেখে ব্যাংকিং কার্যক্রম পরিচালনা করেছে। ব্যাংকের নিজস্ব ট্রেনিং ইনস্টিটিউট থাকায় ব্যাংকের কর্মীদের যথোপযুক্ত প্রশিক্ষণ প্রদানের বিষয়টি নিশ্চিত করতে পারছে। এর ফলস্বরূপ আমরা পূর্বের বছরগুলোর মতোই ২০২২ সালেও প্রবৃদ্ধির ধারা বজায় রাখতে পেরেছি। ২০২২ সাল শেষে মোট আমানত ৬.৫৬ শতাংশ বৃদ্ধি পেয়ে ২১৩,৩৭৫.২৯ মিলিয়ন টাকা দাঁড়িয়েছে যা ২০২১ সালে ছিল ২০০,২২৯.৭৯ মিলিয়ন টাকা। বিনিয়োগের পরিমাণ দাঁড়িয়েছে ২২২,২৭৫.৪৩ মিলিয়ন টাকা যা ২০২১ সালের মোট বিনিয়োগ ১৯৩,৮২২.২৮ মিলিয়ন টাকার চেয়ে ১৪.৬৮ শতাংশ বেশি। রপ্তানী ও আমদানির ব্যবসা পূর্ববর্তী বছরের তুলনায় এ বছর বৃদ্ধি পেয়েছে। ২০২২ সালে ব্যাংকের মোট আমদানির পরিমাণ দাঁড়ায় ৯,২৪৭.৬০ মিলিয়ন টাকা (৮৮.০৭ মিলিয়ন মার্কিন ডলার) এবং রপ্তানী হয় ৪,৮০১.৯৫ মিলিয়ন টাকা (৫০.১৫ মিলিয়ন মার্কিন ডলার)। এ বছর ইউনিয়ন ব্যাংক লিমিটেড ৪,১৪৮.৫৭ মিলিয়ন টাকা প্রভিশন ও করপূর্ব মুনাফা অর্জন করেছে যা গত বছরের ৩,৫৯৭.৯৯ মিলিয়ন টাকার তুলনায় ১৫.৩০ শতাংশ বেশি। ২০২১ সালের ২৪ নভেম্বর ইউনিয়ন ব্যাংক লিমিটেড বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন হতে প্রাথমিক গণপ্রস্তাব (আইপিও) এর অনুমোদন লাভ করে যা নিঃসন্দেহে একটি বড় অর্জন। এটি শেয়ারবাজারের ইতিহাসে ব্যাংকিং খাতের সবচেয়ে বড় আইপিও। এরপর ২০২২ সালের ২৬ জানুয়ারী দেশের দুটি স্টক এক্সচেঞ্জ - ঢাকা স্টক এক্সচেঞ্জ লিমিটেড ও চিটাগাং স্টক এক্সচেঞ্জ পিএলসি-এ লেনদেনের মাধ্যমে পথচলা শুরু হয় যা আমাদের প্রত্যাশাকে ছাড়িয়ে গিয়েছিল। আমাদের শক্তিশালী আর্থিক সক্ষমতা এবং ব্যাংকিং খাতে সুনাম এর কারণে এই সফলতা অর্জন হয়েছে যা আমাদের ব্যবস্থাপনা কর্তৃপক্ষসহ সকল কর্মকর্তাদের অক্লান্ত পরিশ্রমের ফল।

গ্রাহকদের ক্রমবর্ধমান চাহিদা বিবেচনা করে ইউনিয়ন ব্যাংক লিমিটেড সারাদেশে ধারাবাহিকভাবে একটি বৃহৎ ব্যাংকিং নেটওয়ার্ক সম্প্রসারণ করে চলেছে এবং সেই সাথে ইন্টারনেট ব্যাংকিং, ইউনিয়ন অ্যাপস, স্টেট-অব-দ্যা-আর্ট ব্যাংকিং সফটওয়্যার (ABABIL) এর মতো সর্বশেষ ব্যাংকিং প্রযুক্তিগুলি সমন্বয়ের মাধ্যমে সন্তোষজনক গ্রাহক পরিষেবা প্রদান করছে। এছাড়াও গ্রাহকদের তথ্য সুরক্ষা ও আর্থিক নিরাপত্তা নিশ্চিত করা ব্যাংকের দায়িত্ব। তাই ব্যাংক তার আধুনিক ডাটা সেন্টারের মাধ্যমে গ্রাহকদের তথ্যের রক্ষণাবেক্ষণ ও সুরক্ষা নিশ্চিত করে একটি শক্তিশালী সুরক্ষিত নেটওয়ার্ক ব্যবস্থা গড়ে তুলেছে। ২০২২ সালে গ্রাম ও শহর উভয় অঞ্চলে আমরা ০৮টি নতুন শাখা এবং ১৫টি উপশাখা খুলতে সক্ষম হয়েছি। বছর শেষে, আমাদের মোট শাখার সংখ্যা দাঁড়িয়েছে ১১২টি এবং উপশাখার সংখ্যা ৪৬টি।

২০২২ সালে ব্যাংক তার নতুন গ্রাহকদের জন্য বিভিন্ন শারী'আহ্ ভিত্তিক ও গ্রাহক-বান্ধব আমানত পণ্য চালু করেছে (যার মধ্যে উল্লেখযোগ্য নারীদের জন্য 'নিসা', সিনিয়র নাগরিকদের জন্য 'এহসান' মায়ীদের জন্য 'ওয়ালিদা' এবং ০১ বছর মেয়াদী 'সহজ')। নন-এডি শাখাসমূহ সেন্ট্রাল ট্রেড অপারেশনস্ ইউনিটের (CTOU) মাধ্যমে বৈদেশিক বাণিজ্যের লেনদেন সংক্রান্ত কাজ সফলভাবে সম্পাদন করেছে। ২০২২ সালে রাশিয়া-ইউক্রেন যুদ্ধ, মূল্যস্ফীতি এবং জ্বালানী সংকটসহ বেশ কিছু অর্থনৈতিক সংকট সত্ত্বেও এই ইউনিট-টি ২,৩৬৯.৯০ মিলিয়ন টাকার আমদানি এবং ১,২৬৭.১০ মিলিয়ন টাকার রপ্তানি সংক্রান্ত লেনদেন সম্পন্ন করেছে। জনপ্রিয় ১৪টি এক্সচেঞ্জ হাউজের মাধ্যমে ইউনিয়ন ব্যাংক তার প্রতিটি শাখা ও উপশাখাসমূহের গ্রাহকদেরকে রেমিটেন্স পরিষেবা প্রদান করেছে। প্রতিযোগিতামূলক বাজারে ব্যাংক তার ব্রান্ড ইমেজকে শক্তিশালী করতে এ বছর Titas এবং Dhaka WASA-সহ দেশের নামী সংস্থাগুলোর সাথে সর্বমোট ১১০টি কর্পোরেট চুক্তি সম্পাদন করেছে।

ইউনিয়ন ব্যাংক লিমিটেড বাংলাদেশ ব্যাংকের সামাজিক দায়বদ্ধতা (সিএসআর) কার্যক্রমের নীতিমালা অনুসরণ করে। ব্যাংক তার প্রতিষ্ঠালগ্ন থেকে সুবিধাবঞ্চিত সমাজের অর্থনৈতিক ও সামাজিক সমস্যা দূরীকরণে কাজ করতে দৃঢ় প্রতিজ্ঞ। ভবিষ্যৎ প্রজন্মের বৃহত্তর স্বার্থে শিক্ষা সহায়তা, স্বাস্থ্য সেবা, দারিদ্রতা বিমোচন ও পরিবেশবান্ধব সমাজ নিশ্চিতকরণের লক্ষ্যে কার্যক্রম চালিয়ে যাচ্ছে। ২০২২ সালে ব্যাংক সিএসআর কার্যক্রমের আওতায় ১৫৭.২৯ মিলিয়ন টাকা ব্যয় করেছে।

আমি সকল শেয়ারহোল্ডার ও স্টেকহোল্ডারগণকে আন্তরিক ধন্যবাদ জানাই কারণ তারা আমাদের শক্তি ও সামর্থ্যের উপর আস্থা রেখেছে। মূল্যবান দিক নির্দেশনা দিয়ে ইউনিয়ন ব্যাংক লিমিটেডকে সঠিক পথে ধরে রাখা এবং ব্যাংক কর্মীদের সততা ও পেশাদারিত্বের উপর আস্থা রাখার জন্য পরিচালনা পর্ষদের প্রতি কৃতজ্ঞতা জ্ঞাপন করছি। বাংলাদেশ ব্যাংক, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, রেজিস্ট্রার অব জয়েন্ট স্টক কোম্পানীজ এন্ড ফার্মস, ঢাকা স্টক এক্সচেঞ্জ লিমিটেড, চট্টগ্রাম স্টক এক্সচেঞ্জ পিএলসি, জাতীয় রাজস্ব বোর্ড এবং অন্যান্য সহযোগী রেগুলেটরী সংস্থাগুলোর প্রতি আমি আন্তরিক কৃতজ্ঞতা জ্ঞাপন করছি। সকল আমানতকারী ও গ্রাহকদেরকে বিশেষ ধন্যবাদ জানাই কারণ তারা কঠিন সময়ে ইউনিয়ন ব্যাংক লিমিটেড এর উপর আস্থা ও বিশ্বাস বজায় রেখেছেন।

ব্যাংকের উন্নতি ও অগ্রগতিতে ধারাবাহিক ও অবিচ্ছিন্ন সহযোগীতা, উৎসাহ, পৃষ্ঠপোষকতা ও সময়ে সময়ে বিভিন্ন নির্দেশনা প্রদানের জন্য আমাদের পরিচালনা পর্ষদের সদস্যবৃন্দ, শারী'আহ্ সুপারভাইজরি কমিটির সদস্যবৃন্দ এবং সকল ব্যাংক কর্মকর্তাদের প্রতি আন্তরিক কৃতজ্ঞতা জানাই।

আমি বিশ্বাস করি যে সর্বশক্তিমান মহান আল্লাহর অনুগ্রহে সাফল্যের মধ্য দিয়ে আমাদের যাত্রা আসন্ন বছরগুলিতে এগিয়ে যাবে এবং ইউনিয়ন ব্যাংক লিমিটেড বাংলাদেশের আধুনিক প্রযুক্তি নির্ভর ইসলামিক ব্যাংক হিসাবে তার সফল যাত্রা অব্যাহত রাখবে, ইনশাআল্লাহ।

আহসানুল আলম
চেয়ারম্যান



MESSAGE FROM THE CHAIRMAN

Bismillahir Rahmanir Rahim
Respected Shareholders,
Assalamu Alaikum Wa Rahmatullah,

In the noble and divine name of Allah, the Most Compassionate, the Most Merciful, I am honored to welcome everyone to the 10th Annual General Meeting (AGM) of Union Bank Limited. Representing our esteemed Board of Directors, Management team, and Employees, we gather to celebrate the outstanding achievements of our exemplary fourth-generation banking organization in Bangladesh. Despite an increasingly complex global environment, Union Bank has showcased unwavering resilience, adaptability, and growth. Today, we proudly present the Bank's performance, insightful Directors' Report, and meticulous Audited Financial Statements for the year ended on 31st December 2022.

Global Economy:

The year 2022 has faced several economic upheavals including war, inflation, and energy crises. The world has never before confronted such situations in modern times. Geopolitical and economic crises have led to instability, and uncertainty for individuals and countries, affecting business and trade. Many countries cautiously lift COVID-19 restrictions to keep the economy moving, but efforts were thwarted due to geopolitical tensions like the Ukraine-Russia conflict, and increased interest rates by the central banks. Some top tech and retail companies have closed branch offices, and retail showrooms, laying off employees to cut costs. At this point, it is difficult to predict the impact of the negative news on inflation, and the escalating geopolitical tensions on the world economy.

In the January 2023 World Economic Outlook, global growth in 2022 is estimated at 3.4 percent, with concerns that it may decline to 2.9 percent in 2023. Experts have warned that various crises could arise due to the Ukraine-Russia conflict, and policymakers may struggle to maintain price stability, leading to a reduction in currency supply, increased global economic spending, and a possible decrease in investment levels. In 2022, Europe relied on imported LNG to overcome its energy crisis, alongside oil and gas. Currently, China, a major economic power, has increased its LNG imports to meet its growing energy demand, which means Europe will have to compete more fiercely with China in the LNG import market. This is due to China moving away from its "Zero COVID" policy, allowing for reopening, and an increase in business activities. It is hoped that the recovery of China's economy will benefit the global economy.

Increasing multilateral cooperation in all possible areas such as pandemic response, debt crisis, global trade, economic security, and accelerating the transition to green energy is extremely important. Countries must determine the appropriate policy rate to combat global inflation. Efforts to increase the availability of vaccines and medication must continue to prevent a resurgence of COVID-19, and proactive measures must be taken to prepare for

future pandemics. Proper use of macro-prudential tools and mitigation of risks in non-banking financial accounts are necessary to ensure economic stability. Digitalization and modernization of international trade, as well as cooperation among countries in policy implementation, are essential for sustainable financing and production. Through debt restructuring and various reforms, countries' financial capacities must be restored and supply-side policies adopted to improve the quality of tools for development. Programs such as temporary aids and social security are necessary to help disadvantaged and vulnerable populations and reduce social inequality.

Bangladesh Economy:

Over a long period of time, Bangladesh's economy has maintained a positive growth trend in the past decade. However, it came to a halt during the COVID-19 pandemic. In the fiscal year 2018-19, the GDP growth rate was 7.88%, but due to the pandemic, it dropped to 3.45% in 2019-20. During this time, the Government and Bangladesh Bank took various expansionary fiscal and monetary policy measures to develop the agriculture, SMEs, large industries, and service sectors. As a result, overall economic activities increased, exports returned to a positive growth trajectory, and the country's overall GDP grew at an impressive rate of 6.94% and 7.25% in the fiscal years 2020-21 and 2021-22, respectively. The government has set a GDP growth target of 7.50% for the fiscal year 2022-23. To maintain this growth momentum in the future, the Government is actively encouraging investment through public-private partnerships and attracting foreign investment by establishing new export processing zones.

Currently, the country's economy is overcoming a crisis, much of which - such as the United States' strict currency policy and the duration & intensity of the Russia-Ukraine conflict - is beyond our control. These factors have inevitably led to undesirable situations like inflation, trade deficits, and import-induced price increases in the overall economy. The exchange rate of the Taka against the US dollar has decreased, and due to the dollar crisis, Bangladesh's foreign currency reserves have also slightly declined. The government faces various challenges in revenue collection, public

spending, and maintaining the current account balance. To address these crises, Bangladesh Bank has adopted a cautious contractionary monetary policy for the fiscal year 2022-23, with the primary challenge being to maintain the internal and external value of the Taka, i.e., price stability and exchange rate. Furthermore, continued support for ongoing economic recovery programs to achieve the desired GDP growth and job creation has been considered as an indispensable part of this policy.

The United Nations' Food and Agriculture Organization is concerned about future food shortages due to prolonged global crises and the adverse effects of climate change. Although Bangladesh is not at great risk of food insecurity, the government is implementing short, medium, and long-term plans to ensure food security for everyone. These plans include increasing agricultural production, providing subsidies for fertilizers and agricultural activities, and improving the fisheries and livestock sectors. As part of its efforts to promote economic development, the government has taken various steps to improve vocational education, implement vaccination programs, and reform the financial sector. In addition, the industrial sector has been supported through incentives and special funds, resulting in increased production. The Padma Multipurpose Bridge and the metro rail system will transform transportation and communication infrastructure, contributing significantly to GDP growth. Other development projects such as the Karnaphuli Tunnel, the Padma Rail Bridge, the Bangabandhu Rail Bridge, and the Dhaka Elevated Expressway will also push the country's economy forward.

Despite facing various challenges, the government is branding Digital Bangladesh as an important part of its efforts to develop the country's information technology sector. However, given the current economic crisis, it is important to keep an eye on budget deficits. It may be necessary to reduce spending in some areas and increase revenue to address the current situation. An efficient workforce must be developed through investment in human resources in order to transform the country's economy into a knowledge-based one. In line with expansionary economic policies, support must be provided to increase the productivity of small and large enterprises.

In recent times, one of the major problems faced by banks and financial institutions in the country is the liquidity crisis. This crisis not only poses a risk in terms of economic capabilities, but it can also instill fear in various donor organizations and foreign investors. To resolve this crisis, the government and all stakeholders involved must work together. The instability in the stock market that is causing anxiety among investors needs to be addressed in order to avoid long-term consequences. Appropriate action must be taken in determining interest rates for loans, considering current or future inflation. To resolve the instability in deposits, it is essential to maintain a healthy balance between loans and deposits. If the central bank and other financial regulatory authorities adopt a people-friendly, proactive approach in implementing various short-term and long-term economic reforms initiated by the government, Bangladesh will move towards a more stable and sustainable economic future.

UBL at a glance:

Union Bank Limited has completed its 11th year. So far, the bank's skilled workforce has been maintaining the highest standards of policy, etiquette, integrity, fairness, and professionalism in managing banking operations. Thanks to the bank's own training institute, it is ensuring the provision of appropriate training for its employees. As a result, we have been able to maintain the growth trend in 2022, just like in previous years. By the end of 2022, the bank's total deposits reached BDT 213,375.29 million, a 6.56% increase from BDT 200,229.79 million in 2021. Concurrently, total investments rose by 14.68% to BDT 222,275.43 million from BDT 193,822.28 million in the previous year. The bank experienced competitive pressure in export and import businesses, with total imports amounting to BDT 9,247.60 million (USD 88.07 million). Exports stood at BDT 4,801.95 million (USD 50.15 million), a 17.12% increase from BDT 4,099.80 million (USD 48.29 million) in the year 2021. The bank's operating profit reached BDT 4,148.57 million, an 15.30% increase compared to BDT 3,597.99 million in 2021.

On November 24, 2021, Union Bank Limited received approval for its Initial Public Offering (IPO) from the Bangladesh Securities and Exchange Commission, which was undoubtedly a significant achievement. It

is the largest IPO in the history of the stock market for the banking sector. Subsequently, on January 26, 2022, the bank started its debut trading on the Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange PLC, reaching a broad range of general investors and exceeding our expectations. This success can be attributed to our robust financial capabilities and stellar reputation in the banking sector, as well as the tireless efforts of Bank Management and all employees.

Considering the growing demands of customers, Union Bank Limited has been continuously expanding a large banking network across the country and providing satisfactory customer service through the integration of the latest banking technologies, such as internet banking, UniOn Apps, and state-of-the-art banking software (ABABIL). Ensuring cyber security, customer information security and financial safety is the bank's responsibility. Therefore, the bank has built a robust and secured network system by ensuring the protection and security of customer information. In 2022, we have been able to open 08 new branches and 15 sub-branches in both rural and urban areas. By the end of the year, our total number of branches reached 112 and the number of sub-branches stood at 46.

In 2022, the bank launched various Shariah-based customer-friendly deposit products for its customers, such as 'Nisa' for women, 'Ehsan' for senior citizens, 'Walida' for mothers, and the 1-year deposit 'Sohoj.' The Non-AD branches are successfully executing foreign trade transactions through the Central Trade Operations Unit (CTOU). Despite several economic crises such as the Russia-Ukraine war, inflation, and energy crisis, in 2022 this unit completed transactions involving imports of BDT 2,369.90 million and exports of BDT 1,267.10 million. Union Bank provides remittance services to customers of each branch and sub-branch through 14 popular exchange houses. To strengthen its brand image in the competitive market, this year the bank has executed a total of 110 corporate agreements with prominent organizations in the country, including Titas and Dhaka WASA.

Union Bank follows the Guidelines of Bangladesh Bank's Corporate Social Responsibility (CSR) program. The bank is firmly committed to working

towards resolving the economic and social issues of the underprivileged society since its inception. It continues its efforts to provide educational assistance, healthcare services, poverty alleviation, and ensuring an environment friendly society for the greater benefit of future generations. In 2022, the bank spent BDT 157.29 million under the scope of its CSR activities.

I would like to express my sincere gratitude to all shareholders and stakeholders for having faith in our strength and capabilities. I appreciate the guidance of the Board of Directors in keeping Union Bank Limited on the right track and for their trust in the honesty and professionalism of the employees of the Bank. I would also like to extend my heartfelt thanks to Bangladesh Bank, Bangladesh Securities and Exchange Commission, Registrar of Joint Stock Companies and Firms, Dhaka Stock Exchange Ltd., Chittagong Stock Exchange PLC, National Board of Revenue, and other allied regulatory authorities. Special thanks go to all depositors and customers for maintaining their trust and confidence in Union Bank Limited amidst numerous adversities.

I would like to convey my profound gratitude to our Board Members, members of the Shariah Supervisory Committee, and all bank employees for their continuous support, enthusiasm, encouragement, and guidance in the progress and development of the bank.

I believe that, with the grace of Almighty Allah, our journey will continue to advance through success in the coming years, and Union Bank Limited will maintain its successful journey as a modern technology-driven Islamic bank in Bangladesh, Insha'Allah.



Ahsanul Alam
Chairman



ব্যবস্থাপনা পরিচালকের বক্তব্য

বিসমিল্লাহির রাহমানির রাহিম

সম্মানিত শেয়ারহোল্ডারবৃন্দ,

আসসালামু আলাইকুম ওয়া রাহ্মাতুল্লাহ,

ইউনিয়ন ব্যাংক লিমিটেড এর ১০ম বার্ষিক সাধারণ সভায় আপনাদের সকলকে স্বাগত জানাচ্ছি। ২০২২ সালের ব্যাংকের আর্থিক প্রতিবেদন আপনাদের সকলের সামনে উপস্থাপন করতে পেরে আমি আনন্দিত। বিগত বছরগুলোর মত এবারো আমরা সফল একটি বছর অতিক্রম করেছি। আর, আমাদের এ অর্জন ধরে রাখা সম্ভব হয়েছে মূলতঃ ব্যাংকের সম্মানিত পরিচালনা পর্ষদের অবিরাম সহযোগিতা, ব্যাংক ব্যবস্থাপনা কর্তৃক কার্যকর কর্ম-কৌশল প্রণয়ন, কর্মকর্তা-কর্মচারীদের যথাযথ বাস্তবায়ন ও অক্লান্ত পরিশ্রম এবং শেয়ারহোল্ডার, গ্রাহক এবং শুভানুধ্যায়ীদের সার্বিক সমর্থনের মাধ্যমে।

বৈশ্বিক ও বাংলাদেশের অর্থনীতি

করোনা মহামারি কাটিয়ে ওঠার পরপরই ২০২২ সালের ফেব্রুয়ারি মাসে শুরু হয় রাশিয়া-ইউক্রেন যুদ্ধ। সংকটে আবর্তে থাকা অর্থনীতিতে শুরু হয় নানা টানাপোড়েন। হু-হু করে বাড়তে থাকে দ্রব্যমূল্যের দাম। মূল্যস্ফীতি ক্রমান্বয়ে বাড়তে থাকে। দেখা দেয় জ্বালানী সংকট। কমে যায় রেমিট্যান্স প্রবাহ ও ব্যাংকিং খাতে দেখা দেয় ডলারের সংকট। আমদানি কমে যায়, রিজার্ভের ওপর আঘাত আসে। আবার আন্তর্জাতিক বাজারে দ্রব্যমূল্য বৃদ্ধির উত্তাপ ছড়িয়ে পড়ে দেশের বাজারেও। ফলশ্রুতিতে কমে যায় জনগণের সঞ্চয় সক্ষমতা।

এতদসত্ত্বেও বিভিন্ন প্রতিকূল অবস্থার মধ্যে আমাদের দেশ বড় ধরনের আর্থিক মন্দা থেকে সুরক্ষিত রয়েছে, যেখানে পৃথিবীর অনেক উন্নত দেশ ইতিমধ্যেই আর্থিক মন্দার কবলে জর্জরিত। ২০২১-২২ অর্থবছরে বাংলাদেশের জিডিপি প্রবৃদ্ধি দাঁড়িয়েছে ৭.১০ শতাংশ, যা গত বছরের চেয়ে ০.১৬% বেশী।

এই প্রবৃদ্ধির হার আরও বাড়তে এবং সম সাময়িক চ্যালেঞ্জ মোকাবেলা করতে দরকার ব্যাংকিং খাত তথা আর্থিক খাতে সুশৃংখলা আনয়ন, অবকাঠামো খাতে অধিক বিনিয়োগ, নিরবিচ্ছিন্ন জ্বালানী সরবরাহ নিশ্চিত করা, পণ্যের বহুমুখীকরণ ও বাজার অনুসন্ধানের মাধ্যমে রপ্তানি বাণিজ্য বাড়ানো, নতুন শ্রম বাজার অনুসন্ধানের মাধ্যমে রেমিট্যান্স আহরণ বৃদ্ধি করা।

ইউনিয়ন ব্যাংকের সফলতা

যথাযথ ব্যবস্থাপনা ও মানসম্মত ব্যাংকিং সেবা প্রদানের মাধ্যমে ২০২২ সালে বেশীরভাগ ক্ষেত্রেই ব্যাংক সফলতা ধরে রাখতে পেরেছে। নানা প্রতিকূলতা সত্ত্বেও আমাদের ব্যাংক উল্লেখযোগ্য হারে ব্যবসা সম্প্রসারণ করেছে। ২০২২ সালে আমাদের ব্যাংকের উল্লেখযোগ্য অর্জন সমূহ আপনাদের সামনে উপস্থাপন করছি। দেশব্যাপি ১১২ টি শাখা এবং ৪৬ টি উপশাখার মাধ্যমে ব্যাংকিং সেবা প্রদান করে চতুর্থ প্রজন্মের ব্যাংকগুলোর মধ্যে অধিকাংশ

আর্থিক সূচকে আমরা শীর্ষ স্থান ধরে রাখতে পেরেছি। বর্তমানে আমাদের ব্যাংকের মোট সম্পদের পরিমাণ দাঁড়িয়েছে ২,৭২,৯০৮ মিলিয়ন টাকা, যা গত বছরের তুলনায় ১৫.৩৪% বেশী এবং মূলধনের পরিমাণ ২১,৪৩৭ মিলিয়ন টাকা, যা গত বছরের তুলনায় ৩৩.৮১% বেশী। দ্রুত ও সহজে গ্রাহককে রেমিট্যান্স সুবিধা প্রদানের জন্য আমাদের সাথে ১৪ (চৌদ্দটি) মানি এন্ডচেঞ্জ হাউজ অত্যন্ত আন্তরিকভাবে কাজ করছে, যা ধারাবাহিকভাবে আমাদের ব্যাংকের রেমিটেন্স প্রবাহ বৃদ্ধিতে সহায়ক ভূমিকা পালন করছে।

অর্জিত মুনাফা

২০২২ সালে ব্যাংকের পরিচালনগত মুনাফা দাঁড়িয়েছে ৪,১৪৮ মিলিয়ন টাকা এবং করপূর্ব মুনাফা দাঁড়িয়েছে ৩,০৭০ মিলিয়ন টাকা। এই সফলতা অর্জন সম্ভব হয়েছে মূলতঃ কাজক্ষত আমানত বৃদ্ধি, প্রত্যাশিত বিনিয়োগ, আদায় কার্যক্রমে গতিশীলতা, সহায়ক ব্যবসায়িক আয় বৃদ্ধি, মূলধন ব্যবস্থাপনায় কার্যকর উদ্যোগ গ্রহণ ইত্যাদি পদক্ষেপের মাধ্যমে।

আমানত সংগ্রহ

২০২২ সালে ব্যাংকের আমানতের পরিমাণ ছিল ২১৩,৩৭৫ মিলিয়ন টাকা, যা বিগত বছরের আমানতের (২,০০,২২৯ মিলিয়ন টাকা) চেয়ে ৬.৫৬% বেশী। অন্যদিকে, মোট আমানত গ্রাহক সংখ্যাও এ বছর বৃদ্ধি পেয়েছে। ২০২২ সালে মোট আমানত গ্রাহকের সংখ্যা দাঁড়িয়েছে ৫৯৫,৯২২, যা ২০২১ সালে ছিল ৪৯২,৪৫৬ অর্থাৎ গত বছরের তুলনায় তা ২১.০১% বেশী।

বিনিয়োগ

জাতীয় পর্যায়ে দেশে ঋণ বৃদ্ধির সাথে সাথে কৌশলগত ব্যবসার অংশ হিসেবে ব্যাংকের প্রত্যাশিত বিনিয়োগেরও প্রবৃদ্ধি ঘটেছে, যা দেশব্যাপী ব্যস্তিক এবং সামষ্টিক অর্থনীতির উন্নয়নে গুরুত্বপূর্ণ ভূমিকা পালন করবে।

২০২২ সালে ব্যাংকের বিনিয়োগের পরিমাণ ২২২,২৭৫ মিলিয়ন টাকা, যা গত বছরের বিনিয়োগের (১৯৩,৮২২ মিলিয়ন টাকা) তুলনায় ১৪.৬৭% বেশী। বিনিয়োগ বহুমুখীকরণের জন্য ব্যাংক সময়োপযোগী কৌশলগত পদক্ষেপ নিয়েছে, যার মাধ্যমে এসএমই, নারী উদ্যোক্তা এবং উৎপাদনশীল খাতে বিনিয়োগকে সম্প্রসারিত করা হয়েছে। এ প্রক্রিয়ার অংশ হিসেবে ২০২২ সালে এসএমই খাতে ৫,৩৩৮ মিলিয়ন টাকা, কৃষি খাতে ১,৪০৭ মিলিয়ন টাকা, টেকসই অর্থায়ন খাতে ২,৬১৯ মিলিয়ন টাকা বিনিয়োগ সহায়তা দেওয়া হয়েছে।

বৈদেশিক বাণিজ্য এবং রেমিট্যান্স

২০২২ সালে রাশিয়া-ইউক্রেন যুদ্ধ, আন্তর্জাতিক বাজারে জ্বালানি তেলসহ যাবতীয় দ্রব্য সামগ্রীর মূল্য বৃদ্ধি, ডলার সংকট ইত্যাদির প্রভাবে বিশ্ব বাণিজ্য পুরোপুরি বিপর্যস্ত হয়ে পড়েছিল, যার ফলে ব্যাংকের বৈদেশিক বাণিজ্য খাতে কাজক্ষিত লক্ষ্যমাত্রা অর্জন সম্ভব হয়নি। এ বছরে ব্যাংকের রপ্তানীর পরিমাণ দাঁড়িয়েছে ৪,৮৯৪ মিলিয়ন টাকা এবং আমদানির পরিমাণ দাঁড়িয়েছে ৯,৪৪১ মিলিয়ন টাকা। অন্যদিকে, ২০২২ সালে ব্যাংক ৬,৩৭৪ মিলিয়ন টাকা রেমিট্যান্স আহরণ করেছে। বর্তমানে ইউনিয়ন ব্যাংক এক্সপ্রেস মানি, ওয়েস্টার্ন ইউনিয়ন, রিয়া, ট্রান্সফাস্ট, আল-আনসারি, প্রাসিড এনকে কর্পোরেশন, ফাস্ট সিকিউরিটি ইসলামী এক্সচেঞ্জ ইটালী রেমিটেন্স হাউজ, আফতাব কারেন্সি এবং স্মল ওয়াল্ট সহ মোট ১৪ টি মানি এক্সচেঞ্জ হাউজের সাথে চুক্তিবদ্ধ রয়েছে, যার মাধ্যমে অতি সহজে ও দ্রুততম উপায়ে গ্রাহক সেবা প্রদান করা সম্ভব হয়েছে।

শাখা, উপশাখা ও এটিএম সম্প্রসারণ

দেশের অর্থনৈতিক প্রবৃদ্ধি তথা ব্যাংকিং সুবিধা শহর ও প্রত্যন্ত পল্লী অঞ্চলে জনগণের দৌরগোড়ায় পৌঁছে দেয়ার জন্য ২০২২ সালে ইউনিয়ন ব্যাংকের নতুন শাখা, উপশাখা ও এটিএম বুথ স্থাপন কার্যক্রম সম্প্রসারণ করা হয়েছে। এ লক্ষ্যে ২০২২ সালে আমরা ৮টি নতুন শাখা স্থাপন করেছি, যেখানে ৪টি শহরে এবং ৪টি পল্লী অঞ্চলে। বছর শেষে মোট শাখার সংখ্যা দাঁড়িয়েছে ১১২টি, যার মধ্যে ৫৫টি শহর অঞ্চলে এবং ৫৭টি পল্লী অঞ্চলে। এছাড়াও ২০২২ সাল শেষে আমাদের মোট উপশাখার সংখ্যা দাঁড়িয়েছে ৪৬টি, যার মধ্যে এই বছরে স্থাপন করেছি ১৫টি। এ বছরে আমরা ১৩টি এটিএম বুথ স্থাপন করেছি, যার ফলে ব্যাংকের মোট এটিএম বুথ এর সংখ্যা দাঁড়িয়েছে ৯৪টি।

ঝুঁকি ব্যবস্থাপনা ও নিয়ন্ত্রন কার্যক্রম

ব্যাংকের টেকসই উন্নয়ন এবং সার্বিক সূচকসমূহ সন্তোষজনক পর্যায়ে রাখার জন্য ইউনিয়ন ব্যাংকের রয়েছে একটি সুদক্ষ ও কার্যকর ঝুঁকি ব্যবস্থাপনা কাঠামো। ব্যাংকের টেকসই উন্নয়ন নিশ্চিত করার জন্য সম্পদ-দায় ব্যবস্থাপনা, বিনিয়োগ ঝুঁকি ব্যবস্থাপনা, মূলধন ব্যবস্থাপনা সহ অন্যান্য মূখ্য ঝুঁকি ব্যবস্থাপনার উপর গুরুত্বারোপ করা হয়েছে। এখানে উল্লেখযোগ্য যে, ২০২২ সালে ব্যাংকের রেটিং দীর্ঘমেয়াদে A+ এবং স্বল্প মেয়াদে ST-2, যা ব্যাংকের শক্তিশালী আর্থিক ভিত্তি, উত্তম তারল্য অবস্থা ও কাঠামোগত স্থিরতারই বহিঃপ্রকাশ। ঝুঁকি ব্যবস্থাপনা সক্ষমতা বৃদ্ধিতে ব্যাংকের পর্ষদ ঝুঁকি ব্যবস্থাপনা কমিটি, পরিচালনা পর্ষদ ও ব্যবস্থাপনা পর্যায়ে সজাগ

দৃষ্টিভঙ্গি রয়েছে, যাতে করে চিহ্নিত এবং সম্ভাব্য ঝুঁকি সমূহ মোকাবেলা করা যায়।

আমাদের ব্যাংক সবসময়ই চিহ্নিত ও সম্ভাব্য ঝুঁকির উপর সজাগ দৃষ্টি রাখে। বিশ্ব অর্থনৈতিক সংকট, আমদানি রফতানি ব্যবসা বাণিজ্যে মন্দা, মুদ্রাস্ফীতি, তারল্য সংকট ইত্যাদি চলমান সমস্যার ফলে সৃষ্ট ঝুঁকি মোকাবেলায় ইউনিয়ন ব্যাংক বিশেষ প্রস্তুতিমূলক কার্যক্রম হাতে নিয়েছে। সার্বিক ঝুঁকি ও সম্ভাব্য চ্যালেঞ্জসমূহ চিহ্নিতকরণের পাশাপাশি তা মোকাবেলায় ব্যাংকের করণীয় কার্যক্রম হাতে নেয়া হয়েছে। এছাড়া, নিয়ন্ত্রনকারী কর্তৃপক্ষের নির্দেশনাসমূহ ব্যাংকের সামর্থ্য অনুযায়ী যথাযথ পরিপালনের ব্যবস্থা নেওয়া হয়েছে।

সামাজিক দায়বদ্ধতা

সিএসআর বা সামাজিক দায়বদ্ধতার ব্যাপারে ইউনিয়ন ব্যাংক শুরু থেকেই আন্তরিক ভূমিকা পালন করে আসছে। সামাজিক দায়বদ্ধতার অংশ হিসেবে ইউনিয়ন ব্যাংক বিভিন্ন উন্নয়নমূলক কাজে অংশগ্রহণ করছে এবং সামাজিক কর্মকাণ্ডে আর্থিক ভাবে সহায়তা করে আসছে। সামাজিক দায়বদ্ধতার অংশ হিসেবে আমাদের ব্যাংক ২০২২ সালে ১৫৭ মিলিয়ন টাকা প্রদান করেছে এ বছরে বরাদ্দকৃত অর্থের মধ্যে মাননীয় প্রধানমন্ত্রীর ত্রাণ তহবিলে অনুদান, দরিদ্র ও মেধাবী শিক্ষার্থীদের শিক্ষাবৃত্তি প্রদান, গরীব ও অসহায় মানুষের মাঝে শীত বস্ত্র বিতরণ ইত্যাদি কার্যক্রম উল্লেখযোগ্য। ব্যাংকের মোট অনুদানের ৯০.৯৬% দুর্যোগ ব্যবস্থাপনা খাতে, ৬.২৬% শিক্ষা খাতে ব্যয় করা হয়েছে।

তথ্য ও যোগাযোগ প্রযুক্তি

বর্তমান তথ্য প্রযুক্তির যুগে আর্থিক লেনদেনসহ যাবতীয় ব্যাংকিং কার্যক্রম যেমন স্বয়ংক্রিয়, আধুনিক এবং ডিজিটাল হচ্ছে, তেমনি আর্থিক খাতে সাইবার আক্রমণসহ অন্যান্য অপরাধমূলক কার্যক্রম এবং তথ্য-প্রযুক্তি সংক্রান্ত ঝুঁকিও দিন দিন বৃদ্ধি পাচ্ছে। এসব প্রেক্ষাপটে, আর্থিক প্রতিষ্ঠানসমূহ আন্তর্জাতিক ভাবে অনুসৃত তথ্য ও যোগাযোগ প্রযুক্তি সংক্রান্ত প্রতিরোধমূলক ব্যবস্থা গ্রহণ করে। এ লক্ষ্যে আমাদের ব্যাংক সাইবার নিরাপত্তা ঝুঁকি মূল্যায়ন, প্রযুক্তিগত দুর্বলতা মূল্যায়ন, আপদকালীন ব্যবস্থা কার্যক্রম প্রণয়ন, যে কোন সাইবার বা কারিগরি আক্রমণ মোকাবেলা, বহিরাগত প্রতিষ্ঠানের মাধ্যমে গৃহীত সেবা সমূহের ঝুঁকি বিশ্লেষণ, সকল কর্মকর্তা-কর্মচারীদের মধ্যে সাইবার নিরাপত্তা বিষয়ক সচেতনতা বৃদ্ধি এবং প্রশিক্ষণের ব্যবস্থা গ্রহণ ইত্যাদি কার্যক্রম জোরদার করা হয়েছে, যাতে করে আমরা সম্ভাব্য তথ্য প্রযুক্তি সংক্রান্ত ঝুঁকি সমূহ দক্ষতার সাথে মোকাবেলা করতে পারি। দৈনন্দিন আর্থিক কার্যক্রম সফলভাবে সম্পাদন করার জন্য ব্যাংক BACH, BEFTN, RTGS, ATM, POS, NPSB, Q-cash সুবিধা সহ Debit Card, SMS Banking, SWIFT ও Foreign Remittance ইত্যাদি সেবা প্রদান করছে। প্রতিটি লেনদেনের সুরক্ষা নিশ্চিতকল্পে উচ্চ ক্ষমতা সম্পন্ন ফায়ারওয়াল ডিভাইসের ব্যবহার এবং নিরবিচ্ছিন্ন ব্যাংকিং সেবা প্রদানের জন্য ডিএমজেড (ডিমিলিটারাইজড জোন) সিকিউরিটি জোন নিশ্চিত করা হয়েছে। এছাড়াও ইন্টারনেট ব্যাংকিং ও অ্যাপসভিত্তিক সেবা প্রদানের মাধ্যমে ব্যাংক গ্রাহকগণ নগদ ও বিকাশ সুবিধাসহ ফান্ড ট্রান্সফার, চেক ব্যবস্থাপনা, ইউটিলিটি বিল প্রদান প্রভৃতি রিয়েল টাইম ট্রান্সজেকশন সপ্তাহের ৭ দিন ২৪ ঘন্টা যে কোন জায়গা থেকেই খুব সহজেই সম্পাদন করতে পারছেন।

গ্রাহক সেবা ও প্রোডাক্ট উন্নয়ন

গ্রাহকের চাহিদা পূরণে ইউনিয়ন ব্যাংক বিভিন্ন ধরনের আকর্ষণীয় আমানত ও বিনিয়োগ স্কীম এবং উন্নত সেবা প্রদানে অঙ্গীকারবদ্ধ। গ্রাহক সেবায় আমাদের রয়েছে বিভিন্ন ধরনের আমানত ও বিনিয়োগ স্কীম, যা ইতিমধ্যেই প্রশংসিত হয়েছে। আমরা ইতিমধ্যেই সহায়ক আমানত সংমিশ্রণ নিশ্চিতকরণে এবং গ্রাহক চাহিদা পূরণকল্পে কিছু নতুন আমানত স্কীম চালু করেছি, যেমন নারীদের জন্য মুদারাবা ফেমিনা ডিপোজিট স্কীম (নিসা), ৫০ এর বেশি নারী ও পুরুষ গ্রাহকদের জন্য মুদারাবা সিনিয়র সিটিজেন ডিপোজিট স্কীম (এহসান), মায়ের জন্য মুদারাবা ওয়ালিদা মাসিক মুনাফা স্কীম (মা), গ্রাহকদের বিভিন্ন জরুরী ব্যয় মেটানোর জন্য মুদারাবা লাইফ স্টাইল ডিপোজিট স্কীম (সহজ)। আশা করি এসব আমানত সমূহ গ্রাহকদের কাছে গ্রহণযোগ্যতা পাবে এবং সার্বিকভাবে ব্যাংকের আমানত বৃদ্ধিতে সহায়ক হবে। ব্যাংক প্রতিষ্ঠার প্রথম থেকেই আমরা উন্নত সেবা প্রদান করার বিষয়টিকে সর্বোচ্চ গুরুত্ব দিয়ে আসছি। গ্রাহক সেবা মূল্যায়নে আমাদের রয়েছে গ্রাহকসেবা নিরীক্ষা ও মূল্যায়ন পদ্ধতি সম্পর্কিত স্বতন্ত্র পলিসি, যার মাধ্যমে আমরা শাখা পর্যায়ে গ্রাহকসেবার মান সম্পর্কিত জবাবদিহিতা নিশ্চিত করেছি।

মানব সম্পদ উন্নয়ন

২০২২ সালে ব্যাংকের মোট কর্মকর্তা ও কর্মচারীর সংখ্যা দাঁড়িয়েছে ২,১২১ জন, যা বিগত বছরে ছিল ১,৭৮৭ জন। শুধুমাত্র নিয়োগ নয় বরং তাদেরকে মানব সম্পদে পরিণত করতে ইউনিয়ন ব্যাংক বদ্ধপরিকর। মানব সম্পদ উন্নয়ন একটি ধারাবাহিক প্রক্রিয়া। সুষ্ঠুভাবে ব্যাংকিং কার্যক্রম পরিচালনা ও উন্নত গ্রাহক সেবার জন্য মানব সম্পদ উন্নয়নের বিকল্প নেই। সেই জন্য ব্যাংকের নিজস্ব ট্রেনিং ইনস্টিটিউটের মাধ্যমে সকল পর্যায়ের কর্মকর্তাদের বিভিন্ন ধরনের প্রশিক্ষণের ব্যবস্থা করা হয়ে থাকে। ২০২২ সালে ব্যাংকের ট্রেনিং ইনস্টিটিউট ৫ টি ফাউন্ডেশন ট্রেনিং কোর্স ও ১৩ টি ওয়ার্কশপের আওতায় ৮১৩ জন কর্মকর্তা ও নির্বাহী প্রশিক্ষণের ব্যবস্থা করা হয়েছে, যার মধ্যে বিনিয়োগের উপর মোট সেশন ছিল ৩৫টি এবং বৈদেশিক বাণিজ্যের উপর মোট সেশন ছিল ৩৭টি। অধিকন্তু, পেশাগত দক্ষতা ও যোগ্যতাসম্পন্ন মানব সম্পদ উন্নয়নে কর্মকর্তাদের প্রায়োগিক জ্ঞান প্রদানের জন্য ফাউন্ডেশন ও এ্যাডভান্সড কোর্সগুলো আরো হালনাগাদ হচ্ছে। এছাড়া BIBM, BBTA ও অন্যান্য দেশীয় ও আন্তর্জাতিক ইনস্টিটিউটের মাধ্যমে মানব সম্পদ উন্নয়ন প্রক্রিয়া অব্যাহত আছে।

শারী'আহ্ পরিপালন

দৈনন্দিন ব্যাংকিং কার্যক্রমে ইসলামী শারী'আহ্ পরিপালনে ইউনিয়ন ব্যাংক সর্বদা সচেষ্ট রয়েছে। বাংলাদেশ ব্যাংকের গাইডলাইন এবং দেশ বরণ্য উলামায়ে কেরামের সমন্বয়ে গঠিত শারী'আহ্ সুপারভাইজরী কমিটির পরামর্শ আমাদের ব্যাংকিং কার্যক্রমে শারী'আহ্ পরিপালনে উৎসাহ যোগাচ্ছে। শারী'আহ্ সুপারভাইজরী কমিটির অধীনে কর্মরত মুরাকিবগণ বিভিন্ন ধরনের নিরীক্ষা ও অনুসন্ধানের মাধ্যমে চিহ্নিত অপরিপালিত বিষয়সমূহ যথারীতি পরিপালন করে যাচ্ছে।

২০২৩ সালের পরিকল্পনা

২০২৩ সাল ইউনিয়ন ব্যাংক সহ সকল বাণিজ্যিক ব্যাংকের জন্য একটি গুরুত্বপূর্ণ বছর। বৈদেশিক বাণিজ্যের স্থবিরতা, মুদ্রাস্ফীতি ও অর্থনৈতিক খাতের টানা পোড়েনকে আমলে নিয়েই ইউনিয়ন ব্যাংক এ বছরের জন্য কৌশলগত পরিকল্পনা গ্রহণ করেছে। পরিচালনগত দক্ষতার উন্নয়নের মাধ্যমে আয়ের সাথে ব্যয়ের সামঞ্জস্য বিধান, রিটেইল আমানত সংগ্রহ ও বাংলাদেশ ব্যাংক কর্তৃক অগ্রাধিকারপ্রাপ্ত খাতসমূহে বিনিয়োগ বৃদ্ধির মাধ্যমে বিনিয়োগ ভারসাম্য রক্ষা, মূলধন পর্যাগতা বৃদ্ধি এবং খেলাপী বিনিয়োগ হতে অধিক পরিমাণে আদায় নিশ্চিতকরণে ব্যাংক এ বছর সর্বোচ্চ গুরুত্ব প্রদান করবে। এছাড়াও, বিশ্বের সাথে তাল মিলিয়ে টেকসই উন্নয়ন লক্ষ্যমাত্রা অর্জন, ব্যাংক সংক্রান্ত সকল বিধি-বিধান পরিপালন এবং সামাজিক, নৈতিক, পরিবেশবান্ধব, উৎপাদনশীল ও লাভজনক ব্যবসায় আরো অধিকতর বিনিয়োগের জন্য ব্যাংক বদ্ধপরিকর। বরাবরের মত ইউনিয়ন ব্যাংক প্রতিষ্ঠার শুরু থেকেই গ্রাহক সেবা প্রদানকে সর্বোচ্চ গুরুত্ব দিয়ে আসছে। এরই ধারাবাহিকতায় গ্রাহক সেবার মান উন্নয়নে ইউনিয়ন ব্যাংক বিভিন্ন পদক্ষেপ গ্রহণ করেছে। এছাড়াও সুদক্ষ কর্মী নিয়োগ, মানব সম্পদ উন্নয়ন এবং সর্বোপরি কর্পোরেট সুশাসন নিশ্চিতকরণে ইউনিয়ন ব্যাংক সর্বদা সচেষ্ট।

পরিশেষে আমি ব্যাংকের সম্মানিত চেয়ারম্যান ও পরিচালনা পর্ষদ, শেয়ারহোল্ডারবৃন্দ, বাংলাদেশ ব্যাংক, বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন ও অন্যান্য নিয়ন্ত্রণকারী সংস্থা, গ্রাহক ও শুভানুধ্যায়ীদের অব্যাহত সমর্থন, পৃষ্ঠপোষকতা, সহযোগিতা ও মূল্যবান দিক-নির্দেশনার জন্য আন্তরিক কৃতজ্ঞতা প্রকাশ করছি। আশা করি, বিগত বছরগুলোর মতো ভবিষ্যতেও গ্রাহক সেবা ও দেশের অর্থনৈতিক উন্নয়নে ইউনিয়ন ব্যাংকের নিরলস প্রচেষ্টা অব্যাহত থাকবে, ইনশাআল্লাহ।

আল্লাহ হাফেজ।



এ. বি. এম মোকাম্মেল হক চৌধুরী
ব্যবস্থাপনা পরিচালক



From the Desk of Managing Director

**Bismillahir Rahmanir Rahim,
Respected Shareholders,
Assalamu-Alaikum Wa Rahmatullah,**

It is a privilege for me to welcome you all to the 10th Annual General Meeting of Union Bank Limited and present the financial statements, operational performance and achievement of our Bank. UBL has completed another successful year with stable growth. In fact, this would not have been possible without continued support and co-operation of our Honorable Board of Directors & bank's stakeholders, strategic planning of management team and its proper implementation by bank's executives & officials and above all the confidence of our shareholders and customers.

Global and Bangladesh Economy

Russia- Ukraine war began in February 2022 after the uneven recovery of covid-19 pandemic. Global economy falls under pressure from multiple complex and interconnected crises. Fuel price has been increased, Foreign exchange reserve has been declined and thus create dollar crisis. Apart, deteriorated export import business, declining remittance inflow, price hike are the bones in the throat of Bangladesh economy. People are suffering a lot.

But our economy has been affected comparatively less than the worldwide situation. Despite these difficulties, our economy has been able to maintain positive growth. GDP growth rate for 2021-22 is 7.10% which is 0.16% higher than previous year.

However, we need to maintain discipline in national economy, develop infrastructural sector, uninterrupted supply chain, increase export by exploring new markets and diversifying finished goods and increase home bound remittance for retaining this growth and facing plausible challenge in near future.

Success of UBL

The Bank has achieved its successive growth in the year 2022 through efficient management and quality banking services. Despite various challenges, our bank has expanded business notably. Now, I would like to highlight some of the key achievements of our Bank. We have been maintaining leading position among the fourth generation banks in all financial indicators through wide network of 112 branches and 46 sub-branches all over the country. At present, our total asset size is Tk. 272,908 million which is 15.34% higher than previous year and total capital stood at Tk. 21,437 million which is 33.81% higher than previous year. To provide fast and easy remittance facilities to our valued customers, 14 (Fourteen) money exchange houses are working with us closely that ultimately plays an important role to increase the flow of remittance through our bank.

Profitability

Bank's Operating Profit stood at Tk. 4,148 million and Profit Before Tax (PBT) was Tk. 3,070 million in 2022. Increasing core deposit, expected investment, expediting recovery and control over the classified investment, increasing auxiliary income and effective capital management initiatives were the key to this success.

Deposit

During the year 2022, Bank's deposit stood at Tk. 213,375 million which is 6.56 % higher than previous year's deposit amounting to Tk. 200,229 million. Meanwhile, the number of deposit accounts has increased during the year. In the year 2022, the number of deposit accounts were 595,922 whereas it was 492,456 in the year 2021, i.e. the growth of deposit was 21.01% in the last year.

Investment

As a part of business strategy, expected investment growth achieved in line with the national credit growth which will contribute in macro and micro economic development of the country. UBL's Investment stood at Tk. 222,275 million in the year 2022 which is 14.67% higher than previous year's Tk. 193,822 million. It is to mention here that Bank has taken time based strategy for diversifying its investment through financing to Micro & SME sector, Women Entrepreneur, above all increasing investment facility to productive sectors. As a part of the process, UBL financed Tk. 5,338 million in SME sector, Tk. 1,407 million in Agriculture sector, Tk. 2,619 million in Sustainable Finance sector during the last year.

Foreign Trade and Remittance

World trade has been hampered due to Russia Ukraine war, price hike including fuel price, dollar crisis etc. For this reason, desired foreign trade business was not possible in last year. However, during the year 2022 bank's exposure in Export and Import business were Tk. 4,894 million and Tk. 9,441 million.

Our foreign remittance was Tk. 6,374 million during the year 2022. At present, Union Bank has agreement with 14 (fourteen) remittance houses like Express Money, Western Union, RIA, Transfast, Moneygram, Prabhu Money transfer, Al-Ansari, Placid NK Corporation, First Security Islami Exchange Italy Remittance House, Aftab Currency and Small World for providing fast and easy customer service.

Expansion of Branches, Sub-branches and ATM

In line with the rapid economic growth Union Bank has expanded new branches and ATM booth's in 2022 for providing banking service to the door step of the people in both urban & rural areas. In this regard, we have established 08 new branches during the year 2022 out of which 04 (four) branches in urban and 04 (four) in rural area. Total number of branches were 112 (One hundred and Twelve) at the end of 2022 out of which 55 (fifty-five) situated in urban areas and 57 (fifty-seven) are in rural areas. Moreover, total number of sub-branch stands 46 (forty-six) at the end of 2022 out of which 15 (fifteen) were established in current year. During this period, we also have established 13 (thirteen) ATM booth's and at the end of the year, total ATMs were 94 (ninety-four).

Risk Management and Control Functions

The Bank has established a prudent risk management framework upon which it was possible to maintain the bank's overall index at satisfactory level. Constant monitoring towards bank's Core risk management, asset-liability management, risk based capital management and other identified and potential risks mitigation systems are in place for ensuring sustainable growth of the bank. Our bank's credit rating secured 'A+' in long term and 'ST-2' in short term for the year 2021 which indicates that the bank operates its business with strong financial base, better liquidity position and organizational stability. Risk Management Committees both at Management and Board level are vigilant to strengthen risk management capacity so as to manage the risks of the bank.

Our Bank is always vigilant towards the evolving and potential risks. Due to global economic crisis accompanied by fall in export import business, inflation, liquidity crisis Union Bank has taken vast preparation for proper risk management. Bank has also taken proper measures to identify challenges and vulnerabilities and be transparent with the regulatory authority for proper implementation of directives as issued from time to time.

Corporate Social Responsibility

Union Bank is always sincere about corporate social responsibility. The bank has rendered extensive financial support for benevolent purpose. To become a socially committed bank and attain social welfare, Union Bank donated Tk. 157 million in 2022. Donation to Honorable Prime Minister Relief Fund, awarding of Scholarship to needy and meritorious students and distributing winter cloths among poor & helpless people are remarkable. UBL distributed 90.96% in disaster management sector, 6.26% in Education sector from our total CSR Fund.

Information & Communication Technology

Financial system is becoming more automated, modern and digitalized while intentional cyber-attack along with promptness of ICT risk is constantly increasing. In this circumstances, each and every financial institution have to adopt internationally accepted preventive measures to tackle those risks. In this context, our bank has strengthened the evaluation process of proper cyber security risk and technological weaknesses, established activity based robust system during crisis period, to tackle with any kind of cyber or technical attack and risk of third parties adopted services, introduced awareness and training programs regarding cyber security for all employees, build-up awareness regarding transaction related with information technology etc. so that we can efficiently tackle with probable ICT risk in future. To operate the day to day banking activities successfully, our bank uses BACH, BEFTN, RTGS, ATM, POS, Debit Card with Q-Cash and NPSB facility, SMS Banking, SWIFT and foreign remittance services. In every banking service, our bank is complying with all international standards and protocols through using DMZ (Demilitarized Security Zone) and high capacity firewall devices. Moreover, we are providing apps based services and internet banking facilities through which bank customer can perform real time transaction i.e. fund transfer, Bkash & Nagad transaction facility, cheque management, utility bill payment etc. directly from home or anywhere, 24 hours a day, 7 days a week.

Service Quality and Product Development

Union Bank Ltd. is always committed to fulfill customer needs through innovative products and quality banking services. We have introduced a number of customer-friendly Deposit and Investment Products which has already been acclaimed by all. However, we have already introduced some new products for maintaining favorable deposit mix and fulfilling the customer demand like Mudaraba Femina Deposit Scheme (Nisa) for women, Mudaraba Senior Citizen Deposit Scheme (Ehsan) for men & women above 50 years of age, Mudaraba Waleda Monthly Profit Scheme (Maa) and Mudaraba Lifestyle Deposit Scheme (Sohoj). Hopefully, these products will attain customer satisfaction and as well as increase our bank's deposit base. I would like to mention here that we emphasize on quality customer service since inception of our bank. Moreover, we have introduced separate policy for assessing customer service and evaluation whereby we have ensured accountability in customer service evaluation at branch level.

Human Resources Development

Total number of employees have increased to 2,121 in 2022 which was 1,787 in 2021. The bank is determined not only to recruit employees but also desired to turn them into human resources. Human resources development is a continuous process and human capital is the most valued capital as such there is no alternative of human resources development for sound banking operation and quality customer services. Hence, different types of training are arranged for all employees through the bank's own training institute. The training institute organized 5 (five) Foundation training course and 13 (thirteen) workshops includes 35 sessions on investment and 37 sessions on Foreign exchange operations which trained up 813 bank officials and executives. To provide more practical knowledge, the syllabus of foundation and advanced training are kept updating on regular basis towards developing competent and skilled professionals. Moreover, the effort of human resources development through BIBM, BBTA and other domestic & international institute are in place to enrich the bank's performance in different areas.

Shari'ah Compliance

The Bank is constantly aware to become Shari'ah compliant in its day to day banking operations. Relevant guidelines of Bangladesh Bank and instructions of Bank's Shari'ah Supervisory Committee comprised of national recognized Islamic scholars inspired us to comply with Shari'ah principles. Muraqibs under Shari'ah Supervisory Committee are conducting Shari'ah Audits and Inspections from time to time to find out the expectation gaps and to ensure compliance thereof accordingly.

Planning for 2023

The year 2023 is a significant year for banking industry. Union Bank has taken Strategic plan considering downturn of foreign trade, inflation, crisis of national and global economy.

This year bank will emphasize on maintaining basic spending and trim other expenditures through operational efficiency, retail deposit collection, diversification of investment portfolio, strengthen capital adequacy and recovery from overdue investments. Bank is committed to invest more in social & environment friendly sector, productive and profitable business, attain sustainable development and comply all rules & regulations of the country.

Union Bank always emphasizes on customer satisfaction from its inception. To keep the pace, we are trying to enhance our customer services and other banking facilities. Besides, our endeavor will be continued to recruit capable and efficient employees, develop human resources, ensure good corporate governance, maintain better asset quality and trustworthiness of the customers in the year 2022 for retaining the bank's persistent growth in the days ahead.

Finally, I, on behalf of Management, would like to express my profound gratitude to the Honorable Chairman and Board of Directors, Stakeholders, Bangladesh Bank, Bangladesh Securities and Exchange Commission and other regulatory authorities, valued clients and well-wishers for their continuous support and patronization. We are committed to improve our key performance indicators for ensuring overall progress and sustainable growth in line with expectations of our respected shareholders. Hopefully, with all of your continuous support, Union Bank Ltd. will be able to establish itself as a modern shari'ah based progressive bank in the banking sector, Insha'Allah.

Allah Hafez.



A. B. M Mokammel Hoque Chowdhury
Managing Director



Reports



DIRECTORS' REPORT



Bismillahir Rahmanir Rahim

Assalamu Alaikum

Dear Shareholders,

It is our great pleasure to welcome you all to the 10th Annual General Meeting of the Bank. On behalf of the Board of Directors, we are honored to present the Directors' Report, Auditors' Report, and Audited Financial Statements for the year ended 31st December 2022 for your esteemed consideration, adoption, and approval. The report and financial statements have been prepared in compliance with the Companies Act 1994, the Bank Company Act 1991, Bangladesh Bank Circulars & Guidelines, and other relevant rules and regulations from the Bangladesh Securities & Exchange Commission and respective regulatory authorities. Before delving into the Bank's performance, we would like to provide a brief overview of the current macroeconomic and banking scenario.

GLOBAL ECONOMY

A series of severe and mutually reinforcing shocks such as the COVID-19 pandemic, the war in Ukraine and resulting food & energy crisis, surging inflation as well as the climate emergency battered the world economy in 2022. Global growth is expected to slow sharply to 1.7% in 2023, one of the slowest growth rates in almost 30 years. This is mostly because policies have been tightened simultaneously to stop high inflation, worsening financial conditions and the ongoing problems caused by Russia's invasion of Ukraine. The United States, the euro area, and China are all going through a period of severe weakness. This makes it harder for Emerging and Developing Economies to deal with other problems (EMDEs).

Slow growth, tightening financial conditions, and a lot of debt are likely to hurt investment and cause companies to go bankrupt. The global economy could go into recession if more bad things happen, like higher inflation, even stricter policies, financial stress, more weakness in major economies, or rising geopolitical tensions. The world needs to act quickly to reduce the chances of a global recession and debt problems in EMDEs.

Policies are needed to help EMDE invest more, which can help to reverse the slowdown in long-term growth caused by the pandemic, the invasion of Ukraine, and the rapid tightening of global monetary policy. This will require new financing from the international community and from the repurposing of existing spending, such as inefficient agricultural and fuel subsidies. To increase investment growth in advanced economies, there needs to be a wide range of fiscal and structural reforms, such as moving money away from subsidies that don't work well.

BANGLADESH ECONOMY

Bangladesh's economy has been growing consistently for over a decade, reaching milestones of 7.0% in FY 2015-16 and 8.0% in FY 2018-19. However, due to the COVID-19 pandemic, the growth rate reduced to 3.45% in FY 2019-20, but it grew by 6.94% in FY 2020-21. The provisional estimates of BBS suggest that the GDP growth rate stood at 7.25% in FY 2021-22, which is higher than the target rate and the previous fiscal year. The per capita GDP and per capita national income also increased, while the consumption and investment rose in FY 2021-22.

However, the country is facing inflationary pressures due to rising prices of petroleum and commodities, and the ongoing Russia-Ukraine conflict. The trade deficit has widened, and the current account balance showed a deficit due to a fall in workers' remittances. The government is highly concerned about maintaining the budget deficit within 5% of GDP by increasing efficiency in revenue management. The country is also facing natural disasters such as extreme floods, which can impact the agricultural sector, as it is one of the key sectors of the economy.

To overcome the challenges, the government has adopted short, medium, and long-term action plans, including the expansion of agricultural productivity, subsidizing fertilizers and other agricultural activities, and supporting farmers through seed production activities. The government is also providing different support programs and incentives packages to the industry sector to overcome the shock of COVID-19. The country is also emphasizing the diversification of energy sources, particularly on the efficient and optimum use of energy, construction of power plant based on coal, LNG, dual fuel, atomic and renewable energy.

To summarize, the Bangladesh economy is facing both challenges and opportunities. The country is experiencing a slowdown due to the COVID-19 pandemic, inflationary pressures, and the Russia-Ukraine conflict. However, the country is emphasizing agriculture, industry, power generation, and energy diversification to revive its economy. The government is also working on revenue management and providing support to the affected sectors.

BANKING SECTOR

The banking industry is a vital contributor to the economic development of Bangladesh, with deposits being the primary source of funds for the industry. In December 2022, the total Bank deposits reached BDT 14,89,787.10 crore, representing a 5.66% increase compared to the previous year, while the total credit to the private sector was BDT 14,26,133.50 crore, a 12.89% increase from December, 2021. The country's foreign exchange reserve made a significant decrease, standing at USD 33,767.46 million at the end of 29th December 2022, compared to USD 43,166.5 million at 30th December 2021.

The banking industry in Bangladesh will face the challenge of mobilizing deposits in 2023, as witnessed in the latter part of 2022. Providing the finance ministry with funds can be difficult for the central bank, as a result. When credit growth is high and deposit growth falls far behind, banks suffer from a terrible shortage of loanable funds and seek government support. Such a liquidity crisis in the banking sector will tighten their profit opportunities, discouraging them from expanding the workforce and adding salt to the open wound of high unemployment. The new year is likely to see more defaulters come out the woodwork and damage depositors' confidence even more.

There are several steps that can be taken to improve the banking sector in Bangladesh. Encouraging banks to expand digital banking, particularly in rural and less-privileged areas, can help to improve financial inclusion and bring more people into the formal banking sector. Encouraging working capital and phasing out long-term loans for big businesses can help to channel funds to smaller businesses that need them the most. Designing policies to ensure the fastest possible distribution of remittances can help to reduce the reliance on hundi and other informal channels, improving the efficiency and transparency of the remittance market. Improved financial literacy can help borrowers better understand the risks and benefits of borrowing and help them make more informed decisions. Bangladesh Bank should invest in financial education programs for both borrowers and lenders.

AN OVERVIEW OF UNION BANK LIMITED

Union Bank Limited has triumphantly reached its 10-year milestone, creating a long-term growth plan to fulfill its mission and vision. Even with the economic challenges faced by Bangladesh and the world, the bank has greatly enhanced its customer service and experienced consistent growth due to its diligent, skilled, and well-trained employees. Money laundering and terrorist financing are crucial risk management concerns worldwide, and Bangladesh is no exception. Union Bank Ltd. has put into action guidelines to counteract money laundering and is devoted to cooperating with the Bangladesh Financial Intelligence Unit in order to tackle these problems.

The Bank has been expanding its network of touchpoints and delivering exceptional customer service by

integrating the latest banking technologies like internet banking, UniOn apps, and Shari'ah-based products. The use of modern technology such as UniOn Apps and internet banking has improved customer convenience. In consideration of customer demand, four new deposit products: Nisa for Women, Ehsan for Senior Citizens, Waleda for beloved Mothers, and a one-year deposit plan called Sohoj were introduced this year.

To guide its employees, Union Bank Limited has designed a Code of Conduct that emphasizes ethics, integrity, honesty, fairness, and professionalism. As a responsible business enterprise, the bank is committed to conducting its affairs to the highest standards and creating a workforce of high-quality professionals. The bank's own Training Institute ensures that its employees receive proper training to uphold these standards. Union Bank places a strong emphasis on data protection and business continuity. It has established two data centers with modern security systems, ensuring the safety of precious data during any natural disaster. It has also implemented measures to protect the integrity of its systems, including secured corporate intranet, password-protected access, maker-checker concept for transaction confirmation, and fingerprint-based time attendance. The bank has developed its own Cyber Security Policy and has committees in place to supervise and monitor risk management issues.

BANK'S PERFORMANCE IN 2022

The Bank is well-positioned to continue its growth and success in the future. With a strong focus on customer service, technological innovation, and risk management, Union Bank Limited has shown a commitment to meeting the needs of its clients and maintaining its position as a leader in the banking industry. Additionally, the Bank's expansion into new branches and partnerships, as well as its successful initial public offering (IPO), demonstrate a willingness to take calculated risks and pursue strategic opportunities. Overall, Union Bank Limited appears poised for continued growth and success in the coming years. The IPO was a significant accomplishment for the Bank. The bank launched the largest IPO of the Bank sector in the country's stock market history, offering 428 million shares to the capital market. This extraordinary success of the IPO serves as a testament to the bank's robust financial capacity and industry expertise.

At the end of 2022, the bank's total deposits reached BDT 2,13,375.30 million, an increase of 6.56%

compared to the previous year's total of BDT 200,229.79 million. Similarly, the bank's total investments grew by 14.68% to reach BDT 2,22,275.44 million, up from BDT 1,93,822.28 million the previous year. In terms of international trade, the bank recorded imports worth BDT 9,247.60 million (equivalent to USD 88.07 million) and exports worth BDT 4,801.95 million (equivalent to USD 50.15 million) in 2022. It is hoped that the bank's export-import business will continue to improve as the economy recovers. The Bank has attained an operating profit of BDT 4,148.58 million compared to the last year's operating profit BDT 3,597.99 million. The profit growth has increased 15.30% this year. At present UBL is disbursing remittance being affiliated with 14 remittance houses. During this year 2022, we have been able to open 08 new branches and 15 Sub-Branches both in rural and urban areas. At the end of the year, we have total 112 branches and 46 Sub-Branches.

The Bank boasts a global correspondent network of 153, as well as 12 Standard Settlement Instructions for key currencies. It has also fortified its remittance relationships with prominent exchange houses, disbursing remittance in partnership with 14 such houses. The Central Trade Operations Unit (CTOU) provides trade services exclusively for Non-AD branches and features a specialized FX team to foster foreign exchange business in the Chattogram Region. In 2022, despite disruptions caused by the COVID-19 pandemic and the Ukraine-Russia conflict, CTOU executed import and export transactions worth BDT 2,369.90 million and BDT 1,267.10 million, respectively. This year, the Bank finalized 110 successful corporate agreements with notable organizations like Titas and DWASA, offering exclusive benefits to employees and debit cardholders while reinforcing its brand image in a competitive market.

FUTURE OUTLOOK

We are projecting a strong recovery in 2023 and 2024 as a way out of the health and economic crisis, aroused by various reasons like Russia-Ukraine conflict, inflation, difficulty in mobilizing deposits in the banking industry, shortage of investable funds due to high credit growth and low deposit growth and damage to depositors' confidence due to defaulters. The management is committed to strengthening the quality of the bank's assets by complying with Basel III requirements and following core risk management guidelines. Additionally,

the bank is focusing on building a strong brand image by completing more business agreements with renowned organizations in the country. The implementation of state-of-the-art technology such as e-KYC and a standard call center is expected to enhance customer experience and attract more customers, positioning the bank among the top 4th generation banks. The bank's nurturing of human capital and prudent management are also positive indicators for future success.

FINANCIAL PRODUCTS & SERVICES

Deposit Products of the Bank are as follows:

- Al Wadia Current Deposit
- Mudaraba Savings Deposit (MSD)
- Mudaraba School Banking Savings Account
- Mudaraba No Frill Savings Account
- Mudaraba Privileged Savings Account
- UBL Salary Account
- Mudaraba Gift Cheque
- Mudaraba Special Notice Deposits (MSND)
- Mudaraba Monthly Payable SND Account (Fayida)
- Mudaraba Term Deposit (MTD)
 - 01 Month
 - 03 Months
 - 06 Months
 - 100 Days
 - 12 Months
 - 24 Months
 - 36 Months

Scheme Products of the Bank are:

- Mudaraba Monthly Profit Scheme
- Mudaraba Monthly Saving Scheme
- Mudaraba Double Benefit Deposit Scheme
- Mudaraba Millionaire Saving Scheme
- Mudaraba Crorepoty Sanchaya Prokalpa
- Mudaraba Pension Prokalpa
- Mudaraba Marriage Saving Scheme
- Mudaraba Hajj Saving Scheme
- Mudaraba Muhor Saving Scheme
- Mudaraba Barakah Saving Scheme
- Mudaraba Privileged Deposit Scheme
- Mudaraba Probashi Sanchaya Prokalpa
- Mudaraba Femina Deposit Scheme (Nisa)
- Mudaraba Senior Citizen Deposit Scheme (Ehsan)
- Mudaraba Waleda Monthly Profit Scheme (Maa)
- Mudaraba Lifestyle Deposit Scheme (Shohoj)

INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) DIVISION

Union Bank Limited (UBL), on the edge of completion of a decade in banking, it takes immense pride in its accomplishments as a technology-driven bank, offering a range of customer-centric services such as Internet Banking, SMS Banking, Mobile Banking, ATMs, SWIFT Network, Electronic Clearing, Chip-based Card, and Automated Processes, and enabling customers to bank from home, all made possible through the Information and Communication Technology (ICT) platform of UBL. With a total of 112 branches, 46 sub-branches, and 96 ATM machines across the country, Union Bank provides a comprehensive banking experience to its customers.

When the vision of **'Smart Bangladesh'** was first publicized in Bangladesh, there was skepticism that it wouldn't be accomplished in the speculated time or way. However, the progress made towards this goal has been so remarkable that it has turned the dream into a progressive reality. Union Bank has always admired the concept and fulfilled its role to the best of its abilities by making every possible contribution to help achieving the cause. The Bank began to view Information and Communication Technology in two ways to clarify their efforts: as a tool for communication and connectivity, and as a means to restructure business processes. The utilization of Information and Communication Technology facilitates the development of advanced products, improves market infrastructure, implements dependable risk management techniques, and enables financial intermediaries to access diverse and geographically distant markets. Customer service, branch productivity, innovation in service delivery, fast and reliable service, seamless fund transfer, risk management, and real time information system are some of the benefits derived through the information technology by new ground-breaking delivery channels in the form of Online Banking, SMS Banking, Mobile Banking, ATM Facility, SWIFT Network, Electronic Clearing Service, chip-enabled card service, etc. It is also viewed as an instrument of cost reduction and effective communication with people and institutions associated with the banking business.

Union Bank has always been committed to embracing enhanced services and efficiency. Union Bank believes that grasping new technology has now become the key element for strengthening the competitive advantage

in the business as well as to improve the profitability, productivity and efficiency in the service delivery. In order to ensure better and efficient banking services, we have been using renowned shariah based CORE (Centralized Online Real-time Electronic) banking software 'Ababil' developed by Millennium Information System Limited, a Bangladeshi company with a global mindset engaged in the technology business. The CBS (Ababil) enables us to provide various level of services to our valuable customers and also enhancing the management efficiency and business productivity. With 'Ababil', we can provide all sorts of general banking, investment and trade finance related services to our valued customers. Moreover, it enables us to generate essential reports for our customers, management, and regulatory authority. Ever since Union Bank's inauguration, the Bank has been a part of Bangladesh Automated Clearing House (BACH) and Bangladesh Electronic Fund Transfers Network (BEFTN). Union Bank has been carrying out RTGS (Real Time Gross Settlement) operations seamlessly with Bangladesh Bank following its implementation in Bangladesh. Union Bank has already initiated the new BACH-II infrastructure with the guidance of Bangladesh Bank. With the initiation of new BACH infrastructure, the branches are now capable of transferring funds using BEFTN within the same day as BEFTN has introduced 02 sessions per day. We have establishment of Network Connectivity with Election Commission (EC) to access the National ID (NID) Database for identity verification (KYC) purposes during any account opening process.

Continuation in expansion of banking services has always got priority in Union Bank. The Bank has decided to introduce sub-branches in order to extend banking services to the unbanked and underprivileged population, making it more accessible to them and sparing them from various difficulties associated with accessing traditional banking services in remote places. On that note, bank already has inaugurated 46 sub-branches and some other sub-branches are waiting to be introduced in near future. Union Bank now has 112 branches, 46 sub-branches, and 96 ATM machines all over the country.

Union Bank has always stimulated advanced digital services for customer convenience. Our ATM services provide round-the-clock cash withdrawal facilities, enabling any Union Bank debit cardholder to withdraw cash from ATMs of any bank. In addition, Union Bank's debit cardholders will soon be able to perform

e-commerce transactions on any e-commerce website, as this service is expected to go live in the near future. Union Bank has also initiated Real Time Fund Transfer using Internet Banking to other banks through NPSB (National Payment Switch Bangladesh) Network for the customers from 21st July, 2022. Union Bank's SMS banking service is operated by a 'SMS Banking Portal' which contains features like 'Registration' as well as services like 'Balance Inquiry', and generates alerts for any kind of transaction of any amount for all customers from bank's masked name. Internet banking facility of Union Bank ensures superior banking experience over the internet features like Real-time Balance Enquiry, Real-time MTDR and Deposit Scheme Information, Real-time Transaction Search, and Statement Download etc. Customers have the option to carry out real-time fund transfer between own (personal) accounts of Union Bank, real-time fund transfer to other beneficiary accounts of Union Bank, inter-bank (other banks) real-time fund transfer, mobile recharge, credit card bill payment, NESCO utility bill payment, and IVAC (Indian Visa Application Center) services as well. In addition to that, we also collect bills of DESCO, WASA, NESCO, BREB, TITAS Gas etc. through utility bill payment software in bank premises. Furthermore, Union Bank has introduced 'Union', the Android and iOS based mobile application on 22nd January 2021 to its customers with features like balance enquiry, A/C statement, fund transfer (inter and intra bank account), mobile recharge, utility bill payment, credit card bill payment, etc., are easily made possible at finger-tips with android and iOS based devices from anywhere over the internet. On top of that, customers can now use 'NAGAD' and 'bKash' mobile financial services using internet banking web platform and internet banking application.

Since its inception in the financial sector of Bangladesh, Union Bank has been continuously improving foreign exchange actions. Since the inauguration of Union Bank in Bangladesh, the institution has been offering its SWIFT service. Presently, 07 AD branches and the Head Office are utilizing this service to carry out foreign exchange transactions. Union Bank has established connection with SWIFT Network through 'Nelito' which offers services that integrate with the SWIFT network to enable bank to send and receive secure financial messages, automate their payment processes, and manage their correspondents and nostro accounts. Union Bank has upgraded SWIFT Alliance Access (SAA) to 7.6.52 which is allowing the Bank to have upper edge

in terms of secured and reliable connection. Besides, Union Bank has also introduced a SWIFT module called 'The KYC Security Attestation (KYC-SA)' application under CSP (Customer Security Program) which enables the transparent exchange of security status information with counterparties to support cyber risk management and business due diligence. We are using a remittance management software called 'RemitBook' to run and maintain the foreign remittance services such as RIA, Western Union, MoneyGram, Prabhu Money Transfer, Aftab Currency, Placid NK, First Security Islami Exchange, Merchantrade Asia, Nec, Sha, Trans-Fast, Small World etc. These are being maintained efficiently by ICT Division to ensure smooth flow of foreign remittance.

Union Bank's management and banking operation has largely been supported by our several **in-house developed automation software** such as eSupport, Inventory Management System, UBL Training Institute System, Integrated Supervision System (ISS), Tahlil etc. We have a 'CIB Module' in our CBS for CIB sorting, handling and delivery of credit information reporting system that are being used for reporting to Bangladesh Bank. Union AML Interface and Anti-Money Laundering Software, 'The Velocity AML Solution Suite' was developed in accordance with the regulations of the Bangladesh Financial Intelligence Unit (BFIU) and the Bangladesh Bank to conduct monitoring, analysis, screening, and detection of potential money laundering and illegal financial activities, as well as the identification of terrorist financing and money laundering that must be reported to Bangladesh Bank. We have developed a reporting system for Bangladesh Bank's ISS (Integrated Supervision System) which is being used to supervise the Bank's Head Office and branches' financial health. Another In-house Developed Solution, 'Tahlil' was introduced for investment classification and provisioning reporting of Union Bank. The Document Management System (DMS) is a solution managed by ICT Division that enables all the departments of bank to archive necessary data to promote the concept of green banking. Another benefit provided by this system is process automation like customer onboarding, KYC verification, loan processing, and document storage which leads to increased operational efficiency, faster processing times, and improved customer experience for the bank. Soon, the facility will be available to the branches as well as the bank intends to extend the service in the near future. Another software called 'Cihno' is managed by ICT division which has been

used by the branch officials to verify the information that customers provide while creating instant account from home. This 'INST@ANT Account' facility of Union Bank has been provided to the customers through its internet banking application and customers can use it to open account from anywhere and at any time. The Bank has also implemented a Card Management Portal, 'TWCMS', which is used for all debit card issues such as card and pin production, activate/de-activate, card transaction report/reconciliation, etc.

The protection of data and continuity of business operations have always been a top priority for the Bank. We are proud to declare that we have one of the best ICT infrastructures compared to any other banks in the country. In order to maintain minimum financial and reputational loss, the bank assures that critical operations can resume normal processing within a reasonable time frame. For the Core banking solution, we have established two data centers: one active data center (DC) and one disaster recovery site (DRS) with all modern security system installed along with servers, storage system, and core network equipment which will safeguard bank's precious data especially at any natural disaster like floods or earthquakes. The data centers are now running 24x7 with their full operational capacity both with continuous power supply along with sufficient generators in case of any contingency situation and are asynchronously updated as a mirror site of each other. In case of any contingency situations like earthquake, fire-hazard, hardware/software failure of the main data center, interruption of connectivity etc., the Disaster Recovery site (DRS) is fully capable to ensure business continuity on its own. Bank has developed and implemented effective policy for data backup and recovery for each critical business application which is being meticulously followed. To ensure business continuity in any situation, BCP, DRP, and BIA have been defined and adhered to.

Over an extended duration, Union Bank has been **striving to implement adequate security measures to ensure the integrity of its systems**. We have established our secured corporate Intranet countrywide using WAN connectivity among all the branches and head office that enables us to stay connected all the time. For ensuring confidentiality of information at the branch level, access to banking software is secured using password protected user IDs. Transaction confirmation is performed using maker-checker

concept. To ensure information integrity, physical and logical access to system database is highly protected. We have implemented next generation firewall for managing cyber security. We are equipped with high resolution CCTV-DVR surveillance system. These cameras record, monitor and store up to 01 (one) year of activities in all our branch premises and ATM booths to ensure security as mandated by Bangladesh Bank. We have implemented fingerprint based time attendance system in all our branches and divisions with reporting system for management. Security of information for banks has gained much importance recently and it is vital for the banks to ensure that the risks are properly identified and managed. Union Bank effectively addressed ICT risks as one of the key risk management issue which leads to ensure ICT security functions and operations in an effective manner. We have already developed our own 'Cyber Security Policy' for management of various operations, services and associated risks, which are closely in line with the latest ICT Security Guideline of Bangladesh Bank. In addition, bank's ICT Steering Committee, ICT Security Committee, and ICT Risk Management Committee supervises and monitors business disruption and system failures, execution, delivery and process management, data entry errors, vendor disputes, data security, physical security, and network security so that any kind of risks can be properly addressed, mitigated and controlled.

Union Bank intends to revolutionize banking by leveraging the **power of ICT to move from traditional banking to smart banking**. More incorporation of ICT innovations to integrate with the existing system and successful project implementation will pave the way to achieve the ever-growing expectations of the customers, regulators, shareholders, and employees. In coming years, Union Bank intends to utilize ICT to gather and analyze customer data, helping them to offer personalized banking solutions and improve customer satisfaction. Moreover, Union Bank will use ICT to fully automate its internal processes, and streamline operations, leading to increased efficiency, cost savings, and better customer services. Additionally, the Bank will concentrate on firming its cybersecurity measures in the next year by implementing advanced security technologies, conducting regular security audits, and providing regular training to employees to prevent and respond to cyber threats which is a concerning fact for all over the worlds now-a-days. Union Bank's dedication to innovation, customer

satisfaction, and sound financial management has led to robust financial performance, increased market share, and establishment as a prominent bank in Bangladesh, and the bank aims to maintain this reputation in the years ahead.

Services of UBL:

- Online Banking
- Internet Banking in Web & Mobile App (Android & iOS)
- SMS Banking
- Automated Cheque Clearing
- Bangladesh Automated Cheque Processing System (BACPS)
- Facilities related to SWIFT Network
- Electronic Fund Transfer (EFT)
- Bangladesh Electronic Fund Transfer Network (BEFTN)
- Real Time Gross Settlement (RTGS)
- NPSB Network (ATM & Internet Banking)
- Instant Account
- Banking from Home
- E-KYC
- ATM Service
- Visa Card (Debit Card)
- Visa Instant Card
- e-GP
- ACS (Automated Challan System)
- Remittance
- Utility Bill Payment (Through Internet Banking)
- 24/7 Call Center

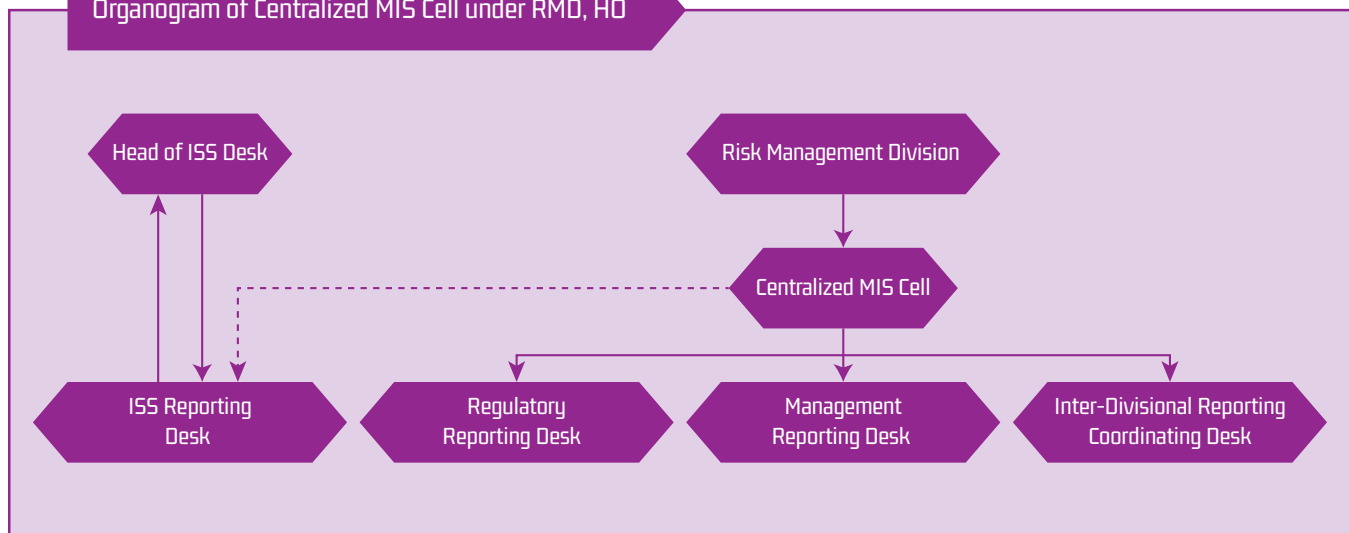
MANAGEMENT INFORMATION SYSTEMS

A Management Information System is a set of combined procedures that gathers and produces reliable, relevant, and properly organized data that supports the decision making process of an organization.

Management Information Systems are very useful tools for the purpose of reviewing and controlling bank's operations. The main goal of these systems is to organize all data collected from every level as well as secondary level (CBS) of the bank, summarize it, and present it in a way that facilitates and improves the quality of the decisions being made to increase the bank's profitability and productivity. MIS reports play a significant role in the strategy planning of the Bank Sector. Its helps in determining the future needs of Bank and assists in formulating goals and strategy based on such information.

Union Bank Ltd. (UBL) established a separate division named Management Information Systems (MIS) to provide improved banking services and support decision making process from its inception. Later the division has been reformed as "Centralized MIS Cell" under Risk Management Division (RMD). The cell provides financial and non-financial information to the Senior Management for decision making, coordination, control, analysis, and visualization of information of the Bank as well as submit various errorless statements to Bangladesh Bank.

Organogram of Centralized MIS Cell under RMD, HO



ISS Desk:

Bangladesh Bank has introduced a web based regulatory tools namely Integrated Supervision System (ISS). Through ISS report, Bangladesh Bank can easily observe overall performance of all Scheduled Commercial Bank at Head Office Level and also Branch Level in monthly basis within a very few time.

To become a modern technology based banking organization, Union Bank Limited has developed "ISS Reporting & Validation Tools" with the collaboration of ICT Division and CMIS Cell of RMD. These reporting & validation tools ensures concise, accurate, time saving & minimum human effort to prepare ISS report.

Regulatory Reporting Desk:

Prepare regulatory reports as and when required by providing relevant information to the respective divisions/ departments as well as adhoc reports as per requirement of the regulatory bodies and submit the same within the stipulated time.

Management Reporting Desk:

Provide necessary information to the Senior Management to take proper strategic decision from time to time as well as validated information to the respective divisions/departments for preparation of internal/regulatory reports by the respective divisions/ departments/branches.

Inter-Divisional Reporting Coordinating Desk:

Preserve bank related all circulars/letters/instructions to be routed through Central MIS Cell for archiving and subsequently follow-up the respective compliance within set timeline. Collect required information from the respective divisions/departments/branches and retain the same in the Data Archive for reporting purpose.

Key Achievements after reformation of CMIS Cell:

- Developed "ISS Reporting & Validation Tools";
- Developed "Central Performance" report to monitor branch performance;
- Developed Daily MIS module for management;
- Developed Bangladesh Bank Circular Bank;
- e-banking and e-Commerce report;
- Assist to prepare annual Budget;
- Prepare Presentation for Annual Business Conference, etc.

BRANCH EXPANSION

SL.	Branch Name	Branch Code	Opening Date	Urban/Rural
2013				
	Head Office	0101	01.04.13	
01.	Gulshan Branch	0102	20.05.13	Urban
02.	Dilkusha Branch	0104	08.07.13	Urban
03.	Hatkhola Branch	0103	04.08.13	Urban
04.	Lichubagan Branch	0001	01.10.13	Rural
05.	Shathibari Branch	0601	06.10.13	Rural
06.	Mouchak Branch	0105	14.11.13	Rural
07.	Shantirhat Branch	0002	16.11.13	Rural
08.	Khatungonj Branch	0003	07.12.13	Urban
09.	Ashulia Branch	0106	14.12.13	Rural
10.	Zindabazar Branch	0501	21.12.13	Urban
11.	Ashkona Bazar Branch	0107	28.12.13	Urban
2014				
12.	Panthapath Branch	0108	10.03.14	Urban
13.	Sebarhat Branch	0004	30.03.14	Rural
14.	Badarkhali Branch	0006	26.05.14	Rural
15.	Islampur Branch	0502	29.05.14	Urban
16.	Pahartoli Branch	0007	10.06.14	Rural
17.	Bogura Branch	0301	19.06.14	Urban
18.	Khulna Branch	0201	26.06.14	Urban
19.	Sarkarhat Branch	0005	09.07.14	Rural
20.	Agrabad Branch	0008	10.07.14	Urban
21.	Lalmai Branch	0009	18.10.14	Rural
22.	Cumilla Branch	0010	19.10.14	Urban
23.	Talshahor Branch	0011	21.10.14	Rural
24.	Cox's Bazar Branch	0013	26.10.14	Urban
25.	Hnila Branch	0012	27.10.14	Rural
26.	Uttara Branch	0109	06.11.14	Urban
27.	Muradpur Branch	0014	18.12.14	Urban
2015				
28.	Banani Branch	0110	14.05.15	Urban
29.	Mawna Branch	0111	18.05.15	Rural
30.	Rajshahi Branch	0303	28.05.15	Urban
31.	DT Road Eidgah Branch	0017	01.06.15	Urban
32.	Bahubal Branch	0503	04.06.15	Rural
33.	Munshirhat Branch	0015	08.06.15	Rural
34.	Patiya Branch	0018	10.06.15	Urban
35.	Pabna Branch	0302	14.06.15	Urban
36.	Joksin Bazar Branch	0016	17.06.15	Rural
37.	Panchaboti Branch	0112	12.08.15	Rural
38.	Narayangonj Branch	0113	16.11.15	Urban

SL.	Branch Name	Branch Code	Opening Date	Urban/Rural
39.	Miar Bazar Branch	0021	29.11.15	Rural
40.	Bazar Hasnabad Branch	0114	06.12.15	Rural
41.	Nanupur Branch	0020	13.12.15	Rural
42.	Mirpur Branch	0115	17.12.15	Urban
43.	Feni Branch	0019	23.12.15	Urban
44.	Bonpara Branch	0304	26.12.15	Urban
2016				
45.	Dewan Bazar Branch	0022	08.05.2016	Urban
46.	Ataikula Branch	0305	15.05.2016	Rural
47.	Barishal Branch	0401	19.05.2016	Urban
48.	Keranihat Branch	0023	02.06.2016	Rural
49.	Mymensingh Branch	0701	16.06.2016	Urban
50.	Nawabpur Road Branch	0117	20.07.2016	Urban
51.	Ati Bazar Branch	0116	28.07.2016	Rural
52.	Khilpara Branch	0024	17.08.2016	Rural
53.	Eidgaon Branch	0025	21.08.2016	Rural
54.	Jashore Branch	0202	01.09.2016	Urban
55.	Kalukhali Bazar Branch	0118	04.12.2016	Rural
56.	Banskhali (Chandpur) Branch	0027	08.12.2016	Rural
57.	Jamuna Future Park Branch	0119	27.12.2016	Urban
2017				
58.	Kumira Branch	0026	29.03.2017	Rural
59.	Jotpukuria Bazar Branch	0029	24.05.2017	Rural
60.	Laldighi Branch	0028	25.05.2017	Urban
61.	Dhanmondi Branch	0120	20.08.2017	Urban
62.	Rangpur Branch	0602	22.08.2017	Urban
63.	Tangail Branch	0122	05.10.2017	Urban
64.	Shakpura Chowmuhony Branch	0031	19.10.2017	Rural
65.	Madhobdi Branch	0121	26.10.2017	Rural
66.	Lohagara Branch	0030	07.12.2017	Rural
67.	Keranigonj Branch	0124	19.12.2017	Rural
68.	Gazipur Chowrasta Branch	0123	21.12.2017	Urban
2018				
69.	Kushtia Branch	0203	09.05.2018	Urban
70.	Jubilee Road Branch	0032	13.05.2018	Urban
71.	Raozan Branch	0033	14.05.2018	Rural
72.	Dinajpur Branch	0603	08.10.2018	Urban
73.	Islampur Branch, Dhaka	0125	24.10.2018	Urban
74.	Moulvibazar Branch	0504	18.11.2018	Urban
75.	Bhulta Branch	0126	20.11.2018	Rural
76.	Jorargonj Branch	0034	27.11.2018	Rural
77.	Hemayatpur Branch	0127	20.12.2018	Rural

SL.	Branch Name	Branch Code	Opening Date	Urban/Rural
2019				
78.	Chapainawabganj Branch.	0306	01.08.2019	Urban
79.	Barlekha Branch	0505	05.08.2019	Rural
80.	Bandartila Branch	0036	13.11.2019	Urban
81.	Fatikchhari Branch	0035	14.11.2019	Rural
82.	Ukhiya Branch	0038	24.11.2019	Rural
83.	Link Road Branch	0037	24.11.2019	Rural
84.	Rajabari Bazar Branch	0128	05.12.2019	Rural
85.	Tajmahal Road Branch	0129	12.12.2019	Urban
86.	Ambarkhana Branch	0506	19.12.2019	Urban
87.	Kanchan Branch	0130	24.12.2019	Rural
2020				
88.	O R Nizam Road Branch	0039	11.06.2020	Urban
89.	Tongi Branch	0131	07.07.2020	Urban
90.	Borodighir Par Branch	0040	29.07.2020	Rural
91.	Chambal Branch	0042	03.12.2020	Rural
92.	Brahmanbaria Branch	0041	10.12.2020	Urban
93.	Elephant Road Branch	0132	14.12.2020	Urban
94.	Fenchuganj Branch	0507	24.12.2020	Rural
95.	Ramu Branch	0043	29.12.2020	Rural
2021				
96.	Goalabazar Branch	0508	07.01.2021	Rural
97.	Kadamtali Branch	0044	17.06.2021	Urban
98.	Habiganj Branch	0509	07.09.2021	Urban
99.	Dohazari Branch	0045	17.11.2021	Rural
100.	Bijoyagar Branch	0133	20.12.2021	Urban
101.	Satkhira Branch	0204	23.12.2021	Urban
102.	Sapahar Branch	0307	28.12.2021	Rural
103.	Nazumeah Hat Branch	0046	28.12.2021	Rural
104.	Sagardighi Branch	0134	29.12.2021	Rural
2022				
105.	Bahaddarhat Branch	0047	20.07.2022	Urban
106.	Khajura Bazar Branch	0205	02.10.2022	Rural
107.	Jhalakathi Branch	0402	27.11.2022	Urban
108.	Nazirhat Branch	0048	01.12.2022	Rural
109.	Bijoy Sarani Branch	0135	07.12.2022	Urban
110.	Gouripur Branch	0049	14.12.2022	Rural
111.	Naria Branch	0136	21.12.2022	Rural
112.	Munshiganj Branch	0137	29.12.2022	Urban

SUB-BRANCH EXPANSION (as on March, 2023):

Sl.	Sub-Branch Name	Controlling Branch	Opening Date
2020			
01.	Jaldi	Banshkhali (Chandpur)	29.07.2020
02.	Bazalia	Keranihat	26.08.2020
03.	Adhunagar	Lohagara	21.09.2020
04.	Kadoir Bazar	Munshirhat	28.09.2020
05.	Mirpur Bazar	Bahubal	28.09.2020
06.	Nachol	Chapainawabganj	02.11.2020
07.	Fazilpur	Feni	03.12.2020
08.	Sitakunda	Kumira	10.12.2020
09.	Merul Badda	Gulshan	14.12.2020
10.	Rowshanhat	Patiya	21.12.2020
11.	Matarbari	Badarkhali	21.12.2020
12.	Gunagori	Banshkhali (Chandpur)	24.12.2020
13.	Fakirhat	Fatikchhari	27.12.2020
14.	Bangla Bazar	Jotpukuria Bazar	27.12.2020
2021			
15.	Halishahar Bus Stand	D.T Road Eidgah	07.01.2021
16.	Hathazari	Sarkarhat	28.01.2021
17.	Ghatail	Tangail	28.01.2021
18.	Palongkhali	Hnila	15.02.2021
19.	Khuntakhali	Eidgaon	15.02.2021
20.	Chatkhil	Khilpara	24.03.2021
21.	Kachua	Miar Bazar	24.03.2021
22.	Shibganj	Chapainawabganj	12.04.2021
23.	Kutupalong	Ukhiya	12.04.2021
24.	College Bazar	Shantirhat	19.07.2021
25.	Khanhat	Keranihat	19.07.2021
26.	Dakshinkhan	Ashkona Bazar	17.08.2021
27.	Solingmoor	Mawna	17.08.2021
28.	Tilpapara	Hatkhola	15.09.2021
29.	Kamrangirchar	Dhanmondi	15.09.2021
30.	College Gate	Tongi	29.11.2021
31.	Gobindganj	Amberkhana	29.11.2021
2022			
32.	Gokarnoghat Bazar	Brahmanbaria	14.02.2022
33.	Chatmohar	Pabna	09.03.2022
34.	Puichhari	Chambal	27.03.2022
35.	Mariumnagar	Lichu Bagan	20.06.2022
36.	Peton Shah Mazar Gate	Shakura Chowmuhony	20.06.2022
37.	Gohira	Raozan	27.06.2022
38.	Mahiganj	Rangpur	17.07.2022
39.	Gopalganj Bazar	Dinajpur	17.07.2022
40.	Zero Point	Khulna	17.07.2022
41.	Rayer Bazar	Dhanmondi	17.07.2022
42.	Roazarhat	Lichubagan	01.09.2022
43.	Tokirhat	Nanupur	01.09.2022
44.	Madhabdi Bazar	Madhabdi	01.09.2022
45.	Tanbazar	Narayanganj	19.12.2022
46.	Chhagalnaiya	Feni	19.12.2022
2023			
47.	Dakshin Banasree	Gulshan	23.01.2023
48.	Khilkhet	Ashkona Bazar	27.02.2023
49.	Bijoypur Bazar	Lalmaj	27.02.2023
50.	Madam Bibir Hat	Kumira	21.03.2023

INTERNAL CONTROL & COMPLIANCE DIVISION

Internal Control and Compliance Division has been established since the very beginning of the Bank. Now Internal Control and Compliance Division consists of three wings as follows:

- i. Compliance Unit
- ii. Monitoring Unit and
- iii. Audit/Inspection Unit

Internal Control refers to the mechanism in place on a permanent basis to control the activities in an organization. In absence of it, risks resulting in unexpected losses caused by faulty internal processes, human errors, frauds & forgery, technology failure and documentary lapses may surface.

Operational risk may arise from error and fraud due to lack of proper internal control & compliance. Good controls gear up professional competence, compliance of legal requirements, sound reporting system and resistance to fraud & forgery.

Internal Control & Compliance is not only for getting things done but also to ensure that the issues are done properly. Internal Control & Compliance plays a pivotal role in building up culture of transparency & accountability.

Modern bank management and supervision mainly focus on risk factors in banking. UBL has taken all-out efforts to mitigate all sorts of risks as per guidelines issued by the Central Bank.

As a part of robust risk management policy, the Bank has formulated a comprehensive Investment Risk Management policy to address investment risks. To mitigate operational risk, money laundering and terrorist financing risk, circumvention or over-riding the internal control procedures, Internal Audit, Board Audit committee and IC&C Division are carrying out regular audit & inspection of the functions of the branches and divisions of Head Office.

The bank has set up Internal Control & Compliance (IC&C) Division at Head Office to ensure that the internal control processes are in place. As per instruction of Bangladesh Bank, the Audit Committee of the Board has been constituted to assist the board in fulfilling the objectives, strategies and overall business plans

set by the board for effective functioning of the bank. The committee reviews the financial reporting process, financial risks, the audit process, health report of the bank and the bank's process for monitoring compliance with laws and regulations and its own code of business conduct. In the year 2022, 05 meetings of the Audit Committee were held. 'Risk Based Internal Audit (RBIA)' has been introduced by the Bank to assess the business risk as well as control risk associated with the branches, and determines how much follow up, monitoring & periodicity of internal audit would be required to bring a particular branch back to normalcy, if it is found that the performance of the branch is not satisfactory, and which may pose a potential threat for the bank.

Each year the IC&C Division sets out an Audit Plan (Internal) for the year, which is approved by the Managing Director and placed before the Audit Committee of the Board for concurrence. In the year 2022, IC&C Division conducted Comprehensive Audit in 100 Branches and 28 sub branches, 03 Divisions at Head Office, Online Foreign Exchange Transaction Monitoring System Audit in 07 AD Branches and CTOU of Head Office of the Bank.

The Bank has already prepared the Risk Assessment Matrix of various banking functions and trying to incorporate the same in the Department Control Function Checklist (DCFCL) and Quarterly Operation Report (QOR). The branches and divisions will follow these attaching due importance to high risk and medium risk functions. The Bank follows the Guideline of Internal Control & Compliance meticulously to strengthen internal control functions.

Internal Control & Compliance Division of UBL is an Integral part of Bank Management and a foundation for safe & sound operation. IC&CD is thoroughly guided by the motto "Prevention is better than cure". The array of IC&CD activities can be categorized as per following order:

Performance Objective	: To accelerate compliance and effectiveness of involvements.
Information Objective	: To ensure dependability, efficiency and time worthiness of financial and management information.
Compliance Objective	: To adhere to regularity framework including applicable laws and regulations.

It intensively, follows-up compliance of audit/ inspections reports conducted by the IC&C Division, Bangladesh Bank and External Auditors. The Division monitors the banking activities, specially the sensitive areas of Foreign Exchange, Finance & Accounts and Investments.

The IC&C Division submit summary report (Quarter Basis) on Audit findings and corrective action taken is placed in a meeting of the Audit Committee of the Board for reviewing and necessary suggestions.

BRANCHES OPERATION AND CONTROL DIVISION (BOCD)

Branches Operation and Control Division (BOCD) has been established with the aim of ensuring seamless banking operations at the branch level and enhancing customer satisfaction. Its primary objective is to oversee the operational activities of branches and provide solutions for operational bottlenecks. The division serves as a liaison between branches and the head office. The key functions of BOCD are classified into four major categories.

Formation of Automated Annual Business Budget Module:

Branches Operation and Control Division (BOCD) has developed a comprehensive module for creating Annual Business Budget. The purpose of this module is to provide a profit target for the branches based on deposit, investment, and non-funded business growth. This module takes into account various factors such as Deposit, Investment, Profit, Import, Export, Remittance, Cost of Deposit, Cost of Fund, and Yield on Investment.

The module has been developed through a rigorous process of evaluating the existing budget performance, achievement, and variance of the Branches, as well as considering the present economic situation and Bangladesh Bank Monetary Policy.

Moreover, this module also takes into account the contemporary growth of the Banking Industry, which provides a comprehensive outlook for BOCD. By considering all these factors, BOCD will be able to set realistic targets for the up-coming years. This approach will enable the bank to make more informed decisions based on the data-driven analysis and provide a more accurate representation of their financial position. Ultimately, this approach will support BOCD in achieving its strategic objectives and fulfilling its mission as a division.

Organizing Business Conference:

Arranging a business conference in a bank is an important undertaking that requires careful planning and execution. As an organizer, it is BOCD's responsibility to ensure that the conference runs smoothly and meets the goals and objectives of the bank. This includes selecting a suitable venue, coordinating with branch managers and sub-branch in-charges, preparing branch's performance data, evaluate the performance of branches based on business categories and reward them accordingly, managing registrations, and ensuring that all logistical details are taken care of. In addition, BOCD has to handle any issues that may arise during the conference and ensure that participants have a positive and productive experience. Overall, the success of the conference rests largely on the BOCD's ability to plan, coordinate, and execute the event with professionalism and attention to detail.

Customer Service and Complaint Management:

Ensuring customer satisfaction is essential for business growth, and BOCD is taking steps to address service-related issues and customer complaints. The division is actively collecting feedback from customers through various channels such as phone calls, emails, complaint boxes, and Bangladesh Bank. BOCD manages all complaints by providing solutions in accordance with the guidelines set forth by Bangladesh Bank.

Core Banking Operation solutions through ICTD :

Branches rely to BOCD for advice and answers to any problems relating to operations of any kind. Then, in order to address the problems, BOCD seeks the required authorization, when necessary, from the appropriate authority. Also, all operational policies and procedures have been compiled in accordance with Bangladesh Bank guidelines.

BOCD plays a significant role in implementing government initiatives to promote inclusive banking. Inclusive banking involves providing financial services to individuals that are typically underserved, such as those with low incomes. BOCD support these efforts by establishing and managing "no-frills" accounts, which are basic savings accounts with minimal fees and requirements. Additionally, BOCD collaborates with branch to develop school banking programs that teach students about banking and financial literacy while promoting good savings habits. Ultimately, BOCD's

role in promoting inclusive banking can enhance financial inclusion and economic growth, particularly in disadvantaged and marginalized communities.

Our topmost priority is delivering superior customer service and banking experience

INTERNATIONAL DIVISION

2022 was another extraordinary year for our business. Economies started to emerge from the shadow of the pandemic. Company order books began to fill up once more, and demand for energy, cars, travel and home improvements returned. And again new virus outbreaks continued to appear, with the pandemic in its second year, thousands of companies had to make bold moves to survive and thrive. In addition, The Russian invasion of Ukraine has already begun to affect the global economy through economic uncertainty and disruptions in supply of essential food staples and essential inputs, such as energy and fertilizers. The consequent shortage has led to inflation, globally.

For controlling the recent volatility in the foreign exchange market Bangladesh Bank released part of its reserve into the market because of which the total reserve came down to USD 33.74 billion. Within the year there was no change in policy rates, Cash Reserve Ratio (CRR) was 4.0.

International Division was the most active player in the market in 2022. The division explores Foreign Exchange business opportunities while maintaining associated risks. The desk is also responsible for maintaining the bank's Net Open Position (NOP), in line with regulatory limits, and forecasting exchange rates. The bank's International division currently comprises four units: **(1) International Trade (2) the Financial Institution Unit/Correspondent Banking Relationship Unit (3) the Foreign Remittance Unit and (4) Central Trade Operation Unit.**

Key Responsibility:

The FX Desk manages the day-to-day FCY requirements and also the surplus/shortfall of the bank's FCY holdings. The desk is also responsible for maintaining the net open position of the bank, as per regulatory requirements.

Core strengths

- Focused FX management strategy aligned with market dynamics.
- Strong management focus and support for growth of the foreign exchange business
- Rich understanding of FX markets and good relationships with customers.
- Sustained exposure in terms of training and development opportunities to FX traders to reinforce core fundamental knowledge and also enable them to explore new business opportunities
- Management support in maintaining a balance between import-export volumes growth.

1. International Trade:

Global inflation has resulted in increased demand for the US dollars and, hence, the Bangladeshi taka, like many other currencies in the world, has recently began losing value. Meanwhile, the higher dollar expenditure for imports and other necessities is putting pressure on foreign exchange reserves.

During 2022, Union bank experienced significant competitive pressure in both import and export business compared to previous year. Import Business experienced **BDT 9,247.60 million (Equivalent to USD 88.07 million)** in 2022. Import business of UBL covers areas like industrial raw materials, food items, chemicals, medicines, textiles, capital machineries etc. Export Business also experienced a positive growth of 17.12% in the year 2022 compared to the previous year. Total Export was **BDT 4,801.95 million (Equivalent to USD 50.15 million) at the end of the year 2022 which was BDT 4,099.80 million (Equivalent to USD 48.29 million) in 2021 which is 17.12% progressive than that of the year 2021.** Export business was concentrated in frozen fish, readymade garments, knitwear and other indigenous products.

2. Correspondent Banking Relationship:

Now a days setting up as well as maintaining correspondent relationship with Banks & FIs, specially with foreign Banks & FIs has become one of the notable challenges that we require to give extra efforts since security, AML, KYC and overall compliance have become the prime concerns and thus hassles & expenses has increased remarkably for correspondent Banking Relationship worldwide. In spite of having tremendous obstacles, **Financial Institution Unit/Correspondent Banking Relationship Unit under International**

Division is doing outstanding by exploring the potential partners and paths for its FX businesses and developing a strong base in terms of establishing RMA, maintaining Nostro accounts, arrangement of Credit Lines etc. UBL has a wide range of correspondent network across the world to facilitate smooth foreign trade transactions. The Bank maintains 12 Standard Settlement Instructions (Nostro Account) involving 4 major currencies e.g. USD, GBP, EURO & JPY and also USD under ACU mechanism at different significant financial centers of the Globe. Total correspondents of UBL stand at 153 (Home and abroad) as on 31 December 2022.

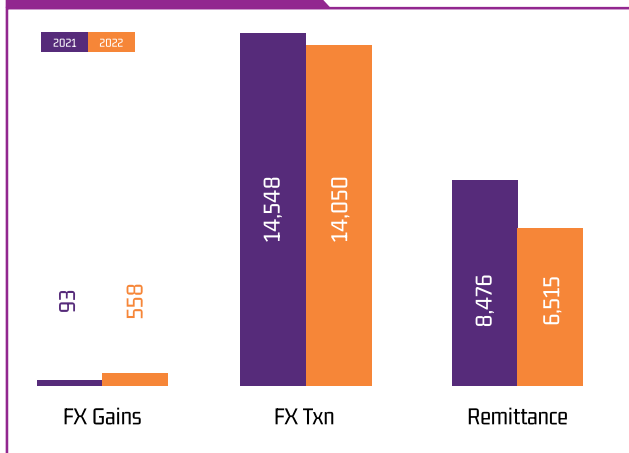
3. Remittance:

Union Bank has been using an excellent state-of-the-art remittance software for excellence in remittance operation of the Bank. We strengthened the remittance relationship with various renowned exchange houses in 2022. Now we are focusing on excellence in customer service through the existing Branch network and agents. A dedicated "Remittance Hub" backed by advanced technology platform helps expanding the Bank's service to the doorstep of the customers. Our corporate clients remained another major source of foreign currency. We are also trying to broaden its base through solicitation of indigenous export clients. UBL disbursing remittance being affiliated with 14 remittance houses and total remittance at the end of the year 2022 was BDT 6,514.99 million (Equivalent to USD 60.89 million.)

4. Central Trade Operations Unit (CTOU):

In 1st March 2018 established Central Trade Operations Unit (CTOU) is a vital part of International Division with skilled workforce to boost up as well as to facilitate Trade Service Operations exclusively for the Non-AD branches effectively, smoothly and promptly under the purview of prioritized banking abilities. Moreover, a dedicated FX team was included as a wing under CTOU named Regional Trade Operations Unit, Chattogram (RTOU-CTG) working for developing foreign exchange business for Chittagong Region. In 2022 CTOU performed Import business amounting BDT 2,369.90 million (Eqvt. \$25.24 million) and Export business amounting BDT 1,267.10 million (Eqvt. \$13.62 million) which is very significant compared to the year 2020 & 2021 despite overall disruption due to after COVID-19 Pandemic impact & Ukraine-Russia war.

FX Figures, 2022 Vs 2021



Highlights of 2022- International Division

- Income from Foreign Exchange increased to BDT 558.18 million in 2022 from BDT 92.62 million in 2021.
- Rebate income stood at BDT 14.89 million in 2022 compared to BDT 9.73 million in 2021.

CORPORATE AFFAIRS AND BRANDING DIVISION

The Corporate Affairs & Branding Division (Former Marketing & Development Division) of Union Bank Limited implies a set of strategies for establishing a strong Brand in the competitive market place which is also considered as one of the most valuable driving force for the Bank.

The core activities of Corporate Affairs & Branding Division are to formulate Branding and business promotion policies and enhance brand value of the Bank. Side by side, Corporate Affairs & Branding Division is also involved in performing several functions which are enlisted below:

Functional Area	Function Details
Branding	<ul style="list-style-type: none"> Make proper arrangement of full fledge branding and other support to head office as well as branches for celebrating the anniversary of bank and other occasions. Design brochure, banner and other branding materials for arranging business conference, promotional campaign and other branding related issues of head office and branches as well. Facilitate pavilion in fairs/exhibition in different occasion for the bank. Ensure proper arrangement of the distribution of gift items for valued clients. Maintain the expenses of branches regarding School Banking Conference, Business Fair and any other business development purpose.
Product & Business Development	<ul style="list-style-type: none"> Introduce new products & services. Development of existing products under current product lines. Identify new customer segment.
Digital Marketing	<ul style="list-style-type: none"> Post information regarding several occasions in the Facebook Page of our bank. Promoting products and services by preparing TVC & OVC. E-Mail Marketing. SMS Marketing.
Corporate affairs and Value added Service	<ul style="list-style-type: none"> Take proper initiatives for providing value added service to customers. Arrange all necessary initiatives for making corporate agreement with prominent organizations with the aim of ensuring exclusive privileges for the employees and all the Debit Cardholders of the bank. Support to enhance the source of ancillary income (Such as, Collection of DPDC Bill, WASA Bill, DESCO Bill, Pre-registration and registration fees from Hajj Pilgrims)

From the very beginning of the operation of the bank, Corporate Affairs & Branding Division is doing well to establish a strong brand in the competitive market. It has completed **110** successful corporate agreements with renowned organizations of the country for ensuring the exclusive privileges for employees and debit Cardholders of the bank and as well as to build a strong brand image in the competitive marketplace. Apart from this, as per directives of the management of the bank, Corporate Affairs & Branding division has successfully completed agreement with **Titas** and **Dhaka WASA**, or collecting utility bills both online and offline medium. In the beginning of 2022, 04 (Four) new deposit products named **Nisa for Women, Ehsan for Senior Citizen, Walida for beloved mother and a special 01 year deposit Scheme Sohoj** have been launched by Corporate Affairs & Branding Division. Apart from this, CABD had arranged a deposit campaign in 2022 for enhancing retail deposit base of the bank.

Corporate Affairs & Branding Division is committed to do best for achieving the goals of the bank.

RISK MANAGEMENT & CONTROL ENVIRONMENT

1.00: Introduction

Risk Management is the procedure to minimize the adverse effect of a possible financial loss by identifying potential sources of loss, measuring the financial consequences of a loss occurring and using control tools to minimize actual losses or their financial consequences. To perform the same, necessary directions have been provided by Bangladesh Bank through various letters/circulars/ guidelines from time to time. Bangladesh Bank issued guidelines formed the basic framework of risk management that need to be followed by the banks in Bangladesh. Union Bank Limited has established a prudent and well-structured risk management framework for managing various risks in the light of BB guideline and instruction in order to minimize the risks and thus ensuring sustainable growth of the bank in the long run and also increase employee awareness on risk management so that bank can evaluate its performance towards all banking operations. In this regard, the bank is committed to pay all out effort to identify and reduce the risk of business operations constantly in a constructive manner.

2.00: Objectives of Risk Management

Risk management is a discipline at the core of every bank and encompasses all the activities that affect its risk profile from time to time. The ultimate objectives of risk management functions are;

- To promote better risk management culture at all levels.
- To improve financial soundness and stability.
- To adopt and implement a sound risk management framework.
- To introduce dynamic and time based risk management tools and techniques for assessment and treatment of various risks; etc.

3.00: Elements of a sound risk management system

The key elements of a sound risk management system are as follows:

- Active involvement of board and senior management;
- Adequate organization, policies and procedures;
- Appropriate management information systems; and
- Comprehensive internal controls and limits.

4.00: Risk Management Process

Understanding of risk management process can contribute progressively to organizational improvement by providing special attention insight into the identified and potential risks and their impact. It is a series of multi-steps that, when undertaken in sequence, enable continual improvement in strategic decision-making. However, steps of risk management process are as follows:

- Step 1 – Communicate and Consult
- Step 2 – Establish the context
- Step 3 – Identify the risks
- Step 4 – Analyze the risks
- Step 5 – Evaluate the risks
- Step 6 – Treat/Mitigate the risks
- Step 7 – Monitor the risks

5.00: Risk management regulations for banks

Practicing sound risk management is crucial for banking sector. For effective risk management within the banks, necessary directions have been provided by Bangladesh Bank through various letters/circulars/ guidelines from time to time most of which are as follows:

- Risk Based Capital Adequacy (RBCA) Guidelines-2014.
- Core Risk Management Guidelines issued by Bangladesh Bank (2015 & 2016);
- Comprehensive Risk Management Guidelines-2018;
- Stress Testing Guideline;
- BRPD Circular No.11 (Section-5.3), dated 27 October 2013 regarding responsibilities of Board of Directors and Board Risk Management Committee (BRMC);
- Guidelines on Environmental & Social Risk Management (ESRM) for Banks, dated 08 February 2017.
- Guidelines on Internal Credit Risk Rating System for Banks-2018
- BRPD Circular No.03 regarding Recovery Plan for Banks
- DOS Circular No.03 regarding Introduction of new Input Template for Comprehensive Risk Management Report
- Other related instructions/circulars/letters as issued by regulators from time to time; etc.

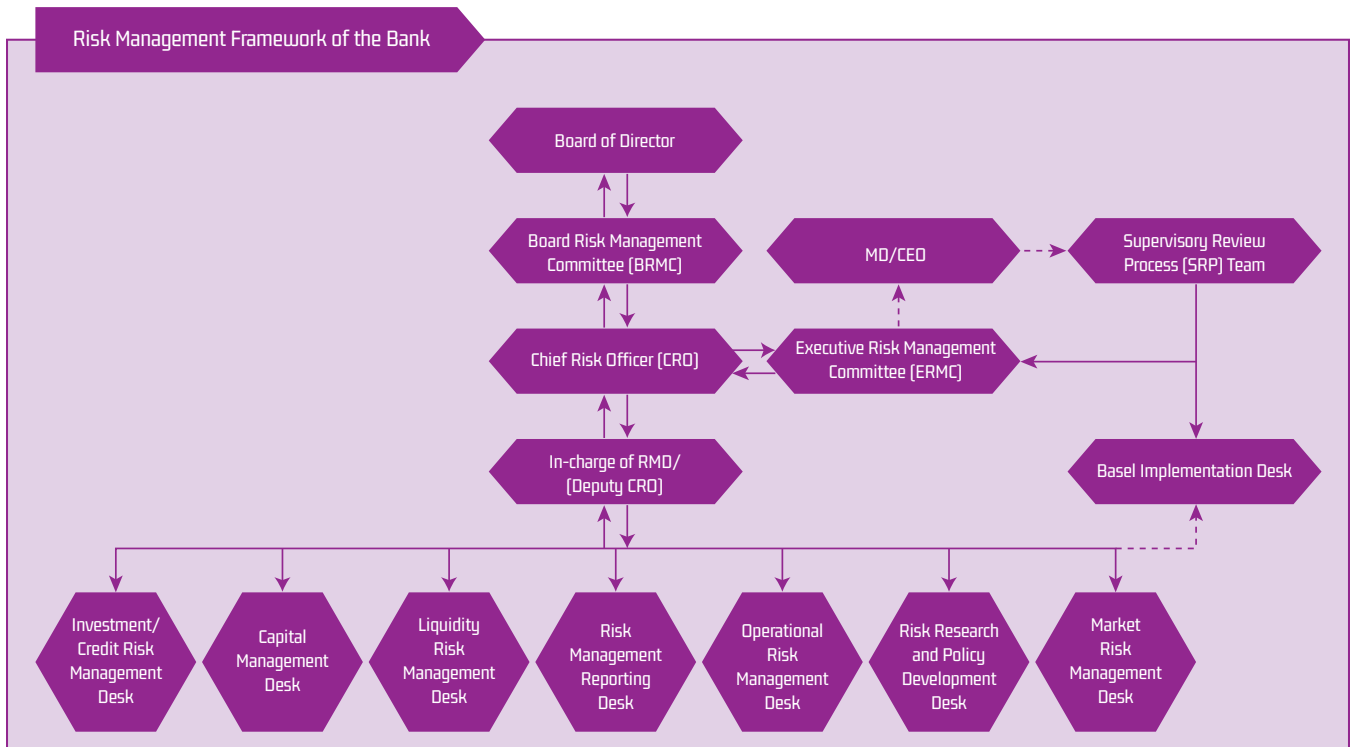
6.00: Risk Appetite Statement

Risk appetite is the level and type of risk a bank is able and willing to assume in its exposures and business activities, given its business objectives and obligations to stakeholders (depositors, creditors, shareholders, borrowers, regulators). Risk appetite is generally expressed through both quantitative and qualitative means and should consider extreme conditions, events, and outcomes. It should be stated in terms of the potential impact on profitability, capital and liquidity.

Bank prepares risk appetite statement covering all regulatory requirements related to risks, components of pillar-II under Basel III, strategic planning and all other probable risks exist in the bank. The bank sets risk appetite, tolerance and limit for all the probable areas of risks.

7.00: Risk management framework of the bank

Risk management framework is fundamental element for establishing proper authorities of risk management in banks. As such, the bank's risk management framework has been outlined according to the Bangladesh Bank latest Risk Management guidelines-2018 which is as follows.



8.00: Risk management authorities of the bank

8.01: Board of Directors

The key risk management reports/issues are placed before the board of directors on quarterly basis for review and perusal. Board provides guidance against the identified/mentionable risks and the same are communicated to responsible organs for taking corrective actions. Board of Director will take every possible initiative to keep various risks (Investment, market, liquidity, operational risks etc.) within tolerable level. For this purpose, the board will play the following role:

- Establishing organizational structure for enterprise risk management within the bank and ensuring that top management as well as staffs responsible for risk management possess sound expertise and knowledge to accomplish the risk management function properly;
- Assigning sufficient authority and responsibility to risk management related officials;
- Ensuring uninterrupted information flow to RMD for sound risk management;
- Continuously monitoring the bank's performance and overall risk profile through reviewing various reports;
- Ensuring the formulation, review (at least annually) and implementation of appropriate policies, plans and procedures for risk management;
- Defining and reviewing the risk appetite, risk tolerance, limit etc. in line with strategic planning;
- Making sure the maintenance of adequate capital and provision to absorb losses resulting from risk;
- Ensuring that internal audit reviews the Investment operations, foreign exchange operations and securities portfolio management functions etc. to assess the effectiveness of internal control system
- Monitoring the function of Board Risk Management Committee; etc.

8.02: Board Risk Management Committee (BRMC)

Board Risk Management Committee (BRMC) reviews the material risks related to investment, foreign exchange, internal control & compliance, money laundering & terrorist financing, information & communication technology, operation, profit rate, liquidity, capital

management functions and provisioning (required & maintained); etc. on quarterly basis. The BRMC provides guidance against the identified risks for taking corrective actions by the management. However, 4 (four) meetings of the BRMC were held during the year 2022. Board Risk management Committee (BRMC) of the bank will provide utmost importance on sound risk management practices. For this purpose the BRMC will play the following role:

- Formulating and reviewing (at least annually) risk management policies and strategies for sound risk management;
- Monitoring implementation of risk management policies & process to ensure effective prevention and control measures;
- Ensuring construction of adequate organizational structure for managing risks within the bank;
- Supervising the activities of Executive Risk Management Committee (ERMC);
- Ensuring compliance of BB instructions regarding implementation of core risk management;
- Ensuring formulation and review of risk appetite, limits and recommending these to Board of Directors for their review and approval;
- Approving adequate record keeping & reporting system and ensuring its proper use;
- Holding at least 4 meetings in a year (preferably one meeting in every quarter) and more if deemed necessary;
- Analyzing all existing and probable risk issues in the meeting, taking appropriate decisions for risk mitigation, incorporating the same in the meeting minutes and ensuring follow up of the decisions for proper implementation;
- Submitting proposal, suggestions & summary of BRMC meetings to board of directors at least on quarterly basis;
- Complying with instructions issued from time to time by the regulatory body;
- Ensuring appropriate knowledge, experience, and expertise of lower-level managers and staff involved in risk management;
- Ensuring sufficient & efficient staff resources for RMD;

- Establishing standards of ethics and integrity for staff and enforcing these standards;
- Assessing overall effectiveness of risk management functions on yearly basis.

8.03: Executive Risk Management Committee (ERMC)

Bank has formed ERMC comprising of Heads concerned divisions and Executives from other division related to risk as deemed necessary. RMD act as secretariat of the committee. The ERMC, from time to time, invite top management (CEO, AMD, DMD or senior most executives), to attend the meetings so that they are well aware of risk management process. The responsibilities/Terms of Reference of ERMC are as follows:

- Identifying, measuring and managing bank's existing and potential risks through detailed risk analysis;
- Holding meeting at least once in a month based on the findings of risk reports and taking appropriate decisions to minimize/control risks;
- Ensuring incorporation of all the decisions in the meeting minutes with proper dissemination of responsibilities to concerned divisions;
- Minimizing/controlling risks through ensuring proper implementation of the decisions;
- Reviewing risks involved in new products and activities and ensuring that the risks can be measured, monitored, and controlled adequately;
- Submitting proposals, suggestions & summary of ERMC meetings to CEO, BRMC on regular basis;
- Implementing the decisions of BRMC and board meetings regarding risk issues;
- Assessing requirement of adequate capital in line with the risk exposures and ensuring maintenance of the same through persuading senior management and board;
- Determining risk appetite, limits in line with strategic planning through threadbare discussions among the members;
- Contributing to formulation of risk policies for business units;

- Handling "critical risks" (risks that require follow-up and further reporting);
- Following up reviews and reports from BB and informing BRMC the issues affecting the bank's operation.
- Ensuring arrangement of Annual Risk Conference in the bank; etc.

8.04: Supervisory Review Process (SRP) Team

Supervisory Review Process (SRP) includes regulations of bank's own supervisory review of capital positions, aiming to reveal whether a bank has prudent risk management and sufficient capital to manage the risks. In respect of SRP, bank has a defined process for assessing overall capital adequacy and a strategy for maintaining capital at an adequate level. In this regard, the bank has formed an exclusive body called SRP Team with the defined Terms of Reference (TORs) and a process document called Internal Capital Adequacy Assessment Process (ICAAP) for assessing the bank's overall risk profile in addition to minimum capital requirement. The SRP team is headed by the Managing Director of the bank. The Team sits on bi-monthly basis.

8.05: Risk Management Division (RMD)

UBL has an independent full-fledged risk management department/division where CRO is responsible for overall supervision of the division. According to Latest Risk Management Guidelines 2018, UBL has established 8 (eight) separate desks and functions of particular desks. The responsibilities of RMD & 8 (eight) separate desks are ensured by the In-charge/Deputy CRO. The defined separate desks within the risk management division will oversee each key risk areas. The main functions of the division include, but not limited to, the following:

- Managing the process for developing risk policies and procedures;
- Coordinating with business users/units to prepare functional specifications;
- Preparing and forwarding risk reports; and
- Assisting in the implementation of all aspects of the risk function.

8.05.01: Desk wise function of RMD

For smooth functioning of risk management activities, the desks of RMD should commonly do the defined

tasks. All the desks are individually responsible for collecting the related data/ information, progress report of the previously taken decisions of ERM and BRMC from concerned divisions for proper risk analysis and identification of risks, making appropriate recommendations, preparing memo on related issues, monitoring and following up of implementation status of the decisions of meeting minutes, ensuring regulatory compliance on related issues, assisting in formulation and review of risk appetite and risk related policies/guidelines. The desks are also responsible for monitoring the associated risks through concerned departments/divisions. However, RMD is performing its specific tasks with the 8(eight) desks are as follows:

- **Desk-1: Investment/Credit Risk Management Desk**
- **Desk-2: Capital Management Desk**
- **Desk-3: Liquidity Risk Management Desk**
- **Desk-4: Risk Management Reporting Desk**
- **Desk-5: Operational Risk Management Desk**
- **Desk-6: Risk Research and Policy Development desk**
- **Desk-7: Market Risk Management Desk**
- **Desk-8: Basel Implementation Desk**

9.00: Risk Management Reporting

The bank adheres to the applicable rules, regulations and relevant policy guidelines related to risk management reporting as amended up to date. In these contexts, RMD has been preparing and submitting the following reports, summary of which are as under:

Sl.	Name of report	Reporting Frequency	Status	Remarks
1.	Statement of Capital Adequacy	4	Complied	Quarterly reporting to BB, BRMC & Board of Directors
2.	Statement of ICAAP under Supervisory Review Process	1	Complied	Yearly reporting to BB, BRMC & Board of Directors.
3.	Stress Testing Report	4	Complied	Quarterly reporting to BB and Board of Directors.
4.	Comprehensive Risk Management Report (CRM)	2	Complied	Half yearly reporting to BB for determination of risk management rating.
5.	Monthly Risk Management Report (MRMR)	10	Complied	<ul style="list-style-type: none"> • Monthly reporting to ERM & BB. • Quarterly reporting to BB, BRMC & Board of Directors.
6.	Statement of Market Discipline	1	Complied	Yearly reporting to BB & Board of Directors and disclose the same in the Bank's Website.
7.	Statement of Risk Appetite	1	Complied	Yearly reporting to BB & Board of Directors for approval.
8.	Review Report on Risk Management Policies and Effectiveness of Risk Management Functions	1	Complied	Yearly reporting to BB & Board of Directors for approval.
9.	Bank's Credit Rating	1	Complied	Yearly reporting to BB, Board of directors, bank's website, daily newspapers.
10.	Recovery Plan	1	Complied	Yearly reporting to BB, Board of directors.
11.	Compliance Report	As and when required.	Complied	Reporting to the respective departments of BB from time to time.

10.00: Core Risk Management

Bangladesh Bank issued core risk management guidelines for banks which provided the benchmark that needs to be followed by the banks as minimum standard apart from the bank specific internal core risk management guidelines. Bank's core risk management compliance issues are monitored by the Executive Risk Management Committee (ERMC) in its monthly meeting through RMD. The recommendations/ suggestions are communicated to the concerned divisions for ensuring timely compliance of the particular risk factors. In managing the core risks, banks follows the latest core risk management guidelines, such as:

1. Investment/Credit Risk
2. Foreign Exchange Risk
3. Asset-Liability Risk
4. Internal Control & Compliance (ICC) Risk
5. Information & Communication Technology (ICT) Risk
6. Money laundering and terrorist financing (ML & TF) Risk

11.00: Key initiatives in the year-2022

- Established and maintained prudent risk management framework.
- Review the core risk management guidelines in line with latest risk management guidelines of BB.
- Effective risk management functioning with 08 (eight) separate desks as per latest Risk management Guideline.
- Arranged Annual Risk Management Conference with the participation of all the branch managers including officials related to risk issues.
- Taken initiatives for strengthening Core Capital of the bank through IPO and subsequently, inserted Tk 428 crore tier-1 capital to meet up the regulatory requirement.
- Arranged a workshop on CAMELS Rating and outlined the areas where bank required to take remedial action.
- Conveyed the remedial actions for improvement of key liquidity ratios i.e. IDR, LCR, Wholesale borrowing.
- Prepared Recovery plan as per instruction of Bangladesh Bank for identifying credible options of recovery against stressed scenario and subsequently submitted the board approved Recovery Plan to BRPD.

- Greater Reliance on Information Technology for efficient supervision
- Expedited credit rating process to reduce risk weighted assets and thus improving bank's capital adequacy.
- Formated a separate cell for ensuring duly & timely submission of various reports & returns as well as implementation of regulatory directives with more meticulousness and accuracy at the same time interpret the same in a sensible manner.
- Formulated Individual Investment Risk Assessment & Evaluation Checklist and assessed the risk originating from Top investment clients accordingly.
- Addressed key risk areas and action plan for the year 2022 and communicated the same to the Board of Directors and Senior Management for necessary guidance as against.
- Developed bank's risk profile considering the risks under Basel-III accord.
- Streamlining risk management reporting to the Regulator, Management, BRMC & Board.
- Developed a comprehensive "documentation checklist" for investment.
- Introducing robust employees' awareness programs on risk management; etc.

12.00: Action Plan for the year-2023

- To develop risk profile of the bank and determining appropriate risk management strategies based on the periodic capital adequacy as well as identified and potential risks.
- Initiatives for issuance of subordinated bond or perpetual bond for strengthening capital base of the bank.
- Expediting Credit rating of eligible client to reduce Risk Weighted Assets (RWA) of the bank.
- Taking strategic measures to tackle systemic risk arised in banking sector.
- Ensuring all applicable regulatory compliances related to capital adequacy & risk management.
- Vigilant
- Preparing a guideline book for archiving updated regulatory instructions, circulars, guidelines and other major information.
- Review and update recovery plan for promptly and effectively acting in the event of a stress situation.

- Identify triggers and key vulnerabilities of the bank for adequate monitoring of the risk factors.
- Focus on digital and online banking and provide better customer services
- Properly monitor stress situation and inform to the Board and senior management regularly for taking timely action.
- Initiating process of developing automated resources for calculating different risk indicators.
- Identifying, assessing and controlling the environmental risk.
- Ensuring the defined activities under Basel Unit.
- Reviewing the ICAAP Policy document.
- Implementation of Key Risk Indicators (KRIs) for addressing the risks on timely basis.
- Updating the required risk management policies and procedures of the bank through Management, BRMC & Board Approval.
- Improving bank's core risk segments.
- Ensuring automation of bank's Management Information Systems (MIS) through the Centralized MIS Cell and its supporting team.
- Regular review of board approved risk appetites/ limits.
- Monitoring the national and global risk issues in line with bank's exposure.
- Communicating the key risk issues to the Senior Management, BRMC and Board; etc.

14.00: Concluding Remarks

Banking business are struggling to recover with reducing scope of earnings and to maintain regulatory requirements within global economic turmoil due to Russia-Ukraine war, Dollar crisis and inflation. However, Union Bank Ltd. managed the risk by taking pro-active measures and good governance in its operational arena. Apart, the bank risk management organs are working together for minimizing the identified and future potential risks with a view to sustainable growth of the bank's in the long run and constantly taking forward looking initiatives by the all responsible authorities of the bank considering the changing circumstances from time to time.

TREASURY DIVISION

Treasury Operations and Fund Management

Treasury Division maintains liquidity, based on historical requirements, anticipated funding requirements from operation, current liquidity position and collection of financing available sources of funds, risks and returns. Union Bank Limited's Treasury is fully concentrated on fund management and maintaining adequate cash to meet day-to-day requirements. Treasury Division is responsible for maintaining Cash Reserve Requirement (CRR), Statutory Liquidity Requirement (SLR), Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR) and Maximum Cumulative Outflow (MCO). Treasury deals with funding operation for managing the liquidity positions in local and foreign currency & Inter-Bank Market dealings etc. Treasury Division also ensures Balance Sheet Risk Management and oversees the asset-liability mismatch gap position and implements appropriate measures to mitigate liquidity risk. Thus the Treasury Division of UBL essentially deals with liquidity management and as a service center.

Union Bank Limited has been operating a number of popular and innovative financial products from time to time considering the benefit of depositors, clients and Bank.

Asset Liability Committee (ALCO)

The Asset Liability Committee (ALCO) is constituted with the senior management of the bank headed by the Managing Director. Treasury Mid office responsible for balance sheet planning from risk-return perspective including the strategic management of profit rate risk and liquidity risk being within the limits. ALCO meets at least once in a month to review economic, market status, outlook and liquidity position of the bank. ALCO also assesses pricing of assets and liabilities, maturity wise grouping of assets and liabilities, liquidity contingency funding plan in order to manage the Balance Sheet Risk in a prudent way. The Committee also reviews transfer pricing, other liquidity ratios and sensitivity of asset-liabilities.

The Asset Liability Committee of the Bank monitors balance sheet risk, liquidity risk, investment deposit ratio (IDR), deposit mix, investment mix, gap analysis etc. The primary objectives of the ALCO are liquidity management, fund management and assets liability

matching. The committee monitors and averts significant volatility in net investment income (NII), investment value and exchange earnings. In every ALCO meeting, the committee reviews the action taken in previous ALCO meeting, economic and market status and outlook, liquidity risk related to Balance Sheet, profit rate structure etc. Special ALCO meeting is arranged as and when any contingent situation arises.

ANTI-MONEY LAUNDERING & COMBATING FINANCING OF TERRORISM ACTIVITIES

Activities To Prevent Money Laundering And Terrorist Financing

Money Laundering and Terrorist Financing have become a globally burning issue for the nations and decision makers as well. These problems are not only for the world's major financial markets and offshore centers, but also for emerging markets. Bangladesh, being a developing country is also in vulnerability like other parts of the world for Money Laundering, Terrorism Financing and Financing in Proliferation of Weapons of Mass Destruction. Money Laundering and Terrorists Financing issues are crucial part of core risk management activities. We have framed a structure to fight against those risks. Bangladesh government has taken a number of significant steps adhering to international guidelines in preventing money laundering, combating terrorism financing and proliferation of weapons of mass destruction. Bangladesh's banking sector has come forward to play the best role in preventing these issues. Union Bank Ltd treats the money laundering and terrorist financing issues as a vital part of its core risk management activities. Bank has formulated its own guidelines for prevention of money laundering approved by the Board of Directors in line with Anti Money Laundering Law and Bangladesh Bank guidelines.

Union Bank Limited is also committed to take appropriate measures from its position to handle these issues. With this backdrop, Union Bank Limited has taken the following steps to work together with Bangladesh Financial Intelligence Unit (BFIU) towards preventing Money Laundering, Terrorist Financing and Financing in Proliferation of Weapons of Mass Destruction.

- Anti-Money Laundering (AML) & Combating Financing of Terrorism (CFT) Policies (Updated);

- Guidelines for Prevention of Trade Based Money Laundering (TBML);
- Money Laundering (ML) & Terrorist Financing (TF) Risk Management Guidelines (RMG)
- Customer Acceptance Policy (CAP)
- Implementation e-KYC through using Mobile App Account.
- A well-formed Central Compliance Committee (CCC)
- Well defined responsibilities of CAMLCO and D-CAMLCO for overall monitoring of the AML & CFT compliance issues;
- Automated Screening Mechanism (Velocity AML Solution Suites) for UN & Local Sanction
- Arrangement of Trainings Program / workshop for all Employees to enhance their skills on AML & CFT issues;
- Issuing Circulars to the Branches regarding AML & CFT issues;

Over and above, Union Bank Ltd. also considers the following issues:

- i. Prohibition of Business Relationship with Shell Banks;
- ii. Automated Screening Mechanism (Velocity AML Solutions Suites) for UN & Local Sanction;
- iii. Conducting System Check Inspection of Branches regarding Compliance status of AML & CFT issues;
- iv. High-risk accounts are reviewed annually and Low-risk accounts are checked in any specific incidents;
- v. Customers' Transaction Profile is also reviewed and updated on justifiable grounds with appropriate documents when it is needed;
- vi. Customers' Cash transactions (deposits or withdrawals) that breach certain limits set by Bangladesh Bank are reported to the BFIU regularly;
- vii. Client Awareness Program is arranged as per instruction of Bangladesh Bank.
- viii. Training /Workshop on ML, TF, TBML & CBML are conducted through banks Training Institute.

Moreover, Honorable Managing Director & CEO of the bank regularly circulates his yearly statement of commitment conveying the messages to the concerned officials in identifying the Beneficial Owner,

KYC and Transaction profile properly. He also advises the bank officials to be more careful in ascertaining and recognizing suspicious /unusual transactions, contact point verification and complete record keeping requirements etc. Our bank also arranges program to aware the members of the Board of Directors on AML & CFT issues. For successful compliance of all activities, we all are committed to uphold Union Bank Limited's image in the financial arena.

HUMAN RESOURCES DIVISION

Human Resources plays a strategic role in managing people, the workplace culture, environment and to build & accomplish a successful business strategy. Human Resources always play a prime role for an organization. Human Resources is a function within an organization concentrated basically on recruiting, managing and directing people who work in it. Besides, it deals with issues related to compensation, performance management, organization development, safety, wellness, benefits, employee motivation, training and others. If effective, it can contribute greatly to the overall company direction and success of its goals and objectives. Successful organizations realize the importance of well-trained and motivated employees to achieve the company's financial goals. Successful HR divisions realize the importance of keeping employees' focus on the company's financial goals while providing opportunities for employee growth and advancement. Thus, employees and management must both realize that a cooperative, not adversarial, relationship is vital to a company's success.

Union Bank Ltd. is an Islami Shariah based 4th generation Bank with an advanced and service oriented disclosure. With a view to ensure best of the service to its clients and compete with other organizations in the same business line, thousands of employees are dedicatedly working for stirring its improvement. A service based financial institute always give emphasis on the growth & development of its manpower to provide quality services to its clients and UBL is not an exception to this. It believes that the factors which help the Bank to survive and differentiate it from other banks are closely interlinked with the quality of services and satisfaction of the clients and those entirely depends on the qualification of the employees, efficiency & effectiveness of their works. The Bank distinguishes the value and contribution of its human resources in its

achievements. As the Bank identifies that the human resources give the organization a significant competitive edge, it continues the policy of recruiting the best possible professionals making equal opportunity for new talents in its process of recruitment & selection. The Bank, thereby, simultaneously adopts & implements different programs which includes training, workshops, seminar at home & abroad to develop its human resources with a view to make it a human capital for the organization and to retain high quality professionals to face the challenges of the 21st Century. Union Bank Ltd. as one of the employee responsive organizations always recognizes and responds to the necessity & prospects of its members and thus implements & embraces various policies to ensure their job security as well as social security even after retirement.

BUSINESS DEVELOPMENT DIVISION

Business Development Division has been established from vision to show and grow scope for developing plan of action by analytical preparation as well as necessary assistance related to achieve Business targets with prospected opportunities to execute. For materialization of aforesaid vision, BDD performs in four imperative categories:

Business Planning:

Business planning is the key strategy to achieve the business target. By close monitoring of Business and market trends, BDD develops plan to compete with competitors in market. BDD also performs as connector among the Branches, its clients and Head Office to reduce the business processing time.

Business Development:

BDD develops and provides New Business Insights (NBI) for financial gain by growing up Business techniques for branches. In addition, BDD provides required policy/guideline and supports business idea time to time.

Follow-up & Monitoring:

BDD paves the way for formulating strategies by following up & monitoring with report to the management periodically i.e., monthly, quarterly and yearly achievement of Branch's Business Budgets. BDD also rationalizes the action plans received from the Branches and provides necessary supports to achieve business targets according to the plan.

Business Solution and Process Reengineering:

BDD plays a vital role to find solution and takes necessary action to sort out problem for the Business gridlock of branch within shortest period of time. BDD also keeps liaison with different departments of bank to minimize time of approval and makes the process simple and fast.

Presently, in spite of facing global & national economic crisis, optimist and convenient business strategy can show the right path to increase Business growth as well as having solid market position. By developing suitable business plan, monitoring & following up and providing solution accordingly, BDD regularly assists and co-operates the branches to achieve the business targets.

UNION BANK TRAINING INSTITUTE

Union Bank Training Institute provides training to the employees of UBL in several areas that include Islamic Shariah, Islamic Economics, Islamic Banking, General Banking, Green Banking, National Integrity Strategy, Investment Mechanism, Foreign Exchange & Foreign Trade, Modern Techniques of Project Appraisal & Evaluation, Selection of Clients, Supervision & Follow-up of Investment, Customer Service Policy & Business Development, ICT operation & Security, Prevention of Money Laundering & Terrorist Financing, Core Risks Management, Non-Performing Investment Management and other areas of banking to the employees. A total of 813 employees of UBL were trained during the year 2022.

Training and Development

Human capital is an important asset for organizations under competitive market condition. Training and Development function enables human capital to unleash their skill. A profound training program acts as an effective way to enhance employee skills and enable them to perform better in their job. Training and development is indispensable strategic tool for enhancing employee performance and organizations. It aims to improve employee's skills by making them learn new techniques and compliance of regulations & circulars. Thus, it helps updating their knowledge of doing work which results in increasing their efficiency and hence, results in increasing productivity of an organization.

Union Bank Training Institute always strives for excellence in improving the ethical & professional standard of the officials of the bank & reviews the issue from time to time. The systematic improvement of the qualities of human resources of an organization is very much essential for sustainable development. Training is being provided to the employees round the year in the following manner:

- Foundation Training Course
- Advanced Training on Specialized Areas
- Workshop on Different Issues
- e-Workshop on Various Issues
- Virtual Conference

PERFORMANCE REPORT 2022

In 2022, Union Bank Training Institute has conducted and facilitated training, workshops, discussion for meeting the banking challenges. In-Sha-Allah this effort will be continued in upcoming days to enrich knowledge, improve skills and build positive attitudes.

Summary of the activities of the Union Bank Training Institute in 2022 are as follows:

a) Foundation Training Courses conducted during 2022:

S.L	Name of the Courses	Period	Duration	No. of Participants
01	Foundation Training Course for Probationary Officers	21.03.2022 to 07.04.2022	18 Days	30
		29.05.2022 to 16.06.2022	19 Days	30
		04.09.2022 to 2.09.2022	19 Days	29
		12.10.2022 to 31.10.2022	20 Days	34
02	Foundation Training Course (Phase-I)	16.11.2022 to 30.11.2022	15 Days	29
Sub Total				152

b) Workshops conducted during 2022:

S.L	Name of the Courses	Date	Duration	No. of Participants
01	Workshop on E-Payment	15.01.2022	1 Day	24
		19.02.2022	1 Day	45
02	e-Workshop on "Prevention of Money Laundering & Combating Terrorist Financing"	05.02.2022	1 Day	57
		05.03.2022	1 Day	70
		23.04.2022	1 Day	62
		21.05.2022	1 Day	68
03	Workshop on CAMELS Rating	02.04.2022	1 Day	28
04	Workshop on "Automated FC Clearing"	16.07.2022	1 Day	29
05	e-Workshop on EDP-"National Integrity Strategy Highlighting Compliance"	01.08.2022	1 Day	41
06	e-workshop on "Customer Service & Business Development"	24.08.2022	1 Day	79
07	e-Workshop on EDP-"National Integrity Strategy Highlighting Compliance"	29.08.2022	1 Day	41
08	Workshop on "Guidelines for Trust Fund Management"	17.12.2022	1 Day	22
09	Workshop on "BAMLCO Conference (Online)"	22.12.2022	1 Day	95
Sub Total				661

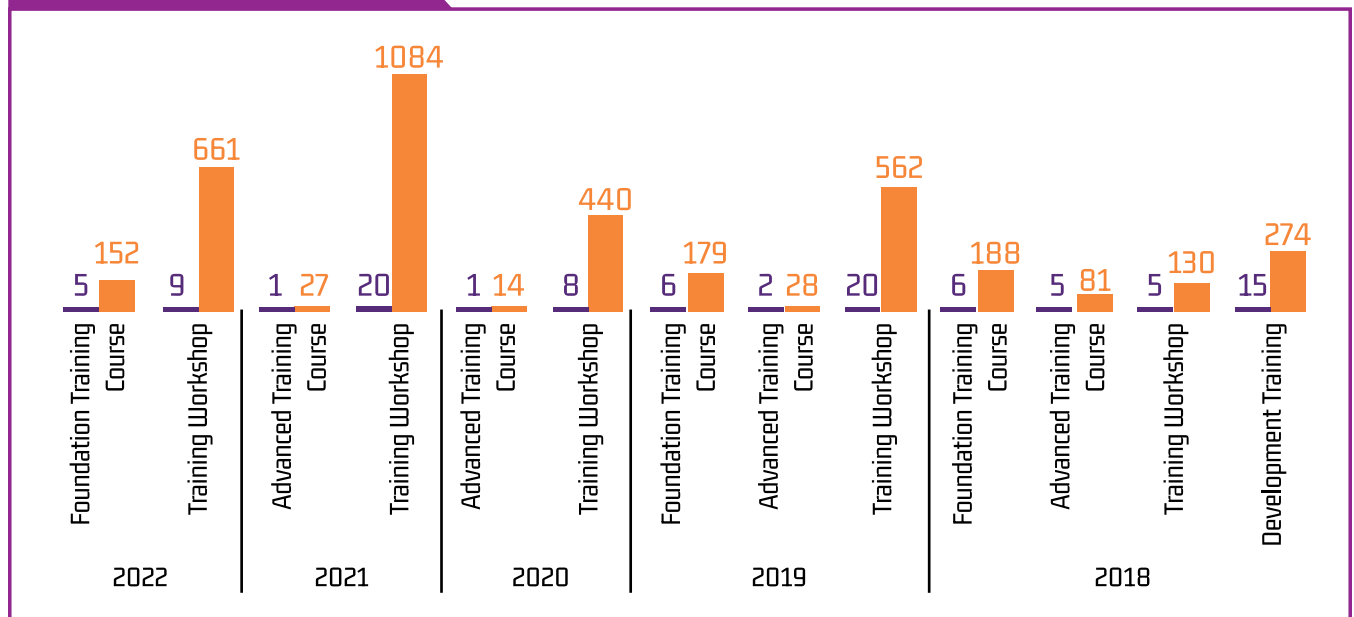
Total (a+b) = 813

PERFORMANCE REPORTS OF LAST FIVE YEARS

2022		
Title	Number of Programs	Total Participants
Foundation Training Courses	5	152
Training Workshop	9	661
Total	14	813
2021		
Title	Number of Programs	Total Participants
Advanced Training Course	01	27
Training Workshop	20	985
Conference	01	99
Total	22	1111
2020		
Title	Number of Programs	Total Participants
Foundation Training Courses	01	29
Advanced Training Course	01	14
Training Workshop	08	440
Total	10	483
2019		
Title	Number of Programs	Total Participants
Foundation Training Courses	06	179
Advanced Training Course	02	28
Training Workshop	20	562
Total	28	769
2018		
Title	Number of Programs	Total Participants
Foundation Training Courses	06	188
Advanced Training Course	05	81
Training Workshop	05	130
Other Development Training	15	274
Total	31	673

Year	Title	Number of Programs	Total Participants
2022	Foundation Training Courses	5	152
	Training Workshop	9	661
2021	Advanced Training Course	1	27
	Training Workshop	20	1084
2020	Advanced Training Course	1	14
	Training Workshop	8	440
2019	Foundation Training Courses	6	179
	Advanced Training Course	2	28
	Training Workshop	20	562
2018	Foundation Training Courses	6	188
	Advanced Training Course	5	81
	Training Workshop	5	130
	Development Training	15	274

Graphical Performance



INITIAL PUBLIC OFFERING (IPO):

After getting final approval of Bangladesh Securities and Exchange Commission (BSEC) via consent letter no. BSEC/CI/IPO-319/2021/599 dated November 24, 2021, Union Bank Limited has raised paid-up capital Tk. 428,00,00,000/- (Four Hundred Twenty-Eight Crore) issuing 42,80,00,000 shares of Tk. 10/- each through Initial Public Offering (IPO) under fixed price method. The subscription period for IPO of Union Bank Limited was from December 26, 2021 to December 30, 2021 and the total subscription was 3.62 times higher. It was the Largest IPO in the Banking Sector and Fourth largest among all sectors. Prime Bank Investment Limited and BRAC EPL Investment Limited served as the Issue Manager and Co-Issue Manager respectively for the said Initial Public Offering (IPO). Union Bank Limited was listed with Dhaka Stock Exchange Limited on January 18, 2022 and Chittagong Stock Exchange PLC on January 17, 2022. The debut trading and ring the bell ceremony of Union Bank Limited was held on January 26, 2022 at Dhaka Stock Exchange Limited and Chittagong Stock Exchange PLC office. On behalf of Union Bank limited the high officials were present at the ceremony. The key officials of Dhaka Stock Exchange Limited, Chittagong Stock Exchange PLC, Prime Bank Investment Limited (Issue Manager) and BRAC EPL Investment Limited (Co-Issue Manager) were also present at the ceremony.

Utilization of proceeds raised through public issues:

Union Bank received the proceeds of Initial Public Offering (IPO) amounting Tk. 428,00,00,000/- (Four Hundred Twenty-Eight Crore only) in the mid of January 2022 followed by subscription from December 26, 2021 to December 30, 2021. As per condition number 3, Part C of the consent letter # BSEC/CI/IPO-319/2021/599 dated on 24 November 2021, our external Auditor K M Hasan & Co. Chartered Accountants conducted the audit of status report on Utilization of Initial Public Offering (IPO) Proceeds. The status of Utilization of Initial Public Offering (IPO) Proceeds as on December 31, 2022 is as follows:

Sl No	Purpose Mentioned in Prospectus	Amount as per Prospectus	Total Utilized	Utilized %	Total Un-utilized	Un-utilized %
1	Investment in SME	100,00,00,000/-	100,00,00,000/-	100%	-	-
2	Investment in Project Finance	146,50,00,000/-	146,50,00,000/-	100%	-	-
3	Investment in Government Securities	100,00,00,000/-	100,00,00,000/-	100%	-	-
4	Investment in Capital Market	75,00,00,000/-	19,00,00,000/-	25.33%	56,00,00,000/-	74.67%
5	IPO Expenses	6,50,00,000/-	5,99,30,850/-	92.20%	50,69,150/-	7.80%
	Total	428,00,00,000/-	371,49,30,850/-	86.80%	56,50,69,150/-	13.20%

The deadline of Utilization of Initial Public Offering (IPO) Proceeds is 12 months from the date of receiving fund.

DIVIDEND

The Board of Directors has recommended 05% Cash Dividend for the year ended December 31, 2022.

RETIREMENT & RE-ELECTION OF DIRECTORS

As per the Companies Act, Bank Companies Act and Articles of Association of the Company, each year one-third of the Directors retire from the office of Directors and depending on eligibility, may offer themselves for re-election by shareholders at the Annual General Meeting. Therefore, by rotation, every Director is required to submit themselves for retirement and re-election by shareholders at regular intervals.

APPOINTMENT OF EXTERNAL AUDITORS

The present auditor Rahman Mostafa Alam & Co., Chartered Accountants was appointed as external auditor for the year 2022 by the Shareholders in the 9th Annual General Meeting as per provision of Companies Act, 1994. A new auditor will be appointed for the year 2023 (until the next AGM).

APPOINTMENT OF COMPLIANCE AUDITORS

M M Yasin & Co. Chartered Accountants was appointed as Compliance Auditor of the Bank for the year 2022 by the Shareholders as per condition 9(2) of the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June, 2018 of Bangladesh Securities & Exchange Commission. The Board of Directors has recommended Haruner Rashid & Associates, Chartered Secretaries & Management Consultants as Compliance Auditor for the year 2023.

APPRECIATION

With deep gratitude to Almighty Allah for the remarkable business success of Union Bank Limited in 2022, I express my heartfelt thanks to my esteemed colleagues on the Board of Directors for their unwavering support. I am also grateful to our Managing Director, officials, and all the dedicated staff at Union Bank Limited who have contributed to our achievements.

The Board of Directors and the bank management are confident that our bank is strategically positioned to continue its growth journey in the years ahead. We remain committed to enhancing our customer service and product proposition, adopting sound asset and liability management practices, embracing market best practices, and upholding prudent risk management and good governance.

I would like to extend my sincerest gratitude and appreciation to our valued shareholders and clients for their unwavering trust and support. Furthermore, I express my heartfelt thanks to Bangladesh Bank, Bangladesh Securities and Exchange Commission, Registrar of Joint Stock Companies and Firms, Dhaka Stock Exchange Limited, Chittagong Stock Exchange PLC, and all other regulatory authorities for their invaluable cooperation and support.

Together, with the collective efforts of our dedicated team, regulatory bodies, and stakeholders, we are poised for continued success in the future, and we remain steadfast in our commitment to excellence in the banking industry.

May Almighty Allah grant his infinite mercy upon us.

Ameen.

On behalf of the Board of Directors



Ahsanul Alam
Chairman

REPORT OF THE AUDIT COMMITTEE

For the period from January-2022 to December-2022

The Audit Committee of the Board of Directors of Union Bank Limited has been constituted to act as a watchdog on behalf of the Board of Directors and carries oversight responsibilities. The Board of Directors sets out the overall business plan and formulates policies and the Management plans into effect. The Audit Committee, on behalf of the Board, strives to ensure effective implementation of the process/ procedures set out in the Business Plans and Policies.

The existing members of the Audit Committee: (as on April 30, 2023)

Sl.	Name	Status in the Board	Status in the Audit Committee
1	Mr. Md. Abdus Salam, FCA	Independent Director	Chairman
2	Mr. Showkat Hossain, FCA	Director	Member
3	Mr. Mohammad Fazlay Morshed	Director	Member

Roles and Responsibilities of Audit Committee:

The Audit Committee is responsible for exercising the full powers and authority of the Board in accounting and financial reporting matters and any activity within its terms of reference. The committee reports to Board of Directors as per terms of reference, on the activities assigned. The role and responsibilities of the committee includes:

I. Activities Related to Internal Control

- Review compliance status of the commercial audit report, comprehensive inspection report conducted by Bangladesh Bank and statutory audit report and advise the Management to ensure full compliance.
- Discuss the decisions of the compliance report of internal audit conducted on different branches on quarterly basis.
- Evaluate whether Management is setting the appropriate compliance culture by communicating the importance of internal control and the Management risk and ensuring that all employees are understanding of their roles and responsibilities.

- Review the corrective measures taken by the Management as regards the reports relating to fraud-forgery, deficiencies in internal control by the inspectors of the regulatory authority and inform the Board on a regular basis.
- Review Management Letter/Letters regarding weakness of Internal Control issued by statutory auditors

II. Activities Related to Financial Reporting

- Review along with the Management, the annual, half yearly and quarterly financial statement submission to the Board for approval with the determination whether they are complete and consistent with the accounting standards set by the regulatory authority.
- Check whether the financial statements reflect the complete and concrete information and determine whether the statements are prepared according to the existing rules and regulations and standards enforced in the country as per relevant prescribed accounting standards set by Bangladesh Bank.
- Meet with Management and the external auditors to review the financial statements before their finalization.

III. Activities Related to Internal Audit

- Discuss the internal audit report on different branches and instructed Management to take necessary disciplinary action against fraud forgery committed by the employees;
- Review responsibility fixation report of internal audit for irregularities in routine works in different branches and recommendation(s) for taking necessary disciplinary action against responsible person;

- Review the efficiency and effectiveness of internal audit plan.
- Review the efficiency and effectiveness of internal audit functions.
- Review the findings and recommendations made by internal auditors for removing the irregularities and ensure compliance by the Management in running the affairs of the Bank.

IV. Activities Related to External Audit

- Review the auditing performance of the external auditors and audit report.
- Review the findings and recommendations made by the external auditors for removing the detected irregularities in running the affairs of the Bank are duly considered by the Management.
- Make recommendations to the Board regarding the appointment of the external auditors for conducting audit works of the Bank.

V. Compliance with existing laws and regulations

- Review whether the laws and regulations framed by the regulatory authorities (Bangladesh Bank, BSEC and other bodies) and internal regulations approved by the Board are being complied with.

Other Responsibilities

- Place compliance report before the Board on quarterly basis regarding regularization of the errors, fraud and forgeries and other irregularities detected by the internal & external auditors and inspectors of regulatory authorities;
- Perform other oversight functions as requested by the Board and evaluate the committee's own performance on a regular basis.

Meeting of the Audit Committee

The Audit Committee of the Bank held Five (05) meetings during the year 2022 and had detail discussions and review sessions with Head of Internal Control & Compliance, External Auditors etc., regarding their findings, observations and remedial suggestions on issue of the bank affairs that need improvement.

The Audit Committee instructed Management to follow those remedial suggestions and monitored those accordingly.

Dates of Audit Meetings held during the year 2022 are:

Meeting	Date of Meeting Held
42 nd Audit Committee Meeting	16-03-2022
43 rd Audit Committee Meeting	28-04-2022
44 th Audit Committee Meeting	16-06-2022
45 th Audit Committee Meeting	26-10-2022
46 th Audit Committee Meeting	15-12-2022

Activities in 2022:

- Reviewed Internal Audit Plan-2022 prepared by Internal Control & Compliance Division, Head Office and recommended to submit it to the Board of Directors.
- Reviewed surprise inspection report of Tajmohol Road Branch conducted by Bangladesh Bank and advised to the Bank Management to regularize the irregularities.
- Reviewed summary of Comprehensive Report and report on non-complied vital issues of Compliance report of 70 Branches submitted by Internal Audit from 01-01-2021 to 31-12-2021 prepared on 30-12-2021 and recommended to Bank Management for taking proper initiative to regularize non-complied issues.
- Reviewed Financial Statements of 2021 prepared on 31-12-2021 and recommended those to place before the Board of Directors for consideration.
- Reviewed Financial Statements of 1st quarter of 2022 prepared on 31-03-2022 and recommended those to place before the Board of Directors for consideration.
- Reviewed and approved "Report of the Audit Committee" 2021".
- Reviewed summary of Investment Documentation Checklist (IDCL) of all Branches submitted by Internal Audit from 01-10-2021 to 31-12-2021 and recommended to Bank Management for taking proper initiative to regularize non-complied issues.
- Reviewed and approved proposal of hiring Rahman Mostofa Alam and Co., Chartered Accountants as an external auditor form 9th Annual General Meeting to 10th Annual General Meeting and recommended to submit it to the Board of Directors.

- Reviewed the submission of core risk report conducted by Bangladesh Bank based on 30th June, 2021 and recommended those to place before the Board of Directors for consideration.
- Reviewed summary of Comprehensive Report and report on non-complied vital issues of Compliance report of 28 Branches submitted by Internal Audit from 01-01-2022 to 31-03-2022 prepared on 31-03-2022 and recommended to Bank Management for taking proper initiative to regularize non-complied issues.
- Reviewed Financial Statements of 2nd quarter of 2022 prepared on 30-06-2022 and recommended those to place before the Board of Directors for consideration.
- Reviewed Financial Statements of 3rd quarter of 2022 prepared on 30-09-2022 and recommended those to place before the Board of Directors for consideration.
- Reviewed and approved proposal of giving certificate on overall activities of Internal Control & Compliance Division in 2021 by MANCOM.
- Reviewed and approved Annual Health Report-2021 and recommended to submit it to the Board of Directors.
- Reviewed summary of Comprehensive Report and report on non-complied vital issues of Compliance report of 56 Branches submitted by Internal Audit from 01-01-2022 to 30-06-2022 prepared on 30-06-2022 and recommended to Bank Management for taking proper initiative to regularize non-complied issues.
- Reviewed Internal Audit Plan-2023 prepared by Internal Control & Compliance Division, Head Office and recommended to submit it to the Board of Directors.

Acknowledgement

The Audit Committee expresses its sincere thanks to the Members of the Board, Management and the Auditors for their excellent support while carrying out and discharging their duties and responsibilities effectively and smoothly.



Md. Abdus Salam, FCA
Chairman
Audit Committee

শারী'আহ সুপারভাইজরি কমিটির প্রতিবেদন (৩১ ডিসেম্বর, ২০২২ দ্বিসায়ী তারিখে সমাপ্ত বছরের জন্য)

বিস্মিল্লাহির রাহমানির রাহীম,

আলহামদু লিল্লাহি রাব্বিল আলামীন, ওয়াসসালাতু ওয়াসসালামু আলা সাইয়িদিল আম্মিয়া-ই ওয়াল মুরসালীন ওয়া 'আলা আলিহি ওয়া আসহাবিহী আজমাঈন।

ইউনিয়ন ব্যাংক ৪র্থ প্রজন্মের ইসলামী ব্যাংকগুলোর মধ্যে অগ্রজ। যাবতীয় কার্যক্রম শারী'আহ অনুযায়ী পরিচালনার অঙ্গীকার নিয়ে ব্যাংকটি ২০১৩ সালে যাত্রা শুরু করে। ব্যাংকটির কার্যক্রমে শারী'আহ পরিপালনে প্রয়োজনীয় দিক নির্দেশনা প্রদানের লক্ষ্যে প্রখ্যাত ও অভিজ্ঞ উলামায়ে কেলাম এর সমন্বয়ে একটি শারী'আহ সুপারভাইজরি কমিটি দায়িত্ব পালন করছে।

ইউনিয়ন ব্যাংক শারী'আহ সুপারভাইজরি কমিটি ব্যাংকের কার্যাবলী পর্যবেক্ষণ ও পর্যালোচনাপূর্বক মতামত ও শারী'আহ সংক্রান্ত প্রয়োজনীয় দিক-নির্দেশনা প্রদান করে এবং ব্যাংক কর্তৃপক্ষ উক্ত কমিটি প্রদত্ত মতামত ও দিকনির্দেশনা মোতাবেক ব্যাংকের যাবতীয় কার্যক্রম পরিচালনা করে থাকে।

শারী'আহ সুপারভাইজরি কমিটি ২০২২ সালে মোট ৩ টি সভায় মিলিত হয়েছে। এ সময় কমিটি ২০২১ সালের স্থিতিপত্র (ব্যালেন্সশীট) ও লাভ-ক্ষতি হিসাব শারী'আহর আলোকে বিস্তারিত পর্যালোচনা পূর্বক অনুমোদন করেছে। এছাড়া মুদারাবা আমানতকারীদের মধ্যে মুনাফা বিতরণের হার ও শারী'আহ সংক্রান্ত ব্যাংকের বিভিন্ন কার্যক্রম অনুমোদন করে।

ব্যাংকের সকল লেনদেন নিরীক্ষা ও পরিদর্শন পূর্বক শারী'আহ পরিপালনের বিষয়টি নিশ্চিত করণের লক্ষ্যে শারী'আহ সুপারভাইজরি কমিটি সচিবালয়ে কর্মরত মুরাক্বিবগণ শারী'আহ পরিদর্শন কার্যক্রম পরিচালনা করে থাকেন।

ইউনিয়ন ব্যাংকের যাবতীয় কার্যক্রম শারী'আহর আলোকে পরিচালনার জন্য শারী'আহ সুপারভাইজরি কমিটি উহার সচিবালয়ের মাধ্যমে ব্যবস্থাপনা কর্তৃপক্ষকে প্রয়োজনীয় পরামর্শ এবং দিকনির্দেশনা দিয়ে যাচ্ছে।

পরিশেষে আল্লাহ রাব্বুল আলামীনের দরবারে প্রার্থনা যে, তিনি যেন আমাদেরকে ইসলামী ব্যাংকিং কার্যক্রমে এবং আমাদের জীবনের প্রতিটি ক্ষেত্রে যথাযথভাবে শারী'আহ পরিপালনের তাওফিক দান করেন। আমীন।

(মুফতী মুহাম্মদ মুহিবুল্লাহিল বাকী নদভী)

সদস্য-সচিব

শারী'আহ সুপারভাইজরি কমিটি

(প্রফেসর মোহাম্মদ মোজাহেদুল ইসলামী চৌধুরী)

চেয়ারম্যান

শারী'আহ সুপারভাইজরি কমিটি

Report of Shari'ah Supervisory Committee (For the year ended 31 December, 2022)

Bismillahir Rahmanir Rahim,

Alhamdu Lillahi Rabbil Alamin, Wassalatu Wassalamu Ala Syedil Ambia-E Wal Mursaleen Wa'Ala Alihi Wa Ashabihi Ajmaeen.

Union Bank is one of the 4th generation Islamic banks.. It has started its journey in 2013 with the commitment of operating all its activities according to Shari'ah principles. A Shari'ah Supervisory Committee, consisting of renowned Islamic Scholars is providing necessary directions so that Bank's activities are conducted in accordance with Shari'ah principles.

Union Bank Shari'ah Supervisory Committee observes the operations of the Bank, evaluation of the operations and provides necessary directions relating to Shari'ah and Bank Management Conduct Banking operations according to the directions of the committee.

In 2022, Shari'ah Supervisory Committee has conducted 3 meetings. In these meeting the Committee approved the Balance Sheet, Profit and Loss accounts for the financial year 2021 after thorough discussion. The Committee has also approved various activities of the bank related to Shariah, including profit rate for distribution among Mudaraba depositors.

Muraqibs of Shari'ah Supervisory Committee Secretariat have been conducting Shariah Audit rigorously to ensure that each and every transactions of the bank conform to the Shari'ah principle.

To conduct Union Bank's entire activities in accordance to Shari'ah, the Shari'ah Supervisory Committee continues its supervision and provides necessary directions through Shari'ah Secretariat.

May Allah give us tawfiq to achieve His satisfaction through the implementation of Shari'ah in every where of our life including those to Islamic Banking.

Mufti Mohammad Muhibullahil Baqee Nadwi
Member Secretary
Shari'ah Supervisory Committee

Professor Mohammad Mozahidul Islam Chowdhury
Chairman
Shari'ah Supervisory Committee



SUSTAINABLE FINANCE

The Sustainable Finance is made up of the Green Finance and the Sustainable Linked Finance. The fundamental clarity and direction needed to define green and sustainable linked finance are addressed by this policy. Together with Agriculture, CMSME, and Socially Responsible Finance, which are all tied to sustainability. As a member of the nation's financial powerhouse, Union Bank Ltd. is deeply concerned about the drastic decline in biodiversity, the effects of climate change, and environmental harm. We would put environmental concerns at the forefront of banking operations.

Union Bank Ltd., following Bangladesh Bank guidelines, has established a Sustainable Finance Committee and Unit to oversee operations and create its own ESRM guidelines, and has introduced green financing options to fund environmentally beneficial projects. Protecting environment pollution and considering social benefits, the bank has been financing in the Sustainable Linked Finance including Sustainable Agriculture, Sustainable CMSME, Socially Responsible Financing and Green Finance which intricate ETP (Effluent Treatment Plant) at manufacturing unit, Auto Bricks and some other field. The bank has also investment in the Green Investment field. We can generally assume that Union Bank Limited is heavily focused on the government's SDG goals in 2030. Apart from these, to expedite sustainable finance inclusion, being part of the banking service, we are endeavoring to open accounts for students and low-income individuals and furthermore, investing in the SME (women entrepreneurs).



UNION BANK LIMITED SUSTAINABLE FINANCE STANZA

Scopes which are incorporated in UBL:

Social Responsibilities (SR)

CSR initiatives have enabled the development of “Sustainable Banking” and UBL, in 2022, has spent Taka 157.29 million on education, health, disaster management, environment, cultural welfare, infrastructure improvement, as well as income generating activities and thus ameliorating day by day.

Environmental Commitments

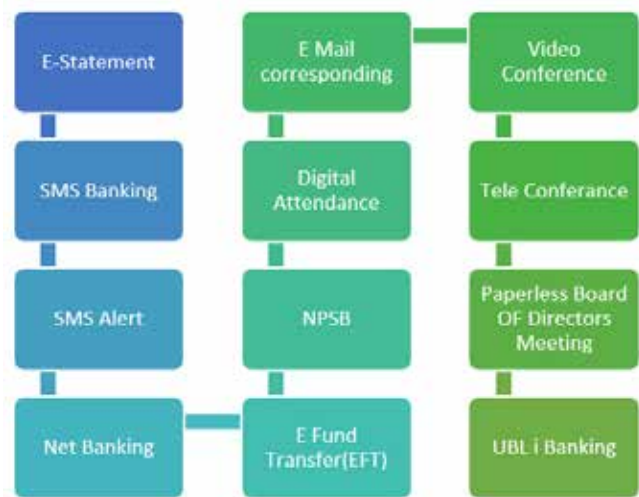
UBL encourages energy conservation through using energy-efficient bulbs, daylight which enables to save 50 percent of the electricity and electronic communication that reduces paper usage and deforestation.

Energy Consumption

Energy Type	Million Taka
Electricity	58.57
Water	1.37
Paper	25.42
Fuel	20.78

Reducing Energy & Resource Consumption

UBL, in addition to widespread digitization, is repositioning the bank as inclusive and sustainable finance, offering green banking tools such as electronic statements, SMS banking, internet banking, EFT, digital time and attendance. It also achieves a good CAMELS rating from the regulator, cementing their green reputation. The below-chart depicts Green Banking tools offered by Union Bank Limited:



Green Banking

UBL is unquestionably contributing significantly to the advancement of green finance. First and foremost, bank provides financing, an essential component of business operations. As a result, banks are well-positioned to not only encourage their customers to adopt eco-friendly technologies and practices but also to provide financing for this. Besides, because of their escalated connections with the clients, banks are an extraordinary wellspring of data on the business area.

Online Banking

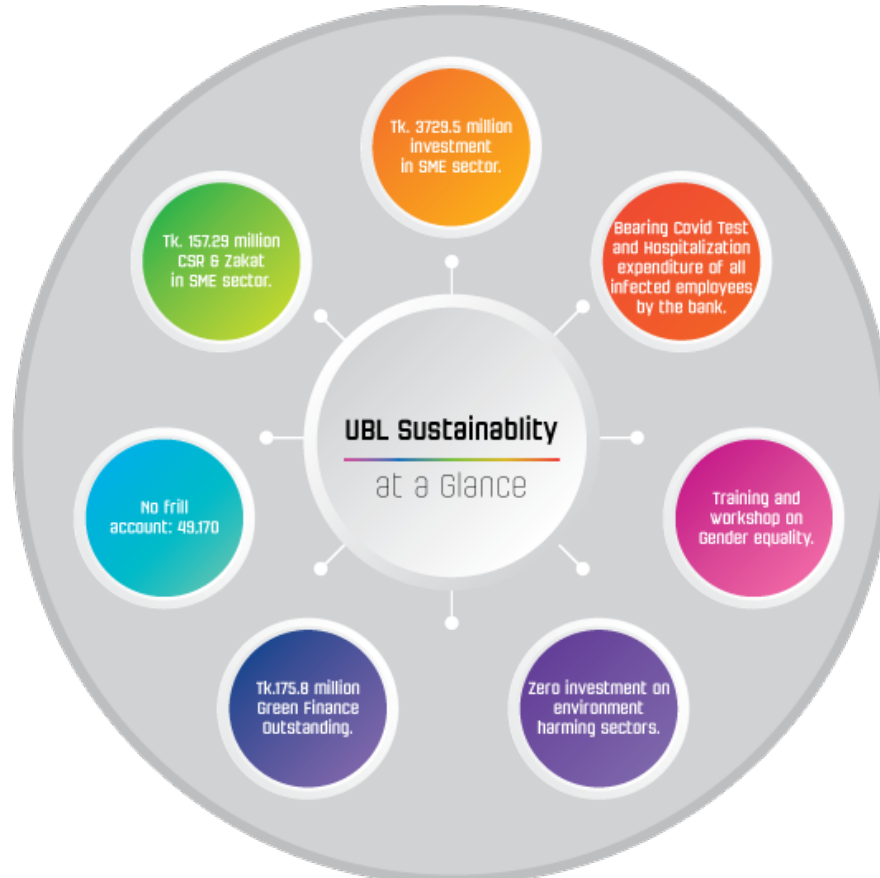
Since its inception, UBL rolled out the online banking service to its customers. Our customers at UBL now have access to the Online Banking Service, which is available at 96 ATMs, 112 branches and 46 sub-branches. Internet and mobile banking also provide clients with access to their accounts. The system of online banking is a great way to save paper.

Our future Plan

In order to promote green initiatives, UBL intends to concentrate on the following areas of operation:

- To speed up green growth, sustainable financing must take precedence.
- Strategies for long-term, interconnected growth are advantageous for most people.
- To encourage small and medium-sized firms to go green, a long-term green sustainable financing policy should be developed.
- To make financial decisions, ESG factors should be taken into consideration.
- Approved yearly spending plan for Green money, Environment Chance Asset and CSR exercises.
- A committee will be established to develop and monitor sustainable finance strategies and policies.
- To coordinate the activities of the sustainable finance unit with all of the banks' departments.
- Propelled environmentally friendly investment projects like biogas, waste and recycling plants, renewable energy projects, modern technology-based brick projects, green establishments, and so on.
- Guaranteed online communication system for leave management, office orders, and transfers.
- Virtual communication to save money and energy. Conducted the branch's inauguration ceremony via video conference.

Key Highlights-2022 on Sustainability Banking:



Green Banking:

Green finance aims to reduce emissions, improve greenhouse gas sinks, and increase resilience to climate change. Green banking is an effort to transition to low-carbon and resource-intensive businesses to protect the environment from air, water, and other environmental problems, such as deforestation and loss of biodiversity in Bangladesh.

Bangladesh Bank (BB) has given instructions to all scheduled banks to facilitate the installation of Effluent Treatment Plants (ETPs) and finance Solar Energy, Bio-gas, ETPs and Hybrid Hoffman Kilns (HHKs).

Union Bank Limited has previously developed a green banking policy and introduced green financing, as well as CSR initiatives for eco-friendly projects and events, internal environmental management, etc., are all actively being taken into consideration. As of 2019, the Bank has provided green financing for a variety of green initiatives, including solar energy, ETP, and auto bricks. With the purpose of raising awareness of green banking, we are also working on carbon footprint measurement, green marketing, and holding workshops for our bank officials.

Green banking practices in 2022:

UBL has been financing in various projects of Green financing products which are environment friendly. Bank has extended green finance in the different green projects like Auto Bricks, ETP and Solar power. We also working on Carbon Footprint Measurement, Green Marketing and organizing workshop on green Banking of our Bank officials for developing awareness of green banking. During the year 2022 banks significance green banking activities are highlighted in below.

In-house Green Banking Practices:

Consumption	Year 2022
Electricity Consumption in 2022 per employee (in million Taka)	0.0275
Water Consumption in 2022 per employee (in million Taka)	0.0006
Paper Usage in 2022 per employee (in million Taka)	0.0119
Transport expenses for official purpose in 2022 per employee (in million Taka)	0.0097

Consumption	Year 2022
Electricity Consumption in 2021 per employee (in million Taka)	0.0272
Water Consumption in 2021 per employee (in million Taka)	0.0006
Paper Usage in 2021 per employee (in million Taka)	0.0006
Transport expenses for official purpose in 2021 per employee (in million Taka)	0.0073

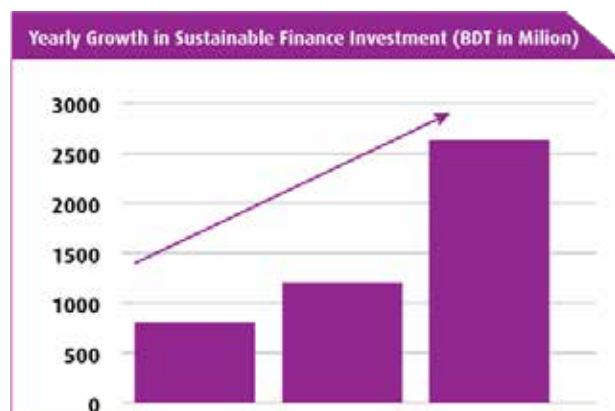
Green Investments:

Investments	Year 2022
Green Investment (in million Taka)	1181.0
Total Investments (in million Taka)	222275.44
Green Equity (in million Taka)	0.00
Shareholders' Equity (in million Taka)	60684.76

Growth in Sustainable Finance Investment at UBL:

Union Bank Limited strives to create value for stakeholders by investing in sectors that align with their sustainability goals, such as Sustainable agriculture, Sustainable CMSME, Socially Responsible Financing (SRF), Eco-Friendly Products for Trading sector, and green infrastructure.

Union Bank Limited is committed to promoting sustainable finance investment growth through responsible investing practices to create a better future for all. Over the year, the bank has been enhancing investment in the sustainable way, following Bangladesh Bank guidelines. An overview of yearly growth in the investment of Sustainable Finance has been depicted below:





Corporate Governance



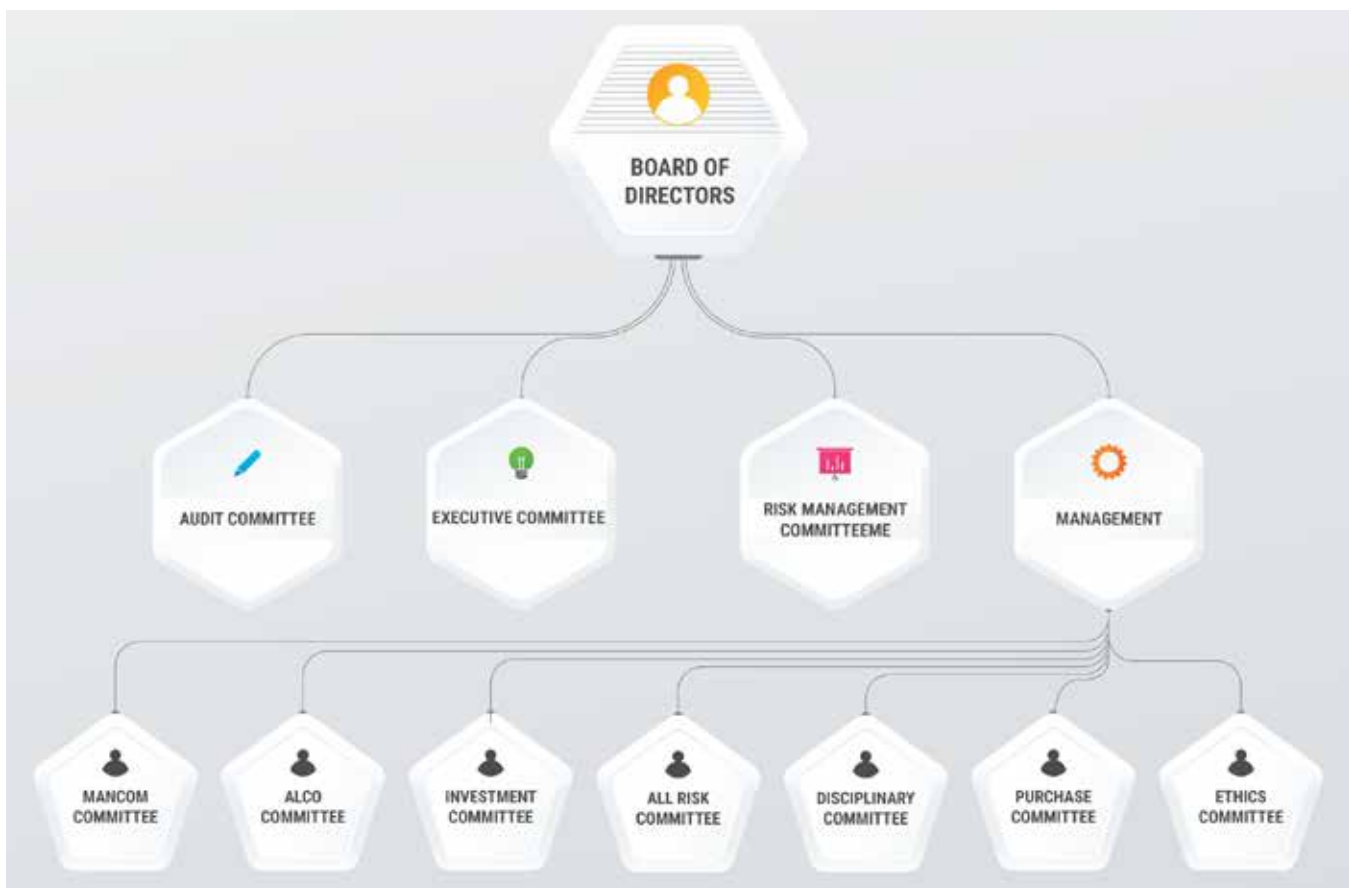
CORPORATE GOVERNANCE REPORT

Corporate Governance is a set of relationships among a company's management, its board, its shareholders and other stakeholders which provides the structure through which the objectives of the company are set, and the means of attaining those objectives and monitoring performance. It helps to define the way of authority and responsibility are allocated and how corporate decisions are made. The primary objective of corporate governance should be safeguarding stakeholders' interest in conformity with public interest on a sustainable basis. Among stakeholders, particularly with respect to retail banks, shareholders' interest would be secondary to depositors' interest. Corporate Governance determines the allocation of authority and responsibilities by which the business and affairs of a bank are carried out by its board and senior management, including how they:

- Set the bank's strategies and objectives;
- Select and oversee personnel;
- Operate the bank's business on a day-to-day basis;
- Protect the interests of depositors, meet shareholder obligations, and take into account the interests of other recognized stakeholders;
- Align corporate culture, corporate activities and behavior with the expectation that the bank will operate in a safe and sound manner, with integrity and in compliance with applicable laws and regulations; and
- Establish control functions.

GOVERNANCE STRUCTURE OF THE BANK

In the Strategic Planning, Corporate Governance plays a vital role in stating an organization's present outlook and in future planning. Union Bank Limited has always kept focus on its corporate governance and the Board of Directors & Higher Management works closely regarding this matter. Bank's ALCO Committee, MANCOM Committee, Investment Risk Management Committee, All Risk Committee, Purchase Committee, Disciplinary Committee and Ethics Committee work to ensure corporate governance with the instructions & recommendations of the Board & its sub-committees. Each and every decision is made through a vigorous evaluation and discussion in these committees formed Bank's Higher Management. Bank's Board of Directors and Bank's Higher Management pay a great importance on these recommendations of the committees and during the decision making the Board fairly considers these recommendations.



BOARD OF DIRECTORS AND ITS SUB-COMMITTEES

The Board of Directors of Union Bank Limited currently consists of 10 Directors excluding the Managing Director. The existing Board of Directors of the Bank includes two Independent Directors as prescribed in the Bank Company Act 1991. The Board of Directors of the Bank has also formed three Sub-committees i.e.: Executive Committee, Audit Committee and Risk Management Committee complying with the relevant provisions of the Companies Act 1994, the Bank Company Act 1991, the Corporate Governance Guidelines, Directives, Notification of the BSEC and Circulars of the Bangladesh Bank. List of details of the Committees as on December 31, 2022 are stated below:

List of Board of Directors

SL	Name	Designation
1	Mr. Ahsanul Alam	Chairman
2	Mr. Mollah Fazle Akbar	Vice-Chairman
3	Ms. Marzina Sharmin	Director
4	Mr. Showkat Hossain, FCA	Director
5	Mr. Md. Rashedul Alam	Director
6	Mr. Mohammad Fazlay Morshed	Director
7	Ms. Halima Begum	Director
8	Mr. Osman Goni	Director
9	Mr. Md. Abdul Quddus	Independent Director
10	Mr. Md. Abdus Salam, FCA	Independent Director

Executive Committee of the Board of Directors

SL	Name	Designation
1	Mr. Ahsanul Alam	Chairman
2	Mr. Mollah Fazle Akbar	Member
3	Ms. Marzina Sharmin	Member
4	Mr. Md. Rashedul Alam	Member

Audit Committee of the Board of Directors

SL	Name	Designation
1	Mr. Md. Abdul Quddus	Chairman
2	Mr. Showkat Hossain, FCA	Member
3	Mr. Mohammad Fazlay Morshed	Member
4	Mr. Md. Abdus Salam, FCA	Member

Risk Management Committee of the Board of Directors

SL	Name	Designation
1	Mr. Showkat Hossain, FCA	Chairman
2	Mr. Md. Rashedul Alam	Member
3	Ms. Halima Begum	Member
4	Mr. Osman Goni	Member

APPOINTMENT, ROTATION, RETIREMENT AND REMOVAL OF DIRECTORS

All the appointment, rotation, retirement and removal of Directors are done by following all the related provisions which are applicable for Banks. As per the Section 91 of the Companies Act 1994, Section 79-87 of Schedule I of the Act, and Articles of Association of the Bank, one-third of the Directors have to retire from office in every Annual General Meeting (AGM) and shall be eligible for re-election upon retirement immediately. List of the change of the Directors during 01-01-2022 to 31-12-2022 is given below:

SL	Name	Designation	Date of Retirements	Remarks
01	Mr. Showkat Hossain, FCA	Director	04-07-2022	Retired and re-appointed (BB approved on October 17, 2022)
02	Ms. Halima Begum	Director	04-07-2022	Retired and re-appointed (BB approved on October 17, 2022)
03	Mr. Mohammad Fazlay Morshed	Director	04-07-2022	Retired and re-appointed (BB approved on October 17, 2022)

DIRECTORS' SHAREHOLDING

The shareholding information of existing Board of Directors is as follows:

Sl	Name of the Shareholders	Position	Shareholding	Percentage
1	Mr. Ahsanul Alam Represented by UNIQUE INVESTMENT & SECURITIES LTD.	Chairman	5,22,36,800	5.29%
2	Mr. Mollah Fazle Akbar Represented by RELIABLE ENTREPRENEURS LTD.	Vice-Chairman	1,98,53,280	2.01%
3	Ms. MARZINA SHARMIN	Director	2,74,24,320	2.78%
4	Ms. Halima Begum Represented by LION SECURITIES & INVESTMENT LTD.	Director	4,47,36,800	4.53%
5	Mr. Mohammad Fazlay Morshed Represented by C&A FABRICS LIMITED	Director	1,99,06,240	2.02%
6	Mr. Showkat Hossain FCA Represented by WESTERN DESIGNER LIMITED	Director	2,08,16,365	2.11%
7	Mr. Rashedul Alam Represented by OCEAN RESORTS LIMITED	Director	2,74,24,320	2.78%
8	Osman Goni Represented by C&A ACCESSORIES LIMITED	Director	1,99,01,683	2.02%
9	Md. Abdul Quddus	Independent Director	Nil	Nil
10	Md. Abdus Salam FCA	Independent Director	Nil	Nil

SHARES HELD BY MANAGING DIRECTOR, COMPANY SECRETARY, CHIEF FINANCIAL OFFICER & HEAD OF INTERNAL AUDIT & COMPLIANCE AND THEIR SPOUSES & MINOR CHILDREN:

Name	Designation	Holding of share	Holding of share by their spouse and minor children
Mr. A.B.M Mokammel Hoque Chowdhury	Managing Director	Nil	Nil
Mr. Md. Ruhul Amin	Chief Financial Officer	Nil	Nil
Mr. Md. Golam Mostafa	Head of Internal Audit & Compliance	Nil	Nil
Mr. Ali Hossain Bhuiyan ACS	Company Secretary	Nil	Nil

SHARES HELD BY EXECUTIVES:

Name	Designation	Holding of share
Mr. Md. Habibur Rahman	Additional Managing Director	Nil
Mr. Hasan Iqbal	Deputy Managing Director	Nil
Mr. Md. Nazrul Islam	Deputy Managing Director	Nil
Mr. Md. Abdul Kader	Senior Executive Vice Present	Nil
Mr. Md. Mainul Islam Chowdhury	Executive Vice Present	Nil

MEETING, ATTENDANCE AND REMUNERATION

The meeting of Board of Directors and its Sub-Committees are held time to time in respect of the necessity of the Bank. During arranging the meetings, the Bank follows the rules and regulations set by Bangladesh Bank & other regulatory authorities. The honorarium of the Directors for attending meeting is given as per the rules set by the Bank Company Act 1991 and Bangladesh Bank. The statement of meetings held during the year 2022 and the attendance of Directors from 01 January 2022 to 31 December 2022 are appended below:

Meeting of the Board of Directors							
Sl	Name of Directors	Position	Meeting Held	Attended	Absent	Remuneration (Per meeting)	Remarks
01	Mr. Ahsanul Alam	Chairman	13	13	-	Tk. 8,000/=	-
02	Mr. Mollah Fazle Akbar	Vice-Chairman		13	-		-
03	Ms. Marzina Sharmin	Director		13	-		-
04	Mr. Showkat Hossain, FCA	Director		13	-		-
05	Mr. Md. Rashedul Alam	Director		13	-		-
06	Mr. Mohammad Fazlay Morshed	Director		13	-		-
07	Ms. Halima Begum	Director		13	-		-
08	Mr. Osman Goni	Director		13	-		-
09	Mr. Md. Abdul Quddus	Independent Director		13	-		-
10	Mr. Md. Abdus Salam FCA	Independent Director		13	-		-

Meeting of the Executive Committee							
Sl	Name of Directors	Position	Meeting Held	Attended	Absent	Remuneration (Per meeting)	Remarks
01	Mr. Ahsanul Alam	Chairman	02	02	-	Tk. 8,000/=	-
02	Mr. Mollah Fazle Akbar	Member		02	-		-
03	Ms. Marzina Sharmin	Member		02	-		-
04	Mr. Md. Rashedul Alam	Member		02	-		-

Meeting of the Audit Committee

Sl	Name of Directors	Position	Meeting Held	Attended	Absent	Remuneration (Per meeting)	Remarks
01	Mr. Md. Abdul Quddus	Chairman	04	04		Tk. 8,000/=	-
02	Mr. Showkat Hossain, FCA	Member		04	-		-
03	Ms. Farzana Begum	Member		01	-		Resigned from Director (One meeting held during her tenure)
04	Mr. Mohammad Fazlay Morshed	Member		04	-		-
05	Mr. Md. Abdus Salam, FCA	Member		01	-		Appointed as Member (One meeting held during his tenure)

Meeting of the Risk Management Committee

Sl	Name of Directors	Position	Meeting Held	Attended	Absent	Remuneration (Per meeting)	Remarks
01	Mr. Showkat Hossain FCA	Chairman	04	03	-	Tk. 8,000/=	Appointed as Chairman (Three meeting held during his tenure)
02	Mr. Md. Rashedul Alam	Member		04	-		-
03	Ms. Halima Begum	Member		04	-		-
04	Mr. Osman Goni	Member		01	-		Appointed as member (One meeting held during his tenure)
05	Mr. Abdul Quddus	Chairman		01	-		Retired form Directorship (One meeting held during his tenure)

RESPONSIBILITIES OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

The responsibilities of the Chairman of the Board of Directors is set by the laws and regulatory authorities. The chairman of the Board of Directors does not personally possess the jurisdiction to apply policy making or executive authority, he/she shall not participate in or interfere into the administrative or operational and routine affairs of the bank. The chairman may conduct on-site inspection of any branch or financing activities under the purview of the oversight responsibilities of the board. He may call for any information relating to bank's operation or ask for investigation into any such affairs; he may submit such information or investigation report to the meeting of the board and if deemed necessary, with the approval of the board, he shall effect necessary action thereon in accordance with the set rules through the Managing Director.

RESPONSIBILITIES OF MANAGING DIRECTOR

The Managing Director of the Bank is responsible for running the business efficiently and formulating & implementing appropriate business strategy. He is also responsible for day-to-day business operation. Managing Director of the Bank is appointed by the Board of the Directors by following the rules & regulations set by regulatory authorities. The major responsibilities of Managing Director are:

- In terms of the financial, business and administrative authorities vested upon him by the board, the MD 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 shall ensure compliance of the Banking Companies Act, 1991 and other relevant laws and regulations in discharging routine functions of the bank.
- At the time of presenting any memorandum in the Board Meeting or Board Committee Meeting, the CEO must point out if there is any deviation from Banking Companies Act, 1991 and other relevant laws and regulations.
- The recruitment and promotion of all staff 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 service rules on the basis of the human resources policy and sanctioned 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 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.

RESPONSIBILITIES OF CHIEF FINANCIAL OFFICER

The Chief Financial Officer is responsible for the all of the Bank's financial operating results utilizing generally accepted accounting principles, such as cost accounting, budgets, and regulatory agency and government reports ensuring the safeguard of Bank assets. The CFO also counsels senior management and Board on fiscal control and profitability; prepares, presents and interprets financial report. The CFO is responsible for ensuring integrity, accuracy and completeness of financial data. The CFO also oversees all the financial operations of the Bank including accounting, financial reporting, tax and regulatory reporting.

RESPONSIBILITIES OF COMPANY SECRETARY

The Company Secretary of the Bank assists and advises the Board of Directors in the quest of profit and growth of the Bank but also act with integrity and Independence to protect the interests of the company, its shareholders and employees. The Company Secretary is accountable to the Board for all the matters related to proper functionality of the Board and its committees. The Company Secretary plays a pro-active and key role in the good governance of the Bank.

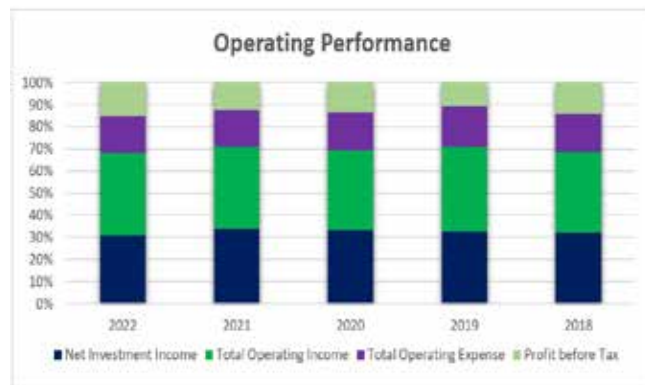
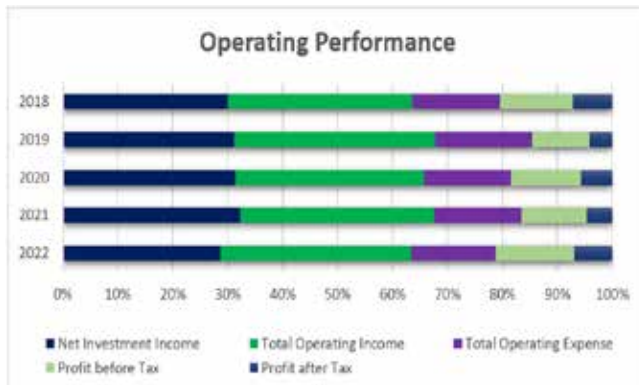
RESPONSIBILITIES OF HEAD OF INTERNAL CONTROL AND COMPLIANCE

Head of Internal Control & Compliance Division (IC&CD) is responsible for total administration of Internal Control and Compliance of the bank. The Head of IC&CD will report his/her activities and findings to the Senior Management, Audit Committee of the Board of Directors and Board of Directors of the Bank as per necessity. However, the Head of IC&CD administratively, shall report directly to Audit Committee of the Board and will be responsible to the Audit Committee. Head of IC&CD helps the Bank to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk Management, control and governance processes.

Statement of Operating and Financial Data of last 05 (Five) years:

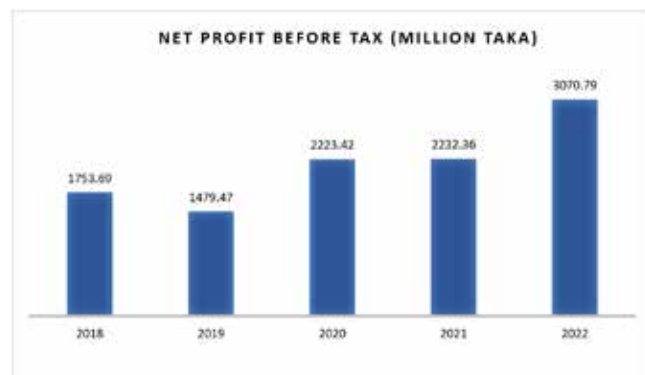
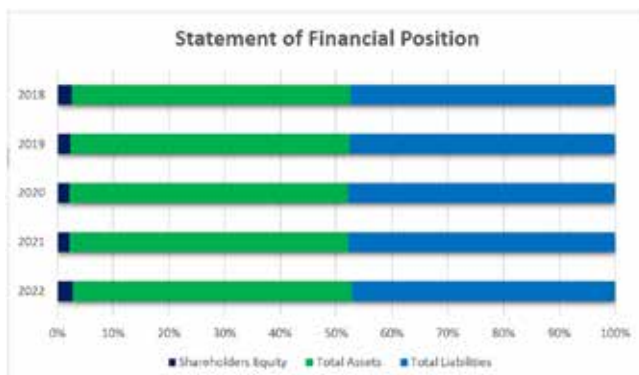
Million in Tk.

Horizontal & Vertical Analysis					
Operating Performance (Income Statement)	2022	2021	2020	2019	2018
Net Investment Income	6228.76	6049.84	5448.15	4423.26	3967.13
Total Operating Income	7495.51	6581.12	5959.11	5207.89	4439.57
Total Operating Expense	3346.93	2983.12	2740.70	2499.99	2110.02
Profit before Tax	3070.80	2232.36	2223.41	1479.47	1753.69
Profit after Tax	1513.50	872.36	988.41	594.47	953.66

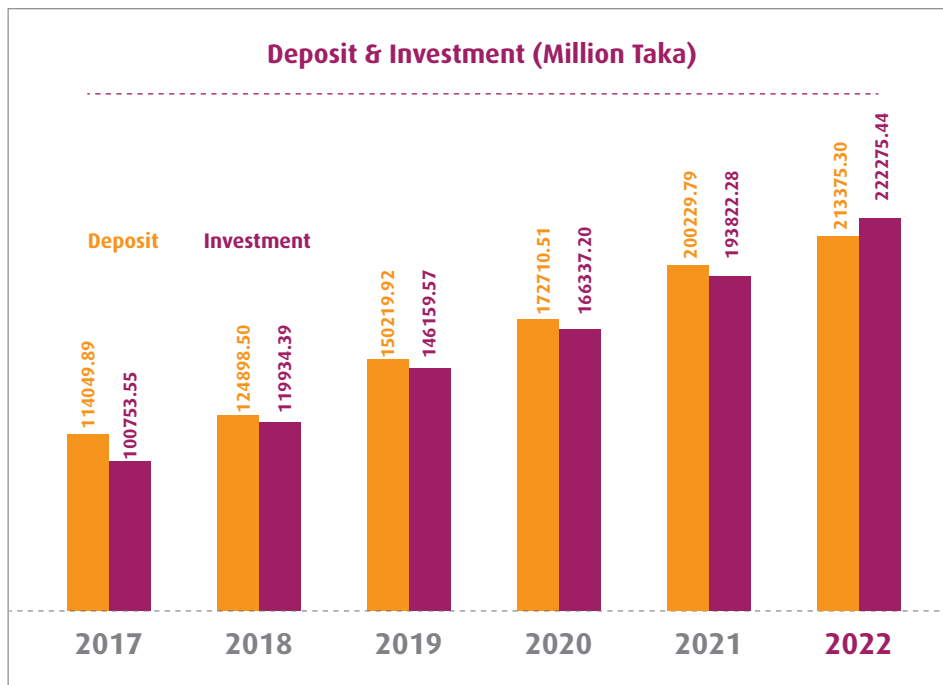
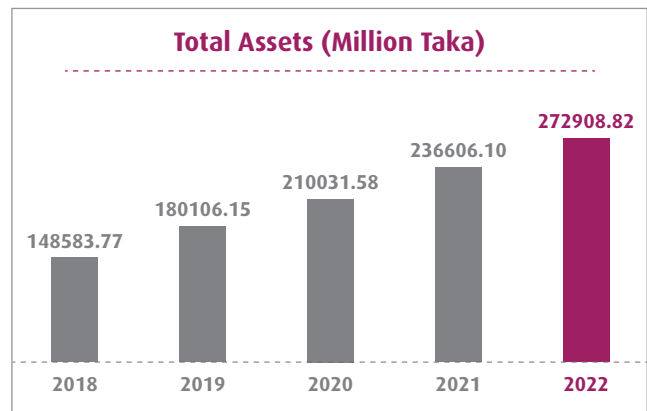
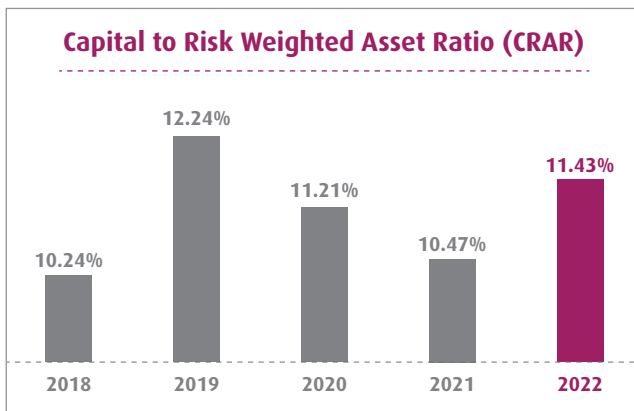
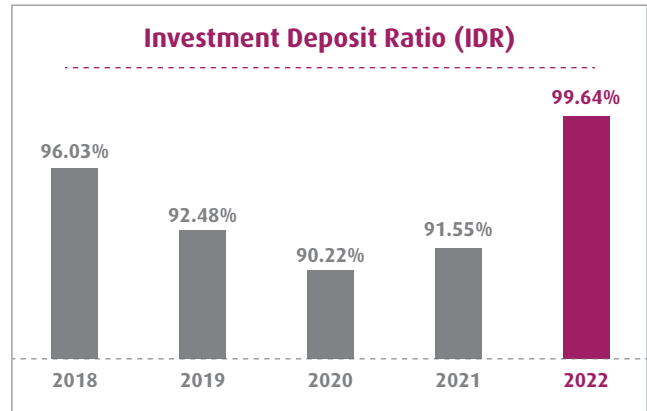
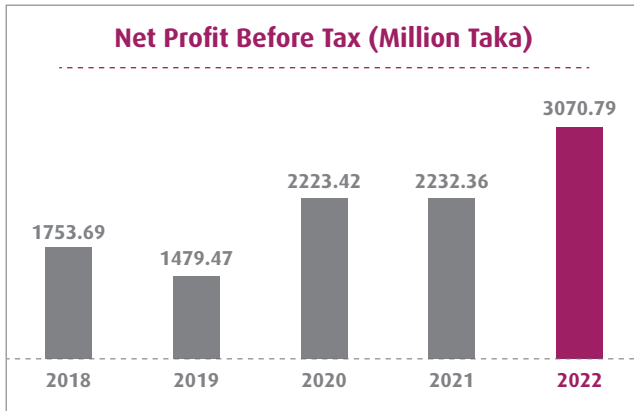


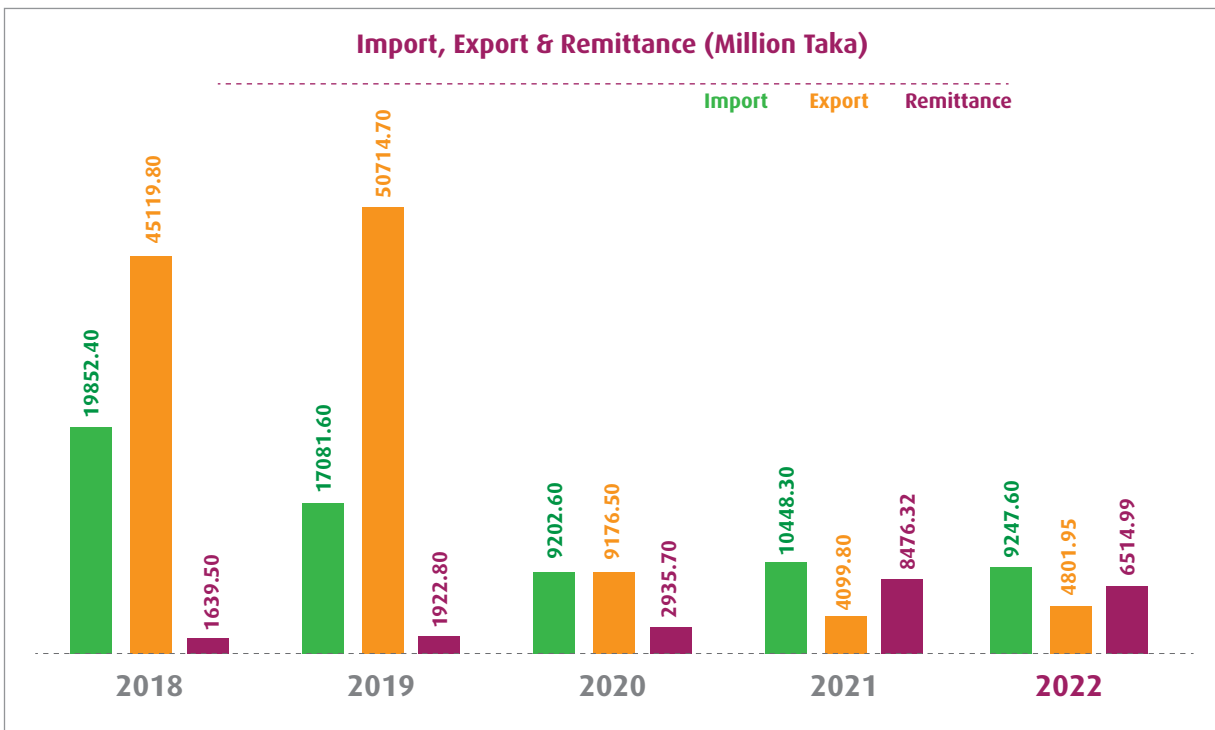
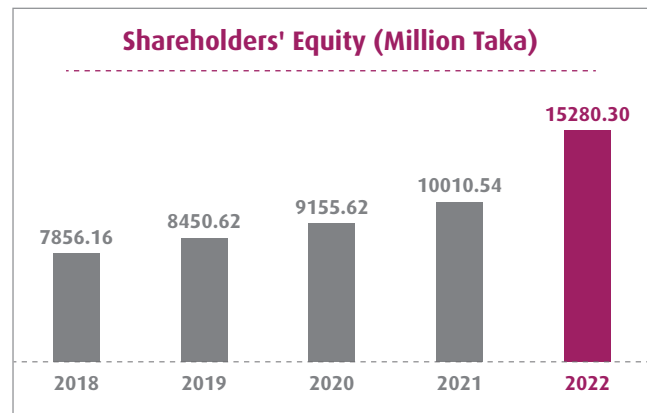
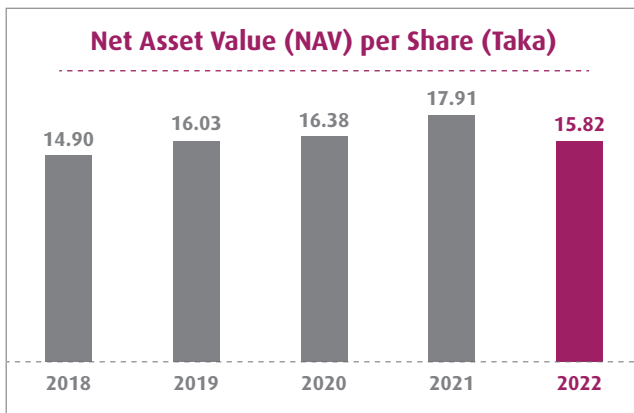
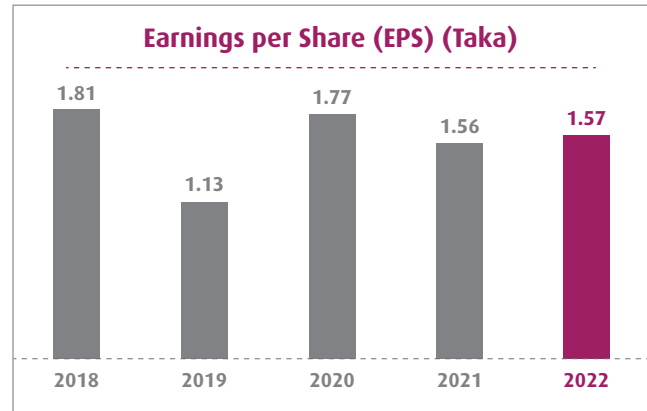
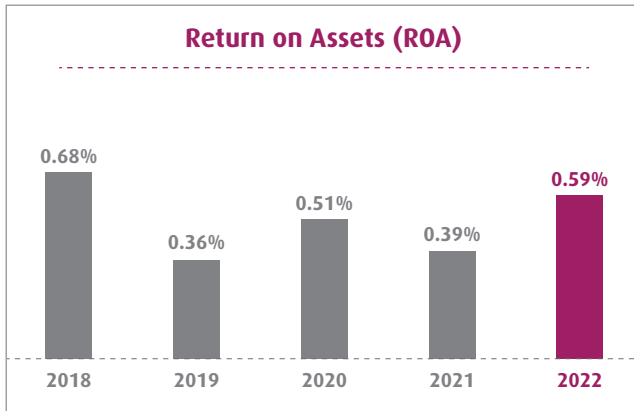
Million in Tk.

Statement of Financial Position (Balance Sheet)	2022	2021	2020	2019	2018
Shareholders' Equity	15280.30	10010.54	9155.62	8450.62	7856.16
Total Assets	272908.82	236606.10	210031.58	180106.15	148583.77
Total Liabilities	257628.52	226595.57	200875.95	171655.53	140727.61

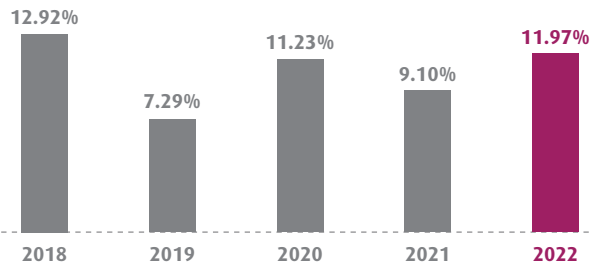


Profitability, Dividends, Performance and Liquidity Ratios:

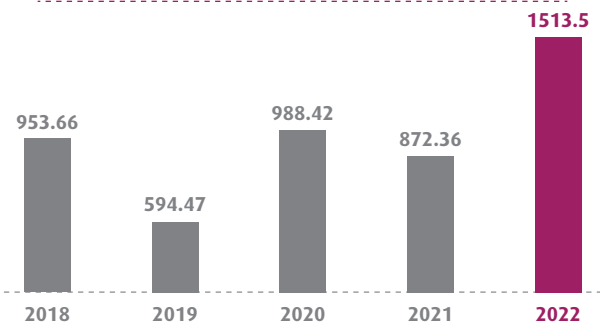




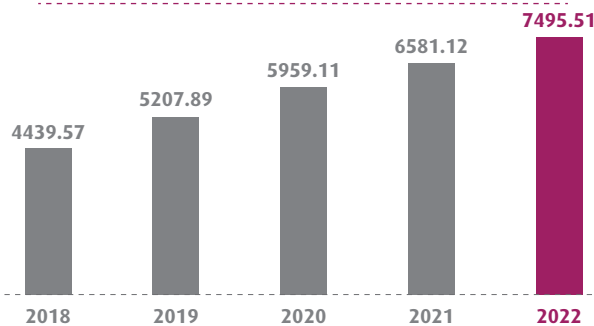
Return on Equity (ROE)



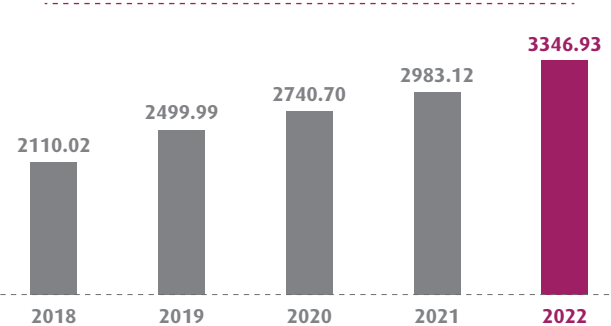
Net Profit After Tax (Million Taka)



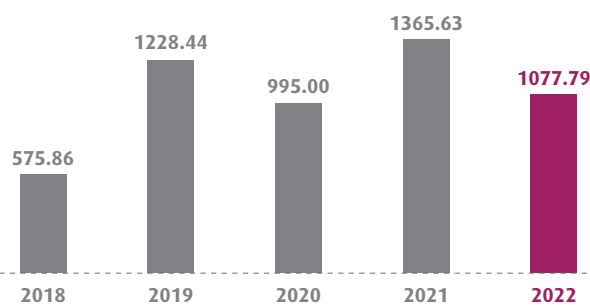
Total Operating Income (Million Taka)



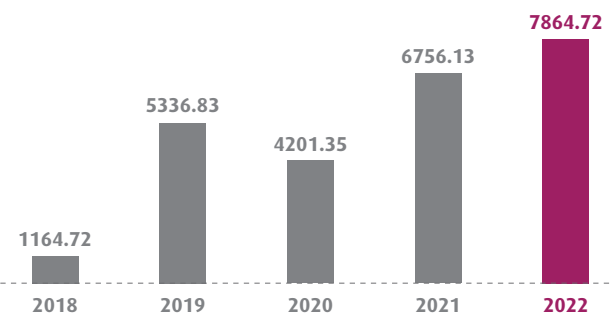
Total Operating Expense (Million Taka)



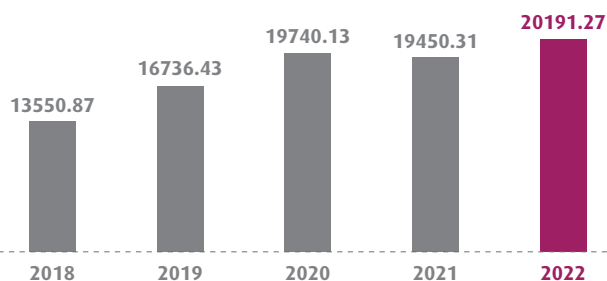
Total Provision (Million Taka)



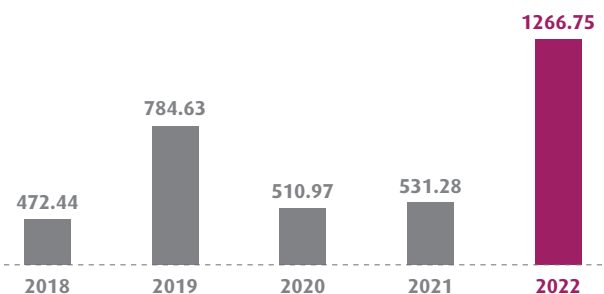
Non Performing Investment (Million Taka)



Investment Income Excluding Share & Securities Income (Million Taka)



Non-investment Income And Share & Securities Income (Million Taka)



Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A;

Annexure-A
[As per condition No. 1(5)(xxvi)]

Union Bank Limited Declaration by CEO and CFO

Dated: April 12, 2023

The Board of Directors

Union Bank Limited

72, Gulshan Avenue, Gulshan-01

Dhaka – 1212, Bangladesh.

Subject: Declaration on Financial Statements for the year ended on December 31, 2022.

Dear Sirs,

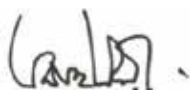
Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207Admin/80, Dated 3 June, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

1. The Financial Statements of Union Bank Limited for the year ended on December 31, 2022 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
6. The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that: --

- i. We have reviewed the financial statements for the year ended on December 31, 2022 and that to the best of our knowledge and belief:
 - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- ii. There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



A.B.M Mokammel Hoque Chowdhury
Managing Director



Md. Ruhul Amin
Chief Financial Officer



M M YASIN
Chartered Accountants

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

Report to the Shareholders of Union Bank Limited on Compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Union Bank Limited for the year ended on 31st December 2022. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

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

Place: Dhaka
Dated: 09th May, 2023

Md. Yasin Miah FCA
Principal & CEO

Report on Status of Compliance with the Conditions of Corporate Governance Code

(As per condition No. 1(5) (xxvii))

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969 is as follows:

(Report under Condition No. 9)

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 a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	✓		
1(2)	Independent Directors			
1(2)(a)	At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	✓		
1(2)(b)(i)	Independent director 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	✓		Does not hold any share in the company.
1(2)(b)(ii)	The independent director 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:	✓		
1(2)(b)(iii)	The independent director has not been an executive of the company in immediately preceding 2 (two) financial years	✓		
1(2)(b)(iv)	The independent director does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
1(2)(b)(v)	Independent Director 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)	Independent Director is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code	✓		
1(2)(b)(viii)	Who is not independent director in more than 5 (five) listed companies	✓		
1(2)(b)(ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI)	✓		
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude	✓		
1(2)(c)	(c) The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	✓		
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days;	✓		
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	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
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			Not Applicable
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			Not Applicable
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law	✓		
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law			Not Applicable
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			No such incident

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
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	✓		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer	✓		Roles and responsibility as per Bangladesh Bank guidelines.
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			No such incident
1(5)	The Directors' Report to Shareholders			
	The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994):			
1(5)(i)	An industry outlook and possible future developments in the industry	✓		
1(5)(ii)	The segment-wise or product-wise performance	✓		
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			Not Applicable

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss)			Not Applicable
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions	✓		
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments	✓		
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.;			Not Applicable
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements			Not Applicable
1(5)(x)	A statement of remuneration paid to the directors including independent directors	✓		
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	✓		
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress			Not Applicable
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed	✓		
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	✓		Annual Financial Statement Note 36
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			Not applicable (5% Cash Dividend declared)
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;			Not Applicable
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)			Not Applicable
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)	✓		
1(5)(xxiii) (c)	Executives top 5 (five) Salaried employees of the company , other than Directors , Chief Executive Officer , Company Secretary, Chief Financial Officer and Head of Internal Audit & Compliance	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
1(5)(xxiii) (d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details)	✓		
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders			
1(5)(xxiv) (a)	A brief resume of the director	✓		
1(5)(xxiv) (b)	Nature of his or her expertise in specific functional areas	✓		
1(5)(xxiv) (c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board	✓		
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
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			Not Applicable
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 global.	✓		
1(5)(xxv) (f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
1(5)(xxv) (g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM	✓		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A	✓		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B & Annexure-C	✓		
1(6)	Meetings of the Board of Directors			
	The company shall conduct its 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			Bangladesh Bank barred to form NRC vide their letter no. BRPD(R)717/2021-5064, Dated: June 16, 2021.
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency			Do

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
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			Not Applicable
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			Not Applicable
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			Not Applicable
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 also			Not Applicable
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company			Not Applicable
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)			
3(1)	Appointment			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC)	✓		
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals	✓		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time	✓		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
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			
	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)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading	✓		
3(3)(a)(ii)	These 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	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
4	Board of Directors' Committee			
	For ensuring good governance in the company, the Board shall have at least following sub-committees			
4(i)	Audit Committee;	✓		
4(ii)	Nomination and Remuneration Committee			Bangladesh Bank barred to form NRC vide their letter no. BRPD(R)717/2021-5064, Dated: June 16, 2021.
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	✓		
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	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee			No such incident
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			No such incident
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year	✓		
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must	✓		
5(5)	Role of Audit Committee			
	The Audit Committee shall:			
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 auditor	✓		
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	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
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;	✓		
5(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission	✓		
5(6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board of Directors	✓		
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings :if any			No such incident
5(6)(a)(ii)(a)	Report on conflicts of interests			No such incident
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 incident
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations			No such incident
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately			No such incident
5(6)(b)	Reporting to the Authorities			

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
	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 incident
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			No such incident
6	Nomination and Remuneration Committee (NRC)			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board			Bangladesh Bank barred to form NRC vide their letter no. BRPD(R)717/ 2021-5064, Dated: June 16, 2021.
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			Do
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)			Do

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
6(2)	Constitution of NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director			Do
6(2)(b)	All members of the Committee shall be non-executive directors			Do
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board			Do
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee			Do
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			Do
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			Do
6(2)(g)	The company secretary shall act as the secretary of the Committee			Do
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director			Do
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			Do
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			Do

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes			Do
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM			Do
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year			Do
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC			Do
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);			Do
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			Do
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders			Do
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board of directors			Do

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following			Do
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			Do
6(5)(b)(i)(c)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks			Do
6(5)(b)(i)(b)	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			Do
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality			Do
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			Do
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board			Do
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria			Do
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies			Do
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			Do

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
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)	✓		
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 A Website by the Company			
8(1)	The company shall have an official website linked with the website of the stock exchange	✓		
8(2)	The company shall keep the website functional from the date of listing	✓		

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



CREDIT RATING

Credit Rating	2021	2020	Interpretation
Long Term	A+	A+	Above average credit quality
Short Term	ST-2	ST-2	Above average ability to meet short term financial commitments.
Outlook	Stable	Stable	Indicates that a rating is likely to remain unchanged.
Date of Rating	16 June, 2022	17 June, 2021	—
Validity of Rating	15 June, 2023	16 June, 2022	—

Rating by: Alpha Credit Rating Limited

Union Bank Limited thanks to its all valued stakeholders for making it happen.
We are upbeat of further upswing of our rating in future



DIVIDEND DISTRIBUTION POLICY

In compliance with the Directive No. BSEC/CMRRCD/2021- 386/03, dated: January 14, 2021 of the Bangladesh Securities and Exchange Commission Union Bank Limited has formulated a policy known as “Dividend Distribution Policy”. The Board of Directors of Union Bank Limited in its 78th Board Meeting held on 8th September 2021 has approved the Policy after its review. The highlight of said policy are given below:

DIVIDEND RECOMMENDATION AND APPROVAL PROCEDURE:

The shareholders of the Bank in an Annual General Meeting will approve the dividend based on the recommendation of the Board of Directors. The Board of Directors may consider not declaring dividend or may recommended a lower payout for a given Financial year, after analyzing the prospective opportunities and threats or in the event of challenging circumstances such as regulatory and financial environment.

ENTITLEMENT OF DIVIDEND:

Only the shareholders of the Bank whose name are appeared in the Register of Members of the Company and/or in the Depository Register of CDBL on the record date of the respective year’s fixed by the Bank are entitled to receive the dividend.

PROCEDURE OF DISTRIBUTION OF CASH DIVIDEND:

- The Bank shall pay off the annual or final dividend to the entitled shareholders within 30 (Thirty) days of approval;
- Interim dividend shall be pay off to entitled shareholders within 30 (Thirty) days of record date;
- Within 10 (Ten) days of declaration of cash dividend by the Board of Directors, an amount equivalent to the declared cash dividend payable of the concerned year shall be kept in a separate bank account of the issuer, dedicated for the purpose;
- UBL shall pay off cash dividend directly to the

bank account of the entitled shareholder or unit holder as available in the BO account maintained with the depository participant (DP), or the bank account as provided by the shareholder or unit holder in paper form, through Bangladesh Electronic Fund Transfer Network (BEFTN);

- UBL may pay off cash dividend through bank transfer or any electronic payment system as recognized by the Bangladesh Bank, if not possible to pay off through BEFTN;
- Upon receiving the claim on cash dividend from a stock broker or a merchant banker or a portfolio manager for the margin client or customer who has debit balance or margin loan, or as per intention of the client of stock broker or merchant banker or portfolio manager, shall pay of 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;
- UBL upon receiving the cash dividend, the stock broker or merchant banker or portfolio manager shall immediately account for such dividend in the individual client’s portfolio account;
- UBL shall collect detailed information (e.g., BO account number, code number, bank account number, intention, etc. of the client or customer including CCBA of stock broker or separate bank account of merchant banker or portfolio manager) from the stock broker or merchant banker or portfolio manager;

- In case of non-availability of bank account information or not possible to distribute cash dividend through BEFTN or any electronic payment system, shall issue cash dividend warrant and shall send it by post to registered address of the shareholder or unit holder;
- Initial validity of the Cash Dividend Warrant should be for 6 (six) months. A Cash Dividend Warrant may be revalidated or a fresh instrument may be issued. The company should revalidate the Dividend Warrant or issue a fresh Dividend Warrant in lieu thereof upon receipt of a request for revalidation;
- UBL shall pay off cash dividend to non-resident sponsor, director, shareholder, unit holder of foreign portfolio investor (FPI) through the security custodian in compliance with the rules or regulations in this regard;
- UBL shall intimate to the shareholder or unit holder through a short message service (SMS) to the mobile number or email address as provided in the BO account or as provided by the shareholder immediately after disbursement of cash dividend & issuance a certificate of tax deducted at source, if applicable;
- Particulars of every revalidated Dividend warrant should be entered in a Register of Revalidated Dividend Warrant indicating the name of the person to whom the Dividend Warrant is issued, the number and amount of the Dividend Warrant and the date of revalidation;
- A duplicate Cash Dividend Warrant should be issued, in case the original instrument is not tendered to the company, only after obtaining requisite declaration from the Member;
- In the case of defaced, torn or decrepit Dividend Warrants, a duplicate warrant may be issued on surrender to the company of such defaced, torn or decrepit warrant;
- Particulars of every duplicate Dividend Warrant issued as aforesaid should be entered in a Register of Duplicate Dividend Warrants, indicating the name of the person to whom the Dividend Warrant is issued;
- The Cash Dividend Warrant must be accompanied by a statement in writing showing the amount of Dividend paid and the amount of tax deducted at source, if any;
- UBL shall maintain detailed information of unpaid or unclaimed dividend and rationale thereof, as per BO accounts numberwise or name-wise or folio number-wise of the shareholder or unit holder; 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 separate line item 'Unclaimed Dividend Account'. UBL shall publish the year-wise summary of its unpaid or unclaimed dividend in the website;
- UBL shall transfer any unpaid or unclaimed cash dividend including accrued interest (after adjustment of bank charge (if any) thereon, if remains, shall be transferred to a separate bank account of the Bank as maintained for this purpose, within 1(one) year from the date of declaration or approval or record date, as the case may be.

PROCEDURE OF DISTRIBUTION OF STOCK DIVIDEND:

UBL shall credit stock dividend directly to the BO accounts or issue the bonus share certificate of the entitled shareholder, 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); Union Bank Limited shall follow the provisions of প্রবিধান ৪৬ of the ডিপজিটরি (ব্যবহারিক) প্রবিধানমালা, ২০০৩ for issuance of bonus share.

Union Bank 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;

- The issuer shall send at least 3 (three) reminders to the entitled shareholder;
- 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 Bank;

- All corporate benefit against these shares shall be credited to the Suspense BO Account;
- UBL upon receiving application form the allottee and after proper verification of identity and his entitlement, credit the bonus shares lying with the Suspense BO Account to the BO account of the allottee, or issue bonus shares to the allottee, as applicable, within 15 (fifteen) days of receiving application with an intimation to the Commission and the Exchange(s);
- Any voting rights on such undistributed or unclaimed stock dividend or bonus shares shall remain suspended till the rightful ownership claim.
- Issue the bonus share certificate of the entitled shareholder in case of paper mode;
- Fractional Bonus Shares shall be transferred to a BO account operated by the nominated signatory of the Bank and shall be sold out through any registered DP House in Bangladesh. After receiving the amount of sale of Fractional Bonus Shares it shall be distributed to the Shareholders' Bank accounts through Bangladesh Electronic Fund Transfer Network (BEFTN), online (shareholders maintained bank account with UBL only) and Payment Warrants which shall be issued against the shareholders holding shares in Folio (Paper Shares).

TAX MATTERS:

Tax will be deducted at source as per applicable tax laws.

UNPAID / UNCLAIMED / UNSETTLED DIVIDEND:

Unpaid or unclaimed cash dividends or stock dividends shall be settled as per instructions set by Bangladesh Securities & Exchange Commission (BSEC), Bangladesh Bank and other regulatory authority from time to time.

DIVIDEND COMPLIANCE REPORT:

The issuer shall submit a compliance report to the Commission and the exchange(s) in a specified format at Annexure-A in respect of the provisions of Clause (2), (3), (4) and (5) of BSEC Directive No. BSEC/CMRRCD/2021-386/03, dated: January 14, 2021, within 7 (seven) working days of completion of dividend distribution.

AMENDMENTS/ MODIFICATIONS OF THE POLICY:

The Board may, subject to applicable law, amend, suspend or rescind this Policy at any time. Any difficulties or ambiguities in this Policy will be resolved by the Board and/or management committee of the Board, in line with the broad intent of this Policy, as and when required.

DISCLOSURE:

The dividend policy will be available on the Bank's website and also be disclosed in the Bank's Annual Report.



Memories in Frame



9th Annual General Meeting





Annual Business Conference 2022



Annual Risk Management Conference 2022



Half Yearly Business Conference 2022



3rd Quarter Business Review Meeting-2022 (Dhaka Zone)



3rd Quarter Business Review Meeting-2022 (Regional)



3rd Quarter Business Review Meeting-2022 (Chattogram Zone)



Mr. A. B. M Mokammel Hoque Chowdhury, Managing Director & CEO of Union Bank Limited inaugurated the celebrating successfully stepping into 10th years of the Bank by cutting ribbon in the Bank's Head Office, Dhaka.



Mr. A. B. M Mokammel Hoque Chowdhury, Managing Director & CEO of Union Bank Limited placed a floral wreath at the portrait of the Father of the Nation Bangabandhu Sheikh Mujibur Rahman in Bank's Head Office, Dhaka on 15 August, 2022.



A. B. M Mokammel Hoque Chowdhury, Managing Director & CEO of Union Bank Limited planted sapling on the eve of National Mourning Day-2022.



A. B. M Mokammel Hoque Chowdhury, Managing Director & CEO of Union Bank Limited distributing foods among the orphans on the eve of National Mourning Day-2022.



Bangladesh Bank and Union Bank Limited signed an agreement to disburse investment at 7 percent profit rate under the "Refinance Scheme against Term investment to Cottage, Micro, Small and Medium Enterprises (CMSME) Sector".



Union Bank Limited signed an agreement with Titas Gas Transmission & Distribution Company Limited. Under this agreement customers shall be able to pay the Titas Gas bill through all Branches, Sub-Branches and iBanking of Union Bank Limited.



Union Bank Limited signed an agreement with Karnaphuli Gas Distribution Company Limited. Under this agreement customers shall be able to pay the Karnaphuli Gas bill through all Branches, Sub-Branches and iBanking of Union Bank Limited.



Inaugural ceremony of Bahaddarhat Branch, Chattogram.



Inaugural ceremony of Khajura Bazar Branch, Jashore.



Inaugural ceremony of Jhalakathi Branch, Jhalakathi.



Inaugural ceremony of Nazirhat Branch, Chattogram.



Inaugural ceremony of Bijoy Sarani Branch, Dhaka.



Inaugural ceremony of Gouripur Branch, Cumilla.



Inaugural ceremony of Naria Branch, Shariatpur.



Inaugural ceremony of Munshiganj Branch, Munshiganj.



Inaugural ceremony of Chatmohar Sub-Branch, Pabna.



Inaugural ceremony of Puichhari Sub-Branch, Banskhali, Chattogram.



Inaugural ceremony of Mahiganj Sub-Branch, Rangpur, Rayer Bazar Sub-Branch, Dhaka, Zero Point Sub-Branch, Khulna and Gopalganj Bazar Sub-Branch, Dinajpur.



Inaugural ceremony of Roazarhat Sub Branch & Tokirhat Sub Branch, Chattogram and Madhabdi Bazar Sub Branch, Narsingdi.



Mr. Ahsanul Alam, Chairman of Union Bank Limited handed over the

INTEGRITY AWARD

to Mr. A.B.M Mokammel Hoque Chowdhury, Managing Director
of Union Bank Limited.

INITIAL PUBLIC OFFERING (IPO)



Agreement signing ceremony among Union Bank Limited, Prime Bank Investment Limited (Issue Manager) and BRAC EPL Investment Limited (Co-Issue Manager)



Mr. A. B. M Mokammel Hoque Chowdhury, Managing Director, Union Bank Limited, Mr. Khandoker Raihan Ali FCA, Managing Director & CEO (CC), Prime Bank Investment Limited and Mr. Syed Rashed Hussain, CEO, BRAC EPL Investment Limited exchanging the Issue Manager(s) Agreement.



ফায়িদা হবে প্রতি মাসে

মুদারাবা মাসিক প্রদেয় বিশেষ নোটিশ
হিসাব (ফায়িদা)

এ হিসাবে থাকছে:

- ন্যূনতম ৫০০০ টাকায় হিসাব খোলার সুবিধা
- দৈনিক জমাস্থিতির বিপরীতে আকর্ষণীয় মুনাফা
- মাস শেষে অর্জিত মুনাফা গ্রাহকের হিসাবে স্থানান্তরের সুবিধা



CSR ACTIVITIES OF UNION BANK LIMITED-2022

The modern concept of Corporate Social Responsibility (CSR) is evolving gradually despite several hindrances. Driving forces behind this evolution is pressure from various stakeholders (Importers, Environmentalists) while slow progress is attributed to lack of Good Governance, absence of strong labor unions, consumer forums and above all lack of understanding by business houses, specifically non-exporting ones, that CSR is not charity but is rather an instrumental PR investment. Corporate Social Responsibility (CSR) is gaining fast global acceptance as a standard to assume environmentally sustainable and socially equitable business practices. The role of business world-wide and specifically in the developed economies has evolved from classical 'profit maximizing' approach to a 'social responsibly' approach, where businesses are not only responsible to its stockholders but also to all of its stakeholders in a broader inclusive sense. With increased globalization, local businesses are being integrated with the global economy than ever hence pressure is mounting on local businesses to converge on international standards of socially responsible business. As a member of the global economy, Bangladesh is also aware of the need to take positive initiative to establish an image of environmentally and socially responsible businesses. CSR as a concept is being gradually interwoven into the psyche of local business, however, the process is slow and only in its infancy. In most of the cases, CSR practices are not particularly framed in the context of seeing to it that the money being given as corporate donations had been part of a sustaining community development effort.

The banking sector of Bangladesh has been actively participating in various social activities. However, these efforts were hardly recognized and labeled as CSR activities since most of the financial institutions have not integrated CSR in their routine operation, rather these were in the form of occasional charity or promotional activities. Bangladesh Bank has taken initiatives in respect of formalizing CSR in the banking sector of Bangladesh and issued a directive to the banks and financial institutions on June 01, 2008 in this regard. It defined the strategic objective for CSR engagement, provided some priority areas with a suggestion to foster CSR in their client businesses, and suggested a first time CSR program indicating some likely action plans. Bangladesh Bank will monitor CSR adoption and CSR performance of banks and financial institutions, as an additional dimension of their

management performance. Bangladesh Bank also had the opportunity to provide a sense of direction to the CSR agenda of the banking sector when it suggested that, banks which are taking measures for rehabilitating, agriculture, fisheries, livestock, and protecting environment, will be considered as more compliant of Corporate Social Responsibility besides providing relief to the people affected in natural calamities like 'Sidr', 'Aila' and 'Amphan'. The banking community has responded sensibly to the call for CSR and sustainable social development. We are also observing a gradual but qualitative change in the CSR action programs undertaken by banks. For example:

- Disaster relief and rehabilitation became the segment where the highest number of banks participated to help ease the sufferings of the affected people. In the current context, there is a desired move from the traditionally popular fields of education or health.
- Several banks introduced micro-finance for the target groups, such as poor farmers, landless peasants, women entrepreneurs, rootless slum people, handicapped people etc.
- More and more banks have taken long-term or renewable scholarship programs for under-privileged but meritorious students for the persuasion of their studies, instead of providing one-time recognition awards to good performers.
- Some banks choose to provide continued financial support for maintaining operating costs of health care organizations.

Without a 'governance framework', businesses may face substantial difficulties in finding and maintaining appropriate boundaries for their CSR interventions, and they may find themselves pressured into activities that are beyond their core competence and represent a financial drain on business rather than a sensible CSR investment. The initiative of Management and Resources Development Initiative (MRDI) aiming at proper utilization of CSR funds by means of seeking commitment from the leaders of trade and industry to undertake target-oriented actions for sustainable social development is appreciable.

MRDI has rightly pointed out that as an alternative development funds, CSR can contribute to poverty reduction and supplement government's efforts towards achieving the millennium development goals. In a developing country like ours with modest resources, it is important that we deploy our resources most usefully, and hence, we should make an effort to have an overall national policy on CSR that starts from building understanding of CSR incentives and pressure points and improving strategic interactions and alignment between public policy goals and the CSR-related activities of business.

As a fourth generation Scheduled Commercial Bank we are intensively focusing on CSR activities. Expenditure on CSR activities gradually increasing each and every year of our Bank. Bangladesh Bank has declared guidelines for CSR activities. We are proceeding based on this direction.

In 2022 we have spent an amount of **TK.15,72,90,000.00 (Taka Fifteen Crore Seventy Two Lac Ninety Thousand)** only in different sectors. CSR expenditure on different sectors are given below:

Sl.	Sectors	Amount in Taka
1	Education	98,55,000.00
2	Health	15,05,000.00
3	Other Sectors	
3.1	Disaster Management	14,30,00,000.00
3.2	Infrastructure Development	3,10,000.00
3.3	Sports and Culture	15,00,000.00
3.4	Other	11,20,000.00
Total Amount of Taka		15,72,90,000.00

We are also adding here some photographs on CSR activities of Union Bank Limited for the year 2022 with captions.



Mr. A. B. M Mokammel Hoque Chowdhury, Managing Director & CEO of Union Bank Limited handed over the the blankets specimen to the Honorable Prime Minister Sheikh Hasina for Prime Minister’s Relief Fund for the helpless and cold affected people of the country at a gala program in Prime Minister’s Office.



Mr. Showkat Hossain, FCA, Director and Chairman of RMC, Mr. A. B. M Mokammel Hoque Chowdhury, Managing Director & CEO of Union Bank Limited handed over a cheque to Dr. Ahmad Kaikus, Principal Secretary of the Prime Minister for Prime Minister’s Relief and Welfare Fund for flood affected people of the country at a program in Prime Minister’s Office. Honorable Prime Minister Sheikh Hasina joined the program through virtual platform from Ganabhaban.



Mr. A. B. M Mokammel Hoque Chowdhury, Managing Director & CEO of Union Bank Limited distributing blankets at mid-night to the helpless cold affected people during last winter as a part of CSR.

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SME & PROJECT FINANCING





Client Name: ABS Cables Ltd



Client Name: Western Footwear Limited

DISCLOSURES ON RISK BASED CAPITAL (BASEL III) For The Year Ended 31 December 2022

These disclosures have been made in accordance with the Bangladesh Bank circular no. 18 dated 21st December 2014 as guideline on “Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework)” for Banks in line with Basel-III. The said guideline helps the banking sector cope with the international best practice and to make the Bank’s capital more risk sensitive and shock resilient.

Basel-III guideline apply to all scheduled bank’s on ‘Solo’ basis as well as on ‘Consolidated’ basis where;

- Solo basis refers to all position of the bank and its local & overseas branches/offices; and
- Consolidated basis refers to all position of the bank (including its local & overseas branches/offices) and its subsidiary companies engaged in financial (excluding insurance) activities like merchant banks, brokerage firms, discount houses etc. [If any].

Objective:

The objective of Market discipline in the revised framework is to establish a more transparent and disciplined financial market, so that stakeholders can assess the position of a bank regarding holding of assets and to identify the risks relating to the assets and capital adequacy to meet probable loss of assets. The following detailed qualitative and quantitative disclosures are provided in accordance with Guidelines on Risk Based Capital Adequacy by Bangladesh Bank.

Validation & Consistency:

The disclosures (qualitative and quantitative) under the revised Risk Based Capital Adequacy (RBCA) framework as advised by Bangladesh Bank, is based on the audited financial position of the bank as of 31 December 2022.

Scope of Application:

These disclosures build on the directive on Disclosure of information by banking institutions, to provide detailed guidance on the public disclosures of

information by banks under Pillar 3 of Basel III requirements.

Disclosure framework:

According to the revised Risk Based Capital Adequacy Guidelines, the Bank requires general qualitative disclosure for each separate risk area (e.g. Investment, market, operational, banking book interest rate risk, equity). The Bank must describe their risk management objectives and policies including:

- Strategies and processes;
- The structure and organization of the relevant risk management function;
- The scope and nature of risk reporting and/or measurement systems;
- Policies for hedging and/or mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges/mitigations.

The following components set out in tabular form are the disclosure requirements:

- A. SCOPE OF APPLICATION
- B. CAPITAL STRUCTURE
- C. CAPITAL ADEQUACY
- D. CREDIT RISK
- E. EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS
- F. INTEREST (PROFIT) RATE RISK IN BANKING BOOK (IRRBB)
- G. MARKET RISK
- H. OPERATIONAL RISK
- I. LIQUIDITY RATIO
- J. LEVERAGE RATIO
- K. REMUNERATION

A. SCOPE OF APPLICATION

Qualitative disclosure		
a)	The name of the top corporate entity in the group to which this guidelines applies.	Union Bank Limited
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 (a) that are fully consolidated; (b) that are given a deduction treatment; and (c) that are neither consolidated nor deducted (e.g. where the investment is risk weighted).	<p>Union Bank Limited (UBL) was incorporated on 07.03.2013 as a 4th generation private commercial bank and started its banking business under the license issued by Bangladesh Bank. At present, the Bank has 112 (One Hundred Twelve) branches and 46 (Forty Six) sub-branches with fully online facility. Considering huge demand of Shariah Based Banking across the country as well as growing demand of quality service in banking we found enormous respond of our banking service. To unlock the potentials of missing middle income group who are beyond the coverage of corporate banking service and to focus on rural & micro economic developments, we devolved our product & service in line with this. Modern Technology as well as environmental issues was also considered.</p> <p>At present we are following the accounting on solo basis with no deduction as we have no subsidiaries.</p>
c)	Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group.	No major impediments found.

Quantitative disclosure		
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 Disclosure		
a)	Summary information on the terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in CET -1, Additional Tier 1 or Tier 2.	<p>The capital of bank shall be classified into tiers. The total regulatory capital will consist of sum of the following categories:</p> <ol style="list-style-type: none"> 1. Tier 1 Capital (going-concern capital) <ol style="list-style-type: none"> a. Common Equity Tier 1 b. Additional Tier 1 2. Tier 2 Capital (gone-concern capital) <p>Common Equity Tier 1 (CET-1) Capital:</p> <ol style="list-style-type: none"> a. Paid up capital, b. Statutory Reserve, c. General Reserve, d. Retained earnings <p>Tier-2 Capital:</p> <ol style="list-style-type: none"> a. General Provisions; b. Subordinated debt / Instruments issued by the banks that meet the qualifying criteria for Tier 2 capital;

Quantitative disclosure: As on 31.12.2022			
b)	The amount of regulatory capital, with separate disclosure of:	BDT in Crore	
		Solo	Consolidated
	CET-1 Capital		
	Paid up capital	986.93	-
	Statutory reserve	302.88	-
	General reserve	14.57	-
	Retained earnings	223.64	-
	Sub-Total:	1,528.02	-
	Less: Deferred Tax Assets (DTAs)	10.57	-
	Total CET-1 Capital	1,517.46	-
	Additional Tier 1 Capital	-	-
	Total Tier-1 Capital	1,517.46	-
	Tier-2 Capital		
	General Provision	306.34	-
	Subordinated debt	320.00	-
	Sub-Total:	626.34	-
	Less: Excess amount over maximum Tier-2 Capital	-	-
	Total Tier-2 Capital	626.34	-
c)	Regulatory Adjustments/Deductions from capital	-	-
d)	Total eligible capital	2,143.80	-

C. CAPITAL ADEQUACY

Qualitative Disclosure

a)	A summary discussion of the bank's approach to assessing the adequacy of its capital to support current and future activities.	<p>To implement Basel-III, Bangladesh Bank has published a Roadmap through BRPD circular no- 07 dated March 31, 2014; subsequently, issued a guideline. However, Union Bank has maintained 11.43% CRAR for the year ended December 2022 where the minimum requirement of CRAR is 10% excluding Capital Conservation Buffer 2.50%. In addition, the necessary initiatives have already been taken for maintaining Capital Conservation Buffer (CCB) at 2.50%.</p> <p>Union Bank is maintaining Capital to Risk Weighted Assets Ratio (CRAR) at 11.43% on SOLO basis against the regulatory minimum level of 12.50%. Tier-I capital adequacy ratio under "Solo" basis is 8.09% against the minimum regulatory requirement of 6%.</p>
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Quantitative Disclosure

	Particulars	BDT in Crore	
		Solo	Consolidated
b)	Capital requirement for credit risk	17,455.15	-
c)	Capital requirement for market risk	36.91	-
d)	Capital requirement for operational risk	1,264.38	-
e)	Total Capital	2,143.80	-
	CET-1 capital	1,517.46	-
	Tier-1 capital	1,517.46	-
	Tier-2 capital	626.34	-
	Total Risk Weighted Assets (RWA)	18,756.45	-
	Minimum Capital Requirement	1,875.64	-
	CRAR	11.43%	-
	Tier-1 Capital to RWA	8.09%	-
	Tier-2 Capital to RWA	3.34%	-
f)	Capital Conservation Buffer (CCB-2.50%)	1.43%	-
g)	Available Capital under Pillar 2 Requirement	The statement of ICAAP under SRP for the year 2022 will be submitted by 31 May 2023 as per BB guideline.	N/A

D. INVESTMENT (CREDIT) RISK

Qualitative Disclosure	
a) The General Qualitative disclosure requirement with respect to investment (credit) risk, including:	
i) Definitions of past due and impaired (for accounting purposes):	<p>As per BRPD Circular No. 03 dated 21 April 2019, any Investment if not repaid within the fixed expiry date will be treated as Past Due/Overdue.</p> <ul style="list-style-type: none"> Any Continuous Investment if not repaid/renewed within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue from the following day of the expiry date; Any Demand Investment 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. In case of any installment(s) or part of installment(s) of a Fixed Term Investment is not repaid within the fixed expiry date, the amount of unpaid installment(s) will be treated as past due/overdue after six months of the expiry date. <p>The investments are classified as follows:</p> <ul style="list-style-type: none"> For CMSME A Continuous Loan, Demand Loan, Fixed Term Loan or any installment(s)/part of installment(s) of a Fixed Term Loan remain(s) past due/overdue for a period of 06 (six) months or beyond but less than 18 (eighteen) months, the entire loan will be classified as "Sub-standard (SS)". For Other than CMSME A Continuous Investment, Demand Investment, Fixed Term Investment or any installment(s)/part of installment(s) of a Fixed Term Investment which will remain past due/overdue for a period of 03 (three) months or beyond but less than 09 (nine) months, the entire Investment will be put into the "Sub-standard (SS)". For CMSME A Continuous Loan, Demand Loan, Fixed Term Loan or any installment(s)/part of installment(s) of a Fixed Term Loan remain(s) past due/overdue for a period of 18 (eighteen) months or beyond but less than 30 (thirty) months, the entire loan will be classified as "Doubtful (DF)". For Other than CMSME A Continuous Investment, Demand Investment, Fixed Term Investment or any installment(s)/part of installment(s) of a Fixed Term Investment which will remain past due/overdue for a period of 09 (nine) months or beyond but less than 12 (twelve) months, the entire Investment will be put into the "Doubtful (DF)". For CMSME A Continuous loan, Demand loan, Fixed Term Loan or any installment(s)/part of installment(s) of a Fixed Term Loan remain(s) past due/overdue for a period of 30 (thirty) months or beyond, the entire loan will be classified as "Bad/Loss (B/L)".

	<ul style="list-style-type: none"> • For Other than CMSME A Continuous Investment, Demand Investment, Fixed Term Investment or any installment(s)/part of installment(s) of a Fixed Term Investment which will remain past due/overdue for a period of 12 (twelve) months or beyond, the entire Investment will be put into the "Bad/Loss (B/L)". • Short-term Agricultural and Micro Credit are classified as: Sub-standard - if the irregular status continues after a period of 12 (twelve) months; Doubtful - if the irregular status continues after a period of 36 (thirty-six) months; Bad/Loss - if the irregular status continues after a period of 60 (sixty) months. <p>A continuous investment, demand investment or term investment which remains overdue for a period of 60 days or more is considered as a "Special Mention Account (SMA)"</p>
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Specific provisions for classified loans and general provisions for unclassified investment and contingent assets are measured following BB prescribed provisioning rates as mentioned below:

General Provision On:	Rate
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 other than housing finance, credit card and loans for professionals	2%
Unclassified (including SMA) loans for credit card and loans for professionals	2%
Short term Agri credit and micro credit	1%
Unclassified (including SMA) other loans and advances	1%
Off-balance sheet exposures (excluding bills for collection)	1%
Off-balance sheet exposures (Bills for collection)	0%
Special General Provision - COVID-19:	
CMSME	1.50%
Other than CMSME	2%
COVID - 19	1%

Specific Provision On:	Rate
"Sub-Standard" investment other than short term agri credit and micro credit:	
For CMSME	5%
For Other than CMSME	20%
"Doubtful" investment other than short term agri credit and micro credit	
For CMSME	20%
For Other than CMSME	50%
"Bad/Loss" investments	100%
"Sub-Standard" & "Doubtful" short term agri credit and micro credit	5%
"Bad/Loss" short term agri credit and micro credit	100%

ii)	Decision of the Bank's Investment (Credit) Risk Management Policy;	Risk is inherent in all aspects of a commercial operation; however, for Banks, investment (credit) risk is an essential factor that needs to be managed. Investment (credit) risk is the possibility that a borrower or counter party will fail to meet its obligations in accordance with agreed terms. Investment (Credit) risk, therefore, arises from the bank's dealings with or lending to corporate, individuals, and other banks or financial institutions. To manage investment (credit) risk Union Bank follows "Bangladesh Bank's Circulated Credit Risk Management guidelines". The Board approved the Investment Risk Management (IRM) policy keeping in view relevant Bangladesh Bank guidelines to ensure best practice in investment risk management and maintain quality of assets.
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Quantitative Disclosure:

b. Total gross credit risk exposures broken down by major types of credit exposure:

(BDT in Crore)

Particulars	Amount
Continuous loan (CL-2)	
a) Small & Medium Enterprise Financing (SME)	463.24
b) Consumer Financing (CF)	-
c) Loans to BHs/MBs/SDs against Shares	51.18
d) Other than SMEF, CF, BHs/MBs/SDs	18,131.59
Sub-total	18,646.02
Demand loan (CL-3)	
a) Small & Medium Enterprise Financing (SME)	-
b) Consumer Financing (CF)	-
c) Loans to BHs/MBs/SDs against Shares	-
d) Other than SMEF, CF, BHs/MBs/SDs	1,028.00
Sub-total	1,028.00
Term loan (CL-4)	
a) Small & Medium Enterprise Financing	71.94
b) Consumer Financing (Other than HF & LP)	2.21
c) Housing Financing (HF)	29.32
d) Other than SMEF, CF, BHs/MBs/SDs	2,273.10
Sub-total	2,376.58
Short term Agri credit and microcredit (CL-5)	
a) Short term Agri credit	109.84
b) Microcredit	-
Sub-total	109.84
Staff Loan	67.12
Total	22,227.54

c. Geographical distribution of exposures, broken down in significant areas by major types of credit exposure:

(BDT in Crore)

Sl.	Division-wise investment	Exposure
1	Dhaka	11,118.53
2	Chattogram	11,008.74
3	Barishal	7.84
4	Rajshahi	23.80
5	Khulna	18.96
6	Rangpur	28.51
7	Sylhet	19.55
8	Mymensingh	1.61
	Total	22,227.54

d. Industry or counterparty type distribution of exposures, broken down by major types of investment exposure:

(BDT in Crore)

Sl.	Industry-wise Investments	Exposure
1	Agriculture	140.74
2	RMG	406.10
3	Textile	1,517.19
4	Ship Building	0.73
5	Other Manufacturing Industry	1,511.00
6	SME Investment	533.83
7	Construction	646.12
8	Power, Gas	191.36
9	Transport, Storage and Communication	28.71
10	Trade Service	15,344.46
11	Commercial real estate	1,140.70
12	Residential real estate	92.89
13	Consumer Investment	6.95
14	Capital Market	133.21
15	Non-bank financial institutions	-
16	Others	533.55
	Total	22,227.54

e. Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure:

(BDT in Crore)

SL. No.	Particulars	Exposure
1	Payable on Demand	4,514.19
2	Up to Three months	5,311.88
3	Three months to One year	10,818.82
4	One year to Five years	677.01
5	Above five years	905.64
	Total	22,227.54

f. By major industry or counterparty type:

i) Amount of impaired investment (Investments) and if available, past due investment/ Investments, provided separately;	The amount of classified investment of the bank is as under: (BDT in Crore)	
	Sl. No.	Particulars
	1	SS
	2	DF
	3	B/L
Total		786.47
ii) Specific and general provisions;	Specific and general provisions were made on the amount of classified and unclassified investments, off-balance sheet exposures and off-shore banking, interest on receivable, diminution in value of investment and other assets (suspense) of the Bank according to the Bangladesh Bank guidelines. (BDT in Crore)	
	Provision maintained against requirement of provision:	Provision as on 31.12.2022
	Unclassified Investments	261.04
	Classified Investment	305.80
	Off-balance sheet	13.70
	Special General Provision for Covid-19	31.60
Total		612.14

g. Gross Non-Performing Assets (NPAs): Non-Performing Assets (NPAs) to outstanding Loans & Advances;

- Movement of Non-Performing Assets (NPAs):**

(BDT in Crore)

Particulars	Amount
Opening Balance	675.61
Addition during the year	110.86
Reduction during the year	-
Closing Balance	786.47

- Movement of specific provisions for NPAs:**

(BDT in Crore)

Particulars	Amount
Opening Balance	231.77
Provisions made during the period	74.03
Written off	-
Write-back of excess provisions	-
Closing Balance	305.80

E. EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS

Qualitative Disclosures:	
a)	The general qualitative disclosures requirement with respect to equity risk, including
i.	<p>Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons;</p> <p>Investment in equity securities are broadly categorized into two parts:</p> <p>i) Quoted Securities (common or preference share & mutual fund) that are traded in the secondary market;</p> <p>ii) Unquoted securities are categorized as banking book equity exposures which are further sub-divided into two groups: unquoted securities which are invested without any expectation that these will be quoted in near future i.e. held to maturity (HTM). And securities those are acquired under private placement or IPO and are going to be traded in the secondary market after completing required formalities.</p>
ii.	<p>Discussion of important policies covering the valuation and accounting of equity holdings in the banking book. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices;</p> <p>The primary objective is to investment in equity securities for the purpose of capital gain by selling them in future or held for dividend income. Dividends received from these equity securities are accounted for as and when received and right to receive when established. Both Quoted and Un-Quoted equity securities are valued at cost and necessary provisions are maintained if the prices fall below the cost price.</p> <p>As per Bangladesh Bank guidelines, the HFT (Held for Trading) equity securities are revaluated once in each week using marking to market concept and HTM equity securities are amortized once a year according to Bangladesh bank guideline.</p> <p>The HTM equity securities are also revaluated if any, are reclassified to HFT category with the approval of Board of Directors.</p> <p>The Management of Union Bank has constituted an Investment Committee / team comprising of members from the senior executives of the bank who have sound experiences and knowledge on Capital Market activities.</p>

Quantitative Disclosures:

(BDT in Crore)

		At Cost	At Market Value
b)	Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value.	19.22	18.13
c)	The cumulative realized gains (losses) arising from sales and liquidations in the reporting (31 December 2022) period.	0.43	
d)	Total unrealized gains (losses)	(1.09)	
	• Total latent revaluation gains (losses)	Not applicable	
	• Any amounts of the above included in Tier 2 capital.	Not applicable	
e)	Capital requirements broken down by appropriate equity groupings, consistent with the bank's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements	Not applicable	

F. INTEREST (PROFIT) RATE RISK IN BANKING BOOK (IRRBB)

Qualitative Disclosure:

a)	The general qualitative disclosure requirement including the nature of IRRBB and key assumptions, including assumptions regarding Investment prepayments and behavior of non-maturity deposits, and frequency of IRRBB measurement.	Profit rate risk is the risk which affects the Bank's financial condition due to change in the market profit rates. The changes in profit rates may affect both the current earnings considering earnings perspective, traditional approach to profit rate risk assessment as well as the net worth of the Bank considering economic value perspective. To evaluate the impact of profit rate risk on the net profit margin, the bank monitors the size of the gap between rate sensitive assets & rate sensitive liabilities in terms of remaining time of re-pricing. Re-pricing risk is often the most obvious source of profit rate risk for a bank and is frequently measured by comparing the volume of a bank's assets that mature or re-price within a given time period with the volume of liabilities. The short term impact of changes in profit rates is on the bank's Net Investment Income (NII). In a longer term, changes in profit rates impact the cash flows on the assets, liabilities and off-balance sheet items that may rise to a risk to the net worth of the bank.
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Quantitative Disclosure:

b) The increase (decline) in earnings or economic value (or relevant measure used by management) for upward and downward rate shocks according to management's method for measuring IRRBB, broken down by currency (as relevant).

(BDT in Crore)

Particulars	Up to 1 month	01-03 months	03-12 months	01-05 years	More than 05 years
Rate Sensitive Asset	9,173.38	1,351.28	10,506.81	1,872.05	860.81
Rate Sensitive liabilities	8,492.34	4,980.20	5,079.22	4,212.36	319.34
Net gap	681.04	(3,628.92)	5,427.59	(2,340.31)	541.47
Cumulative gap	681.04	(2,947.88)	2,479.71	139.40	680.87

(BDT in Crore)

Profit Rate Stress	Minor	Moderate	Major
Assumed change in Profit Rate	1%	2%	3%
Net investment income impact			
<12 months	24.73	49.46	74.19
Capital after-shock	2,168.53	2,193.26	2,217.99
CRAR after-shock (%)	11.56	11.69	11.83
Change in CRAR after-shock (%)	0.13	0.26	0.40

G. MARKET RISK:

Qualitative Disclosure		
i)	Views of Board of Directors (BOD) on trading/investment activities.	<p>Banks may be exposed to market risk in variety of ways. Market risk exposure:</p> <ul style="list-style-type: none"> • May be explicit in portfolios of securities/equities and instruments that are actively traded; • May be explicit such as interest rate risk due to mismatch of assets and liabilities; • May arise from activities categorized as off-balance sheet items. <p>Effective board and senior management oversight of the bank's overall market risk exposure is a foundation of risk management process. For its part, the board is responsible to:</p> <ol style="list-style-type: none"> a. Define bank's overall risk appetite in relation to market risk; b. Ensure that bank's overall market risk exposure is maintained at prudent levels and consistent with the available capital; c. Ensure that senior management as well as individuals responsible for market risk management possesses sound expertise and knowledge to accomplish the risk management function; d. Ensure that the bank implements sound fundamental principles that facilitate the identification, measurement, monitoring and control of market risk; e. Ensure that adequate resources (technical as well as human) are devoted to market risk management; f. Review and approve market risk policies based on recommendations by the bank's senior management; g. Review periodically, but at least once a year, the market risk management program, policy, techniques, procedures and information systems referred to in that policy; h. Outline the content and frequency of management market risk (for each type of risk) reports to the Board; i. Ensure that an independent inspection/audit function reviews the credit operations, foreign exchange operations and securities portfolio management functions to ensure that the bank's market risk management policies and procedures are appropriate and are being adhered to; and j. Review specially the trends in securities portfolio quality and value.

ii)	Methods used to measure Market risk.	Standardized approach has been used to measure the market risk. The total capital requirement in respect of market risk is the aggregate capital requirement calculated for each of the risk sub-categories. For each risk category minimum capital requirement is measured in terms of two separately calculated capital charges for 'specific risk' and 'general market risk' under Basel-III.
iii)	Market Risk Management system.	The Treasury Division manages market risk covering Liquidity, profit rate and foreign exchange risk with oversight from Assets Liability Management Committee (ALCO) comprising Senior Executives of the Bank. ALCO is chaired by the Managing Director & CEO of the Bank. ALCO meets at least once in a month.
iv)	Policies and processes for mitigating market risk.	<p>The bank has put its Asset Liability Management policy by setting various risk limits for effective management of market risk and ensuring that the operations are in line with bank's expectation of return to market risk through proper Asset Liability Management. The policies also deal with the reporting framework for effective monitoring of market risk.</p> <p>The ALM Policy specifically deals with liquidity risk management and profit rate risk management framework. Liquidity risk is managed through Gap & Duration analysis, based on residual maturity/behavioral pattern of assets and liabilities, as prescribed by the Bangladesh Bank. The Bank has put in place mechanism of Liquidity Contingency Plan. Prudential (Tolerance) limits are prescribed for different residual maturity time buckets for efficient Asset Liability Management. Liquidity profile of the Bank is evaluated through various liquidity ratios/indicators.</p>

Quantitative Disclosure:

b)	The capital requirements for:	BDT in Crore	
		Solo	Consolidated
	Profit rate risk	0.00	-
	Equity position risk	3.63	-
	Foreign exchange risk	0.06	-
	Commodity risk	0.00	-
	Total Capital Requirement	3.69	-

H) OPERATIONAL RISK:

Qualitative Disclosures:		
a)	View of BOD on system to reduce Operational Risk	<p>Operational Risk is defined as the risk of unexpected losses due to physical catastrophe, technical failure and human error in the operation of a bank, including fraud, failure of management.</p> <ol style="list-style-type: none"> Establish tolerance level and set strategic direction in relation to operational risk. Such a strategy should be based on the requirements and obligation to the stakeholders of the bank; Approve the implementation of a bank-wide framework to explicitly manage operational risk as a distinct risk to the bank's safety and soundness; Provide senior management clear guidance and direction regarding the principles underlying the framework and approve the corresponding policies developed by senior management; Establish a management structure capable of implementing the bank's operational risk management framework specifying clear lines of management responsibility, accountability and reporting; and Review the operational risk management framework regularly to ensure that the bank is managing the operational risks. This review process should also aim to assess industry best practice in operational risk management appropriate for the bank's activities, systems and processes.
	Performance gap of executives and staffs	Bank has a policy to provide competitive package and best working environment to attract and retain the most talented people available in the industry. Bank's strong brand image plays an important role in employee motivation. As a result, there is no significant performance gap.

Potential external events	<p>The potential external events that may pose the bank in to operational risks are as follows.</p> <ol style="list-style-type: none"> 1. External Fraud: Acts by a third party, of a type intended to defraud, misappropriate property or circumvent the law. Examples include robbery, forgery, and damage from computer hacking. 2. Taxation Risk: Sudden changes in tax laws and regulation that hamper the profitability of a bank. 3. Legal Risk: Legal risk is the risk of the Bank's losses in cases of: <ul style="list-style-type: none"> • Incompliance of the Bank with the requirements of the legal regulations; • Making legal mistakes in carrying out activities; • Imperfection of the legal system • Violation of legal regulations, terms and conditions of concluded agreements by the counterparties. 4. Damage of physical asset: Loss or damage to physical assets from natural disaster or other events. Example includes terrorism, vandalism, earthquakes, fires, floods etc. 5. Business disruption and system failures: Disruption of business or system failures. Examples include telecommunication problems, utility outages etc. 6. Execution, delivery and process management: Failed transaction processing or process management, and relations with trade counterparties and vendors. Examples include, non-client counterparty mis-performance, vendor disputes etc.
Policies and processes for mitigating operational risk	<p>The bank should put in place an operational risk management policy. The policy at minimum, include:</p> <ul style="list-style-type: none"> • The strategy given by the board of the bank; • The systems and procedures to institute effective operational risk management framework; • The structure of operational risk management function and the roles and responsibilities of individuals involved.

Approach for calculating capital charge for operational risk

The capital charge for operational risk is a fixed percentage, denoted by α (alpha) of average positive annual gross income of the bank over the past three years. Figures for any year in which annual gross income is negative or zero, should be excluded from both the numerator and denominator when calculating the average. The capital charge may be expressed as follows:

$$K = [(GI_1 + GI_2 + GI_3) \times \alpha] / n$$

Where-

K = the capital charge under the Basic Indicate or Approach

GI = only positive annual gross income over the previous three years (i.e., negative or zero gross income if any shall be excluded)

α = 15 percent

n = number of the previous three years for which gross income is positive.

Gross Income (GI) is defined as "Net Investment Income" plus "Net non- Investment Income". It is intended that this measures hold:

- i. Be gross of any provisions;
- ii. Be gross of operating expenses, including fees paid to out sourcing service providers
- iii. Exclude realized profits/ losses from the sale of securities held to maturity in the banking book;
- iv. Exclude extra ordinary or irregular items;
- v. Exclude income derived from insurance.

Quantitative Disclosure:

(BDT in Crore)

b)	The capital requirements for operational risk	126.44	
Capital Charge for Operational Risk-Basic Indicator Approach			
Year	Gross Income (GI)	Average Gross Income (AGI)	Capital Charge = 15% of AGI
2020	695.45	842.92	126.44
2021	858.14		
2022	975.18		

I. LIQUIDITY RATIO:

a) Qualitative Disclosure	
Views of Board of Directors (BOD) on system to reduce liquidity Risk	<p>The BOD should have the overall responsibility for management of liquidity risk. Generally, the responsibilities of the board include:</p> <ol style="list-style-type: none"> Providing guidance on the level of appetite for liquidity risk; Appointing senior managers who have ability to manage liquidity risk and delegate to them the required authority to accomplish the job; Continuously monitoring the bank's performance and overall liquidity risk profile through reviewing various reports; and Ensuring that senior management takes the steps necessary to identify measure, monitor and control liquidity risk.
Method used to measure Liquidity risk	<p>The liquidity risk strategy defined by Board should enunciate specific policies on particular aspects of liquidity risk management, such as:</p> <ol style="list-style-type: none"> Composition of assets and liabilities: The strategy should outline the mix of assets and liabilities to maintain liquidity. Liquidity risk management and asset/liability management should be integrated to avoid high costs associated with having to rapidly reconfigure the asset liability profile from maximum profitability to increased liquidity. Diversification and stability of liabilities: A funding concentration exists when a single decision or a single factor has the potential to result in a significant and sudden withdrawal of funds. Since such a situation could lead to an increased risk, the Board and senior management should specify guidance relating to funding sources and ensure that the bank has diversified sources of funding day-to-day liquidity requirements. Managing liquidity in different currencies: The bank should have a strategy on how to manage liquidity in different currencies. Dealing with liquidity disruptions: The bank should put in place a strategy on how to deal with the potential for both temporary and long-term liquidity disruptions. The interbank market can be important source of liquidity. However, the strategy should take into account the fact that in crisis situations access to interbank market could be difficult as well as costly.

Liquidity risk management system	<p>In Union Bank, at the management level, the liquidity risk is primarily managed by the Treasury Division under oversight of ALCO which is headed by the Managing Director along with other senior management.</p> <p>Treasury Division upon reviewing the overall funding requirements on daily basis sets their strategy to maintain a comfortable/adequate liquidity position taking into consideration of Bank's approved credit deposit ratio, liquid assets to total assets ratio, asset-liability maturity profile, Bank's earning/profitability as well as overall market behavior and sentiment etc. Apart from Risk Management Division also monitors & measures the liquidity risk in line with the Basel III liquidity measurement tools, namely, LCR, NSFR, and Leverage Ratio. RMD addresses the key issues and strategies to maintain the Basel III liquidity ratios to the respective division (s) on regular interval.</p>
Policies and process for mitigating risk	<p>The bank should include in liquidity risk management policy;</p> <ol style="list-style-type: none"> Develop and implement procedures and practices that translate the Board's goals, objectives, and risk appetite into operating standards that are well understood by bank personnel and consistent with the board's intent; Adhere to the lines of authority and responsibility that the Board has approved for managing liquidity risk; Oversee the implementation and maintenance of management information and other systems that identify, measure, monitor, and control the bank's liquidity risk; Develop and recommend liquidity and funding policies for approval by the Board and implement the liquidity and funding policies; Develop lines of communication to ensure the timely dissemination of the liquidity and funding policies and procedures to all individuals involved in the liquidity management and funding risk management process; Ensure that liquidity is managed and controlled within the liquidity management and funding management programs; Ensure the development and implementation of appropriate reporting systems with respect to the content, format and frequency of information concerning the bank's liquidity position, in order to permit the effective analysis, sound and prudent management and control of existing and potential liquidity needs.

b) Quantitative Disclosure

Components	BDT in Crore
Liquidity Coverage Ratio (LCR)	210.80%
Net Stable Funding Ratio (NSFR)	112.13%
Stocks of high quality liquid assets	2,097.13
Total net cash outflows over the next 30 calendar days	994.84
Available amount of stable funding	19,095.19
Required amount of stable funding	17,030.18

J) LEVERAGE RATIO:

a) Qualitative Disclosure

Views of BOD on system to reduce excessive leverage	The BOD should have the overall responsibility to monitor overall activities of the bank. The Board should decide the strategy, policies and procedures of the bank to manage leverage ratio in accordance with the risk tolerance/limits as per the guidelines. The risk tolerance should be clearly understood at all levels of management. The Board should also ensure that it understands the nature of the leverage ratio. BOD must periodically review information necessary to maintain this understanding, establishes executive-level lines of authority and responsibility for managing the bank's leverage ratio. Bank's top management should be responsible for ensuring adherence to the risk tolerance/limits set by the Board as well as implementing the risk management strategy of the bank in line with bank's decided risk management objectives and risk tolerance.
Policies and processes for managing excessive on and off-balance sheet leverage	The Leverage Ratio (LR) playing a key role in avoiding such adverse developments in the future. The LR is a non-risk-based capital measure and is defined as Tier 1 capital over a bank's total exposure measure, which consists of both on and off-balance-sheet items. It is widely expected that the LR will become a Pillar 1 requirement for banks under Basel III.
Approach for calculating exposure	At its highest level, the leverage ratio can be summarized as a measure of capital as a proportion of total adjusted assets. More specifically, it has been defined as the average of the monthly leverage ratio over the quarter based on Tier 1 capital (the capital measure) and total exposure (the exposure measure). The minimum ratio is currently calibrated at 3%.

(BDT in Crore)

b) Quantitative Disclosure

Components	Amount
$\text{Leverage Ratio} = \frac{\text{Tier 1 Capital (after related deductions)}}{\text{Total Exposure (after related deductions)}}$	
Bangladesh Bank Requirement	>3%
Leverage Ratio	5.59%
Tier 1 Capital	1,517.46
On balance sheet exposure	26,985.20
Off balance sheet exposure	189.14
Deferred Tax Assets	10.57
Total exposure	27,163.77

K) REMUNERATION:

Qualitative Disclosures		
Sl. No.	Particulars	Information
a)	Information relating to the bodies that oversee remuneration.	
	Name, composition and mandate of the main body overseeing remuneration.	<p>Union Bank's Remuneration Committee comprises of the Board of Directors and the Management Committee who oversees the remuneration for all employees. The Management Committee of the Bank makes recommendations to the Board of Directors on the remuneration policy of the Bank.</p> <p>Union Bank Ltd. Remuneration Committee oversees remuneration for Senior Managements and all other employees. For the purposes of this remuneration disclosure, a Senior Management includes:</p> <ol style="list-style-type: none"> Managing Director. Additional Managing Director. Deputy Managing Director. Senior Executive Vice President. Board Secretary. Head of HRD. Risk & Compliance Manager.
	External consultants whose advice has been sought, the body by which they were commissioned, and in what areas of the remuneration process.	At present there are no External consultants whose advice has been sought for the remuneration process.
	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.	<p>Union Bank's remuneration policies are in place to provide assurance that remuneration decisions:</p> <ul style="list-style-type: none"> • Are aligned to the Bank's strategy. • Aid the attraction and retention of talent. • Are market-relevant and affordable. • Are internally equitable, consistent and transparent. • Encourage behavior that supports Bank's long term financial soundness and risk management objectives. • Ensure the independence of risk and control personnel in the performance of their functions is not compromised. • Are compliant with corporate governance requirements.

Qualitative Disclosures		
Sl. No.	Particulars	Information
	A description of the types of employees considered as material risk takers and as senior managers, including the number of employees in each group.	The Bank has 02 (Two) group of material Risk Takers at present i.e., Senior Management and concerned Divisional Heads & Branch Managers. The total no. of Senior Management is 06, the total no. of Divisional Heads is 21 and the total no. of Branch Managers is 112.
b)	Information relating to the design and structure of remuneration processes.	
	An overview of the key features and objectives of remuneration policy.	The key features and objectives of the Remuneration policy are as follows: <ul style="list-style-type: none"> • Attract and retain capable, motivated employees. • Attract Senior Executives with appropriate knowledge and experience, with ability to drive growth while maintaining stability and financial soundness. • Encourage behavior that supports long term financial soundness and the risk management framework. • Ensure Remuneration arrangements are, and remain, compliant with Corporate Governance requirements.
	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.	Yes, review was made by the remuneration committee in the Year-2022. Remuneration structure of the bank is reviewed as management deem appropriate to allow for adjustments in the cost of living.
	A discussion of how the bank ensures that risk and compliance employees are remunerated independently of the businesses they oversee.	In determining Remuneration, the Remuneration Committee uses the following information supplied through the Remuneration surveys: <ul style="list-style-type: none"> • Industry comparative remuneration data across all positions, including Directors. • Remuneration benchmarking for organizations of similar Asset Size.
c)	Description of the ways in which current and future risks are taken into account in the remuneration processes.	

Qualitative Disclosures		
Sl. No.	Particulars	Information
	<p>Description of the ways in which current and future risks are taken into account in the remuneration processes. Disclosures should include:</p> <p>An overview of the key risks that the bank takes into account when implementing remuneration measures.</p> <p>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).</p>	<p>The strategic planning process identifies all key strategic risks and examines the Board's risk in each area. Part of each Executive Manager's Key Performance Areas include reference to ensuring risks of this nature that impact on their operations are kept within Board tolerance levels at all times. If risks fall outside nominated Board risk tolerance levels the Executive Manager must design an action plan that successfully implements controls aimed at mitigating risk to acceptable levels.</p> <p>Current and future risks relating to operational risks follow the same approach as above. Executive Managers are responsible for ensuring key operational risks remain within Board approved tolerance levels.</p> <p>Whilst this is a key performance area for Executive Manager, achievement of satisfactory results is linked to financial incentives/ bonuses in some cases.</p>
d)	Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration.	
	An overview of main performance metrics for bank, top-level business lines and individuals.	The Board sets the Key Performance Indicators (KPIs) while approving the business target/budget for each year for the Bank and business lines/segments. The management sets the appropriate tools, techniques and strategic planning (with due concurrence/approval of the Board) towards achieving those targets. The most common KPIs are the achievement of investment, deposit and profit target with the threshold of NPL ratio, cost-income ratio, cost of fund, yield on investments, provision coverage ratio, capital to risk weighted asset ratio (CRAR), ROE, ROA, liquidity position (maintenance of CRR and SLR) etc.
	A discussion of how amounts of individual remuneration are linked to bank-wide and individual performance.	The remuneration of each employee is paid based on her/his individual performance evaluated as per set criteria. And, accordingly, the aggregate amount of remuneration of the Bank as a whole is linked/ impacted to the same extent.
	A discussion of the measures the bank will in general implement to adjust remuneration in the event that performance metrics are weak.	The Bank follows remuneration process as per set criteria with no in general adjustment in the event of weak performance metrics/scorecard.
e)	Description of the ways in which the bank seek to adjust remuneration to take account of longer-term performance.	

Qualitative Disclosures

Sl. No.	Particulars	Information
	<p>Description of the ways in which the bank seeks to adjust remuneration to take account of longer-term performance. Disclosures should include:</p> <p>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.</p> <p>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.</p>	<p>The Bank pays variable remuneration i.e. annual increment based on the yearly performance rating on cash basis with the monthly pay. While the value of longer term variable part of remuneration i.e. the amount of provident fund, gratuity fund are made provision on aggregate/individual employee basis; actual payment is made upon retirement, resignation etc. as the case may be, as per rule.</p>
f)	<p>Description of the different forms of variable remuneration that the bank utilizes and the rationale for using these different forms.</p> <p>Description of the different forms of variable remuneration that the bank utilizes and the rationale for using these different forms. Disclosures should include:</p> <p>An overview of the forms of variable remuneration offered (ie cash, shares and share-linked instruments and other forms A discussion of the use of the different forms of variable remuneration and, if the mix of different forms of variable remuneration differs across employees or groups of employees), a description the factors that determine the mix and their relative importance.</p>	<p>Variable pay means the compensation as fixed by the Board on recommendation of the Management, which is based on the performance appraisal of an employee in that role, that is, how well they accomplish their goals. It may be paid as:</p> <ul style="list-style-type: none"> • Performance Linked Incentives to those employees who are eligible for incentives. • Ex-gratia for other employees who are not eligible for Performance linked Incentives. • Different awards based on extra-ordinary performance & achievement. • Employee/Manager of the Month/Quarter award. • Reimbursement/award for brilliant academic/professional achievement. • Leave Fare Assistance (LFA)

Quantitative Disclosures		
Sl. No.	Particulars	Information
g)	Number of meetings held by the main body overseeing remuneration during the financial year and remuneration paid to its member.	Not Applicable.
h)	Number of employees having received a variable remuneration award during the financial year.	Total No. of 83 employees have received a variable remuneration award during the 2021/2022 Financial Year.
	Number and total amount of guaranteed bonuses awarded during the financial year.	Total no. & amount of 2044 guaranteed bonuses awarded during the 2021/2022 Financial Year.
	Number and total amount of sign-on awards made during the financial year.	There were no sign-on awards made during the financial year.
	Number and total amount of severance payments made during the financial year.	There was no severance payment made during the 2021/2022 Financial Year.
i)	Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms.	There was no outstanding deferred remuneration, split into cash, shares, share-linked Instruments and other forms.
	Total amount of deferred remuneration paid out in the financial year.	
j)	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.
k)	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.	Not Applicable.
	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.	

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Financial Information

Independent Auditor's Report To the Shareholders of Union Bank Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Union Bank Limited** (the “**Bank**”), which comprise the Balance Sheets as at December 31, 2022, the profit or loss accounts, the statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements of the bank give a true and fair view the financial position of the Bank as at December 31, 2022 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2 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 Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), Bangladesh Securities Exchange and Commission (BSEC) and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) By Laws. We believe that the audit evidence we have obtained are sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements, and in forming our 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 Auditors' responsibilities for the audit of the financial statements section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of the financial statements. These results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Description of key audit matters	Our response to key audit matters
1. Investments	
Refer to note no. 06 to the financial statements	
<p>Investments are the main element of financial statements of the Bank. Income of the Bank is mainly dependent on the portfolio of investments. Management performance is highly dependent on the target achievement of investments. Investment disbursement requires robust documentation followed by approval from appropriate level of authority.</p> <p>We have identified investments as key audit matter because there is an inherent risk of fraud in disbursement of investments by management to meet specific targets or expectations.</p> <p>At year end the Bank reported total gross investments of BDT 22,227.54 Crore (2021: BDT 19,382 .22 Crore).</p>	<p>We tested the design and operating effectiveness of key controls focusing on credit appraisal, investment disbursement procedures and monitoring process of investments.</p> <p>We have performed procedure to check whether the Bank has ensured appropriate documentation as per Bangladesh Bank regulations and the Bank's policy before disbursement of investments. In addition, we have performed procedure to check whether the investments are recorded completely and accurately and that are existed at the reporting date.</p> <p>Furthermore, we have assessed the appropriateness of disclosure against Bangladesh Bank guidelines.</p>
2. Recognition of Investment income	
Refer to note no. 19 to the financial statements	
<p>Recognition of investment income has significant influence on financial statements and performance of the Bank.</p> <p>We identify recognition of investment income 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 investment income by management to meet specific targets or expectations.</p> <p>Bangladesh Bank through BRPD circular no. 51 dated 18 December 2022, allowed banks to recognize accrued investment income on investments upon realizing 50% of dues amount from October'22 to December'22.</p> <p>For the year ended the Bank reported total gross income from investments of BDT 20,19.12 core (2021: BDT 1,945.03 core).</p>	<p>We tested the design and operating effectiveness of key controls over recognition and measurement of investment income.</p> <p>We performed test of control in place to measure and recognize investment income.</p> <p>We have also performed substantive procedure to check whether investment income is recognized completely and accurately.</p> <p>We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.</p> <p>Considering the current uncertainty in economic activity for ongoing Russia and Ukraine war along with COVID impact, the recognition of investment income following BRPD circular no. 51 dated 18 December 2022, there is an inherent risk that the actual recovery of accrued investment income from clients who enjoyed deferral benefit could be materially different in future.</p>

3. Measurement of provision for investment

Refer to note no. 6.7 and 11.2 to the financial statements

The process for estimating provision for investments associated with credit risk is judgmental, significant and complex.

For the individual analysis, these provisions consider the estimates of future business performance and the market value of collateral provided for credit transactions.

For the collective analysis, these provisions are manually processed that deals with voluminous data extracted from the IT system of the Bank and following the instructions of Bangladesh Bank issued time to time.

While estimating such provision certain judgmental factors need to be considered including:

- Future business performance of the investment client;
- Key assumptions relating to further business performance of the client;
- Market value of the collateral;
- Ability to repossess collateral; and
- Recovery rates.

Due to high level of judgment involved and using some manual process in estimating the provision for investments, we considered this to be a key audit matter.

At year end the Bank reported total provision for investments of BDT 612.14 Crore

We tested the design and operating effectiveness of key controls focusing on the following:

- Tested the credit appraisal, investments disbursement procedures, monitoring and provisioning process;
- Reviewed identification of loss events, including early warning and default warning indicators; and
- Reviewed quarterly Classification of Investments (CL);

Our substantive procedure in relation to the provisions for investments portfolio comprised the following:

Reviewed the adequacy of the Bank's general and specific provisions;

Assessed the methodologies on which the provision amounts based, recalculated the provisions and tested the completeness and accuracy of the underlying information; and

Finally, assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.

4. IT systems and controls

Our audit procedures have focused on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.

Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are keys to ensuring IT dependent and application-based controls are operating effectively.

We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting. We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized.

We tested the Bank's periodic review of access rights. We also inspected requests of changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.

Where deficiencies were identified, we tested compensating controls or performed alternate procedures. In addition, we understood where relevant, changes were made to the IT landscape during the audit period and tested those changes that had a significant impact on financial reporting.

5. Legal, regulatory matters and Contingent Liabilities

We focused on this area because the Bank operates in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.

These uncertainties inherently affect the amount and timing of potential out flows with respect to the provisions which have been established and other contingent liabilities.

Overall, the legal provision represents best estimate for existing legal matters that have a probable and estimable impact on the financial position.

The Bank has disclosed contingent liabilities amounting to BDT 6,424,124,444 at the year ended on December 31, 2022 (2021 BDT 10,393,460,922).

As per IAS 37 Contingent liabilities are not required to be recognized but disclosed in the financial statements.

We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the legal compliances.

We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.

We enquired of the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports. We also received formal confirmations from external counsel.

We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information.

We also assessed the Bank's provisions and contingent liabilities disclosure in the financial statements as per provisions of IAS 37: Provisions, Contingent Liabilities and Contingent Assets.

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 auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements of the Bank in accordance with IFRSs as explained in note 2 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error. The Banking Companies Act, 1991(as amended up to date) and the Bangladesh Bank Rules and Regulations 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 Bank's ability to continue as a going concern considering the impact of the COVID-19 pandemic situation, 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 Bank'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 the financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting considering the impact of the COVID-19 pandemic situation and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on 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 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 bank to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Bank's audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Securities and Exchange Rules 1987, the Banking Companies Act, 1991, the rules and regulations issued by Bangladesh Bank, 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 purpose 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 of the Bank 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;

- iii. Responsibility for the financial statements and internal control:
- a. internal audit, internal control and risk management arrangements of 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 Bank and its related entities {other than matters disclosed in these financial statements};
- iv. in our opinion, proper books of accounts as required by law have not been kept by the Bank so far as it didn't appear from our examination of those books;
- v. the balance sheet and 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 Bank's business for the year;
- vii. the financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- viii. adequate provisions have been made for investment 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 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 5,800 person hours; and
- xii. Minimum Capital without capital conservation buffer has been maintained by the Bank during the year.

Signed in terms of the separate report of even date.

Firm's Name : Rahman Mostafa Alam & Co. Chartered Accountants

Signature:



Auditor's Name: Md. Anwaruzzaman FCA, **(Enrolment No.: 1268)**

Date: April 30, 2023

DVC: 2304301268AS318347

UNION BANK LIMITED
BALANCE SHEET
As at December 31, 2022

Particulars	Notes	Amount in Tk.	
		December 31, 2022	December 31, 2021
PROPERTY AND ASSETS			
Cash	3	17,438,963,286	8,353,449,515
Cash In hand (Including foreign currency)	3.1	1,516,455,312	1,207,822,446
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currency)	3.2	15,922,507,974	7,145,627,069
Balance with other Banks and Financial Institutions	4.1	152,118,089	354,647,804
In Bangladesh		82,864,911	69,212,323
Outside Bangladesh		69,253,178	285,435,481
Placement with banks & Other Financial Institutions	4.2	4,942,053,359	5,469,784,155
Investments in Shares & Securities	5	10,273,676,172	12,030,420,000
Government		8,521,490,000	10,440,420,000
Others		1,752,186,172	1,590,000,000
Investments	6	222,275,438,478	193,822,280,481
General Investments etc.	6.A	221,503,076,683	188,105,717,264
Bills Purchased and Discounted	6.B	772,361,795	5,716,563,217
Fixed Assets Including Premises, Furniture and Fixtures	7	4,953,125,042	4,054,545,287
Other Assets	8	12,873,442,357	12,520,969,438
Non Banking Assets		-	-
Total Assets		272,908,816,783	236,606,096,680
LIABILITIES AND CAPITAL			
Liabilities			
Placement from Banks & other Financial Institutions	9	27,183,042,310	10,033,749,650
Deposits and Other Accounts	10	213,375,297,519	200,229,794,529
Mudaraba Savings Deposits	10.1	9,572,233,722	9,406,334,184
Mudaraba Term Deposits	10.2	119,170,884,952	108,919,670,985
Other Mudaraba Term Deposits	10.3	47,351,317,059	48,866,097,485
Al-Wadia Current Accounts and Other Accounts	10.4	35,778,558,120	31,735,974,901
Bills Payable	10.5	1,502,303,666	1,301,716,974
Mudaraba Subordinated Bond		3,200,000,000	4,000,000,000
Other Liabilities	11	13,870,175,941	12,332,015,949
Total Liabilities		257,628,515,770	226,595,560,128
Capital/Shareholders' Equity			
Paid-up Capital	12.1	9,869,337,600	5,589,337,600
Statutory Reserve	13	3,028,782,768	2,414,624,395
Other Reserve	14	145,749,665	145,749,665
Retained Earnings	15	2,236,430,980	1,860,824,892
Total Shareholders' Equity		15,280,301,013	10,010,536,552
Total Liabilities and Shareholders' equity		272,908,816,783	236,606,096,680

UNION BANK LIMITED
BALANCE SHEET
As at December 31, 2022

Particulars	Notes	Amount in Tk.	
		December 31, 2022	December 31, 2021
OFF- BALANCE SHEET ITEMS			
Contingent Liabilities			
Acceptances and Endorsements		1,907,268,760	2,590,271,534
Letters of Guarantee	16	2,431,271,913	1,897,210,885
Irrevocable Letters of Credit	17	1,273,884,947	2,757,426,735
Bills for Collection	18	811,698,824	3,148,551,768
Other Contingent Liabilities		-	-
Total		6,424,124,444	10,393,460,922
Other Commitments			
Documentary credits and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Claims against the bank not acknowledged as debt		-	-
Other Commitments		-	-
Total		-	-
Total Off -Balance Sheet Items Including			
Contingent Liabilities		6,424,124,444	10,393,460,922

The annexed notes from 1 to 46 and annexure "A & B" form an integral part of these financial statements.



Managing Director


Director


Director


Director

Firm's Name : Rahman Mostafa Alam & Co. Chartered Accountants

Signature: 

Auditor's Name: Md. Anwaruzzaman FCA, (Enrolment No.: 1268)

Date: April 30, 2023

Place: Dhaka

DVC: 2304301268AS318347

UNION BANK LIMITED
PROFIT AND LOSS STATEMENT
For the year ended December 31, 2022

Particulars	Notes	Amount in Tk.	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021
OPERATING INCOME			
Investments Income	19	20,191,265,630	19,450,306,835
Profit Paid on Deposits	20	(13,962,509,942)	(13,400,469,156)
Net Investment Income		6,228,755,688	6,049,837,679
Income from Investment in Shares and Securities	21	414,689,799	174,152,095
Commission, Exchange and Brokerage	22	722,747,385	226,316,393
Other Operating Income	23	129,316,270	130,809,542
		1,266,753,454	531,278,030
Total Operating Income		7,495,509,142	6,581,115,709
Operating Expenses			
Salary and Allowances	24	1,893,706,683	1,663,899,788
Rent, Taxes, Insurances, Electricity etc.	25	400,469,741	381,450,278
Legal Expenses	26	4,837,460	4,767,618
Postage, Stamps, Telecommunication etc.	27	33,027,388	26,748,261
Stationery, Printings, Advertisements etc.	28	113,751,951	75,248,527
Chief Executives Salary and Fees	29	13,375,185	12,567,259
Auditors' Fees		345,000	345,000
Directors' Fees & Expenses	30	3,187,000	2,316,200
Shariah Supervisory Committee's Fees & Expenses	31	541,800	454,000
Depreciation and Repair of Bank's Assets	32	358,854,236	297,361,446
Zakat Expenses		66,100,000	55,000,000
Other Expenses	33	458,735,830	462,965,703
Total Operating Expenses		3,346,932,274	2,983,124,080
Profit/(Loss) before Provision and tax		4,148,576,868	3,597,991,629
Provisions for Classified Investments	11.2.1	703,946,000	925,654,000
Provisions for Unclassified Investments	11.2.2	203,000,000	144,000,000
Provisions for Off Balance Sheet items with others	11.2.3	80,000,000	-
Special General Provisions for Covid - 19	11.2.4	-	290,974,006
Other Provisions		50,439,005	5,000,000
Provisions for Other Assets	1.2.5.3	40,400,000	-
Provisions for diminution in value of investment in share	11.5	-	-
Total Provisions		1,077,785,005	1,365,628,006
Total Profit/(Loss) before Tax		3,070,791,863	2,232,363,623
Provision for Income Tax			
Current Tax Expense	11.1	1,565,120,365	1,375,429,088
Deferred Tax Expense/ (Income)	8.3.1	(7,829,870)	(15,429,088)
		1,557,290,495	1,360,000,000
Net Profit/(Loss) after Tax		1,513,501,368	872,363,623
Retained Earnings from Previous Year		1,860,824,892	1,452,381,266
Net Profit/(Loss) after Tax		1,513,501,368	872,363,623
Profit available for Appropriation		3,374,326,260	2,324,744,889
Appropriations:			
Statutory Reserve	13	614,158,373	446,472,725
Start-up Fund		15,135,014	8,723,636
CSR Fund		15,135,014	8,723,636
Stock Dividend		-	-
Cash Dividend		493,466,880	-
Retained earnings		2,236,430,980	1,860,824,892
		3,374,326,261.00	2,324,744,889
Earnings Per Share (EPS)	34	1.57	1.56

The annexed notes from 1 to 46 and annexure "A & B" form an integral part of these financial statements.


Managing Director


Director


Director


Director

Firm's Name : Rahman Mostafa Alam & Co. Chartered Accountants

Signature:

Auditor's Name: Md. Anwaruzzaman FCA, (Enrolment No.: 1268)

Date: April 30, 2023

Place: Dhaka

DVC: 2304301268AS318347

UNION BANK LIMITED
CASH FLOW STATEMENT
For the year ended December 31, 2022

Particulars	Notes	Amount in Tk	
		December 31, 2022	December 31, 2021
Cash Flow from Operating Activities (A)			
Investments income receipts		20,262,389,080	19,811,747,432
Profit paid on deposit		(13,962,989,215)	(13,421,372,080)
Fee and Commission receipts		722,747,385	226,316,393
Dividend receipts		180,000	259,522
Payments to employees		(1,897,739,255)	(1,630,704,563)
Payments to suppliers		(113,751,951)	(75,248,527)
Income tax paid		(1,542,493,668)	(1,290,468,713)
Receipts from other operating activities	38	129,316,270	130,809,542
Payments for other operating activities	39	(1,117,715,417)	(1,058,011,177)
Operating Profit before changes in Operating Assets & Liabilities		2,479,943,229	2,693,327,829
Changes in Operating Assets & Liabilities			
(Increase)/ Decrease Investments to Customers		(28,453,157,997)	(27,485,084,527)
(Increase)/ Decrease of Other Assets	40	(1,256,700)	1,896,454,796
Increase/ (Decrease) Deposits from Customers		13,145,502,990	27,519,286,578
Increase/ (Decrease) of Other Liabilities	41	(511,440,360)	620,407,652
		(15,820,352,067)	2,551,064,499
Net Cash Flow from Operating Activities		(13,340,408,838)	5,244,392,328
Cash Flow from Investing Activities (B)			
Payments to Investment in Shares and Securities		1,756,743,828	(4,342,368,592)
Purchases of Property, Plant and Equipment		(230,548,119)	(254,827,225)
Net Cash Used in Investing Activities		1,526,195,709	(4,597,195,817)
Cash Flow from Financing Activities (C)			
Receipts/ (paid) from issuance of Mudaraba Subordinated Bond		(800,000,000)	-
Increase/(Decrease) in Share Capital		4,280,000,000	-
Increase/(Decrease) in Other reserve		-	-
Dividend Paid		(459,826,272)	-
Increase/(Decrease) in Placement from Banks & other Financial Institutions		17,149,292,660	383,752,586
Net Cash Flow from Financing Activities		20,169,466,388	383,752,586
Net Increase/(Decrease) of Cash & Cash Equivalents (A+B+C)		8,355,253,259	1,030,949,097
Add/(Less): Effect of Exchange Rate on Cash & Cash Equivalents		-	-
Beginning Cash & Cash Equivalents		14,177,881,474	13,146,932,377
Ending Cash & Cash Equivalents		22,533,134,733	14,177,881,474
The above closing Cash and Cash Equivalents include:			
In hand (Including foreign currency)	3.1	1,516,455,312	1,207,822,446
Balance with Bangladesh Bank and its agent bank(s)	3.2	15,922,507,974	7,145,627,069
Balance with other Banks and Financial Institutions	4.1	152,118,089	354,647,804
Placement with banks & Other Financial Institutions	4.2	4,942,053,359	5,469,784,155
		22,533,134,734	14,177,881,474


Managing Director


Director


Director


Director

UNION BANK LIMITED
STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2022

Particulars	Amount in Tk.				Total
	Paid-up Capital	Statutory Reserve	Other Reserve	Retained Earnings	
Balance as on 01 January 2022	5,589,337,600	2,414,624,395	145,749,665	1,860,824,892	10,010,536,552
Surplus/Deficit on account of revaluation of properties	-	-	-	-	-
Surplus/Deficit on account of revaluation of investments	-	-	-	-	-
Currency Translation Differences	-	-	-	-	-
Net Gains and Losses not Recognized in the Profit and Loss Statement	-	-	-	-	-
Net Profit for the year	-	-	-	1,513,501,368	1,513,501,368
Dividends					
Stock	-	-	-	-	-
Cash	-	-	-	(493,466,880)	(493,466,880)
Transfer to Statutory Reserve	-	614,158,373	-	(614,158,373)	-
Transfer to Start-up Fund	-	-	-	(15,135,014)	(15,135,014)
Transfer to CSR Fund	-	-	-	(15,135,014)	(15,135,014)
Transfer to Retained Earnings	-	-	-	-	-
Issue of Share Capital during the year	4,280,000,000	-	-	-	4,280,000,000
Balance as on 31 December 2022	9,869,337,600	3,028,782,767	145,749,665	2,236,430,980	15,280,301,013
Balance as on 31 December 2021	5,589,337,600	2,414,624,395	145,749,665	1,860,824,892	10,010,536,552


Managing Director


Director


Director


Director

UNION BANK LIMITED
LIQUIDITY STATEMENT (ASSETS AND LIABILITY MATURITY ANALYSIS)
As at 31 December 2022

Particulars	Amount in Tk.					Total
	Up to 01 month	01-03 months	03-12 months	01-05 years	More than 05 years	
Assets						
Cash	10,754,363,286	-	-	-	6,684,600,000	17,438,963,286
Balance with banks & Other Financial Institutions	152,118,089	-	-	-	-	152,118,089
Placement with banks & Other Financial Institutions	3,512,053,359	1,430,000,000	-	-	-	4,942,053,359
Investments in Shares and Securities	-	1,957,876,172	2,344,300,000	4,971,500,000	1,000,000,000	10,273,676,172
Investments	45,141,900,000	53,118,800,000	108,188,238,478	6,770,100,000	9,056,400,000	222,275,438,478
Fixed Assets including Premises, Furniture & Fixtures	-	-	-	654,707,384	4,298,417,658	4,953,125,042
Other Assets	11,376,500,000	672,849,452	824,092,905	-	-	12,873,442,357
Non-banking Assets	-	-	-	-	-	-
Total Assets	70,936,934,734	57,179,525,624	111,356,631,383	12,396,307,384	21,039,417,658	272,908,816,783
Liabilities						
Placement from Banks & Other Financial Institutions	23,068,500,000	3,670,200,000	444,342,310	-	-	27,183,042,310
Deposits and Other Accounts	18,468,700,000	67,568,500,000	68,859,897,519	51,210,000,000	7,268,200,000	213,375,297,519
Mudaraba Subordinated Bond	-	-	-	3,200,000,000	-	3,200,000,000
Other Liabilities	409,400,000	1,617,000,000	4,423,700,000	653,122,933	6,766,953,008	13,870,175,941
Total Liabilities	41,946,600,000	72,855,700,000	73,727,939,829	55,063,122,933	14,035,153,008	257,628,515,770
Net Liquidity Gap	28,990,334,734	(15,676,174,376)	37,628,691,554	(42,666,815,549)	7,004,264,650	15,280,301,013


Managing Director


Director


Director

UNION BANK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
As at and For the year ended 31 December 2022

1.00 The Bank and its activities

1.01 Status of the Bank

Union Bank Limited is one of the fourth generation private commercial bank in Bangladesh. The Bank has incorporated (Inc. no. C-107837) on March 07, 2013 as a Public Limited Company under the Companies Act, 1994 (Act No.18 of 1994) and also is governed by the Bank Company Act, 1991 (Amendment up to 2018). The Bank has raised paid-up capital through Initial Public Offering (IPO) under fixed price method and listed Dhaka Stock Exchange Limited and Chittagong Stock Exchange PLC on January, 2022. Union Bank Limited has started its debut trading with both Stock Exchange on January 26, 2022 as a listed company.

Particulars	Dhaka Stock Exchange Ltd.	Chittagong Stock Exchange PLC
Trading name	UNIONBANK	UNIONBANK
Company ID	11152	22036
Subscription Date	December 26, 2021 - December 31, 2021	December 26, 2021 - December 31, 2021
Listing Year	18-Jan-22	17-Jan-22
Debut Trading	26-Jan-22	26-Jan-22
Market Category	N	N
Electronic Share	Yes	Yes

The registered office of the Bank is located at Bahela Tower, 72 Gulshan Avenue, Gulshan-1, Dhaka-1212.

1.02 Nature of business/principal activities of the Bank

All kinds of commercial banking services are provided by the Bank to the customers following the principles of Islamic Sharia'h, the provisions of the Bank Company Act 1991 and Bangladesh Bank's directives.

The bank renders commercial banking services to all types of customers. The range of services offered by the bank includes accepting deposit, making investment, discounting bills, conducting domestic and international money transfer, carrying out foreign exchange transactions in addition to international money transfers, and offering other customer services such as safe keeping, collections and issuing guarantees, acceptances and letters of credit. Core business of the bank includes deposit mobilization and investing activities comprising short-term, long-term, import and export financing. Financing activities are extended to different sectors of the economy that could be grouped into several sectors including Rural & Agriculture, Garments & Textiles, Jute, Cement & Bricks, Tannery, Steel & Engineering, Food & Beverage, Chemical & Pharmaceuticals, Printing & Packaging, Glass & Ceramics and Miscellaneous.

At a glance, the principal activities of the bank are:

- (a) To facilitate and handle all kinds of commercial banking services to its customers authorized by Bangladesh Bank.
- (b) To facilitate the export and import business of Bangladesh.
- (c) To take part in international banking services etc.

2.00 Significant accounting policies and basis for preparation of Financial Statements

2.01 Statements of Compliance

The financial statements of the Bank are made up to 31 December 2022 and are prepared under the historical cost convention on a going concern basis and in accordance with the BRPD Circular # 15 dated 09 November 2009, with reference to the "First Schedule of Section 38(4) of the Bank Company Act 1991 as amended and by Bangladesh Bank BRPD Circular # 14 dated 25 June 2003, Other Bangladesh Bank Circulars, International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), The Companies Act 1994, The Bank Company Act 1991, The Income Tax Ordinance 1984, the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) and other laws and rules applicable in Bangladesh.

2.01.1 Departures from IAS/IFRS

In case the requirements of guidelines and circulars issued by Bangladesh Bank differ with those of other regulatory authorities and International Financial Reporting Standards (IFRSs), the guidelines and circulars issued by Bangladesh Bank prevails. As such the Bank has departed from those requirements of IFRSs in order to comply with the rules and regulations of Bangladesh Bank which are disclosed below:

i. Provision on investments and off-balance sheet exposures

IAS/IFRS: As per IFRS 9 an entity should start the impairment assessment by considering whether objective evidence of impairment exists for financial assets that are individually significant. For financial assets which are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis.

Bangladesh Bank: As per BRPD circular No.14 dated 23 September 2012, BRPD circular No. 19 dated 27 December 2012, BRPD circular No. 05 dated 29 May 2013 and BRPD circular No. 16 dated 18 November 2014 a general provision at 0.25% to 5% under different categories of unclassified investments (good/standard investments) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard, doubtful and bad & loss investments have to be provided at 20%, 50% and 100% respectively (except short-term agricultural and micro-credits where 5% for sub-standard and doubtful investments and 100% for bad & loss investments) depending on the duration of overdue. Again as per BRPD Circular No.14 dated 23 September 2012 and BRPD Circular No.19 dated 27 December 2012, a general provision at 1% is required to be provided for all off-balance sheet exposures but 0% against bills for collection under off-balance sheet exposures as per BRPD Circular no. 07 dated 21 June 2018, and circular no 13 dated October 18, 2018. Such provision policies are not specifically in line with those prescribed by "IAS 39 "Financial Instruments: Recognition and Measurement".

ii. Recognition of investment income in suspense

IFRS: Loans and advances to customers are generally classified as "loans and receivables" as per IFRS 9 and interest income is recognised through effective interest rate method over the term of the loan. Once a loan is impaired, interest income is recognised in profit and loss account on the same basis based on revised carrying amount.

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012, once an investment is classified, investment income on such investment are not allowed to be recognized as income, rather the corresponding amount needs to be credited to profit suspense account, which is presented as liability in the balance sheet.

iii. Investment in shares and securities

IAS/IFRS: As per requirements of IFRS 9 investment in shares and securities generally falls under "Amortized cost", "fair value through profit or loss" or "fair value through other comprehensive income" where any change in the fair value at the year-end is taken to profit or loss account or other comprehensive income/revaluation reserve respectively.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment; otherwise investments are recognized at cost.

iv. Revaluation gains/losses on Government securities

IAS/IFRS: As per requirement of IFRS 9 where T-bills and T-bonds will fall under the category of “held for trading”, any change in the fair value of held for trading assets is recognized through profit or loss. T-bills/bonds designated as held to maturity are measured at amortized cost method and interest income is recognized through the profit and loss account.

Bangladesh Bank: HFT securities are revalued on the basis of mark to market and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognized in other reserves as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Profit on HFT securities including amortization of discount are recognized in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortized at the year end and gains or losses on amortization are recognized in other reserve as a part of equity.

v. Other comprehensive income

IAS/IFRS: 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 statement.

Bangladesh Bank: Bangladesh Bank has issued templates for financial statements which will strictly be followed by all banks. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to be included in a single Other Comprehensive Income (OCI) Statement. As such the Bank does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.

vi. Financial instruments - presentation and disclosure

In several cases Bangladesh Bank guidelines categorize, recognize, measure and present financial instruments differently from those prescribed in IFRS 9. As such some disclosure and presentation requirements of IFRS 7 and IAS 32 is not made in the accounts.

vii. Financial guarantees

IAS/IFRS: As per IFRS 9, financial guarantees are contracts that require an entity to make specified payments to reimburse to the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are recognized initially at their fair value, and the initial fair value is amortized over the life of the financial guarantee. The financial guarantee 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 has become probable. Financial guarantees are included within Other Liabilities.

Bangladesh Bank: As per BRPD 14 dated 25 June 2003, financial guarantees such as letter of credit, letter of guarantee will be treated as off-balance sheet items. No liability is recognized for the guarantee except the cash margin.

viii. Balance with Bangladesh Bank: (Cash Reserve Requirement)

IAS/IFRS: Balance with Bangladesh Bank that are required to be kept as part of cash reserve requirement, should be treated as other asset 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 is treated as cash and cash equivalents.

ix. Cash flow statement

IAS/IFRS: The Cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

Bangladesh Bank: As per BRPD 14 dated 25 June 2003 and BRPD 15 dated 09 November 2009, cash flow statements is to be prepared following a mixture of direct and indirect methods.

x. Non-banking asset

IAS/IFRS: No indication of Non-banking asset is found in any IFRS.

Bangladesh Bank: As per BRPD 14 dated 25 June 2003 and BRPD 15 dated 09 November 2009, there must exist a face item named Non-banking asset.

xi. Presentation of intangible asset

IAS/IFRS: An intangible asset must be identified and recognized, and the disclosure must be given as per IAS 38 "Intangible Assets".

Bangladesh Bank: There is no regulation for intangible assets in BRPD 14 dated 25 June 2003 and BRPD 15 dated 09 November 2009.

xii. Recognition of Lease Rent of the Office premises

IAS/IFRS: As per IFRS 16, specifies single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a leased liability representing its obligation to make lease payments.

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003 (First Schedule of under section 38 of Banking Company Act, 1991, lease rent of the office Premises must be shown in the Profit and Loss account under "Rent, taxes, insurance, electricity etc."

Income Tax Ordinance 1984: According to section 53A of the act, where any specified person is a tenant/lessee in respect of a house property, the tenant has obligation to deduct tax from the rent of such house property which is preclude to treat it's shown Asset (right-of-use asset) and the lease liability instead of as direct expense.

VAT act, 2012: According to VAT S-074 (Place and establishment renter) refer to any person, Organization or Corporation, who or whose has got the right to use of the place and establishment for certain period or renewal after period expire against consideration. VAT will be payable on basis of use of place and establishment for such period.

xiii. Off-balance sheet items

IAS/IFRS: There is no concept of off-balance sheet items in any IFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

Bangladesh Bank: As per BRPD 14 dated 25 June 2003 and BRPD 15 dated 09 November 2009, off balance sheet items (e.g. Letter of credit, Letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.

xiv. Investments net of provision

IAS/IFRS: Investments should be presented net of provision.

Bangladesh Bank: As per BRPD 14 dated 25 June 2003 and BRPD 15 dated 09 November 2009, provision on investments is presented separately as liability and cannot be netted off against investments.

xv. Revenue

As per IFRS 15 "Revenue from Contract with Customers", revenue should be recognized on accrual basis but due to the unique nature of Islamic Banks, income from investment under Mudaraba, Musharaka, Bai-Salam, Bai-as-Sarf and Ijarah modes is accounted for on realization basis as per AAOIFI and Bangladesh Bank guidelines.

2.01.2 Authorization of the financial statements for issue

The financial statements of the Bank have been authorized for issue by the Board of Directors on 30 April 2023.

2.01.3 Changes in accounting standards

No new International Financial Reporting Standards (IFRSs) have been adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) as Bangladesh Financial Reporting Standards (BFRSs) during the year that are effective for the first time for the financial year 2018 that have a significant impact on the Bank Company and accordingly no new accounting standards have been applied in preparing these financial statements.

2.01.4 Prior period adjustments

Prior period adjustments, if any, is recognized respectively as per IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

2.02 Basis of Preparation of Financial Statements

The Financial Statements of Union Bank Limited (UBL) represent Balance Sheet and Profit and Loss Account, Cash Flow Statement, Statement of Changes in Equity and Liquidity Statement which comprise of the financial information/ transaction of all branches. All significant inter-branches transactions are eliminated on preparation of these financial statements.

2.03 Use of estimates and Judgements

In the preparation of the financial statements management is required to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised and in any future periods affected.

2.04 Going concern

When preparing financial statements, management makes an assessment of the Bank's ability to continue as a going concern. The Bank prepares financial statements on a going concern basis.

2.05 Accruals and Deferrals

Accruals and deferrals have been made as per the guidance of IAS # 1: Presentation of Financial Statements. In order to meet their objectives, financial statements except for Cash Flow Statement and related information are prepared on accrual basis of accounting. Under this basis, the effects of transactions and other events are recognized when they occur (and not when cash or its equivalent is received or paid) and they are recorded in accounts and reported in the financial statements of the year to which they relate.

2.06 Revenue Recognition

The revenues during the year are recognized on an accrual basis, which comply with the conditions of revenue recognition as provided in IFRS 15 "Revenue from Contract with Customers".

2.06.1 Income from Investments

Income from investments has been accounted for on accrual basis except investment under Musharaka, Mudaraba and Bai-Salam. Income in case of Musharaka is accounted for on realization basis. The bank does not charge any rent during the gestation/interim period of investment under hire purchase, but it fixes the rent of the assets at a higher price in such a way to cover its expected rate of return. Such income is recognized on realization basis.

Income was calculated on daily product basis and charged periodically.

2.06.2 Income from Investments in Share and Securities

Investment in shares and securities are recorded at cost. Provisions have been made against probable losses on the basis of year end reviewed by the management and in compliance with Bangladesh Bank circulars.

As per IFRS 15 "Revenue from Contract with Customers" dividend income from investments in shares is recognized when the "Bank's" right to receive dividend is established. Bank recognized dividend income when:

- a. It is probable that economic benefits, associated with transaction will flow to the entity; and
- b. The amount of the revenue can be measured reliably.

Gain on sale of shares transferred to other income on realization basis.

Profit on investment in Bangladesh Govt. Islamic Investment Bond is recognized on accrual basis.

2.06.3 Commission Income

Commission and discount on Bills Purchased and Discounted are recognized at the time of realization. Commission charged to customers on letter of credit and guarantees are credited to income at the time of effecting the transactions.

2.06.4 Profit/Rent/Compensation Suspense Account prohibited by Sharia'h

Profit/rent/compensation accrued on classified investments are suspended and accounted for as per circulars issued by the Bangladesh Bank. Moreover, income which are irregular (doubtful) as per Sharia'h are not included in the distributable income of the Bank.

Compensation on unclassified overdue Bai-Murabaha investments is charged as per Islamic Sharia'h such compensation is not shown as income of the Bank. This fund is transferred to Union Bank Foundation as per policy of the Bank.

Profit received from the balances held with foreign banks and foreign currency charging account with Bangladesh Bank are also not credited to regular income since it is not permissible as per Sharia'h.

2.06.5 Profit paid and Other Expenses

Profit paid and other expenses incurred by the Bank are recognized on accrual basis.

2.06.6 Dividend Payments

Interim dividend is recognized when they are paid to shareholders. Final dividend is recognized when it is approved by the shareholders. The proposed dividend for the year ended 31 December 2022 has not been recognized as a liability in the balance sheet in accordance with the IAS # 10: Events After the Balance Sheet Date.

Dividend payable to the Bank's shareholders is recognized as a liability and deducted from the shareholders' equity in the period in which the shareholders' right to receive payment is established.

Statement of Unclaimed Dividend

Cash Dividend for the year 2021	33,640,608
Total	33,640,608

2.07 Foreign Currency Transactions

2.07.1 Foreign Currency

Items included in the financial statements of each entity of the bank are measured using the currency of the primary economic environment in which entity operates i.e. functional currency. The financial statements of the bank are presented in Taka which is bank's functional and presentation currency.

2.07.2 Foreign Currency Translations

Foreign currency transactions are converted into equivalent Taka currency at the ruling exchange rates on the respective dates of such transactions as per IAS # 21. Assets and liabilities in foreign currencies as at 31 December 2022 have been converted into Taka currency at the average of the prevailing buying and selling rates of the concerned foreign currencies at that date except "balances with other banks and financial institutions" which have been converted as per directives of Bangladesh Bank vide its circular no BRPD(R) 717/2004-959 dated 21 November 2004.

2.07.3 Commitments

Commitments for outstanding forward foreign exchange contracts disclosed in these financial statements are translated at contracted rates. Contingent liabilities / commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in Taka terms at the rates of exchange ruling on the balance sheet date. The outstanding balances for the same as at 31 December 2022 have been shown in the Balance Sheet under Off-Balance Sheet items.

Exchange rates with major foreign currencies as on 31 December 2022 were as:

Currency Name	Exchange Rate (Taka)
USD	105.0000
Euro	111.7545
JPY	0.7751
ACU	105.0000
GBP	124.8934
CHF	11.8900
SGD	76.9515
AUD	70.0004
CAD	76.3536

2.07.4 Translation gains and losses

As per provision of IAS # 21: The Effects of Changes in Foreign Exchange Rates, foreign currency transactions are translated into Taka at rates prevailing on the dates of such transactions. The resulting exchange transaction gains and losses arising through foreign currency buying and selling transactions effected on different dates of the year have been adjusted by debiting /crediting exchange gain or loss account.

2.08 Assets and their basis of valuation

2.08.1 Cash and Cash Equivalents

As per provision of IAS # 7 Cash Flow Statements of Banks and Similar Financial Institutions for the purpose of the cash flow statement, cash and cash equivalents comprise balances with less than 90 days maturity from the date of acquisition including: cash and balances with central banks, treasury bills, and other eligible bills, amounts due from other banks and dealing securities other than those which are not available to finance the UBL day to day operations.

2.08.2 Investments

- Investments are stated in the balance Sheet at the net amount excluding unearned income and profit receivable.
- Provision for Investments Impairment:

As per instructions contained in Bangladesh Bank's BRPD circular no. 14, dated September 23, 2012, BRPD circular no. 05, dated May 29, 2013, BRPD circular no. 08, dated August 02, 2015, BRPD circular no. 12, dated August 20, 2017, BRPD circular no. 15, dated September 27, 2017, BRPD Circular no. 01, dated February 20, 2018, BRPD Circular no. 07, dated June 21, 2018, BRPD Circular no. 13, dated October 18, 2018, BRPD Circular no. 03, dated April 21, 2019, BRPD Circular no.16, dated July 21, 2020, BRPD Circular no. 52, dated October 20, 2020 BRPD Circular no. 14, dated June 22, 2022, BRPD Circular no. 51, dated December 18, 2022 and BRPD Circular no. 53, dated December 22, 2022 respectively specific provisions are made against non performing investments are at the following rates:

Particulars	Rates
Provision on Substandard Investments:	
Cottage, Micro, Small and Medium Enterprise (CMSME)	5%
Other than Cottage, Micro, Small and Medium Enterprise (CMSME)	20%
Provision on Doubtful Investments:	
Cottage, Micro, Small and Medium Enterprise (CMSME)	20%
Other than Cottage, Micro, Small and Medium Enterprise (CMSME)	50%
Provision on Bad & Loss Investments	100%

As per instructions of BRPD circular nos. 14, 05, 08, 12, 15, 07, 13, 03, 16, 52 and 14 dated September 23, 2012, May 29, 2013, August 02, 2014, August 02, 2015, August 20, 2017, September 27, 2017, February 20, 2018, June 21, 2018, October 18, 2018, April 21, 2019, July 21, 2020, October 20, 2020 and June 22, 2022 respectively and BRPD Circular letter no. 51 & 53 dated December 18, 2022 & December 22, 2022 an amount has been set aside up of the total unclassified investments as on the balance sheet date at the following rates:

General Provision on:

Particulars	Rates
• All Unclassified Investments of Small and Medium Enterprise (SME)	0.25%
• All Unclassified Investments (Other than investments under Consumer Financing, SME Financing, Housing Finance, Investment to professionals to set up business, Investment to Brokerage Houses, Merchant Banks, Stock Dealers etc.,)	1.00%
• Unclassified Consumer Financing (Other than Housing Finance and Investment for Professionals to set up business)	2.00%
• Unclassified Investment to Housing Finance	1.00%
• Unclassified Investment for Professionals to set up business under Consumer Financing Scheme	2.00%
• Unclassified Investment to Brokerage House, Merchant Banks, Stock dealers, etc.	2.00%
• Off-Balance sheet Exposure (Except inward and outward bills for collection)	1.00%
• Special General Provision - COVID - 19:	
CMSME	1.50%
Other than CMSME	2.00%
COVID - 19	1.00%

Provision for Short-term Agricultural and Micro-Credits:

Particulars	Rates
• All unclassified investments (irregular & regular)	1.00%
• Classified as "Sub-Standard" & "Doubtful"	5.00%
• Classified as "Bad/Loss"	100.00%

c) When an investment is deemed to be uncollectible, it is written off against the related provision for impairments. Subsequent recoveries of such investments are credited to the income statement.

d) Investment are normally written off, when there is no chance of recovery of these amounts in accordance with BRPD Circular no. 01, Dated 06 February 2019. A separate Special Asset Management Division (SAMD) has been set up at the Head Office, which monitors investment Written-off and legal action through the Money Court. The process of Write-offs does not undermine or affect the amount claimed against the borrower by the Bank.

2.08.3 Investment in shares and securities

Investment in shares and securities (other than government treasury securities) are initially measured at fair value (which is actually the cost) and subsequently accounted for depending on their classification as either held to maturity, fair value through profit or loss, or available for sale.

Investment in Bangladesh Government Islamic Investment Bond (BGIIB) is measured both initially and subsequently at cost, which is also the fair value.

2.08.3.1 Valuation Method

Considerable value of Investments has been considered as follows:

Particulars	Valuation Method
Bangladesh Government Islamic Investment Bonds	Cost Price
Shares	Cost Price

2.08.4 Off setting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

2.08.5 Property, Plant and Equipment

All property and equipment are classified and grouped on the basis of their nature as required in as per provision of IAS # 16: Property, Plant and Equipment.

The major categories of property and equipment held by the bank are furniture and fixtures, office equipment's, motor vehicles and books.

As guided in paragraph 30 of IAS # 16 Property Plant and Equipment: all property and equipment are stated at historical cost less accumulated depreciation. The opening and closing carrying amounts of all property and equipment are presented including the amount of additions, disposals and depreciation charged during the year as required IAS # 16. Maintenance expenses that does not increase the value of assets is charged to profit & loss account.

Depreciation on Property, Plant and Equipment

As required in paragraph 43 of IAS # 16 Property Plant and Equipment depreciation has been charged on property and equipment at the following rates using reducing balance method, except on office equipment, motor vehicles on which straight-line method is applied.

Nature of Assets	Rate	Method of Depreciation
Land	Nil	Not Applicable
Furniture and Fixtures	10%	Reducing Balance Method.
Office Equipment	20%	Reducing Balance Method except Computer Equipment where used Straight Line Method.
Vehicles	20%	Straight Line Method.
Books	20%	Reducing Balance Method.

Depreciation on addition to fixed assets is charged in compliance with International Accounting Standard (IAS) # 16.

2.08.6 Leases

IFRS 16 Leases, defines a lease as "A contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration". In order for such a contract to exist the user of the asset needs to have the right to:

- * Obtain substantially all the economic benefits from the use of asset (identifiable asset)
- * The right to direct the use of asset

A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. To apply this definition the bank assesses whether the contract meets two key evaluations which are whether:

- * the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Bank.

* the Bank has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract the Bank has the right to direct the use of the identified asset throughout the period of use. The bank assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

The Bank depreciates the right-of-use assets on a straight-line basis over the remaining useful life of the asset. The Bank also assesses the right-of-use asset for impairment when such indicators exist.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

The Bank has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included other liabilities.

2.09 Statutory Reserve

As per section 24 of Bank Company Act 1991 (amended up to 2018), at least 20% of the profit before tax is transferred to the statutory reserve each year until the balance of the reserve equates with the paid-up capital.

2.10 Liabilities and Provisions

2.10.1 Taxation

Tax expenses represent the sum of the tax which are payable during the current period.

2.10.1.1 Current Tax

Provision for corporate current income tax has been made @ 37.50% as prescribed in the Finance Act 2022 of the accounting profit made by the Bank after considering some of the add backs to income and disallowances of expenditure as per income tax laws in compliance with IAS # 12: Income Taxes.

2.10.1.2 Deferred Tax

Deferred tax is recognized in compliance with IAS 12 "Income Taxes" and BRPD Circular no. 11 dated 12 December 2011, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the date of balance sheet. Deferred tax assets and liabilities are offset as there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each date of balance sheet and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. As shown in note no. 8.3.1

2.10.2 Retirement Benefits of Employees

Required in IAS # 19: Employee Benefit, provident fund and gratuity benefits are given to eligible employee of the bank in accordance with the locally registered rules and the entity shall disclose the amount recognized as an expense for defined contribution plan.

2.10.2.1 Provident Fund

Provident fund benefits are given to employees of Union Bank Limited (UBL) in accordance with the locally registered Provident Fund Rules. The employees' provident fund is administered by a Board of Trustees and is funded by contributions of employees and the Bank at predetermined rates in equal proportion. These contributions are invested separately from the assets of UBL and the profit on such contributions credited to the members' account. The Fund is recognized by the National Board of Revenue (NBR) vide their letter # PFR(UBL)/LTU/2013-2014/1057(1-3) dated 30/04/2014.

2.10.2.2 Gratuity

The Company operates an unfunded gratuity scheme for its permanent employees, under which an employee is entitled to the benefits if his/her length of service is at least seven (07) years. Adequate provision has been made for gratuity in line of IAS # 19 "Employee Benefits". The Fund is recognized by the National Board of Revenue (NBR) vide their letter No. 08.01.0000.035.02.0043.2016/28 dated 02/04/2017.

2.10.2.3 Employees' Social Security & Benevolent Fund (ESSBF)

The Bank operates a Employees' Social Security & Benevolent Fund (ESSBF) by all regular employees' contribution for the sake of death and disability of employees.

2.10.2.4 Employees Group Life Insurance Fund

The bank makes Employees Group Life Insurance Fund commence with effect from 01 January 2020. The purpose of the fund is to provide medical and death cum survival benefit in lieu of group insurance (death cum endowment). The fund shall be subscribed by the employees on Yearly basis and with the contribution of the Bank.

2.10.2.5 Death Risk Coverage Scheme (DRCS)

The bank operates a Death Risk Coverage Scheme (DRCS) in Employee House Building Investment Scheme (EHBIS) with following objectives:

- a). To ensure 100% repayment of EHBIS of the Bank even in the case of death/disability, staying the Bank away from the threat of any financial loss due to non-repayment hazards.
- b). To cushion the bereaved/disabled families of the employees of the Bank from the burden of paying EHBIS installment from their own in the event of death/disability case.

2.10.2.6 Workers' Profit Participation Fund (WPPF)

As per Bangladesh Labour Act, 2006 as amended in 2013 all companies fall within the scope of WPPF (which includes Bank) are required to provide 5% of its profit before charging such expense to their eligible employees within the stipulated time. But the provision for WPPF as per Bangladesh Labour Act 2006 as amended 2013 contradicts with the Bank Company Act 1991, section 11 sub section b(ii). As such the Bank did not make any provision during the year for WPPF.

2.10.3 Deposits and Other Accounts

Deposit include non-profit bearing deposits, saving deposits, term deposits etc. They are brought to account at the gross value of the outstanding balance. Profit paid is charged to the Income Statement.

2.10.4 Contingent Liabilities, Commitments and Other Off-Balance Sheet items

As required in IAS # 37, Contingent Liabilities, commitments and other Off-Balance Sheet items are presented in details in the financial statements as per BB Circular no. BRPD 14 Dated 25 June 2003 and BRPD -15 Dated 09 November 2009.

2.10.5 Sharing of Investment Income

In case of investments, Mudaraba fund gets preference over cost free fund. The investment income earned through deployment of Mudaraba fund is shared by the bank and the Mudaraba depositors at the pre-determined ratio fixed by the bank.

2.10.6 Zakat

Zakat is paid by the bank at the rate of 2.58% (instead of 2.50% as the bank maintains its account following Gregorian year) on the closing balances of share premium, statutory reserve, general reserve and exchange equalization account. Payment of zakat on paid up capital and deposits is the responsibility of the shareholders and depositor's respectively.

2.11 Others

2.11.1 Cash Flow Statement

Cash Flow Statement is prepared in accordance with IAS 7 “Statement of Cash Flows”, and as per “Guidelines for Islamic Banking” issued by Bangladesh Bank through BRPD Circular No. 15 dated 09.11.2009 and BRPD Circular No.14 dated 25.06.2003. The Statement shows the structure of changes in cash and cash equivalents during the financial year.

2.11.2 Liquidity Statement

The liquidity statement of assets and liabilities as on the reporting date has been prepared on residual maturity term as per the following basis:

- Balance with other Banks and financial institutions are on the basis of their maturity term;
- Investments are on the basis of their respective maturity and repayment schedule;
- Fixed assets are on the basis of their useful lives;
- Other assets are on the basis of their realization / amortization;
- Borrowing from other Banks, financial institutions and agents, etc. are as per their maturity / repayment term;
- Deposits and other accounts are on the basis of their maturity term and past trend of withdrawal by the depositors;
- Provisions and other liabilities are on the basis of their payment / adjustments schedule.

2.11.3 Comparative Information

As guided in paragraph 36 and 38 of IAS # 1 presentation of financial statements, comparative information in respect of the previous year have been presented in all numerical information in the financial statements and the narrative and descriptive information where, it is relevant for understanding of the current year’s financial statements.

2.11.4 Earnings Per Share (EPS)

2.11.4.1 Basic Earnings Per Share

Earnings per share have been calculated in accordance with IAS # 33 “Earnings Per Share” (EPS) which has been shown on the face of profit and loss account. These have been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

2.11.4.2 Diluted Earnings Per Share

No Diluted Earning per share is required to calculate for the year as there was no such component existed during the year under review.

2.11.5 Functional and Presentation Currency

The financial statements are presented in Bangladesh Taka (BDT).

2.12 Risk Management

Risk is an inherent part of banking business. Through issuing and adopting risk management policies, UBL continues to focus on improving its risk management systems and practicing same in its day to day business operation. UBL conducts its risk management activities by following Bangladesh Bank risk management guidelines, circulars, instructions, core risk management guidelines, bank’s internal comprehensive risk management guidelines and Basel-III accord; etc. as amended from time to time. As per directive of Bangladesh Bank, UBL established a separate Risk Management Division (RMD) to identify, monitor and manage evolving risks effectively and efficiently.

Key risk management areas of the bank are described below:

2.12.1 Investments Risk

Investment risk is one of the major risks of the banks which can be described as potential losses arising from the failure of counterparty to perform according to the agreed terms. The failure may result from unwillingness of the counterparty or decline due to economic condition, market situation etc. Macro level investment risk management issues cover sectoral concentration, industry-wise concentration, area concentration, non-performing/classified investments, provisioning, top-20 borrower concentration, single borrower exposure limit, forced investment, status of top-20 defaulters, status of law suit, status of provisioning against classified investments, error in valuation of collateral, documentation lapses, recovery from overdue investments, rescheduled/restructured/ written-off investment, status of credit rating of eligible corporate and SME clients; etc. To manage investments risk, the bank applies investment limits to its customers and obtains adequate collaterals. Investments risks are monitored, reviewed and analyzed by the Investment Committee (IC), Investment Risk Management Committee (IRMC), Executive RISK Management Committee (ERMC), Board Risk management committee (BRMC) and Board of Directors at a regular interval in its meetings.

2.12.2 Foreign Exchange Risk

Foreign Exchange Risk is defined as the potential change in earnings arising due to change in market prices. Foreign exchange risk arises due to unexpected movement of market price of the holding of currencies or the price of the assets denominated in foreign currencies. Macro level FEx risk covers open position risk, exchange rate, violation of dealer's limit and loss for the violation, un-reconciled nostro account, non-repatriation of export bills and overdue accepted bills; etc. Union Bank Limited has a well-developed and structured Foreign Exchange Risk Manual for effective and efficient risk management. In order to mitigate the risk, bank follows related directives as issued by Bangladesh Bank from time to time.

2.12.3 Asset Liability Management Risk

Asset Liability Management is the key success of any financial intermediary especially for Banks. Asset Liability Management (ALM) can be defined as a mechanism to address the risk faced by a bank due to a mismatch between rate sensitive assets and liabilities either due to liquidity or changes in profit/interest rates. Asset-Liability Committee (ALCO) of the bank monitors balance sheet risk and liquidity risks of the bank. The balance sheet risk encompasses most part of the asset-liability and deal with change in earnings due to change in rate of profit, foreign exchange rates which are not of trading nature. On the other hand, liquidity risk can be defined as the risk or chance of failure to meet up any withdrawal /disbursement request by a counterparty/customer. ALCO reviews source of fund and application of fund, day to day liquidity requirement, the maturity of assets and liabilities, deposits and investments pricing strategy and the liquidity contingency plan. The primary objective of the ALCO is to monitor and avert significant volatility in Net Investment Income (NII), investment value and exchange earnings for the purpose of taking future action plan for better interest of the Bank.

2.12.4 Money Laundering and Terrorist Financing Risk

Money Laundering now a day is one of the greatest challenges that the Governments, Banks and Financial Institutions face in the globalize financial system. Identifying, assessing, and understanding ML/TF risks is an essential part of the implementation and development of a national anti-money laundering / Combating Financing Terrorism (AML/CFT) regime, which includes laws, regulations, enforcement and other measures to mitigate ML/TF risks. The Central Compliance Committee (CCC) looks after the overall compliance related to AML/CFT regulations. Main functions of Anti-Money Laundering & Terrorist Financing Divisions are to formulate, monitor, review and enforce the Bank's Anti-Money Laundering/Combating Financing Terrorism Policy & ML/TF Risk Assessment Guideline in line with BFIU of Bangladesh Bank, creation of awareness among the officers/employees about the internal AML/CFT policies, procedures and programs, conduct inspection on branches regarding anti-money laundering compliance, conducting of CCC meeting quarterly, ensure timely anti-money laundering reporting and compliance to Bangladesh Bank.

2.12.5 Internal Control and Compliance Risk

An internal control system oversees the whole process in relation with the policies, processes, laws, regulations, tasks, behaviors and other aspects of a banking company to facilitate its effective and efficient operation. It is a continuing series of activities planned, implemented and monitored by the Board of Directors, Board Audit Committee and Management at all levels within an organization. Effective internal controls strengthen the base of safe and sound banking. The main objectives of Internal Control are to ascertain the efficiency and effectiveness of activities, reliability, completeness and timeliness of financial and management information, compliance with applicable laws and regulations.

Audit & Inspection Unit undertakes periodical and special audit & inspection of its branches and departments/divisions of Head Office for reviewing its operation and compliance in line with the regulatory and internal policies and procedures. Compliance Unit ensures regulatory and internal compliances and Monitoring Unit monitors the operational lapses & other defined activities of the unit. The Board Audit Committee plays a vital role in providing a bridge between the Board and Management. The Committee reviews the financial reporting process, audit process and the bank's process for compliance with laws, regulations and code of conduct.

2.12.6 Information & Communication Technology Risk

Integration of information and communication technologies helps banks to develop and maintain their competitive advantages which bring numerous benefits including faster business transactions, increasing automation, improved customer service through several innovative products in the ground-breaking new forms of internet banking, mobile banking, ATM facility etc. The importance of information security for the banks has gained much importance, and it is of the critical essence for us to ensure that the ICT risks are being properly identified measured and adequate mitigation strategies are in place. For this purpose, a risk management process consisting of assessing, controlling and monitoring risks should be in place.

Information assets are critical to the services provided by the Bank to its customers. Protection and maintenance of these assets are vital to its sustainability. In order to ensure protection of critical IT assets from unauthorized access modification, disclosure and destruction, the Bank has already taken initiatives, which safeguard the interest of customers. The basic functions regarding ICT risk management is safeguarding the interest of the bank, establishing, implementing, operating, monitoring, reviewing, exercising, maintaining and improving a documented Information and Communication Technology Assets within the context of managing the overall business risks. ICT Risk covers business disruption and system failures, execution, delivery and process management, data entry errors, vendor disputes, data security, physical security, network security and other potential risks; etc. The Bank has already developed its own ICT policies for various operation and services which are closely in line with the ICT guidelines of Bangladesh Bank and continuously conducting training sessions on sensitive IT tasks (i.e. operational procedure, Business Continuity Planning, Disaster Recovery Planning etc.) for relevant employees. The Bank is strictly following the Information Security Standard of Bangladesh Bank covering Password Control, User ID Maintenance, Input Control, Network Security, Data Encryption, Virus Protection and Access Control to Internet and Emailing. The bank is regularly conducting internal ICT audit to all its' branches and divisions at Head Office to ensure proper implementation of the ICT policies.

2.13 Internal audit

Internal Audit is used as an important element to ensure good governance within the bank. Internal Audit activity is effective and it provides senior management with a number of important services. These include detecting and preventing fraud, testing internal control, and monitoring compliance with own policies & procedures, applicable rules & regulations, instructions/guidelines of regulatory authority; etc.

During the year 2022, Audit & Inspection Unit conducted inspection a number of the branches/divisions of Head Office of the bank and submitted reports covering the findings of the audits/inspections. Necessary control measures and corrective actions have been taken on the suggestions or observations provided in these reports. The reports or key points of the reports have also been discussed in the meetings of the Board Audit Committee and necessary steps have been taken according to the decision of the Committee to mitigate the risks in time.

2.14 Fraud and forgeries

Fraud means wrongful or criminal deception intended to result in financial or personal gain. UBL continuously pays attention to implement and improve the anti-fraud internal controls for prevention of frauds and forgeries. Moreover, UBL has developed own fraud detection and management process policy guideline and assesses/evaluates the effectiveness of its anti-fraud internal control measures. During the year 2022, no incident of fraud has been detected by the related organs.

2.15 Stress Testing

Stress testing is a risk management technique used to evaluate the potential effects on an institution's financial condition of a specific event and/or movement in a set of financial variables. It has become an essential and very prominent tool in the analysis to measure the shock absorbing capability of a bank. Stress testing framework is being used to assess risk absorbing capacity of the bank considering its impact on bank's capital adequacy by using minor, moderate & major level of shock in terms of investment risk, exchange rate risk, equity price risk, profit rate risk and liquidity risk on quarterly basis and communicate the results of stress test to the Senior Management and Board to ensure maintenance of adequate capital for absorbing any unforeseen losses.

2.16 Reporting Period

The accounting year is 01 January to 31 December. The reporting year of 2022 is from 01 January 2022 to 31 December 2022.

2.17 Regulatory and legal compliance

Among others, the Bank complied with the requirements of the following circular, rules and regulations:

- a) The Bank Company Act, 1991 as amended
- b) The Companies Act, 1994
- c) "Guidelines for Islamic Banking" and BRPD Circular No. 14 dated 25.06.2003 issued by Bangladesh Bank through BRPD Circular No. 15 dated 09.11.2009.
- d) Other circulars, rules and regulations issued by Bangladesh Bank from time to time.
- e) Income Tax Ordinance, 1984
- f) Income Tax Rules, 1984
- g) Value Added Tax and Supplementary Duty Act, 2012 as passed 13 June 2019,
- h) Standards issued by AAOIFI
- i) The Stamp Act, 1899
- j) The Customs Act, 1969
- k) The Money Laundering Prevention Act, 2012
- l) The Anti-Terrorism (Amendment) Act, 2012 etc.

2.18 Compliance with Financial Reporting Standards as applicable in Bangladesh subject to departure described in note-2.1, where we have followed Bangladesh Bank guideline:

Sl.	IASs/ IFRSs No.	IFRS Title	Compliance Status
01	IFRS-1	"First-time adoption of International Financial Reporting Standards"	Not Applicable
02	IFRS-2	Share-based Payment	Not Applicable
03	IFRS-3	Business Combinations	Not Applicable
04	IFRS-4	Insurance Contracts	Not Applicable
05	IFRS-5	Non-current Assets Held for Sale and Discontinued Operations	Not Applicable
06	IFRS-6	Exploration for and Evaluation of Mineral Resources	Not Applicable
07	IFRS-7	Financial Instruments: Disclosures	Complied
08	IFRS-8	Operating Segments	Complied
09	IFRS-9	Financial Instruments	Complied
10	IFRS-10	Consolidated Financial Statements	Not Applicable
11	IFRS-11	Joint Arrangements	Not Applicable
12	IFRS-12	Disclosure of Interests in other Entities	Not Applicable
13	IFRS-13	Fair Value Measurement	Complied
14	IFRS-14	Regulatory Deferral Accounts	Complied
15	IFRS-15	Revenue from Contract with Customers	Complied
16	IFRS-16	Leases	Complied
17	IFRS-17	Insurance Contracts	Not Applicable
01	IAS-1	Presentation of Financial Statements	Complied
02	IAS-2	Inventories	Not Applicable
03	IAS-7	Statement of Cash Flows	Complied
04	IAS-8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
05	IAS-10	Events after the Reporting Period	Complied
06	IAS-12	Income Taxes	Complied
07	IAS-16	Property, Plant & Equipment	Complied
08	IAS-19	Employee Benefits	Complied
09	IAS-20	"Accounting for Government Grants and Disclosure of Government Assistance"	Not Applicable
10	IAS-21	The Effects of Changes in Foreign Exchange Rates	Complied
11	IAS-23	Borrowing Costs	Not Applicable
12	IAS-24	Related Party Disclosures	Complied
13	IAS-26	Accounting and Reporting by Retirement Benefit Plans	Complied
14	IAS-27	Separate Financial Statements	Not Applicable
15	IAS-28	Investments in Associates and Joint Ventures	Not Applicable
16	IAS-29	Financial Reporting in Hyperinflationary Economics	Not Applicable
17	IAS-32	Financial Instruments: Presentation	Complied
18	IAS-33	Earnings per Share	Complied
19	IAS-34	Interim Financial Reporting *	Complied
20	IAS-36	Impairment of Assets	Complied
21	IAS-37	Provisions, Contingent Liabilities and Contingent Assets	Complied
22	IAS-38	Intangible Assets	Complied
23	IAS-39	Financial Instruments: Recognition and Measurement	Not Applicable
24	IAS-40	Investment Property	Not Applicable
25	IAS-41	Agriculture	Not Applicable

(*) Complied while the quarterly and half-yearly interim financial reports were prepared during the year.

2.19 General

2.19.1 The figures have been rounded off to the nearest Taka.

2.19.2 Wherever considered necessary, previous year's figures have been rearranged for the purpose of comparison.

Notes	Particular	Amount in Taka	
		December 31, 2022	December 31, 2021
3 CASH			
3.1 Cash in Hand			
	In Local Currency	1,516,413,312	1,206,832,386
	In Foreign Currencies	42,000	990,060
		1,516,455,312	1,207,822,446
3.2 Balance with Bangladesh Bank and its Agent Bank			
	In Local Currency	15,762,968,464	6,665,364,587
	In Foreign Currencies	159,539,510	480,262,482
		15,922,507,974	7,145,627,069
		17,438,963,286	8,353,449,515
3.3 Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR)			
	Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with the Section 25 & 33 of the Bank Companies Act, 1991 (amended upto 2018), and subsequent BCD Circular No.13 dated May 24, 1992; BRPD Circular No. 12 dated September 06, 1998, BRPD Circular No.12, dated September 20, 1999, BRPD Circular No. 22 dated November 06, 2003, BRPD Circular No. 03 dated 17 February 2005 and BRPD Circular No. 11 & 12 dated 25 August 2005, Bangladesh Bank Letter # DOS (SR) 1153/120-A/2009-46 dated 22 March 2009, MPD circular # 01 dated 04 May 2010, DOS Circular # 01 dated 19 January 2014, MPD circular # 04 & 05 dated 01 December 2010, MPD circular # 01 dated 23 June 2014, MPD circular # 01 dated 03 April 2018, DOS Circular # 26 dated 19 August 2019 and MPD Circular # 03 dated 09 April 2020. The statutory Cash Reserve Ratio on the Bank's time and demand liabilities at the rate 4.0% (conventional and Islamic) has been calculated and maintained with Bangladesh Bank in local currency 5.5% Statutory Liquidity Ratio for Islamic Banking, on the same liabilities has also been maintained in the form of cash in hand, balance with Bangladesh Bank, treasury bills, and bonds. CRR and SLR maintained by the Bank are shown below:		
3.4 Cash Reserve Ratio (CRR): 4.00 % (Bi-Weekly) of Average Demand and Time Liabilities			
	Required Reserve (4%)	6,684,642,664	6,006,736,544
	Actual Reserve maintained (9.36%)	15,637,004,798	6,595,300,853
	Surplus/(Shortfall)	8,952,362,134	588,564,309
3.5 Statutory Liquidity Ratio (SLR): 5.50% of Average Demand and Time Liabilities:			
	Required Reserve (5.5%)	9,191,383,663	9,439,157,426
	Actual Reserve (6.21%)	14,276,864,486	11,758,108,649
	Surplus/(Shortfall)	5,085,480,823	2,318,951,223

Notes	Particular	Amount in Taka	
		December 31, 2022	December 31, 2021
4	BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS AND PLACEMENT		
4.1	BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS		
A.	Inside Bangladesh		
	Al-Wadiah Current Accounts		
	Janata Bank Ltd.	14,671	2,530,281
	Others Accounts:		
	Mudaraba Short Notice Deposits		
	First Security Islami Bank Ltd.	17,304,614	33,176,091
	Global Islami Bank Ltd.	10,621,612	7,126,025
	AB Bank Ltd.	730,995	725,339
	Trust Bank Ltd.	16,000,793	19,254,539
	Agrani Bank Ltd.	8,121	9,208
	Islami Bank Bangladesh Ltd.	38,184,105	6,390,840
		82,850,240	66,682,042
		82,864,911	69,212,323
B.	Outside Bangladesh		
	Current Account;		
	Banco De Sabadell S.A., Spain	3,234,381	2,772,958
	Sonali Bank (UK) Limited, UK	14,238	13,184
	Sonali Bank (UK) Limited, UK	-	1,085,086
	Sonali Bank (UK) Limited, UK	9,926,346	28,467,903
	Habib American Bank, New York, USA	38,947,905	157,845,266
	Kookmin Bank, Seoul	3,662,380	30,765,907
	Axis Bank Limited, Kolkata	2,513,612	4,292,857
	Meezan Bank Limited, Karachi	1,490,948	237,337
	AB Bank Ltd., Mumbai, India	9,063,646	29,517,553
	United Bank of India, Kolkata, India	339,359	30,378,687
	National Bank of Pakistan, Tokyo, Japan	60,363	58,743
		69,253,178	285,435,481
		152,118,089	354,647,804

Notes	Particular	Amount in Taka	
		December 31, 2022	December 31, 2021
4.1.1	Maturity-wise Grouping (Inside and Outside Bangladesh)		
	Payable on Demand	152,118,089	354,647,804
	Up to Three Months	-	-
	Three Months to One Year	-	-
	One Year to Five Years	-	-
	Above Five Years	-	-
		152,118,089	354,647,804
4.2	Placement with banks & Other Financial Institutions		
	Aviva Finance Limited	4,732,618,099	4,579,602,155
	Phoenix Finance and Investments Ltd.	80,000,000	80,000,000
	International Leasing and Financial Services Ltd.	129,435,260	110,182,000
	Islamic Finance and Investment Ltd.	-	700,000,000
		4,942,053,359	5,469,784,155
4.2.1	Maturity-wise Grouping (Placement with banks & other FI)		
	Payable on Demand	3,512,053,359	3,706,984,155
	Up to Three Months	1,430,000,000	1,762,800,000
	Three Months to One Year	-	-
	One Year to Five Years	-	-
	Above Five Years	-	-
		4,942,053,359	5,469,784,155
5	INVESTMENTS IN SHARES AND SECURITIES		
	Government Securities		
	Bangladesh Govt. Islamic Investment Bonds	3,550,000,000	6,650,000,000
	Bangladesh Govt. Investment Sukuk (Ijarah Sukuk)	4,971,490,000	3,790,420,000
		8,521,490,000	10,440,420,000
	Others		
	Subordinated Bond	60,000,000	90,000,000
	Beximco Green SUKUK	500,000,000	500,000,000
	Mudaraba Perpetual Bond (standard Bank)	1,000,000,000	1,000,000,000
	Quoted Shares (Note - 5.1)	192,186,172	-
		1,752,186,172	1,590,000,000
		10,273,676,172	12,030,420,000

Notes	Particular	Amount in Taka	
		December 31, 2022	December 31, 2021
5.1	Quoted Shares		
	Name of Companies	Acquisition cost	Acquisition cost
	Aamra Networks Limited	4,793,635	-
	ACI Formulations Limited	8,653,358	-
	ADN Telecom Limited	5,597,994	-
	Anwar Galvanizing Ltd.	9,521,586	-
	Baraka Power Limited	1,362,899	-
	BDCOM Online Ltd.	3,403,204	-
	Beacon Pharmaceuticals Limited	6,466,725	-
	Bangladesh Export Import Company Ltd.	12,534,845	-
	Baraka Patenga Power Limited	1,577,935	-
	Bangladesh Shipping Corporation	15,614,880	-
	Beximco Pharmaceuticals Ltd.	3,081,808	-
	Dhaka Electric Supply Company Ltd.	1,863,869	-
	Doreen Power Generations and Systems Limited	2,722,090	-
	Dragon Sweater and Spinning Limited	882,200	-
	eGeneration Limited	2,791,058	-
	Eastern Housing Limited	1,541,043	-
	Energypac Power Generation Limited	2,939,831	-
	Fortune Shoes Limited	1,593,975	-
	Genex Infosys Limited	7,497,634	-
	Grameenphone Ltd.	15,911,713	-
	Intraco Refueling Station Limited	2,109,289	-
	Islami Bank Bangladesh Limited	3,685,220	-
	Islamic Finance & Investment Ltd.	2,119,285	-
	Islami Insurance Bangladesh Limited	4,213,176	-
	Jamuna Oil Company Limited	851,387	-
	Kohinoor Chemicals Company (Bangladesh) Ltd.	1,971,968	-
	LafargeHolcim Bangladesh Limited	725,610	-
	Linde Bangladesh Limited	2,512,137	-
	MJL Bangladesh Limited	1,025,270	-
	Meghna Petroleum Limited	1,001,999	-
	Olympic Industries Ltd.	17,068,157	-
	Orion Infusion Ltd.	1,568,363	-
	Orion Pharma Ltd.	10,459,886	-
	Padma Oil Co. Ltd.	957,833	-
	Pharma Aids	1,197,029	-
	Paramount Textile Limited	1,944,750	-
	Quasem Industries Ltd.	428,741	-
	SAIF Powertec Limited	787,333	-
	Summit Alliance Port Limited	3,478,216	-
	Sinobangla Industries Ltd.	3,800,278	-
	Square Pharmaceuticals Ltd.	8,511,640	-
	Summit Power Limited	521,483	-
	Titas Gas Transmission & Dist. Co. Ltd.	2,037,973	-
	United Power Generation & Distribution Company Ltd.	3,600,251	-
	Walton Hi-Tech Industries PLC	5,256,616	-
		192,186,172	-
5.2	Market Value of Quoted Shares	181,329,544	-

Notes	Particular	Amount in Taka	
		December 31, 2022	December 31, 2021
5.3	Maturity Grouping of Investments in Shares and Securities		
	On Demand	-	650,000,000
	One Month to three Months	1,957,876,172	2,980,000,000
	Three Months to One Year	2,344,300,000	3,080,020,000
	One Year to Five Years	4,971,500,000	5,320,400,000
	More than Five Years	1,000,000,000	-
		10,273,676,172	12,030,420,000
6	INVESTMENTS (All Inside Bangladesh)		
	General Investments etc. (Note-6.A)	221,503,076,683	188,105,717,264
	Bills Purchased and Discounted (Note - 6.B)	772,361,795	5,716,563,217
		222,275,438,478	193,822,280,481
6.A	General Investment etc. Inside Bangladesh		
	Bai Murabaha (Hypo)	632,848,879	655,932,392
	Bai Murabaha against MTDR	16,093,250,903	48,293,660,189
	Bai Murabaha TR (Non INST)	163,171,769,562	101,775,100,811
	Bai Murabaha TR (INST)	3,250,136,322	2,659,613,320
	Bai Murabaha (Post Import) TR	3,118,344,038	2,612,682,776
	Bai Murabaha Real Estate Material	2,221,262,500	1,941,187,500
	Bai Murabaha (TR) SME	4,934,286,351	5,188,109,809
	Bai Murabaha Agriculture	1,053,838,602	1,033,575,655
	Bai Murabaha (TR) Agriculture	241,486,593	137,030,153
	Bai Murabaha (TR) Women Entrepreneur	20,274,697	15,554,035
	Bai Murabaha Import Bill (MIB)	7,045,102	17,801,946
	Bai Murabaha under Stimulus Package	2,027,520,024	2,127,723,883
	Bai Murabaha (TR) under Credit Guarantee Scheme	823,900	-
	Bai Murabaha (TR) under CMSME	35,269,080	-
	Bai Murabaha (TR) under Line of Finance	33,663,241	-
	Bai Muazzal Real Estate (Short Term)	765,785,195	742,263,496
	Bai Muazzal (Guarantee)	72,740,106	72,262,592
	Bai Muazzal TR	1,091,680,000	1,000,580,000
	Bai Muazzal against BG (Bid Bond)	69,240,947	81,583,454
	Bai Muazzal against Import Bill	7,150,789,293	5,336,081,644
	Bai Muazzal Back to Back Bill	1,566,761,252	1,270,124,320
	Mudaraba Investment	592,522,193	486,005,686
	HPSM (Real Estate)	3,012,015,052	3,064,754,169
	HPSM (Transport)	280,087,042	298,899,655
	HPSM (SME)	81,897,890	77,399,882
	HPSM House Building Staff	618,090,676	618,251,590
	HPSM Rural Housing	644,071	940,495
	HPSM House Building General	292,586,540	313,221,842
	HPSM Industrial Term	2,320,280,652	1,751,371,318
	HPSM Machinery	3,931,749,776	3,701,023,165
	HPSM Machinery Women Entrepreneur	2,136,035	1,709,433
	Quard Investment	1,265,585,032	742,329,561
	Car Leasing Scheme Staff	32,114,313	34,380,454
	Murabaha EDF Investment General	125,653	125,653
	Murabaha EDF Investment	1,365,339,810	1,888,118,000
	Bai Istisna	113,342,850	129,317,667
	HPSM Consumer Durables (Scheme)	35,742,511	37,000,719
		221,503,076,683	188,105,717,264
	Outside Bangladesh	-	-
		221,503,076,683	188,105,717,264

Notes	Particular	Amount in Taka	
		December 31, 2022	December 31, 2021
6.B	Bills Purchased and Discounted		
	Payable in Bangladesh	772,361,795	5,716,563,217
	Payable outside Bangladesh	-	-
		772,361,795	5,716,563,217
		222,275,438,478	193,822,280,481

The Financial Reporting Council (FRC) issue a letter vide # 178/FRC/APR/2021/27/(57) dated 12 December 2021 regarding the compliance issue of Bangladesh Bank BRPD circular letter no. 04 dated 04 January 2021 and BRPD Circular Letter no. 35 dated 06 July 2021 the collection of audited financial statements and statutory audit report for sanctioned/renewed investments. Regarding this issue, we have compiled are as follows:

Particulars	Total Files	Compiled Files	% of Compliance
BRPD Circular Letter no. 04	136	14	10.29
BRPD Circular Letter no. 35	263	7	2.66

6.1 Maturity Grouping of Investments

Payable on Demand	45,141,900,000	30,440,800,000
Up to Three Months	53,118,800,000	57,872,900,000
Three Months to One Year	108,188,238,478	91,089,880,481
One Year to Five Years	6,770,100,000	5,546,800,000
Above Five Years	9,056,400,000	8,871,900,000
	222,275,438,478	193,822,280,481

6.2 Analysis to disclose the following Significant Concentration including Bills Purchased & Discounted

Investments to Directors of other Banks	12,718,548,635	12,348,715,498
Investments to Chief Executive and Other high Officials	-	-
Investments to Customers Group	156,753,369,699	131,570,671,525
Investments to Industry	52,131,691,275	49,228,325,547
Investment to staff	671,828,869	674,567,911
	222,275,438,478	193,822,280,481

6.3 Investments to Customers amounting to 10% or more of UBL's Total Regulatory Capital

Number of Clients	14	21
Amount of Outstanding Investments:		
Funded	18,543,400,000	20,529,100,000
Non-funded	783,700,000	683,500,000
	19,327,100,000	21,212,600,000

Notes	Particular	Amount in Taka	
		December 31, 2022	December 31, 2021
6.4	Sector wise Investments		
	Agriculture	1,407,399,322	1,361,944,877
	Ready Made Garments (RMG)	4,060,955,438	3,826,313,083
	Textile	15,171,916,578	12,784,715,912
	Ship Building	7,279,577	7,271,359
	Other Manufacturing industry	15,110,008,831	10,122,696,880
	SME Investment	5,338,308,735	5,524,375,881
	Construction	6,461,203,277	5,642,476,378
	Power, Gas	1,913,618,227	1,841,682,541
	Transport, Storage and Communication	287,094,026	342,992,455
	Trade Service	153,444,664,781	135,852,698,569
	Commercial real estate financing	11,407,054,343	9,658,496,364
	Residential real estate financing	928,871,285	942,928,413
	Consumer investment	69,458,104	82,729,033
	Capital market	1,332,076,893	1,282,107,978
	Non Banking Financial Institutions (NBFI)	-	-
	Others	5,335,529,061	4,548,850,758
		222,275,438,478	193,822,280,481
6.5	Geographical Location-wise Investments		
	Urban		
	Dhaka	110,631,598,344	96,387,045,378
	Chattogram	88,488,036,516	57,409,901,334
	Barishal	78,376,930	67,593,684
	Rajshahi	206,756,003	117,328,125
	Khulna	189,232,472	126,236,655
	Rangpur	194,505,086	142,030,414
	Sylhet	101,767,757	77,433,315
	Mymensingh	16,109,027	22,485,195
		199,906,382,135	154,350,054,100
	Rural		
	Dhaka	553,724,043	533,620,763
	Chattogram	21,599,387,226	38,672,411,194
	Barishal	-	-
	Rajshahi	31,197,926	75,097,734
	Khulna	440,802	-
	Rangpur	90,596,423	129,179,276
	Sylhet	93,709,923	61,917,414
	Mymensingh	-	-
		22,369,056,343	39,472,226,381
		222,275,438,478	193,822,280,481

Notes	Particular	Amount in Taka	
		December 31, 2022	December 31, 2021
6.6	Classification of Investments as per Bangladesh Bank (BRPD) Circular		
	<u>Unclassified</u>		
	Standard	212,175,103,243	185,601,624,587
	Special Mention Account	2,235,618,809	1,464,527,295
		214,410,722,052	187,066,151,882
	<u>Classified</u>		
	Sub-standard	1,499,478,472	1,493,746,908
	Doubtful	726,563,309	939,838,106
	Bad & Loss	5,638,674,645	4,322,543,585
		7,864,716,426	6,756,128,599
		222,275,438,478	193,822,280,481
6.7	Particulars of Required Provision for Investments and Off Balance Items		
	<u>Classification status</u>		
	<u>Unclassified (a)</u>		
	Standard	2,583,374,327	2,369,034,807
	Special Mention Account	19,171,263	14,507,252
		2,602,545,590	2,383,542,059
	<u>Classified (b)</u>		
	Sub - Standard	94,264,991	78,230,627
	Doubtful	132,584,343	188,618,645
	Bad and Loss	2,829,959,274	2,040,804,800
		3,056,808,608	2,307,654,072
	Off Balance Items with others (c)	136,124,263	72,449,094
	Special General Provisions for Covid - 19 (d)	315,148,593	491,906,440
		6,110,627,054	5,255,551,665
	Required Provision for Investments (a+b+c+d)	6,110,627,054	5,255,551,665
	Total Provision Maintained	6,121,400,000	5,284,654,000
	Provision Excess/ (Shortfall)	10,772,946	29,102,335

* Details of provision is shown in note 2.8.2

Notes	Particular	Amount in Taka	
		December 31, 2022	December 31, 2021
6.8	Particulars of Investments		
i)	Investments considered good in respect of which the Bank Company is fully secured	205,252,507,487	176,294,012,656
ii)	Investments considered good for which the bank holds no Security other than the debtors personal security	17,022,930,991	17,528,267,825
iii)	Investment considered good and secured by the personal security of one or more parties in addition to the personal security of the debtors	-	-
iv)	Investments considered bad or doubtful not provided for	-	-
	Total	222,275,438,478	193,822,280,481
v)	Investments due by directors or executives of the banking company or any of them taken either severally or jointly with any other person.	-	-
vi)	Investments due by companies or firms in which the directors of the bank company are interested as directors partners or managing agents or in case of private companies, as members.	-	-
vii)	Maximum total amount of investments, including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either separately or jointly with any other person.	-	-
viii)	Maximum total amount of investments, including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in the case of private companies, as members.	-	-
ix)	Investment due from other banking companies	-	-
x)	Total amount of classified Investments on which profit is not credited to income	-	-
a.	Movement of classified Investments		
	Opening balance	6,756,128,599	4,201,353,863
	Increase/ (Decrease) during the year	1,108,587,827	2,554,774,736
		7,864,716,426	6,756,128,599
b.	Amount of provision kept against investment classified as 'bad/loss' on the reporting date of Balance Sheet	3,058,000,000	2,317,654,000
c.	Profit credited to the profit/Rent/Compensation Suspense	2,256,320,294	2,000,273,526
xi)	Amount of written off Investment:		
a.	Cumulative amount	18,615,691	18,615,691
b.	Amount written off during the period	-	-
c.	Total amount of written off (a+b)	18,615,691	18,615,691
d.	Amount recovered against such written- off up to this year	669,092	629,092
e.	Amount of investment written- off against which suit has been filled to recover the same.	-	-

Notes	Particular	Amount in Taka	
		December 31, 2022	December 31, 2021
6.9	Security against Investments including bills purchased & discounted		
	Collateral of movable/immovable assets	197,021,428,549	129,983,217,187
	Local banks & financial institutions guarantee	-	-
	Government Guarantee	-	-
	Foreign Banks guarantee	-	-
	Export documents	1,077,602,836	3,988,824,319
	Fixed deposits receipts:		
	Own MTDR	8,231,078,938	46,310,795,469
	MTDR of other Banks	-	-
	Government Bonds	-	-
	Personal guarantee	-	-
	Other security	15,945,328,155	13,539,443,506
	Unsecured	-	-
		222,275,438,478	193,822,280,481
6.10	Maturity Grouping of Bills Purchased and Discounted		
	Payable within one month	528,861,795	2,636,563,217
	Over one month but less than three months	169,400,000	670,300,000
	Over three months but less than six months	74,100,000	2,409,700,000
	Six Months and Above	-	-
		772,361,795	5,716,563,217
7	FIXED ASSETS INCLUDING PREMISES, FURNITURE & FIXTURES AT COST LESS ACCUMULATED DEPRECIATION (ANNEXURE-A)		
	Land	2,666,750,340	2,666,750,340
	Furniture & Fixtures	1,218,427,738	1,124,561,556
	Office Equipment	1,148,135,640	1,035,181,663
	Vehicles	123,769,259	110,128,580
	Books	512,614	487,654
		5,157,595,591	4,937,109,793
	Less: Accumulated Depreciation	1,273,204,128	1,095,900,693
		3,884,391,463	3,841,209,100
	Lease Assets-Premises		
	Right-of-use assets	1,249,060,400	279,825,267
	Less: Accumulated Depreciation	180,326,821	66,489,080
		1,068,733,579	213,336,187
		4,953,125,042	4,054,545,287

Right of use assets:

The bank has leases mainly for rental basis branch office premises has been recognized as a right-of-use asset according to the IFRS-16 "Leases". With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The bank classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Notes	Particular	Amount in Taka	
		December 31, 2022	December 31, 2021
8	OTHER ASSETS		
	Inter - branch Transaction Account *	11,237,330,520	11,609,142,535
	Accrued Income on MTDR	631,833,389	288,447,040
	Advances, Deposits and Prepayment (Note - 8.1)	332,071,490	366,611,701
	Stock of Stationery	26,826,728	30,005,296
	Suspense Account (Note - 8.2)	536,534,912	126,376,607
	Deferred tax asset (Note - 8.3)	105,734,209	97,904,339
	Stamps on Hand	3,111,109	2,481,920
		12,873,442,357	12,520,969,438
	* Inter-branch transaction account represents outstanding Inter-branch and Head Office transaction (net) originated but yet to be responded at the balance sheet date.		
	** Advance income tax which was presented in other asset during the year 2021. Now as per IFRS - 1 Advance income tax is netted off against income tax payable and previous period is restated accordingly.		
8.1	Advance, Deposits and Prepayment		
	Advance against Rent - Office	58,049,648	119,333,872
	Prepayment	274,021,842	247,277,829
		332,071,490	366,611,701
8.2	Suspense Account		
	Sundry Debtors	536,534,912	126,376,607
	Advance against New Branch	-	-
		536,534,912	126,376,607
8.3	Deferred Tax Assets		
	Opening Balance	97,904,339	82,475,251
	Add: Addition during the year	7,829,870	15,429,088
		105,734,209	97,904,339
	Less: Adjustment during the year	-	-
	Closing Balance	105,734,209	97,904,339
8.3.1	Deferred tax income Recognized in Profit and Loss Account:		
		Accounting base	Tax base
			Deductible/ (Taxable) temporary difference
	As on 31 December 2022		
	Property, plant and equipment	3,884,391,463	4,072,117,807
	Deferred liability - Gratuity	78,028,547	-
			265,754,891
	Permanent difference for vehicles		16,203,000
			281,957,891
	Current tax rate		37.50%
	Deferred tax Asset at closing		105,734,209
	Deferred tax Asset at beginning		97,904,339
	Deferred tax income Recognized during the year		7,829,870

Notes	Particular	Amount in Taka	
		December 31, 2022	December 31, 2021
9	PLACEMENT FROM BANK AND OTHER FINANCIAL INSTITUTIONS		
	Inside Bangladesh		
	Bangladesh Bank (Refinance Scheme)	47,385,000	99,051,193
	Bangladesh Govt. Islami Investment Bond Funds	6,500,000,000	8,000,000,000
	Bangladesh Bank Cover Fund against QSF	808,216,000	821,556,444
	Bangladesh Bank Export Development Fund (EDF)	453,441,310	1,113,142,013
	Islamic Banks Liquidity Facility Fund (IBLF)	4,620,000,000	-
	Line of Finance to Support SME Project	104,000,000	-
	Overnight Overdraft Facility	14,650,000,000	-
		27,183,042,310	10,033,749,650
	Outside Bangladesh	-	-
		27,183,042,310	10,033,749,650
A.	Security- wise grouping		
	Secured Placement	-	-
	Unsecured Placement	27,183,042,310	10,033,749,650
		27,183,042,310	10,033,749,650
B.	Repayment Nature wise Grouping		
	Repayable on demand	-	-
	Others	27,183,042,310	10,033,749,650
		27,183,042,310	10,033,749,650
C.	Maturity Analysis		
	Repayable on Demand	-	-
	Repayable within One Month	23,068,500,000	657,200,000
	One Month to Six Months	3,670,200,000	4,895,300,000
	Six Month to One Year	444,342,310	4,481,249,650
	One Year to Five Years	-	-
	Five Years to Ten Years	-	-
	Unclaimed Deposits Ten Years and Over	-	-
		27,183,042,310	10,033,749,650
10	DEPOSITS AND OTHER ACCOUNTS		
	Mudaraba Savings Deposits (Note-10.1)	9,572,233,722	9,406,334,184
	Mudaraba Term Deposits (Note-10.2)	119,170,884,952	108,919,670,985
	Other Mudaraba Term Deposits (Note-10.3)	47,351,317,059	48,866,097,485
	Al-Wadia Current Accounts and Other Accounts (Note-10.4)	35,778,558,120	31,735,974,901
	Bills Payable (Note-10.5)	1,502,303,666	1,301,716,974
		213,375,297,519	200,229,794,529

Notes	Particular	Amount in Taka	
		December 31, 2022	December 31, 2021
10.1	Mudaraba Savings Deposits		
	As per BRPD Circular No. 06, dated 24 June 2007, total saving bank deposits amount is bifurcated into:		
	9 % of total Mudaraba Savings Deposits	861,501,035	846,570,077
	91% of total Mudaraba Savings Deposits	8,710,732,687	8,559,764,107
		9,572,233,722	9,406,334,184
10.2	Mudaraba Term Deposits- Maturity wise Grouping		
	Payable on Demand	2,729,227,272	1,615,866,531
	Up to Three Months	37,326,494,166	42,850,919,532
	From Three Months to Six Months	21,072,598,480	28,137,229,212
	Above Six Months to One Year	36,167,937,856	36,203,095,279
	Above One Year to Two Years	65,368,550	70,106,805
	Above Two Years	21,809,258,628	42,453,625
		119,170,884,952	108,919,670,985
10.3	Other Mudaraba term Deposits		
	Mudaraba Monthly Savings Scheme	7,182,985,979	6,619,678,321
	Mudaraba Double Benefit Deposits Scheme	8,583,581,853	10,128,868,353
	Mudaraba Monthly Profit Scheme	26,812,645,847	29,365,515,534
	Mudaraba Millionaire Savings Scheme	1,570,413,187	1,533,664,188
	Mudaraba Kotipoti Deposit Scheme	103,950,010	84,934,012
	Mudaraba Marriage Scheme	191,337,812	165,065,141
	Mudaraba Probashi Sanchay Prokolpo	22,722,769	9,333,000
	Mudaraba Hajj Deposit Scheme	44,558,767	42,333,612
	Mudaraba Union Pension Prokolpa	65,199,980	100,282,605
	Mudaraba Muhor Savings Scheme	89,474,027	71,222,708
	Mudaraba Corepoty Sanchaya Scheme	759,466,429	641,323,394
	Mudaraba Privileged Deposit Scheme	155,119,156	55,740,000
	Mudaraba Barakah Deposit Scheme	37,891,216	48,136,617
	Mudaraba Femina Deposit Scheme	94,994,000	-
	Mudaraba Senior Citizen Deposit Scheme	18,419,000	-
	Mudaraba Waleda Monthly Profit Scheme	1,572,749,027	-
	Mudaraba Lifestyle Deposit Scheme	45,808,000	-
		47,351,317,059	48,866,097,485
10.4	Al-Wadiah Current Accounts & Other Deposit Accounts		
	Al-wadiah Current Deposits	6,091,082,278	7,333,489,538
	Unclaimed Cash Dividend	33,640,608	-
	Mudaraba Short Notice Deposits	27,557,205,999	23,271,341,121
	Sundry Deposits (Note-10.4.1)	2,096,629,235	1,131,144,242
		35,778,558,120	31,735,974,901

Notes	Particular	Amount in Taka	
		December 31, 2022	December 31, 2021
10.4.1	Sundry Deposits		
	Security Deposit	624,620,062	511,344,931
	Sundry Creditors	505,438,269	59,940,823
	Income Tax Deduction at Source -Profit on Deposits	300,511,216	137,983,678
	Income Tax on Profit Paid on Mudaraba Subordinated Bond	3,062,200	3,689,249
	Income Tax on Local L/C	1,065,960	609,542
	Income Tax on Export bill (Foreign)	2,929,446	1,783,174
	Income Tax on Export bill (Local)	1,246,972	547,947
	Income Tax on Local/Buying Agents Commission	211,651	69,155
	Excise Duty on Deposits & Investments	299,718,223	235,507,919
	Tax on Payment to Foreign Person	447,850	22,313
	VAT on Online Charge	104,867	46,588
	VAT on Commission TT/DD/PO/LG	38,236	41,912
	VAT on Service Charge and Others	5,494,854	4,630,672
	VAT Deduction Bills Paid	3,783,142	7,291,054
	VAT Deduction from advertisement Bill	666,568	168,774
	VAT on Rent	2,556,345	2,662,705
	VAT on Director's Fee	24,000	21,600
	VAT on Indenting Commission	14,230	-
	VAT on L/C Commission	113,360	419,094
	VAT on Postage	58,260	34,590
	VAT on Security Service	626,342	617,231
	VAT on Swift Charge	17,100	46,898
	VAT on L/C Advising Charge	322,752	294,231
	VAT on Pally Bidyut bill	1,745,455	3,106,582
	VAT on Acceptance Commission	20,338	57,446
	VAT on Bank Guarantee Commission	231,704	186,531
	VAT on Professional Fee	-	818,550
	VAT on PO/DD/FDD Collection charge	104,169	80,185
	VAT on commission on export bill	15,399	6,336
	VAT on income from ATM	64,709	4,209
	VAT on Processing Fee on Investment	231,750	46,545
	VAT in Misc. Earnings	18,087	37,922
	Income Tax Deduction at Source - Office rent	846,208	857,666
	Income Tax Deduction at Source - Bills	4,480,917	4,032,763
	Income Tax Deduction at Source - Advertising Bill	178,032	107,120
	Income Tax Deduction at Source-Employee's	5,672,130	4,257,060
	Income Tax on Directors' Fee	24,000	14,400
	Income Tax on Indenting Commission	173,776	715,124
	Income Tax on Professional Fee	-	555,700
	Marginal Deposit Export	16,173,484	14,973,167
	F.C. Held against B.B L/C	269,229,063	54,001,496
	Sundry Deposit - Swift charge	19,928,683	17,500,658
	Sundry Deposit LAC (Export)	4,616,112	3,799,059
	S/D/A/C ATM Charge collection Account	7,906	2,123
	D&B Credit report collection fee	22,743	396,570
	ATM Charge Collection (NPSB)	20,389	5,265
	S/D/A/C VAT on Polli Bidyut Samity	8,136,012	8,665,376
	Central Fund (RMG Sector)	70,723	50,116
	NR. Taka A/C Small World Finance	222,978	3,867,270
	Security Deposit A/C Small World Finance	1,050,000	853,500
	NR. Taka A/C Xpress Money Services	841,539	841,539
	Security Deposit A/C Xpress Money Services	1,050,000	853,500
	S/D Cash incentive against export	82,205	59,605
	NR. Tk. A/C Transfast Remittance	3,054,348	1,825,838
	Settlement A/C Cash Incentive on Foreign Remittance	58,655	30,354,556
	Mobile Top up Settlement Account	717,004	7,805,513
	Nagad Adjustment Account	352,535	183,172
	Bkash Adjustment Account	3,066,277	715,176
	Pre-Registration Fee-PVT/GVT MGT. Pilgrim	-	879,024
	SD. A/C Transfast Remittance, LLC	1,050,000	853,500
		2,096,629,235	1,131,144,242

Notes	Particular	Amount in Taka	
		December 31, 2022	December 31, 2021
10.5	Bills Payable		
	Pay Order Issued	1,502,303,666	1,301,716,974
	Demand Draft Issued	-	-
		1,502,303,666	1,301,716,974
10.6	Maturity wise Grouping of Deposits and Other Accounts		
	Repayable within One Month	18,468,700,000	19,847,594,529
	One Month to Three Months	67,568,500,000	59,070,000,000
	Three Months to One Year	68,859,897,519	77,183,600,000
	One Year to Five Years	51,210,000,000	38,349,800,000
	Repayable over Five Years	7,268,200,000	5,778,800,000
		213,375,297,519	200,229,794,529
10. A	Deposits received from Banks (Note A-1)	40,405,272,225	33,857,548,611
10.B	Deposits received from other than Bank		
	Payable on Demand (Note B-1)	10,585,156,822	10,612,920,831
	Other Deposits (Note B-2)	162,384,868,472	155,759,325,087
		172,970,025,294	166,372,245,918
		213,375,297,519	200,229,794,529
10. A.1	Deposits Received from Banks		
	AB Bank Limited	214,794	211,394
	Bangladesh Development Bank Ltd.	-	300,000,000
	Bangladesh Commerce Bank Ltd.	27,809	28,668
	Janata Bank Ltd.	1,300,000,000	-
	Islami Bank Bangladesh Ltd.	27,344,909,367	22,902,586,064
	BRAC Bank Ltd.	503,490	500,000
	Al-arafah Islami Bank Ltd.	2,000,000,000	1,000,000,000
	National Bank Ltd.	-	500,000,000
	Agrani Bank Ltd.	3,495,000,000	1,528,000,000
	Sonali Bank Ltd.	977,289,343	1,969,847,808
	Social Islami Bank Ltd.	3,146,068,434	3,784,790,124
	Rajshahi Krishi Unnayan Bank Ltd.	50,000,000	200,000,000
	Rupali Bank Ltd.	1,500,000,000	-
	Trust Bank Ltd.	1,211,082	6,120,552
	NRB Commercial Bank Ltd.	45,111,364	118,229,904
	South Bangla Agriculture and Commerce Bank Ltd.	4,318	4,844
	NRB Bank Ltd.	-	200,000,000
	First Security Islami Bank Ltd.	21,689,638	1,004,411,773
	Exim Bank Ltd.	207,183,420	9,015,732
	Global Islami Bank Ltd.	316,059,166	333,801,748
		40,405,272,225	33,857,548,611
	Maturity wise Grouping of Deposits Received from Banks		
	Repayable on Demand	-	-
	Repayable within One Month	20,582,982,881	17,087,653,303
	Repayable over One Month but within Six Months	19,822,289,344	16,764,563,808
	Repayable over Six Months but within one Year	-	5,331,500
	Repayable over One Year but within Five Years	-	-
	Repayable over Five Years but within Ten Years	-	-
	Unclaimed Deposits for Ten Years and above	-	-
		40,405,272,225	33,857,548,611

Notes	Particular	Amount in Taka	
		December 31, 2022	December 31, 2021
B-1	Payable on Demand		
	Al-wadiah Current Deposits	6,124,722,886	7,333,489,538
	Mudaraba Saving Deposits (9%) (Note-10.1)	861,501,035	846,570,077
	Bills Payable (Note-10.5)	1,502,303,666	1,301,716,974
	Sundry Deposits (Note-10.4.1)	2,096,629,235	1,131,144,242
		10,585,156,822	10,612,920,831
B- 2	Other Deposits		
	Mudaraba Saving Deposits (91%) (Note-10.1)	8,710,732,687	8,559,764,107
	Mudaraba Term Deposits	98,048,595,608	91,549,775,676
	Mudaraba Short Notice Deposits	8,274,223,118	6,783,687,819
	Other Mudaraba Term Deposits (Note-10.3)	47,351,317,059	48,866,097,485
		162,384,868,472	155,759,325,087
11	OTHER LIABILITIES		
	Inter - branch Transaction Account	-	-
	Current Tax Liabilities (Note-11.1)	466,746,427	444,119,730
	Accumulated Provision against Investments (Note-11.2)	6,121,400,000	5,284,654,000
	Accrued Profit and Expenses Payable (Note-11.3)	3,087,192,868	3,090,264,576
	Provision for Gratuity (Note-11.4)	78,028,547	68,887,963
	Provisions for diminution in value of Investments in share (Note-11.5)	21,800,000	21,800,000
	Provision for Expenses on Borrowing from Bangladesh Bank	-	-
	Provision for Zakat	66,100,000	55,000,000
	Provision for Expenses on Mudaraba Subordinated Bond	90,453,589	92,286,635
	Other provisions (Note - 11.2.5)	108,474,434	17,567,214
	Lease Liabilities	900,463,955	217,400,708
	Provident Fund	16,382,494	1,152,891
	Benevolent Fund	1,232,987	185,071
	Provision for Incentive Bonus	163,068,925	180,096,501
	Provision for Audit fee	345,000	345,000
	Clearing adjustment account	3,378,797	2,717,545
	Compensation Realized	60,870,234	65,689,025
	NPSB Transaction Adjustment Account	13,980,863	8,620,806
	Profit Rent Suspense	2,256,320,294	2,000,273,526
	Compensation Receivable	219,937,593	619,094,118
	Unclaimed Dividend before IPO	24,640,000	24,640,000
	Start-up Fund	33,742,651	22,334,176
	CSR Fund	23,858,651	12,450,176
	Others	111,757,632	102,436,288
		13,870,175,941	12,332,015,949

Notes	Particular	Amount in Taka	
		December 31, 2022	December 31, 2021
11.1	Current Tax Liabilities		
	Provision for Taxation		
	Opening balance	6,256,226,158	4,880,797,070
	Add : Provision made during the year	1,565,120,365	1,375,429,088
		7,821,346,523	6,256,226,158
	Advance Income Tax		
	Opening balance	5,812,106,428	4,506,637,715
	Add : Paid during the year	1,542,493,668	1,305,468,713
		7,354,600,096	5,812,106,428
	Net Tax Liabilities	466,746,427	444,119,730
	Assessment for the year 2013 & 2014 has been settled. Assessment for the year 2015 & 2016 are pending with the Taxes Appellate Tribunal. Assessment for the year 2017, 2018, 2019 are pending with the Commissioner of Taxes (Appeal). 2020 and 2021 are not yet completed by Deputy Commissioner of Taxes and the submission of return for the year 2022 is not yet due. The Bank is confident that once these appeals are finally disposed of, there should not be any additional tax demand against the Bank and hence no further provision is required.		
11.2	Accumulated Provision against Investments		
	Specific Provision for Classified Investments (Note -11.2.1)	3,058,000,000	2,317,654,000
	General Provision for Unclassified Investment (Note -11.2.2)	2,610,400,000	2,390,000,000
	General Provision for off- balance sheet exposure (Note -11.2.3)	137,000,000	77,000,000
	Special General Provisions for Covid - 19 (Note -11.2.4)	316,000,000	500,000,000
		6,121,400,000	5,284,654,000
11.2.1	Movement in Specific Provision for Classified Investments		
	Provision held at the beginning of the year	2,317,654,000	1,392,000,000
	Fully Provided Debts written off	-	-
	Recoveries of amounts previously written off	-	-
	Transfer from Unclassified Investments	36,400,000	-
	Specific Provision for the year	703,946,000	925,654,000
	Recoveries and Provisions no longer required	-	-
	Net Charge to Profit and Loss Account	-	-
	Provision held at the end of the year	3,058,000,000	2,317,654,000
11.2.2	General Provision for Unclassified Investments		
	Provision held at the beginning of the year	2,390,000,000	2,246,000,000
	Addition during the year	203,000,000	144,000,000
	Transfer from Special General Provision for Covid - 19	33,800,000	-
	Transfer to Classified Investments	(36,400,000)	-
	Transfer from off-balance sheet exposure with others	20,000,000	-
	Provision held at the end of the year	2,610,400,000	2,390,000,000

Notes	Particular	Amount in Taka	
		December 31, 2022	December 31, 2021
11.2.3	General Provision for off-balance sheet exposure with others		
	Provision held at the beginning of the year	77,000,000	77,000,000
	Addition during the year	80,000,000	-
	Transfer to Unclassified Investment	(20,000,000)	-
	Provision held at the end of the year	137,000,000	77,000,000
11.2.4	Special General Provisions for Covid - 19		
	Provision held at the beginning of the year	500,000,000	394,000,000
	Addition during the year	-	290,974,006
	Transfer to Unclassified Investment	(33,800,000)	-
	Transfer during the year	(150,200,000)	(184,974,006)
	Provision held at the end of the year	316,000,000	500,000,000
11.2.5	Other Provisions		
	Provision held at the beginning of the year	17,567,214	12,140,349
	Addition during the year	90,907,220	5,426,865
	Provision held at the end of the year	108,474,434	17,567,214
	Other provisions consist of provision for Good Borrower, Climate Risk Fund and ICT Equipment Insurance Premium Fund and others.		
11.2.5.1	Provision for Good Borrower		
	Provision held at the beginning of the year	10,500,000	9,500,000
	Addition/transfer during the year	1,000,000	1,000,000
	Provision held at the end of the year	11,500,000	10,500,000
	To comply BRPD Circular no. 6 dated March 19 2015, BRPD letter no-16 dated 30 December 2015 and BRPD letter no-3 dated 16 February 2016 the Bank has been maintaining a provision of lump sum amount for incentive of good borrower.		
11.2.5.2	Provision for doubtful income		
	Provision held at the beginning of the year	-	-
	Addition during the year	47,579,354	-
	Total	47,579,354	-
11.2.5.3	Provision for Other Assets		
	Provision made during the Year	40,400,000	-
11.2.a	Provision for Investments during the year		
	Specific Provision for Classified Investments	703,946,000	925,654,000
	General Provision for Unclassified Investments	213,000,000	144,000,000
	General Provision for off- balance sheet exposure with others	80,000,000	-
	Special General Provisions for Covid - 19	-	290,974,006
		996,946,000	1,360,628,006

Notes	Particular	Amount in Taka	
		December 31, 2022	December 31, 2021
11.3	Accrued Profit and Expenses Payable		
	Mudaraba Term Deposit Receipt	2,078,384,342	1,961,629,535
	Mudaraba Monthly Benefit Savings Scheme	317,938,157	292,885,322
	Mudaraba Double Benefit Savings Scheme	433,949,463	586,337,850
	Mudaraba Monthly Profit Scheme	95,619,358	112,091,566
	Mudaraba Pension Prokolpa	2,682,499	4,655,209
	Mudaraba Marriage Deposit Scheme	7,867,129	7,021,708
	Mudaraba Hajj Deposit Scheme	1,811,457	1,678,605
	Mudaraba Millionaire Savings Scheme	88,993,970	85,127,953
	Mudaraba Kotipoti Deposit Scheme	5,104,349	4,222,083
	Mudaraba Probashi Sanchay Prokolpo	824,077	302,578
	Mudaraba Mohor Saving Scheme	3,716,162	2,930,036
	Mudaraba Corepoty Sanchaya Prokalpa	35,101,322	27,803,137
	Mudaraba Privileged Deposit Scheme	5,200,082	1,543,765
	Mudaraba Femina Deposit Scheme	2,283,168	-
	Mudaraba Senior Citizen Deposit Scheme	410,677	-
	Mudaraba Waleda Monthly Profit Scheme	4,929,564	-
	Mudaraba Lifestyle Deposit Scheme	927,086	-
	Mudaraba Barakah Deposit Scheme	1,450,006	2,035,229
		3,087,192,868	3,090,264,576
11.4	Provision for Gratuity		
	Opening Balance	68,887,963	50,317,415
	Provision made during the year	75,000,000	67,000,000
		143,887,963	117,317,415
	Adjustment	(65,859,416)	48,429,452
	Closing Balance	78,028,547	68,887,963
11.5	Provisions for diminution in value of Investments in share		
	Opening Balance	21,800,000	21,800,000
	Add: Provision made during the year	-	-
		21,800,000	21,800,000
	Less: Adjustment	-	-
	Closing Balance	21,800,000	21,800,000

Notes	Particular	Amount in Taka	
		December 31, 2022	December 31, 2021
12.0	CAPITAL		
	AUTHORISED CAPITAL		
	2,000,000,000 Ordinary Shares of Taka 10 each.	20,000,000,000	10,000,000,000
12.1	Issued, Subscribed and Paid-Up Capital		
	428,000,000 nos. of ordinary shares @ Tk. 10 each issued for cash on 07.07.2013	4,280,000,000	4,280,000,000
	42,800,000 nos. of bonus shares @ Tk. 10 each issued on 20.06.2017	428,000,000	428,000,000
	56,496,000 nos. of bonus shares @ Tk. 10 each issued on 18.10.2018	564,960,000	564,960,000
	31,637,760 bonus shares @ Tk. 10 each issued on 29.12.2020	316,377,600	316,377,600
	428,000,000 nos. of shares @ Tk. 10 raised IPO on 18.01.2022	4,280,000,000	-
	Total 986,933,760 nos. of Ordinary Shares @ Tk.10 each	9,869,337,600	5,589,337,600
12.2	Category of shareholding as at 31 December 2022		
	<u>Name of Category</u>	<u>Percentage (%)</u>	<u>Percentage (%)</u>
	Sponsors/Directors	56.50	100.00
	Institutes	10.55	-
	Non-Resident Bangladeshi	0.01	-
	General Public	32.94	-
		100.00	100.00
12.3	Classification of Shareholders by holding position as at 31 December 2022		
	<u>Shareholding Range</u>	<u>No. of Shares</u>	<u>Percentage (%)</u>
	Less than 500 Shares	1,414,154	0.14
	501 to 5000 Shares	139,162,194	14.10
	5001 to 10,000 Shares	26,084,625	2.64
	10,001 to 20,000 Shares	21,839,391	2.21
	20,001 to 30,000 Shares	15,387,538	1.56
	30,001 to 40,000 Shares	11,202,390	1.14
	40,001 to 50,000 Shares	11,673,615	1.18
	50,001 to 100,000 Shares	33,605,607	3.41
	100,001 to 1,000,000 Shares	92,881,031	9.41
	Over 1,000,001 Shares	633,683,215	64.21
		986,933,760	100.00

Notes	Particular	Amount in Taka	
		December 31, 2022	December 31, 2021
12.4	<u>Regulatory Capital Requirement in line with Basel-III</u>		
	<u>I. Tier - 1 Capital</u>		
	<u>a. Common Equity Tier-1 Capital (CET-1)</u>		
	Paid up Capital	9,869,337,600	5,589,337,600
	Statutory Reserve	3,028,782,768	2,414,624,395
	Other Reserve	145,749,665	145,749,665
	Retained Earnings	2,236,430,980	1,860,824,892
	Adjustment for Deferred Tax Assets	(105,734,209)	(97,904,339)
		15,174,566,804	9,912,632,213
	<u>b. Additional Tier -1 Capital (AT-1)</u>	-	-
	Total Tier 1 Capital (a + b)	15,174,566,804	9,912,632,213
	<u>II. Tier -2 Capital</u>		
	General Provision	3,063,400,000	2,967,000,000
	Mudaraba Subordinated Bond	3,200,000,000	3,200,000,000
	Excess Amount over Maximum Limit of T-2	-	57,909,781
		6,263,400,000	6,109,090,219
	A. Total Regulatory Capital (I+II)	21,437,966,804	16,021,722,432
	B. Total Risk Weighted Assets	187,564,459,174	152,977,255,479
	C. Minimum Capital Requirement	18,756,445,917	15,297,725,548
	D. Capital Surplus/(Shortfall); (A - C)	2,681,520,886	723,996,884
	Capital to Risk Weighted Assets Ratio (CRAR)	11.43%	10.47%
	Capital to Risk Weighted Assets Ratio (CRAR):	Held	Held
	a. Common Equity Tier-1 Capital to Risk Weighted Assets	8.09%	6.48%
	b. Tier - 1 Capital to Risk Weighted Assets	8.09%	6.48%
	c. Tier - 2 Capital to Risk Weighted Assets	3.34%	3.99%
	Total (b+c)	11.43%	10.47%

At the end of 31 December 2022, Capital to Risk Weighted Assets Ratio (CRAR) stands at 11.43% where total regulatory Capital is BDT 2,144 crore and Risk Weighted Assets is BDT 18,756 crore. Bank required to maintain CRAR at 12.50% (including capital conservation buffer 2.50%) whereas bank maintained CRAR at 11.43%.

Notes	Particular	Amount in Taka	
		December 31, 2022	December 31, 2021
13	STATUTORY RESERVE		
	Opening Balance	2,414,624,395	1,968,151,671
	Transferred during the year from Profit & Loss A/C	614,158,373	446,472,725
	Closing Balance	3,028,782,768	2,414,624,395
14	OTHER RESERVE	145,749,665	145,749,665
15	RETAINED EARNINGS		
	Opening Balance	1,860,824,892	1,452,381,266
	Add: Net Profit after tax for the year	1,513,501,368	872,363,623
	Transferred to Statutory Reserve	(614,158,373)	(446,472,725)
	Transferred to Start-up Fund	(15,135,014)	(8,723,636)
	Transferred to CSR Fund	(15,135,014)	(8,723,636)
	Cash Dividend Paid	(493,466,880)	-
	Transferred to Paid up Capital	-	-
	Closing Balance	2,236,430,980	1,860,824,892
16	LETTER OF GUARANTEES		
	Money for which the Bank is contingently liable in respect of guarantees are given favoring:		
	Letters of Guarantee - Local	2,431,271,913	1,897,210,885
	Letter of Guarantee - Foreign	-	-
		2,431,271,913	1,897,210,885
16.1	Money for Which the Bank is Contingently Liable in respect of Guarantees:		
	Directors	-	-
	Government	-	-
	Banks and Other Financial Institutions	-	-
	Others	2,431,271,913	1,897,210,885
		2,431,271,913	1,897,210,885
17.0	IRREVOCABLE LETTERS OF CREDIT		
	Letters of Credit - Cash	1,048,135,728	2,154,193,884
	Letter of Credit - Cash Inland	-	-
	Back to Back Letters of Credit - Local	143,019,334	369,789,078
	Back to Back Letters of Credit - Foreign	82,729,885	233,443,773
		1,273,884,947	2,757,426,735
18.0	BILLS FOR COLLECTION ISSUED BY THE BANK		
	Foreign Documentary Bills	221,621,457	218,304,242
	Outward Bills	-	-
	Inland Documentary Bills	590,077,367	2,930,247,526
		811,698,824	3,148,551,768

Notes	Particular	Amount in Taka	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021
19.00	INVESTMENT INCOME		
	Profit Received from:		
	Deposit with Other Banks	416,270,641	503,740,924
	Bai Murabaha - General	3,902,500	5,000
	Bai Murabaha Hypothecation	3,204,682	47,247,424
	Bai Murabaha against MTDR	4,457,008,619	4,930,865,946
	Bai Murabaha - TR	12,895,012,382	10,589,602,000
	Bai Murabaha Real Estate	167,897,500	41,147,500
	Bai Murabaha - Agriculture	76,050,494	74,748,778
	Bai Murabaha - Stimulus Package	152,661,907	150,196,536
	Musharaka - MDB	418,015,774	1,550,112,581
	Bai Muajjal Guarantee	4,940,643	10,378,471
	Bai Muajjal Real Estate	1,669,239	53,145,714
	Bai Muajjal General	-	7,533
	Mudaraba Investment	47,336,658	39,488,597
	Bai Murabaha Post Import Bill - TR	241,871,580	213,492,836
	HPSM Transport	22,733,095	21,683,519
	HPSM Industry	148,692,039	143,224,375
	HPSM Real Estate	377,714,088	234,553,100
	HPSM Employees House Building	23,038,714	24,681,703
	HPSM Machinery	166,822,764	237,541,606
	HPSM Consumer Durables	3,398,604	3,538,835
	HPSM SME	6,429,546	6,272,714
	HPSM Rural House Building	70,502	102,755
	Quard against MTDR	4,804,753	21,334
	Credit Guarantee Scheme	89,375	-
	Bill Purchased - Foreign	13,665,622	28,652,882
	Bai Murabaha Import Bill (MIB)	523,195	121,994,213
	Bai Murabaha EDF Investments	40,891,625	27,601,694
	Back to Back Bill	75,342,660	55,870,101
	Bai Muajjal against Import Bill	416,822,575	332,538,645
	Bai Istisna	4,383,854	7,849,519
		20,191,265,630	19,450,306,835

Notes	Particular	Amount in Taka	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021
20.00	PROFIT PAID ON DEPOSITS		
	Profit Paid on:		
	Mudaraba Term Deposit	7,347,876,446	6,907,528,435
	Mudaraba Double Benefit Deposits Scheme	1,045,797,034	1,130,488,430
	Mudaraba Monthly Savings Scheme	573,353,877	521,113,129
	Mudaraba Monthly Benefit Savings Scheme	2,220,644,606	2,542,381,466
	Bangladesh Government Islami Bond	427,403,731	492,009,938
	Mudaraba Savings Deposits	201,773,972	186,065,017
	Mudaraba Short Notice Deposits	1,506,459,033	1,054,869,542
	Mudaraba no Frill Savings Deposits	756,137	649,473
	Mudaraba Marriage Scheme	14,358,683	11,858,339
	Mudaraba Union Pension Prokolpo	6,199,973	11,336,410
	Mudaraba Millionaire Deposit Scheme	138,339,045	133,564,334
	Mudaraba Hajj Deposit Scheme	3,267,152	3,158,744
	Mudaraba Mohor Savings Scheme	6,757,833	4,946,366
	Mudaraba Corepoty Savings Scheme	58,403,668	56,853,840
	Mudaraba Kotipoti Deposit Scheme	10,978,907	9,232,712
	Mudaraba Non Resident F.C. Deposits	87,247,395	8,721
	Mudaraba Barakah Deposit Scheme	3,217,521	3,808,049
	Mudaraba Probashi Sanchay Prokolpo	1,001,864	309,437
	Mudaraba Privileged Deposit Scheme	8,471,989	2,077,869
	Mudaraba GIFT Cheque	6,831	2,706
	Finance Cost for Lease Liabilities (IFRS - 16)	24,666,789	3,436,608
	Mudaraba Subordinated Bond	275,527,456	324,769,591
		13,962,509,942	13,400,469,156
21.00	INCOME FROM INVESTMENT IN SHARES AND SECURITIES		
	Bangladesh Govt. Islamic Investment Bond	55,000,000	110,000,000
	Bangladesh Govt. Islamic Sukuk	216,479,285	58,275,470
	Other Bond	138,709,455	12,497,540
	Profit/(Loss) on sale of shares	4,321,059	(6,880,437)
	Dividend Income	180,000	259,522
		414,689,799	174,152,095

Notes	Particular	Amount in Taka	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021
22.00	COMMISSION, EXCHANGE AND BROKERAGE		
	Commission	164,883,180	124,029,098
	Exchange Gain	557,864,205	102,287,295
	Exchange Earning	557,869,916	102,287,295
	Exchange Loss	(5,711)	-
		722,747,385	226,316,393
23.00	OTHER OPERATING INCOME		
	Account maintenance charge	40,858,076	25,204,356
	Clearing cheque processing fee	216,733	185,203
	Investment processing fee	9,518,679	42,265,047
	Miscellaneous Earnings	78,722,782	63,154,936
		129,316,270	130,809,542
24.00	SALARY AND ALLOWANCES		
	Basic Salary	828,292,402	627,289,017
	Bonus	214,996,722	286,747,659
	Bank's Contribution to Staff Provident Fund	65,858,211	58,650,679
	Gratuity	75,000,000	67,000,000
	House Rent Allowance	326,248,229	344,353,651
	Conveyance Allowance	30,534,968	41,628,833
	Leave Fare Allowance	7,512,832	34,700,885
	Entertainment Allowance	27,323,637	18,887,537
	Medical Allowance	101,727,532	89,422,881
	Utility Services	46,436,834	32,298,292
	House Maintenance Allowance	71,181,478	43,550,240
	Travelling Allowance	68,637,344	-
	Bengali New Year Allowance	13,747,301	10,510,766
	Other Allowances	16,209,193	8,859,348
		1,893,706,683	1,663,899,788
25.00	RENT, TAXES, INSURANCE, ELECTRICITY etc.		
	Rent	256,061,821	259,707,561
	Insurance	73,180,773	66,699,012
	Rates and Taxes	17,885,479	3,895,431
	Water Charges	1,327,981	1,163,124
	Gas Charges	821,132	546,771
	Electric Bills	51,192,555	49,438,379
		400,469,741	381,450,278

Notes	Particular	Amount in Taka	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021
26.00	LEGAL EXPENSES		
	Law Charges	428,314	601,445
	Stamp	19,635	42,457
	Other Professional Charges	4,389,511	4,123,716
		4,837,460	4,767,618
27.00	POSTAGE, STAMP AND TELECOMMUNICATION etc.		
	Telephone	4,688,347	4,340,346
	Telegram, Telex, Internet, Fax and Email charge	17,065,321	12,822,339
	Stamp	54,129	12,067
	Swift charge	4,796,277	5,268,769
	Postage	6,423,314	4,304,740
		33,027,388	26,748,261
28.00	STATIONERY, PRINTING AND ADVERTISEMENT etc.		
	Publicity and Advertisement	85,638,189	50,176,151
	Printing and Stationery	28,113,762	25,072,376
		113,751,951	75,248,527
29.00	CHIEF EXECUTIVE'S SALARY & FEES		
	Basic Pay	6,873,259	6,248,417
	House Rent Allowances	2,160,000	2,160,000
	Leave Fare Allowance	540,000	540,000
	Bonus	1,923,700	1,808,917
	Bengali New Year Allowance	106,700	105,083
	House Maintenance Allowance	600,000	600,000
	Other Allowance	1,171,526	1,104,842
		13,375,185	12,567,259
30.00	DIRECTORS' FEES & EXPENSES		
	Fees	1,552,000	1,251,200
	Travel	1,635,000	1,065,000
		3,187,000	2,316,200
31.00	SHARIA'H SUPERVISORY COMMITTEE'S FEES AND EXPENSES		
	Fees	346,800	304,000
	Travel	195,000	150,000
		541,800	454,000

Notes	Particular	Amount in Taka	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021
32.00	DEPRECIATION AND REPAIRS TO FIXED ASSETS		
	Depreciation on Fixed Assets (Annexure - A)	301,203,496	243,323,017
	Repairs:	57,650,740	54,038,429
	Office equipment	45,265,108	44,689,944
	Renovation and Maintenance of Office Premises	98,780	64,441
	Furniture and Fixtures	332,936	250,332
	Repair & Maintenance of Vehicle	11,953,916	9,033,712
		358,854,236	297,361,446
33.00	OTHER EXPENSES		
	Car Expense	45,764,481	46,930,383
	Wages	196,177,850	162,859,725
	Traveling	9,917,043	5,213,469
	Donation and Subscription:		
	Donation	43,418,700	66,808,580
	Subscription	5,342,243	4,622,003
	Newspaper and Periodicals	474,165	475,456
	Entertainment	29,446,141	24,879,987
	Conveyance	9,113,272	7,008,301
	Bank charges	12,866,528	13,929,479
	Holiday Banking allowances	1,381,041	485,600
	Medical Expense	10,581,717	7,620,598
	Recruitment Expenses	700,450	3,521,000
	Training, Seminar and Workshop	1,781,851	1,415,591
	Photocopy, Photograph & Toner	2,845,319	2,368,676
	Generator Expenses	11,667,107	7,243,724
	Washing and Cleaning	415,874	487,271
	Online Expenses	2,785,621	2,963,471
	Office Maintenance	18,768,438	16,562,999
	Crockery Expense	620,184	463,806
	Meeting Expenses	14,777,881	9,718,575
	IPO Expenses	6,678,255	62,527,595
	ATM Expenses	27,761,231	11,548,062
	Miscellaneous Expenses	5,450,438	3,311,352
		458,735,830	462,965,703

Notes	Particular	Amount in Taka	
		January 01, 2022 to December 31, 2022	January 01, 2021 to December 31, 2021
34.00	NET ASSET VALUE PER SHARE (NAV)		
	A. Net Asset Value	15,280,301,013	10,010,536,552
	B. Weighted Average Number of Shares Outstanding	965,826,911	558,933,760
	Net Asset Value Per Share (A/B)*	15.82	17.91

Calculation of Weighted Average Nos. of Shares Outstanding

Particulars	Nos. of Shares	Weight	Weighted Nos of Shares	Weighted Nos of Shares
Opening balance	558,933,760	1	558,933,760	558,933,760.00
New Issue on 18.01.2022	428,000,000	0.95	406,893,151	-
Total			965,826,911	558,933,760.00

35.00	EARNINGS PER SHARE (EPS)		
	A. Net Profit after Tax	1,513,501,368	872,363,623
	B. Weighted Average Number of Ordinary Shares	965,826,911	558,933,760
	Earnings Per Share (A/B)*	1.57	1.56
36.00	NET OPERATING CASH FLOWS PER SHARE (NOCFPS)***		
	A. Net Cash Inflow/ (Outflow) From Operating Activities	(13,340,408,838)	5,244,392,328
	B. Weighted Average Number of Shares Outstanding	965,826,911	558,933,760
	Net Cash flow Per Share (A/B)	(13.81)	9.38

Due to post COVID-19 effect, there is a increase in non-payment of investment and decrease in deposit from customers. As a result, net operating cash flow (NOCFPS) has been decreased to tk.(13.81) per share for the period ended 31 December 2022 compared to the previous year.

37.00	Reconciliation of net profit with cash flows from operating activities		
	Cash Flow From Operating activities:		
	Net Profit After Taxation	1,513,501,368	872,363,623
	Provision for tax	1,557,290,495	1,360,000,000
	Provision for Investment Share & Contingent Liability	1,087,785,005	1,365,628,006
	(Increase)/ Decrease Profit Receivable	(343,386,349)	187,548,024
	Increase/ (Decrease) Profit Payable on Deposit	(93,957,118)	(45,066,128)
	Depreciation & amortization of fixed assets	301,203,496	243,323,017
	Recoveries on Investment previously written off	-	-
	Income tax Paid	(1,542,493,668)	(1,290,468,713)
	Effect of exchange rate changes on cash & cash equivalents	-	-
	Operating Profit before changes in Operating Assets & Liabilities	2,479,943,229	2,693,327,829

Notes	Particular	Amount in Taka	
		December 31, 2022	December 31, 2021
38.00	RECEIPTS FROM OTHER OPERATING ACTIVITIES		
	Account maintenance charge	40,858,076	25,204,356
	Clearing cheque processing fee	216,733	185,203
	Investment processing fee	9,518,679	42,265,047
	Miscellaneous Earnings	78,722,782	63,154,936
		129,316,270	130,809,542
39.00	PAYMENTS FOR OTHER OPERATING ACTIVITIES		
	Rent, Taxes, Insurances, Electricity etc.	493,290,199	451,375,966
	Legal Expenses	4,837,460	4,767,618
	Postage, Stamps, Telecommunications etc.	33,027,388	26,748,261
	Directors' fees	3,187,000	2,316,200
	Sharia'h Supervisory Committee's fees and expenses	541,800	454,000
	Auditor's Fee	345,000	345,000
	Repair of Fixed Assets	57,650,740	54,038,429
	Zakat Expenses	66,100,000	55,000,000
	Other Expenses	458,735,830	462,965,703
		1,117,715,417	1,058,011,177
40.00	INCREASE / DECREASE OF OTHER ASSETS		
	Inter - branch Transaction Account	11,237,330,520	11,609,142,535
	Advances, Deposits and Prepayment	332,071,490	366,611,701
	Stock of Stationery	26,826,728	30,005,296
	Suspense Account	536,534,912	126,376,607
	Stamps on Hand	3,111,109	2,481,920
		12,135,874,759	12,134,618,059
	(Increase)/Decrease during the year	(1,256,700)	1,896,454,796
41.00	INCREASE / DECREASE OF OTHER LIABILITIES		
	Provision for Zakat	66,100,000	55,000,000
	Benevolent Fund	1,232,987	185,071
	Clearing Adjustment Account	3,378,797	2,717,545
	Others	2,046,149,985	2,570,399,513
		2,116,861,769	2,628,302,129
	Increase /(Decrease) during the year	(511,440,360)	620,407,652
42.00	NUMBER OF EMPLOYEES		
	Executives and Officers	1,776	1,480
	Members of Staff (Contractual)	349	314
		2,125	1,794

43.00 RELATED PARTY TRANSACTIONS

During the year, the Bank carried out some transaction with related party in the normal course of business and on an arm's length basis. The name of this related party, nature of this transaction and total value has been set out in accordance with provisions of International Accounting Standard # 24 (IAS# 24) Related Party disclosure and as defined in the BRPD Circular no. 14 issued by the Bangladesh Bank on June 25, 2003. The significant related party transactions during the year were as follows:

i) Significant Contracts where Bank is a Party and wherein Directors have Interest

Name of the Party	Nature of Transaction	Nature of Relationship	Total Value (in Taka)
Times Securities Ltd.	Trading of Share (Investment of Share)	Common Director	194,324,074
ii) Related Party Transactions			Nil
iii) Shares issued to Directors and Executives without consideration or exercisable at discount			Nil
iv) Lending to Related Parties is effected as per requirements of Section 27 (1) of the Bank Companies Act, 1991.			Nil
v) Business other than banking business with any related concern of the Directors as per Section 18(2) of the Bank Companies Act, 1991			Nil
vi) Investment in the Securities of Directors and their related concern			Nil

44.00 DIRECTORS' INTEREST IN DIFFERENT BUSINESSES OR ENTITIES

Sl.	Name of the Directors	Status with the Bank	Names of firms/companies in which interested as proprietor, partner, director, managing agent, guarantor, employee, etc.
1	Ahsanul Alam	Chairman	Managing Director
			Gensis Textiles Accessories & Apparels Ltd.
			Blythe Ltd.
			Artsy Holdings Limited
			Shining Assets Limited
			Affinity Assets Ltd.
			Wesco Ltd.
			Director
			Norinco Engineering Ltd.
			Hasan Abasan (Pvt) Ltd.
2	Mollah Fazle Akbar	Vice Chairman	Proprietor
			M/s. Genesis Enterprise
3	Ms. Marzina Sharmin	Director	Lt. General (Retd) Bangladesh Army
			Managing Director
			Times Securities Limited
			Chairman
			Kingston Flour Mills Ltd.
			Proprietor
			M/s. Marzina Trading
Shareholder			
Infinite CR Strips Industries Ltd.			

Sl.	Name of the Directors	Status with the Bank	Names of firms/companies in which interested as proprietor, partner, director, managing agent, guarantor, employee, etc.
4	Rashedul Alam	Director	Managing Director
			Ocean Resorts Ltd.
			Global Trading Corporation Ltd.
			Director
			Bangladesh Petro Chemical Ltd.
			S. Alam Hatchery Ltd.
			S. Alam Properties Ltd.
			Fatehabad Farm Ltd.
			Shareholder
			S. Alam Steels Ltd.
5	Showkat Hossain, FCA	Director	Partner
			M/s. Rafi Enterprise
			M/s. Khorshed Paribahan Sangstha
5	Showkat Hossain, FCA	Director	Senior Partner
			M/S. Hoda Vasi Chowdhury & Co., Chartered Accountants
6	Mr. Osman Gani	Director	Managing Director
			S. Alam Cold Rolled Steels Ltd.
			Director
			S. Alam Cement Ltd.
			S. Alam Trading Company Ltd.
			S. Alam Bag Manufacturing Mills Ltd.
			Ocean Resorts Ltd.
			Modern Properties Ltd
Shah Amanat Praktik Gas Co. Ltd.			
7	Mohammad Fazlay Morshed	Director	Managing Director
			M.R.M. Trading Ltd.
			Chittagong Logistics Ltd.
			Worth Avenue Steels Ltd.
			Adviser
C & A Fabrics Ltd.			
8	Ms. Halima Begum	Director	Proprietor
			M/s. Halima Trading Enterprise
9	Md. Abdul Quddus	Independent Director	EX- Managing Director
			NRB Global Bank Ltd.
9	Md. Abdul Quddus	Independent Director	EX- Chief Executive Officer (CEO)
			First Security Islami Bank Foundation
10	Abdus Salam, FCA	Independent Director	EX- Managing Director
			Bangladesh Krishi Bank
10	Abdus Salam, FCA	Independent Director	EX- CEO & Managing Director
			Janata Bank Ltd.

45.00 AUDIT COMMITTEE**a) Constitution**

Name	Status with the Bank	Status with the Committee	Educational Qualification
Md. Abdul Quddus	Independent Director	Chairman	M. A. Economics
Showkat Hossain, FCA	Director	Member	B. Com, Fellow Chartered Accountant
Mohammad Fazlay Morshed	Director	Member	B. Com.
Md. Abdus Salam, FCA	Independent Director	Member	M. Com, Fellow Chartered Accountant

b) During the year under review, the Audit Committee of the Board conducted 05 (Five) meeting.

c) The following steps have been taken for implementation of an effective Internal Control Procedure of the Bank:

A strong powerful division formed for internal audit and inspection as well as compliance thereof.

The division is divided into three separate units i.e. Audit & Inspection , Compliance and Monitoring to implement effective internal control and compliances headed by highly experienced bankers.

Audit and Inspection unit is established with a view to carrying out comprehensive internal audit in the branch level and ensure the transparency and accountability in the banking operations in light of the guidelines of the regulatory authorities and policies set by the bank with regular intervals.

Monitoring Unit is established with a view to implementing proper banking practices in the branches. Day to day operations is the focusing area to implement the rules and procedures of the regulatory bodies, bank's policies and other prudential guidelines.

Compliance unit is established to take effective measures for collection and timely submission of compliances of internal, external and Bangladesh Bank Inspection Reports.

The committee is placing its report regularly to the Board of Directors of the bank mentioning its review and recommendations on internal system, compliance of rules and regulations and establishment of good governance within the organization.

The board has given the responsibility to implement internal control system in the bank as per requirement of core risk management and framework provided by the Bangladesh Bank.

46.00 EVENTS AFTER BALANCE SHEET DATE

a) The Board of Directors of the Bank in it's 100th Board meeting held on 30 April 2023 approved the financial statements of the Bank for the year ended 31 December 2022 and recommended 5% cash dividend for shareholders for the year 2022 to be approved in the next Annual General Meeting and authorized the same for issue.

b) BSEC approved 5% stock dividend for shareholders for the year 2021 on March 29, 2023 vide letter no. BSEC/CI/CPLC(Public)-1029/2022-1218 and record date was 12/04/2023.

c) There is no other significant event that has occurred between the balance Sheet date and the date when the financial statements were authorized for issue by the Board of Director which require adjustment in the financial statements.


Managing Director


Director


Director


Director

Annexure A

UNION BANK LIMITED
SCHEDULE OF FIXED ASSETS
As on December 31, 2022

Particulars	C O S T			D E P R E C I A T I O N				Written down value as on 31 Dec'22	
	Balance as on 01 Jan'22	Addition during the year	Sales/ Transfer during the year	Balance as on 31 Dec'22	Balance as on 01 Jan'22	Charged for the year	Adjustment on sale/ transfer during the year		Balance as on 31 Dec'22
Furniture & Fixtures	1,124,561,556	93,866,182	-	1,218,427,738	400,527,096	76,276,501	-	476,803,597	741,624,141
Office Equipment	1,035,181,663	112,953,977	-	1,148,135,640	608,721,609	99,684,022	-	708,405,631	439,730,009
Vehicles	110,128,581	23,703,000	10,062,322	123,769,259	86,471,013	11,337,598	10,062,321	87,746,290	36,022,969
Books	487,654	24,960	-	512,614	180,976	67,634	-	248,610	264,004
Land	2,666,750,340	-	-	2,666,750,340	-	-	-	-	2,666,750,340
Sub Total	4,937,109,794	230,548,119	10,062,322	5,157,595,591	1,095,900,694	187,365,755	10,062,321	1,273,204,128	3,884,391,463
Lease Assets - Premises									
Right-of-use-assets	279,825,267	969,235,133	-	1,249,060,400	66,489,080	113,837,741	-	180,326,821	1,068,733,579
Total Dec' 2022	5,216,935,061	1,199,783,252	10,062,322	6,406,655,991	1,162,389,774	301,203,496	10,062,321	1,453,530,949	4,953,125,042
Total Dec' 2021	4,692,520,569	254,827,225	10,238,000	4,937,109,794	929,304,757	176,833,937	10,237,999	1,095,900,694	3,841,209,100

Annexure B

UNION BANK LIMITED
FINANCIAL HIGHLIGHTS
As at and For the year ended 31 December 2022

Figure in Taka

Sl No.	Particulars	2022	2021
1	Paid-up Capital	9,869,337,600	5,589,337,600
2	Total Regulatory Capital	21,437,966,804	16,021,722,432
3	Total Regulatory Capital Surplus/(deficit)	2,681,520,886	723,996,884
4	Total Assets	272,908,816,783	236,606,096,680
5	Total Deposits	213,375,297,519	200,229,794,529
6	Total Investments	222,275,438,478	193,822,280,481
7	Total Contingent Liabilities and Commitments	6,424,124,444	10,393,460,922
8	Investment Deposit Ratio (in %)	99.64%	91.55%
9	Percentage of Classified Investments against total Investments (in %)	3.54%	3.49%
10	Profit after Provision and Tax	1,513,501,368	872,363,623
11	Amount of Classified Investments	7,864,716,426	6,756,128,599
12	Provision kept against Classified Investments	3,058,000,000	2,317,654,000
13	Investments Provision Surplus/(deficit)	10,772,946	29,102,335
14	Cost of Fund	8.48%	8.90%
15	Profit Earning Assets	237,643,286,098	211,677,132,440
16	Non-profit Earning Assets	35,265,530,686	24,928,964,240
17	Income from Investment in Shares & securities	414,689,799	174,152,095
18	Return on Investment in Shares & securities (ROI)(in %)	4.04%	1.45%
19	Return on Assets (ROA)(in %)	0.59%	0.39%
20	Earnings Per Share (Tk.)	1.57	1.56
21	Net Income Per Share (Tk.)	1.57	1.56
22	Price Earnings Ratio (Times)	5.92	N/A
23	Net Asset Value (NAV) per share (Taka)	15.82	17.91
24	Net Operating Cash Flow per shar (NOCEPS) (Taka)	(13.81)	9.38

Notes

A series of horizontal dotted lines for writing notes.



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