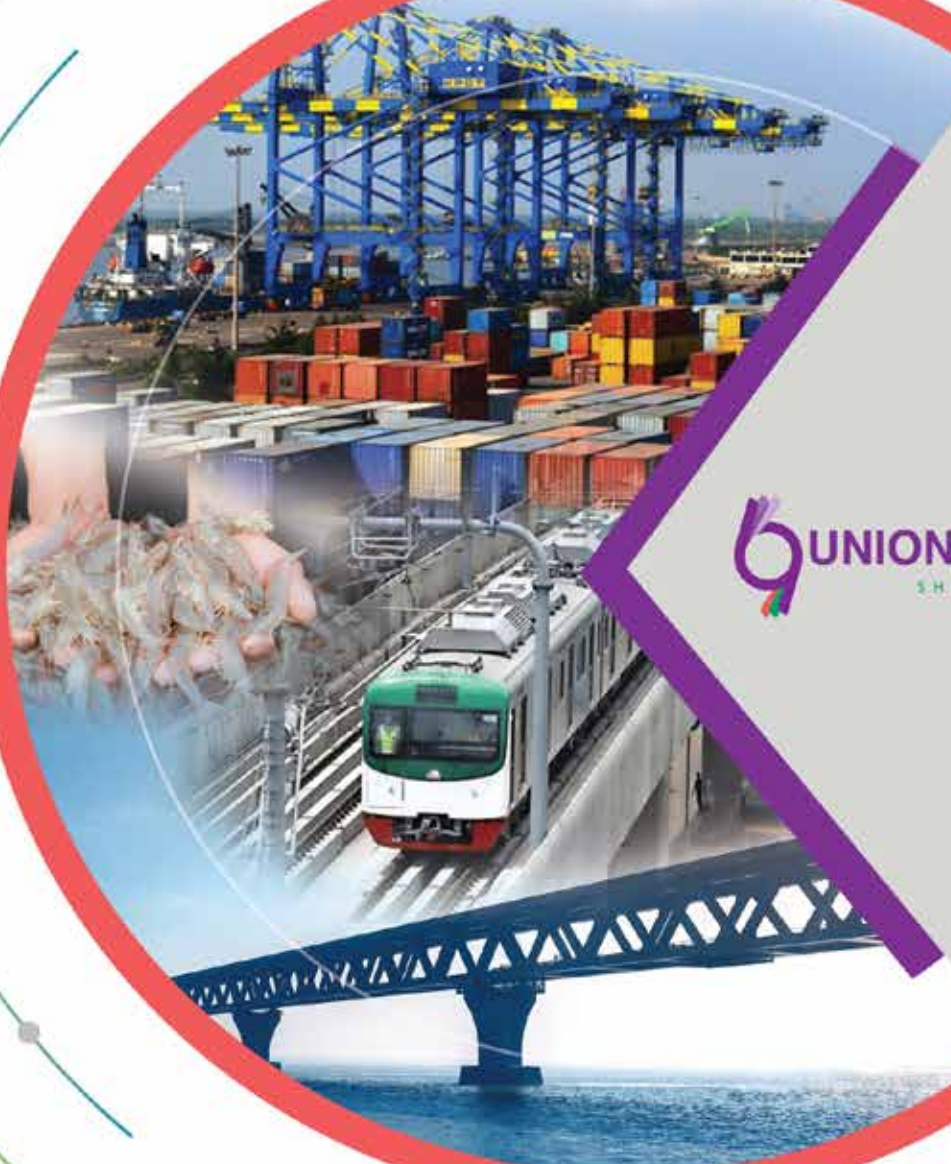


Economic Prosper



 **UNION BANK LIMITED**
SHARIAH BASED BANK

Annual
Report
2021





Economic Prosper

Bangladesh has an impressive track record of growth and development. It has been among the fastest growing economies in the world over the past decade, supported by a demographic dividend, strong ready-made garment exports, remittances, and stable macroeconomic conditions. The country made a strong economic recovery from the COVID-19 pandemic.

Bangladesh tells the world a remarkable story of poverty reduction and development. From being one of the poorest nations at birth in 1971, Bangladesh reached lower-middle income status. It is on track to graduate from the UN's Least Developed Countries.

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LETTER OF TRANSMITTAL

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

Subject: Annual Report 2021 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 consolidated and solo Financial Statements as on 31st December 2021. The Report includes Balance Sheet, Income Statement, Cash Flow Statement, Statement of Changes in Equity and Liquidity Statement along with notes thereon, of Union Bank Limited for the period ended 31st December 2021.

This is for your kind information and record please.

Ma-Assalam

Yours truly



Ali Hossain Bhuiyan
Company Secretary

NOTICE OF THE 9TH ANNUAL GENERAL MEETING

Notice is hereby given that the 9th Annual General Meeting of the Members of Union Bank Limited will be held on **Monday, the 4th July 2022 at 12:00 PM** by using **Digital Platform** through the link <https://unionbank.digitalagmbd.net> to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended December 31, 2021 along with the Auditors' Report and the Directors' Report thereon.
2. To approve Dividend for the year ended 31st December 2021 as recommended by the Board of Directors.
3. To re-elect Directors in place of the Directors' retirement & elect new Director.
4. To appoint External Auditor of the Company for the period until the next Annual General Meeting and to fix their remuneration.
5. To appoint Compliance Auditor as per Corporate Governance Code by BSEC for the year 2022 and to fix their remuneration.

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

By order of the Board of Directors

Date: **June 01, 2022**
Dhaka



Sd-
Ali Hossain Bhuiyan
Company Secretary

NOTES:

- a. The "Record Date" was on Monday the 30th May, 2022. 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 9th AGM and would be qualified to receive Cash Dividend for the year 2021. (It is mentionable that the Stock Dividend is subject to approval of Shareholders and subsequent approval of the Bangladesh Securities & Exchange Commission (BSEC). The Record Date for entitlement of Stock Dividend will be notified later as per Notification No. BSEC/CMRRCD/2009-193/23/Admin/123, dated June 30, 2021 upon receipt of consent from BSEC.)
- b. The Board of Directors recommended 05% Cash and 05% Stock dividend for the year ended 31st December 2021.
- 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 (Sponsor/Shareholder) 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 General Meeting and shall remain open up to the closure of General Meeting.
- f. The members are requested to update their respective BO accounts with mailing address, email address, contact number, bank details 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-2021 of the Bank, Proxy Form and Notice of the 9th 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-2021 from the registered address of the Bank. Soft copy of the Annual Report-2021, Notice of 9th AGM and Proxy Form 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. Existing External Auditor, K.M. Hasan & Co., Chartered Accountants completed 03 (Three) years audit tenure and not eligible for re-appointment. So a new firm will be appointed for the period until the next AGM.
- j. Compliance Auditor will be appointed for the year 2022.
- k. Concerned Depository participants (DP)/Merchant Banks are requested to provide us with a list of their margin loan holders who hold Union Bank shares, 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 June 22, 2022, 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 with their Bank Account name & number, routing number etc. for receiving the dividends of their margin loan holders.

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

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

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

A PREMISE OF UNION BANK

- Huge demand of Islamic Banking across the country.
- This high populous country's economy is growing fast and creating demand to establish a quality service oriented global banking services to the doors of the people.
- The economy of Bangladesh continues to demonstrate satisfactory & steady growth performance maintaining macroeconomic stability.
- Unlock the potentials of missing middle of the country who are beyond the coverage of corporate banking service.
- Focus on rural & microeconomic developments.
- Bring the unbanked rural people under the umbrella of banking service.
- Modern Technology based banking as well as environmental banking.

VISION

To become socially committed world class financial institution.

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	2021	2020
1	Authorized capital	10,000.00	10,000.00
2	Paid - up capital	5,589.34	5,589.34
3	Shareholder's Equity	10,010.54	9,155.62
4	Total capital (Tier - 1 + Tier - 2)	16,021.72	15,872.62
5	Statutory Reserve	2,414.62	1,968.15
6	Total Assets	242,418.20	210,031.58
7	Total Liabilities	232,407.67	200,875.96
8	Deposits	200,229.79	172,710.51
9	Total Investment and Advance	193,822.28	166,337.20
10	Total contingent Liabilities	10,393.46	10,570.32
11	Total Risk Weighted Asset	152,977.25	141,548.71
12	Total Fixed Assets	4,054.54	3,763.22
13	Operating Income	6,581.12	5,959.11
14	Operating Expenditure	2,983.12	2,740.70
15	Profit before Provision & Tax	3,597.99	3,218.42
16	Profit before Tax	2,232.36	2,223.42
17	Net profit after Tax	872.36	988.42
18	Foreign Exchange Business:		
	a) Import Business	10,448.30	9,202.60
	b) Export Business	4,099.80	9,176.50
	c) Remittance	8,476.32	2,935.70
19	No. of Foreign Correspondent	149	147
20	Profit Earning Assets	211,677.13	179,976.29
21	Non profit Earning Assets	30,741.07	30,055.29
SL No.	Particulars	2021	2020
22	Investment Deposit Ratio (in %)	91.55%	90.22%
23	Capital To Risk Weighted Assets Ratio (CRAR) (%)	10.47%	11.21%
24	Dividend (%):		
	a) Cash	5% (recommended)	
	b) Bonus	5% (recommended)	
	c) Right Share		
25	Cost of Fund (%)	8.90%	10.55%
26	Net asset value per share	17.91	16.38
27	Earning per share (EPS)	1.56	1.77
28	Return on Assets (ROA) (%)	0.39%	0.51%
29	Number of Employees	1794	1,658
30	Number of Branches	104	95

SHAREHOLDERS' INFORMATION

Union Bank Limited
Details of Capital Fund
As on 31st December 2021

(Tk. in Crore)

Regulatory Capital Requirement in line with Basel-III	2021	2020
I. Tier - 1 Capital		
a. Common Equity Tier-1 Capital (CET-1)		
Paid up Capital	558.93	558.93
Statutory Reserve	241.46	196.82
Other Reserve	14.57	14.57
Retained Earnings	186.08	145.25
Adjustment for Deferred Tax Assets	(9.79)	-
	991.26	915.56
b. Additional Tier -1 Capital (AT-1)	-	-
	-	-
Total Tier 1 Capital (a + b)	991.26	915.56
II. Tier -2 Capital		
General Provision	296.70	271.70
Mudaraba Subordinated Bond	320.00	400.00
Excess Amount Over Maximum Limit of T-2	(5.79)	-
	610.91	671.70
A. Total Regulatory Capital (I+II)	1,602.17	1,587.26
B. Total Risk Weighted Assets	15,297.73	14,154.87
C. Minimum Capital Requirement	1,529.77	1,415.49
D. Capital Surplus/(Shortfall)....(A-C)	72.40	171.77
Capital to Risk Weighted Assets Ratio (CRAR)	10.47%	11.21%
Capital to Risk Weighted Assets Ratio (CRAR):	Held	Held
a. Common Equity Tier-1 Capital to Risk Weighted Assets	6.48%	6.47%
b. Tier - 1 Capital to Risk Weighted Assets	6.48%	6.47%
c. Tier - 2 Capital to Risk Weighted Assets	3.99%	4.75%
Total (b+c)	10.47%	11.21%

BOARD OF
DIRECTORS
PROFILE
&
MANAGEMENT
INFORMATION



MR. AHSANUL ALAM

Chairman

(Representative of Unique Investment & Securities Ltd.)

Mr. 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 Genesis Enterprise and Chairman of Hasan Abasan (Pvt.) Limited. He is also the Chairman of Infinia Group. He has been acting as the Managing Director of Genesis Textiles Accessories & Apparels Limited. He is also one of the Directors of Norinco Engineering Limited. 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.





MR. MOLLAH FAZLE AKBAR PhD, NDC, PSC
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 Director, Board of Directors of First Security Islamic Bank (FSIB).

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.

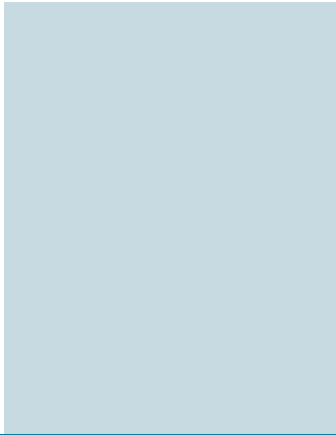
The General attended a number of International Seminars & Conferences and presented papers on contemporary issues. To mention a few:

- 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. Mr. Akbar is a member of the Executive Committee of the Board of Directors of Union Bank Limited.



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 Director of Kingston Flour Mills Limited. She is also an expert in Share Market, Security & Investment Sector and acting as the Managing Director of Unique Investment & Securities Limited and Times Securities Limited. She has more than 22 years of business experience.



Mr. Showkat Hossain, FCA

Director

(Representative of Western Designer Ltd.)

Mr. 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 and member of the Audit 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 Assisting to Hearing Impaired Children (SAHIC), Hony. Treasurer Chittagong Eye Infirmary Training Centre (CIETC), Executive Committee Member of Bangladesh National Society for Blinds (BNSB), Vice Chairman of Concern Services for Disabled (CSD). He is a Member of the Chattogram Club Limited. He was a Director of Chattogram WASA and Past Independent Director of Chattogram Stock Exchange (CSE), Past Academic Council member of Daffodil International University, Dhaka.



Mr. Rashedul Alam

Director

(Representative of Ocean Resorts Ltd.)

Mr. 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, logistics, tourism, agriculture, land development and steel manufacturing sector. He is the proprietor of Rafe Enterprise and Khurshed Poribohon Sangstha. Mr. Alam is also the Director of Bangladesh Petro Chemical Limited, S. Alam Hatchery Limited, Ocean Resorts Limited and Fatehabad Farm Limited. He is the Managing Director of Global Trading Corporation Limited. For business purposes he traveled 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.



Mr. Mohammad Fazlay Morshed

Director

(Representative of C&A Fabrics Ltd.)

Mr. 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 MRM Trading Limited, Chattogram Logistic 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 traveled 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 Ltd.)

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 Brothers Syndicate and Halima Trading Enterprise. She has the expertise of running business for the last 13 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.



Mr. Osman Goni

Director

(Representative of C&A Accessories Limited)

Mr. 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, logistics and tourism. He is the Managing Director of S. Alam Cold Rolled Steels Limited and Director of Shah Amanat Praktik Gas Co. Limited. He is also the Director of S. Alam Cement Limited, S. Alam Bag Manufacturing Mills Limited, Ocean Resorts Limited and Modern Properties Limited. 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.



Mr. Md. Abdul Quddus
Independent Director

Mr. 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 38 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. Currently he is the Chairman of Audit Committee of the Board of Directors of Union Bank Limited.



Mr. Md. Abdus Salam, FCA
Independent Director

Mr. Md. Abdus Salam FCA was born on 1st December 1956 in a noble Muslim family. Mr. Salam is a qualified Chartered Accountant and a Fellow Member of the Institute of Chartered Accounts of Bangladesh. He is a distinguished person having the high moral value with the knowledge of financial laws, regulatory requirements and corporate law. Besides, he has vast experience in the field of Banking. He was the Independent Director in Agricultural Marketing Company Limited for a period of 3 years. He was a consultant in NRB Global Bank Limited and an Advisor in First Security Islami Bank Limited. 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. Before that, 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 completed his honors graduation and post-graduation in Accounting from the University of Dhaka in 1978 and 1980 respectively. He is a fellow of National Defense College under certification of Capstone Course, 2016. Mr. Salam was awarded with "Shilpacharja Joynul Abedin Gold Medal" for his contribution in Banking. He took part in various seminars, trainings and workshops in home and abroad. He is an member of the Audit Committee of the Board of Directors of Union Bank Limited.

A professional portrait of Mr. A.B.M Mokammel Hoque Chowdhury, a middle-aged man with dark hair, wearing a dark blue suit, a white shirt, and a patterned tie. He is standing in a well-lit office hallway with blurred lights in the background. His hands are clasped in front of him, and he is wearing a watch on his left wrist and a pocket square in his suit jacket.

Mr. A.B.M Mokammel Hoque Chowdhury

Managing Director

Mr. 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 21 years' 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 United Kingdom, Scotland, Germany, Switzerland, France, Netherlands, Australia, Singapore, Thailand, UAE, Malaysia, Maldives, India, Srilanka and Indonesia. He also attended various training programs, seminars and workshops at home and abroad.

SPONSORS/SHAREHOLDERS

(As on December 31, 2021)

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

COMMITTEES

(As on December 31, 2021)

Executive Committee of the Board of Directors

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

Audit Committee of the Board of Directors

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

Risk Management Committee of the Board of Directors

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

Shari'ah Supervisory Committee

Professor 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
Professor Dr. A. M. Kazi Mohammad Harun ur Rashid	Member
Dr. H.M. Shahidul Islam Barakaty	Member
Dr. Md. Ruhul Amin Rabbani	Member
Maulana Mohammed Shoaib Uddin	Member
Maulana Mohammad Harunar Rashid	Member

TOP MANAGEMENT



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



Mr. Md. Habibur Rahman
Additional Managing Director



Mr. Hasan Iqbal
Deputy Managing Director



Mr. Md. Nazrul Islam
Deputy Managing Director

DIVISIONAL HEADS



Mr. Md. Golam Mostafa
SEVP and HIAC, Head Office



Mr. Md. Abdul Kader
SEVP & Head of IRMD, Head Office



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



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



Mr. Md. Idris Ali
SVP & Head of AMLD & CFT Division, Head Office



Mr. Saiful Momin
SVP & Head of ICT Division, Head Office



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



Mr. Mansoor Ahmed
VP & Head of BDD, Head Office



Mr. Muhammed Didarul Alam
VP & In-charge of Treasury Division, Head Office



Mr. Riyadh Mohammad Chowdhury
VP & In-Charge, Project Investment
Department & CID, Under IRMD, Head Office



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



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



Mr. Badiul Alam
VP & Head of Audit Unit under IC&CD
Head Office



Mr. Chowdhury S M Atiqur Rahman Hyder
VP & Head of BOCD, Head Office



Mr. Iskandar Parvez
SAVP & In-Charge, ID
Head Office



Mr. Md. Hedayet Ullah
SAVP & In-Charge, Training Institute
Head Office



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



Mr. Maheenuul Aziz
SAVP & In-Charge, CTOU under ID
Head Office



Mr. Mohammad Salah Uddin
AVP & In-Charge, RMD
Head Office



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



Mr. Ali Hossain Bhuiyan
AVP & Company Secretary, Head Office



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

MANAGEMENT TEAM



Sl #	Employee Name	Designation	Place of Posting
1	Mr. A.B.M. Mokammel Hoque Chowdhury	Managing Director	Head Office
2	Mr. Md. Habibur Rahman	AMD	Head Office
3	Mr. Hasan Iqbal	DMD	Head Office
4	Mr. Md. Nazrul Islam	DMD	Head Office
5	Mr. Md. Golam Mostafa	SEVP & HIAC	Head Office
6	Mr. Md. Abdul Kader	SEVP	IRMD, Head Office (As Head)
7	Mr. Md. Mainul Islam Chowdhury	EVP	HRD & GSD, Head Office (As Head)
8	Mr. Md. Azadur Rahman	EVP	IAD & SAMD, Head Office (As Head)
9	Mr. Md. Idris Ali	SVP	AMLD & CFT Division, Head Office (As Head)
10	Mr. Md. Munirul Islam	SVP	Gulshan Branch, Dhaka (As Manager)
11	Mr. Saiful Momin	SVP	ICT Division, Head Office (As Head)
12	Mr. Md. Kabirul Hasan	SVP	Dhanmondi Branch, Dhaka (As Manager)
13	Mr. Mustafa Zaved Bin Shaheed	SVP	RMG & TFD, Head Office (As Head)
14	Mr. Mansoor Ahmed	VP	BDD, Head Office (As Head)

Sl #	Employee Name	Designation	Place of Posting
15	Mr. Md. Arfan Ali	VP	Laldighi Branch, Chattogram (As Manager)
16	Mr. Enamul Elahi	VP	Banani Branch, Dhaka (As Manager)
17	Mr. Badiul Alam	VP	Audit Unit, IC & CD, Head Office (As Head)
18	Mr. Khaled Mahmud	VP	Islampur Branch, Dhaka (As Manager)
19	Mr. Muhammed Didarul Alam	VP	Treasury Division, Head Office (In-Charge)
20	Mr. Mohammad Sirajul Kabir	VP	Khatungonj Branch, Chattogram (As Manager)
21	Mr. A.N.M. Sadan Jahan	VP	Mirpur Branch, Dhaka (As Manager)
22	Mr. Md. Rofiqul Islam	VP	SAMD, Head Office
23	Mr. Chowdhury S M Atiqur Rahman Hyder	VP	BOCD, Head Office (As Head)
24	Mr. Riyadh Mohammad Chowdhury	VP	Project Investment Dept., & CID, Under IRMD, Head Office (As In-Charge)
25	Mr. Sajjad Karim	VP	Agrabad Branch, Chattogram (As Manager)
26	Mr. Mohammad Mafidul Haque	VP	HRD, Head Office
27	Mr. Md. Abul Kalam	VP	GSD, Head Office
28	Mr. Md. Ruhul Amin	VP & CFO	FAD, Head Office
29	Mr. Abdul Kayum	VP	SME Finance Dept. & SFU, Under IRMD, Head Office (As In-Charge)
30	Mr. Humayun Kabir	VP	Zindabazar Branch, Sylhet (As Manager)
31	Mr. M. Rezaul Karim	SAVP	Kumira Branch, Chattogram (As Manager)
32	Mr. Mohammad Moniruzzaman	SAVP	Dilkusha Branch, Dhaka (As Manager)
33	Mr. Mizanur Rahman	SAVP	Dewan Bazar Branch, Chattogra (As Manager)
34	Mr. Iskandar Parvez	SAVP	ID, Head Office (As In-Charge)
35	Mr. Mohammad Rubel Alam Khan	SAVP	Mymensingh Branch, Mymensingh (As Manager)
36	Mr. Khan Md. Abu Muhit	SAVP	Khulna Branch, Khulna (As Manager)
37	Mr. Syed Fazle Elahi	SAVP	Cumilla Branch, Cumilla (As Manager)
38	Mr. Shah Md. Mustafizur Rahman	SAVP	BACH Unit, Treasury Division, Head Office (As In-Charge)
39	Mr. Mohammad Farhad	SAVP	MD's Secretariat, Head Office
40	Mr. Kazi Abdul Kyum Khadem	SAVP	Brahmanbaria Branch, Brahmanbaria (As Manager)
41	Mr. Md. Hedayet Ullah	SAVP	Training Institute, Head Office As Principal (Acting)
42	Mr. M.Q.M Obaidullah	SAVP	GSD, Head Office
43	Mr. Md. Shariful Alam Mondal	SAVP	IRMD, Head Office
44	Mr. Mohammad Abdul Aziz	SAVP	D.T Road Eidgah Branch, Chattogram (As Manager)
45	Mr. Mohammad Khaled Hossain	SAVP	Uttara Branch, Dhaka (As Manager)
46	Mr. Mohammad Nurul Amin	SAVP	Feni Branch, Feni (As Manager)
47	Mr. Golam Sarwarul Hoque	SAVP	Agrabad Branch, Chattogram (As Manager Operation)
48	Mr. Maheenuul Aziz	SAVP	CTOU Under ID, Head Office (As In-Charge)
49	Mr. Mohammed Zahirul Alam	SAVP	Khatungonj Branch, Chattogram (As Manager Operation)
50	Mr. Mohammad Nazrul Islam Moonce	SAVP	Panthapath Branch, Dhaka (As Manager)

Sl #	Employee Name	Designation	Place of Posting
51	Mr. Md. Shahidul Islam	AVP	Bogura Branch, Bogura (As Manager)
52	Mr. Md. Monsur Ahmed	AVP	Nawabpur Road Branch, Dhaka (As Manager)
53	Mr. Md. Mamnur Rashid	AVP	IC & CD, Head Office
54	Mr. Kayes Mahmud	AVP	Elephant Road Branch, Dhaka (As Manager)
55	Mr. Mohammad Shamim Ahmed Akan	AVP	Narayanganj Branch, Narayanganj (As Manager)
56	Mr. Md. Nandit Rahman Tazvi	AVP	Jamuna Future Park Branch, Dhaka (As Manager)
57	Mr. Golam Sarowor	AVP	Dhanmondi Branch, Dhaka (As Manager Operation)
58	Ms. Rubyat Ara	AVP	ID, Head Office
59	Mr. Md. Mizanur Rahman	AVP	Tajmahal Road Branch, Mohammadpur, Dhaka (As Manager)
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	Banani 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 Salah Uddin	AVP	RMD, Head Office (As In-Charge)
66	Mr. Mohammad Kalam Hossain	AVP	FAD, Head Office
67	Mr. Md. Bashir Uddin Sikder	AVP	Dilkusha Branch, Dhaka (As Manager Operation)
68	Mr. Md. Shahriar Rauf	AVP	PS to Managing Director & In-Charge og CABD, Head Office
69	Mr. Saiful Azam	AVP	Treasury Division, Head Office
70	Mr. Syed Abdullah Al Masum	AVP	Raozan Branch, Chattogram (As Manager)
71	Mr. Md. Towhidur Rahman	AVP	Khulna Branch, Khulna
72	Mr. Mohammad Ali Hossain Bhuiyan	AVP & Company Secretary	BCS, Head Office
73	Ms. Azizun Nesa	AVP	HRD, Head Office
74	Mr. Md. Kamrul Islam	AVP	Patiya Branch, Chattogram (As Manager)
75	Mr. Mohammad Salequr Rahman	AVP	Barodighirpar Branch, Hathazari, Chattogram. (As Manager)
76	Mr. Chowdhury Md. Arfanul Hoque Hakkani	AVP	Cox's Bazar Branch, Cox's Bazar (As Manager)
77	Ms. Anupama Zaman	AVP	HRD, Head Office
78	Mr. Sumit Das	AVP	Agrabad Branch, Chattogram
79	Mr. Md. Rafiqul Islam Islamabadi	AVP	Sarkarhat Branch, Chattogram (As Manager)
80	Mr. Mohammad Hossain	AVP	Muradpur Branch, Chattogram (As Manager)
81	Mr. Mohammad Abdur Rahim	AVP	Panthapath Branch, Dhaka
82	Mr. M M Mazharul Islam	AVP	Bijoyagar Branch, Dhaka (As Manager)
83	Mr. Mohammed Yakub Ali	AVP	Bandartila Branch, Chattogram (As Manager)
84	Mr. Mofazzal Haider	AVP	IRMD, Head Office

Sl #	Employee Name	Designation	Place of Posting
85	Mr. Mohammed Abdul Kader Bhuyan	AVP	Ati Bazar Branch, Keranigonj (As Manager)
86	Mr. A. K. M. Zahir Uddin Iqbal Chowdhury	AVP	PRD, Head Office (As In-Charge)
87	Mr. Mohammad Thohidul Mawla	AVP	RMG & TFD, Head Office
88	Mr. Ahammad Bin Shahirul Ibna Riaz	AVP	ICT Division, Head Office
89	Mr. Feroz Mahmud	AVP	Jubilee Road Branch, Chattogram (As Manager)
90	Mr. Md. Shariful Islam	AVP	Jotpukuria Bazar Branch, Chattogram (As Manager)
91	Mr. Mohammad Moynul Hasan	AVP	ICT Division, Head Office
92	Mr. Md. Abdul Mumin	AVP	ICT Division, Head Office
93	Mr. Abu Kawser	FAVP	Bazar Hasnabad Branch, Narsingdi (As Manager)
94	Mr. Kazi Reza Shahinoor Alam	FAVP	Rangpur Branch, Rangpur (As Manager)
95	Mr. Syed Mizanur Rahman	FAVP	Tangail Branch, Tangail (As Manager)
96	Mr. Md. Nizam Uddin	FAVP	Madhabdi Branch, Narsingdi (As Manager)
97	Mr. Jakir Hossen	FAVP	Hatkhola Branch, Dhaka
98	Mr. Md. Mamunul Islam	FAVP	SAMD, Head Office
99	Mr. Md. Alamgir Majumder	FAVP	Khilpara Branch Chatkhil, Noakhali (As Manager)
100	Mr. S. M. Fakhruddin Omar	FAVP	Keranigonj Branch, Dhaka (As Manager)
101	Mr. Md. Shah Alam	FAVP	Mawna Branch Sreepur, Gazipur (As Manager)
102	Mr. Sohel Parvez Choudhury	FAVP	Gulshan Branch, Dhaka
103	Mr. Mostafizur Rohman	FAVP	RMG & TFD., Head Office
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. Md. Hossain Al Mamun	FAVP	ICT Division, Head Office
109	Mr. Muhammad Golam Rahman Chowdhury	FAVP	Laldighi Branch, Chattogram
110	Mr. A. B. M. Mokarram Mahmud	FAVP	Rajshahi Branch, Rajshahi (As Manager)
111	Mr. Md. Rezaul Karim	FAVP	Tongi Branch, Gazipur (As Manager)
112	Mr. Md. Mizanur Rahman	FAVP	SAMD, Head Office
113	Mr. Md. Rafiqul Islam	FAVP	Bonpara Branch, Natore (As Manager)
114	Mr. Shah Md. Golam Sarwar Chowdhury	FAVP	Hatkhola Branch, Dhaka (As In-Charge)
115	Mr. Md. Alamgir Mian	FAVP	Miarbazar Branch, Kachua, Chandpur (As Manager)
116	Mr. Md. Hafigur Rahman	FAVP	Ataikula Branch, Pabna (As Manager)
117	Mr. Mohammed Mohshin	FAVP	ID, Head Office
118	Mr. Sheikh Firoj Ahmod	FAVP	Khulna Branch, Khulna (As Manager Opertion)
119	Mr. Md. Salim Ahmed	FAVP	Moulvibazar Branch, Moulvibazar (As Manager)
120	Mr. Mohammad Akramul Hoque	FAVP	Fatikchari Branch, Chattogram (As Manager)

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



ইউনিয়ন ব্যাংক লিমিটেড একটি চতুর্থ প্রজন্মের ব্যাংক এবং আমরা সফলতার দশম বছরে পদার্পন করেছি। প্রবল প্রতিযোগিতা ও প্রতিকূলতা সত্ত্বেও, অন্যান্য বছরগুলোর মত ২০২১ সালেও আমরা প্রবৃদ্ধির ধারা অব্যাহত রেখেছি।

মাননীয় চেয়ারম্যানের বাণী

বিস্মিল্লাহির রাহমানির রাহিম

সম্মানিত শেয়ারহোল্ডারবৃন্দ

আসসালামু আলাইকুম ওয়া রাহ্মাতুল্লাহ,

পরম করুণাময় আল্লাহর নামে শুরু করছি, যিনি আমাকে পরিচালনা পর্ষদ, ব্যাংক ব্যবস্থাপনা কর্তৃপক্ষ এবং ব্যাংকের সকল কর্মকর্তাদের পক্ষ থেকে ইউনিয়ন ব্যাংক লিমিটেড এর নবম বার্ষিক সাধারণ সভায় আপনাদের সবাইকে স্বাগত জানানোর সুযোগ করে দিয়েছেন। কোভিড-১৯ মহামারীতে সৃষ্ট বৈশ্বিক সংকট সত্ত্বেও চতুর্থ প্রজন্মের ব্যাংকিং ব্রাড হিসেবে আরো একটি সফল বছর অতিবাহিত করেছে যা ইউনিয়ন ব্যাংক লিমিটেড এর জন্য একটি বড় অর্জন। ৩১ ডিসেম্বর ২০২১ তারিখে সমাপ্ত বছরের ব্যাংকের পরিচালক মন্ডলীর প্রতিবেদন ও বার্ষিক প্রতিবেদনসহ ব্যাংকের বার্ষিক কার্যকলাপের চিত্র আপনাদের সামনে উপস্থাপন করার সুযোগ পেয়ে আমি অত্যন্ত সম্মানিত বোধ করছি।

বৈশ্বিক অর্থনীতি:

ইউনাইটেড নেশনস ওয়ার্ল্ড ইকোনমিক সিচুয়েশন এন্ড প্রসপেক্টস (ডব্লিউইএসপি) ২০২২ অনুযায়ী, বৈশ্বিক উৎপাদন ২০২১ সালে ৫.৫ শতাংশ বেড়েছে এবং আশা করা হচ্ছে এটি ২০২২ সালে ৪ শতাংশ ও ২০২৩ সালে ৩.৫ শতাংশ বৃদ্ধি পাবে। নতুন বছরের জন্য তারা হতাশা প্রকাশ করেছে। অর্থনীতির পুনরুদ্ধার বাধাগ্রস্ত হওয়া, গভীর অনিশ্চয়তা সৃষ্টি এবং উচ্চ মূল্যস্ফীতির কারণে বৈশ্বিক অর্থনীতির পুনরুদ্ধার ২০২১ এর শেষে এসে থমকে গিয়েছে। এছাড়া ভ্যাকসিন-প্রতিরোধী COVID ভেরিয়েন্ট, সাপ্লাইচেইন ব্যবস্থাপনায় সৃষ্ট সমস্যা, ক্রমবর্ধমান মুদ্রাস্ফীতি, চীনের ক্র্যাকডাউন এবং ভূ-রাজনৈতিক উত্তেজনা বিশ্ব অর্থনীতিকে ঝুঁকির মধ্যে ফেলেছে। মস্কো ও ইউক্রেনের মধ্যে জটিল যুদ্ধ সংকট এবং এই ইস্যুতে মার্কিন-রাশিয়ার উত্তেজনা বিশ্বকে অস্থিরতার দিকে ঠেলে দিয়েছে যা বিশ্বব্যাপী কেন্দ্রীয় ব্যাংকগুলোকে কঠোর অর্থিক নীতি গ্রহন করতে বাধ্য করবে।

২০২১ সাল শেষে মোট আমানতের পরিমাণ দাঁড়িয়েছে ২,০০,২২৯.৭৯ মিলিয়ন টাকা যা গত বছরের ১,৭২,৭১০.৫১ মিলিয়ন টাকার চেয়ে ১৫.৯৩ শতাংশ বেশি। অপরদিকে ২০২১ সালে বিনিয়োগ ১৬.৫২ শতাংশ বৃদ্ধি পেয়ে ১,৯৩,৮২২.২৮ মিলিয়ন দাঁড়িয়েছে যা গত বছর ছিল ১,৬৬,৩৩৭.২০ মিলিয়ন টাকা।

দক্ষিণ আফ্রিকায় একটি নতুন করোনাভাইরাস ভেরিয়েন্ট এর আবির্ভাব ঘটেছে। যদি এটি দীর্ঘমেয়াদি প্রভাব তৈরী করে, তবে বৈশ্বিক জিডিপি হ্রাস পাবে। এছাড়া বৈশ্বিক সরবরাহচেইন ব্যাহত হওয়ায় পুনরুদ্ধার প্রক্রিয়া স্থগিত হয়ে পড়েছে। শিপিং কন্টেইনারের ঘাটতির সাথে শিপিং কার্যক্রমের ধীরগতি এবং পণ্যের চাহিদা বেড়ে যাওয়ায় উৎপাদকেরা হন্যে হয়ে বিভিন্ন উপকরণ ও কাঁচামাল খুঁজছে। উচ্চ জ্বালানি মূল্যের সাথে কাঁচামাল ও যোগানের ঘাটতির কারণে ইউরোজোন ও মার্কিন যুক্তরাষ্ট্রে মুদ্রাস্ফীতি বহুগুণে বেড়ে গিয়েছে যা দক্ষিণ আফ্রিকা, আর্জেন্টিনা এবং তুরস্কসহ অন্যান্য উদীয়মান অর্থনীতিকে প্রভাবিত করবে। নতুন বছরে এসে বিশ্বের দ্বিতীয় বৃহত্তম অর্থনীতি চীনের মন্থর গতি বিনিয়োগকারীদের উদ্বেগ বাড়িয়ে তুলবে। বেইজিং তার জিরো-কোভিড নীতি পরিত্যাগ না করায় দেশটি এক বছরের বেশি সময় ধরে বিচ্ছিন্ন হয়ে ছিল যেটি বিশ্ব অর্থনীতির জন্য একটি বড় ঝুঁকি তৈরী করবে।

মহামারীটি সর্বত্র নিয়ন্ত্রণে রাখতে দৃঢ় বহুপক্ষীয় সহযোগিতা প্রয়োজন। তাই দেশগুলো যে-কোনো নতুন করোনাভাইরাসের বিরুদ্ধে লড়াইয়ের জন্য বিশ্বজুড়ে টিকা নিশ্চিত করতে একসাথে কাজ করছে। সহযোগিতামূলক আর্থিক নীতি প্রতিটি দেশকে গ্রহণ করতে হবে যা একটি শক্তিশালী, অন্তর্ভুক্তিমূলক এবং টেকসই পুনরুদ্ধার নিশ্চিত করতে সহায়তা করবে। বর্তমানে অর্থনৈতিক পুনরুদ্ধারের সাথে সাথে, আর্থিক প্রতিষ্ঠানগুলোর গৃহীত নীতিসমূহ ক্রমান্বয়ে সাজানো, সংশোধন ও সমন্বয়ের প্রয়োজন। বিশ্বের কেন্দ্রীয় ব্যাংকগুলো অর্থনীতি পুনরুদ্ধারে ভবিষ্যতে কি কি পদক্ষেপ গ্রহণ করবে সে বিষয়ে সুস্পষ্ট নির্দেশনা প্রদান করা উচিত। আন্তর্জাতিক বাণিজ্যের ডিজিটালাইজেশন ও আধুনিকায়নে দেশগুলির একে অপরকে সহযোগিতা করা এবং কার্যকর নীতি প্রণয়ন করা উচিত যার মাধ্যমে আমরা জলবায়ু পরিবর্তনের বিরুদ্ধে লড়াই করতে পারি, সামাজিক সহায়তা, টেকসই অর্থায়ন ও টেকসই উৎপাদন জোরদার করতে পারি এবং বৈষম্যকে দমন করতে পারি যাতে করে ক্ষতিগ্রস্ত ও সুবিধাবঞ্চিত মানুষের নিকট সুবিধা পৌঁছাতে সহজ হয়।

বাংলাদেশের অর্থনীতি:

বাংলাদেশের অর্থনীতি উন্নয়নশীল বাজার অর্থনীতি হিসেবে পরিচিত। বাংলাদেশকে পরবর্তী একাদশ বা নেক্সট ইলিভেন উদীয়মান বাজার ও মধ্যম আয়ের অর্থনীতি হিসেবে শ্রেণীকরণ করা হয়েছে। কোভিড-১৯ মহামারীর পূর্বের বছরগুলোতে বাংলাদেশ স্থির ও উচ্চ প্রবৃদ্ধির ধারা বজায় রেখেছিল। ২০১৫-১৬ অর্থবছর থেকে ২০১৮-১৯ অর্থবছর পর্যন্ত প্রতি বছর গড়ে ৭.৪ শতাংশ, এবং ২০১৮-১৯ অর্থবছরে রেকর্ড ৮.১৫ শতাংশ প্রবৃদ্ধি অর্জন করেছিল। বিবিএস এর প্রভিশনাল ডাটা অনুসারে, ২০২০-২১ অর্থবছরে জিডিপি প্রবৃদ্ধি ৫.৪৭ শতাংশে দাঁড়িয়েছে। এই প্রবৃদ্ধি মূলত তৈরী পোশাক রপ্তানি, রেমিটেন্স এবং দেশীয় কৃষি খাতের দ্বারা ত্বরান্বিত। বর্তমানে মাননীয় প্রধানমন্ত্রীর নির্দেশনা

অনুসারে কোভিড-১৯ মহামারী মোকাবেলায় উদ্দীপনা প্যাকেজের আওতায় কার্যক্রম পরিচালিত হচ্ছে। আশা করা হচ্ছে সরকারের এসব পদক্ষেপের ফলে দেশের অর্থনীতি পূর্বের অবস্থায় ঘুরে দাঁড়াবে।

কিন্তু বাংলাদেশের অর্থনীতি কিছু সমস্যার সম্মুখীন হচ্ছে। বর্তমানে মুদ্রাস্ফীতির চাপ বিশেষ করে নিম্ন আয়ের ভোক্তাদের নিকট প্রধান সমস্যা। দীর্ঘদিন ধরে ব্যাংকিং খাতে উচ্চ অনাদায়ী ঋণও একটি বড় উদ্বেগের কারণ। প্রবৃদ্ধি ও কর্মসংস্থানের অন্যতম চালক বেসরকারী খাত ২০২২ সালে পুরোপুরি পুনরুদ্ধার করা কঠিন হতে পারে যদিও ২০২১ সালে এই খাতে ঋণ প্রবাহ বেড়েছে। উদ্বেগের বিষয় হলো তৈরি পোশাকের রপ্তানি আকার বাড়লেও তার রপ্তানি মূল্য তুলনামূলক কম। অন্যদিকে কাঁচামালের দাম বৃদ্ধি সত্ত্বেও তৈরি পোশাকের দাম বাড়েনি যা প্রতিযোগিতায় টিকে থাকার বাজারে উদ্যোক্তাদের প্রতিকূল অবস্থার মুখোমুখি করতে পারে।

আশার বিষয় হলো বাংলাদেশ ওষুধ, ইস্পাত ও খাদ্য প্রক্রিয়াকরণে স্বয়ংসম্পূর্ণ শিল্প গড়ে তুলেছে। বাংলাদেশের টেলিযোগাযোগ শিল্প বছরের পর বছর ধরে দ্রুত বৃদ্ধি পেয়েছে এবং বিদেশী কোম্পানি থেকে এসব খাতে উচ্চ বিনিয়োগ এসেছে। প্রাকৃতিক গ্যাসের ব্যাপক চাহিদা বিবেচনায় বঙ্গোপসাগরের সামুদ্রিক অঞ্চলে অফশোর অনুসন্ধান কার্যক্রম বাড়ছে। এছাড়া দেশে চূনাপাথরের বড় মজুদও রয়েছে। দেশের ক্রমবর্ধমান তথ্য প্রযুক্তি খাতের উন্নয়ন প্রচেষ্টার অংশ হিসেবে সরকার ডিজিটাল বাংলাদেশকে ব্রাণ্ডিং করছে। আশাবাদ নিয়ে এগিয়ে যাওয়ার এখনি সময়। সঠিক সিদ্ধান্ত গ্রহণ এবং সঠিক জায়গায় বিনিয়োগ হলে, ২০৩০ সালের মধ্যে বাংলাদেশের বড় জ্ঞানভিত্তিক অর্থনীতিতে পরিণত হওয়ার সুযোগ ও সম্ভাবনা তৈরী হবে। এজন্য সরকারকে সম্প্রসারণমূলক এবং সামঞ্জস্যপূর্ণ আর্থিক নীতি অনুসরণ করতে হবে যাতে দরিদ্র এবং ছোট-বড় উদ্যোগগুলিকে আরও বেশি বেগবান করা যায়।

জ্ঞান-ভিত্তিক অর্থনীতি নির্মাণ করতে হলে বাংলাদেশকে অধিক উৎপাদনশীল অর্থনীতি তৈরী করার লক্ষ্যে কাজ করতে হবে। এর সুবিধা নিতে চাইলে, মানব সম্পদ উন্নয়নে বিনিয়োগ করা আবশ্যিক। প্রতিযোগিতামূলক কর্মীবাহিনী তৈরীর জন্য শিক্ষা এবং তথ্য প্রযুক্তিতে অর্থায়ন করাও জরুরী। পাশাপাশি, বর্ধনশীল অর্থনীতির দেশ হিসেবে নীতিনির্ধারকদের উচিত বেসরকারি বিনিয়োগকে উৎসাহিত করা এবং জমি, বিদ্যুৎ ও গ্যাসের প্রাপ্যতা তৈরী করা। এটি সম্ভব হলে শিল্প স্থাপনে বাংলাদেশ একটি আকর্ষণীয় গন্তব্য হতে পারে যদিও এগুলোর সহজলভ্যতা তৈরী করাও একটি জটিল কাজ। তবে এটি অবশ্যই সম্ভব, যদি একটি স্বচ্ছ, অংশগ্রহণমূলক, নমনীয় এবং ক্রিয়াশীল বহুপাক্ষিক ব্যবস্থায় সরকারী ও বেসরকারী অংশীদারিত্বের মাধ্যমে বিনিয়োগকে উৎসাহিত করা হয়। এছাড়া অর্থনীতিকে চাঙ্গা করতে ব্যাংকের কার্যক্রম বিষয়ে কেন্দ্রীয় ব্যাংকের ভবিষ্যৎ স্পষ্ট নির্দেশনা প্রদান করা উচিত।

সমৃদ্ধির পথে ইউনিয়ন ব্যাংকঃ

ইউনিয়ন ব্যাংক লিমিটেড চতুর্থ প্রজন্মের একটি ব্যাংক এবং বর্তমানে আমরা সফলতার দশম বছরে পদার্পণ করেছি। প্রবল প্রতিযোগিতা ও প্রতিকূলতা সত্ত্বেও, অন্যান্য বছরগুলোর মত ২০২১ সালেও আমরা প্রবৃদ্ধির ধারা অব্যাহত রেখেছি। ২০২১ সাল শেষে মোট আমানতের পরিমাণ দাঁড়িয়েছে ২,০০,২২৯.৭৯ মিলিয়ন টাকা যা গত বছরের ১,৭২,৭১০.৫১ মিলিয়ন টাকার চেয়ে ১৫.৯৩ শতাংশ বেশি। অপরদিকে ২০২১ সালে বিনিয়োগ ১৬.৫২ শতাংশ বৃদ্ধি পেয়ে ১,৯৩,৮২২.২৮ মিলিয়ন টাকা দাঁড়িয়েছে যা গত বছর ছিল ১,৬৬,৩৩৭.২০ মিলিয়ন টাকা। রপ্তানী ও আমদানির ব্যবসা পূর্ববর্তী বছরের তুলনায় এ বছর বৃদ্ধি পেয়েছে। ২০২১ সালে ব্যাংকের মোট আমদানির পরিমাণ দাঁড়ায় ১০,৪৪৮.৪০ মিলিয়ন টাকা (১২২.৪২ মিলিয়ন মার্কিন ডলার) এবং রপ্তানী হয় ৪,১২১.৭০ মিলিয়ন টাকা (৪৮.২৯ মিলিয়ন মার্কিন ডলার)। এ বছর ইউনিয়ন ব্যাংক লিমিটেড ৩,৫৯৭.৯৯ মিলিয়ন টাকা প্রভিশন ও করপূর্ব মুনাফা অর্জন করেছে যা গত বছরের ৩,২১৮.৪১ মিলিয়ন টাকার তুলনায় ১১.৭৯ শতাংশ বেশি।

গ্রাহকদের ক্রমবর্ধমান চাহিদা বিবেচনা করে ইউনিয়ন ব্যাংক লিমিটেড সারাদেশে ধারাবাহিকভাবে একটি বৃহৎ ব্যাংকিং নেটওয়ার্ক বিকাশ করে চলেছে এবং সেই সাথে ইন্টারনেট ব্যাংকিং এবং ইউনিয়ন অ্যাপস এর মতো সর্বশেষ ব্যাংকিং প্রযুক্তিগুলি সমন্বয়ের মাধ্যমে উচ্চমানের গ্রাহক পরিষেবা প্রদান করছে। গ্রাহকদের আরো উন্নত পরিষেবা প্রদানের জন্য ইউনিয়ন ব্যাংক লিমিটেড স্টেট-অব-দ্য-আর্ট ব্যাংকিং সফটওয়্যার (ABABIL) এর সহায়তায় তার ইন্টারফেস এবং কার্যক্রমগুলি উন্নত করেছে। ২০২১ সালে ইউনিয়ন ব্যাংক লিমিটেড প্রতিযোগিতামূলক বাজারে একটি শক্তিশালী ব্রান্ড ইমেজ তৈরী করা ও ব্যাংকের কর্মচারী ও ডেবিট কার্ডধারীগণের জন্য সুযোগ সুবিধা নিশ্চিত করার লক্ষ্যে দেশের নামী সংস্থাগুলোর সাথে ৭৯ টি কর্পোরেট চুক্তি সফলভাবে সম্পাদন করেছে। এছাড়াও আমরা ২০১৮ সালে সেন্ট্রাল ট্রেড অপারেশন ইউনিট (CTOU) চালু করেছি যা ব্যাংকের বর্ধিত বৈদেশিক বাণিজ্য বিস্তারে ভালো অবদান রাখছে। এই বছরে নতুন করে মানিগ্রাম ইন্টারন্যাশনাল মানি ট্রান্সফার (MoneryGram International Money Transfer) এবং প্রভু মানি (Prabhu Money) এর সরাসরি এজেন্ট হওয়ায় রেমিট্যান্স ব্যবসার গতি বৃদ্ধি পেয়েছে। বর্তমানে আমাদের ব্যাংক ১৪টি রেমিটেন্স হাউজের মাধ্যমে গ্রাহকদের রেমিটেন্স সেবা প্রদান করছে।

২০২১ সালে গ্রাম ও শহর উভয় অঞ্চলে আমরা ০৯টি নতুন শাখা এবং ১৭টি উপশাখা খুলতে সক্ষম হয়েছি। বছর শেষে, আমাদের মোট শাখার সংখ্যা দাঁড়িয়েছে ১০৪টি এবং উপশাখার সংখ্যা ৩১টি যেগুলো ব্যাংকের লক্ষ্য বাস্তবায়নে সন্তোষজনক গ্রাহক সেবা প্রদান করার লক্ষ্যে কাজ করে যাচ্ছে। আমরা দেশের বিভিন্ন জায়গায় নতুন নতুন এটিএম বুথ প্রতিষ্ঠা করছি। ব্যাংকের কর্মীদের দিক-নির্দেশনা প্রদান করতে আচরণবিধি প্রবর্তন করা হয়েছে। আর্থিক প্রতিষ্ঠান হিসেবে নীতি, শিষ্টাচার, সততা, ন্যায়পরায়নতা ও পেশাদারিত্বের

সর্বোচ্চ মান বজায় রেখে ব্যাংকিং কার্যক্রম পরিচালনা করতে ইউনিয়ন ব্যাংক লিমিটেড সর্বদা প্রতিশ্রুতিবদ্ধ। এছাড়া ইউনিয়ন ব্যাংক লিমিটেড এর নিজস্ব ট্রেনিং ইন্সটিটিউট থাকায় ব্যাংকের কর্মীদের যথোপযুক্ত প্রশিক্ষণ প্রদানের বিষয়টি নিশ্চিত করে আসছে।

বাংলাদেশ ব্যাংক সামাজিক দায়বদ্ধতা (সিএসআর) কার্যক্রমের নীতিমালা প্রবর্তন করেছে এবং উক্ত কর্মসূচী পালনের জন্য ইউনিয়ন ব্যাংক এই নীতিগুলো অনুসরণ করেছে। তাই ব্যাংকের প্রতিষ্ঠালগ্ন থেকে আমরা অবহেলিত সমাজের অর্থনৈতিক ও সামাজিক সমস্যা দূরীকরণে কাজ করতে দৃঢ় প্রতিজ্ঞ। আমরা ভবিষ্যৎ প্রজন্মের বৃহত্তর স্বার্থে শিক্ষা সহায়তা, স্বাস্থ্য সেবা, দরিদ্রতা বিমোচন ও পরিবেশবান্ধব সমাজ নিশ্চিতকরণের লক্ষ্যে কার্যক্রম চালিয়ে যাচ্ছে। ২০২১ সালে ইউনিয়ন ব্যাংক লিমিটেড সিএসআর কার্যক্রমে ৩৯.৬৫ মিলিয়ন টাকা ব্যয় করেছে।

ইউনিয়ন ব্যাংক লিমিটেডকে সঠিক অবস্থানে ধরে রাখার লক্ষ্যে মূল্যবান দিক নির্দেশনা ও প্রচেষ্টার জন্য পরিচালনা পর্ষদকে আন্তরিক ধন্যবাদ জানাচ্ছি এবং সেই সাথে কৃতজ্ঞতা জ্ঞাপন করছি। আমাদের শক্তি ও সামর্থ্যের উপর আস্থা বজায় রাখার জন্য আমি সকল শেয়ারহোল্ডার ও স্টেকহোল্ডারগণকে ধন্যবাদ জানাই। সীমাহীন সহযোগিতা, আস্থা ও অবদানের জন্য বাংলাদেশ ব্যাংক, বাংলাদেশ সিকিউরিটিজ এন্ড একচেঞ্জ কমিশন, রেজিস্টার অব জয়েন্ট স্টক কোম্পানীজ এন্ড ফার্মস, ঢাকা স্টক কোম্পানীজ, জাতীয় রাজস্ব বোর্ড এবং অন্যান্য সহযোগী রেগুলেটরী সংস্থাগুলোর প্রতি আমরা অনেক কৃতজ্ঞতা জ্ঞাপন করছি। সকল আমানতকারী ও গ্রাহকদেরকে বিশেষ ধন্যবাদ জানাই কারণ তারা ইউনিয়ন ব্যাংক লিমিটেড এর উপর আস্থা ও বিশ্বাস বজায় রেখেছেন।

ব্যাংকের উন্নতি ও অগ্রগতিতে ধারাবাহিক ও অবিচ্ছিন্ন সহযোগিতা, উৎসাহ, পৃষ্ঠপোষকতা ও দিক নির্দেশনা প্রদানের জন্য আমাদের পরিচালনা পর্ষদের সদস্যবৃন্দ, শারী'আহ 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

Esteemed Shareholders

Assalamu Alaikum Wa Rahmatullah,

I would like to start with the Name of Almighty Allah, the Most Beneficent, the Most Merciful Who gives me the opportunity to welcome you all to the 9th Annual General Meeting (AGM) of Union Bank Limited on behalf of the Board of Directors, the Bank Management and the Employees of the Bank. As a fourth generation banking brand in Bangladesh since 2013, it is a great achievement for us to pass another successful year even after the global crisis stirred due to COVID-19 pandemic situation. I am grateful to you all for allowing me to share with you the highlights of our Bank's performance along with the Directors' Report and the Audited Financial Statements for the year ended 31st December 2021.

Global Economy:

After expanding by 5.5 percent in 2021, the global output is projected to grow by only 4.0 percent in 2022 and 3.5 percent in 2023, according to the United Nations World Economic Situation and Prospects (WESP) 2022. Due to disrupted recovery, deepening uncertainty and higher inflation, Global economic recovery has been held at the end of 2021 for some threats like vaccine-resistant COVID variants, supply chain bottlenecks, soaring inflation, China crackdown and geopolitical tensions, which are risking the global economy. Critical war-crisis between Moscow and Ukraine and US-Russia tensions regarding this issue could lead a global energy crisis that forces central bankers globally to accelerate tightening monetary policy.

At the end of 2021, a new coronavirus variant has been reported in southern Africa. Supply chain disruptions have stalled global recovery this year. Shipping snarls along with a shortage of shipping containers, and a steep rebound in demand have left producers scampering for components and raw materials. The raw material and input shortages, along with higher energy prices, have pushed inflation in the Eurozone and the United States to multiyear highs which will affect other emerging economies including South Africa, Argentina and Turkey. A slowdown in China, the world's second-largest economy, would certainly add to investor worries in 2022. Beijing reluctance to drop its 'Zero-COVID' stance, which has kept the country isolated for more than a year, would remain a big risk for the global economy.

Strong multilateral cooperation is required to bring the world economy back to life. Thus, countries are working together to ensure widespread vaccinations across the world to combat any new coronavirus variant. Besides, every government will need to continue accommodative fiscal stances. This will help to ensure a robust, inclusive and sustainable recovery. As the economic recovery progresses, at present monetary authorities will need to carefully sequence, rectify and coordinate policy stances. Major central banks should provide clear guidance on future actions to boost up economy. Countries should also cooperate to each other on digitalization and modernization of international trade and decisive policy actions by which we can combat climate change, strengthen social assistance, sustainable finance, sustainable production, and readdress inequality so that the affected and underprivileged people can get benefit.



Bangladesh Economy:

The Economy of Bangladesh is characterized as a developing market economy. It is classified among the Next Eleven emerging market middle income economies and a frontier market. Before the COVID-19 pandemic, Bangladesh exhibited a steady and high GDP growth, averaging 7.4 percent per year from FY 2015-16 to FY 2018-19, and reached a record 8.15 percent growth rate in FY 2018-19. According to the provisional estimates of BBS, the GDP growth in FY 2020-21 stood at 5.47 percent. This growth had been largely driven by its exports of ready-made garments, remittances and the domestic agricultural sector. As per the directives of Honorable Prime Minister, activities are carried out under stimulus packages to address the COVID-19 pandemic. As a result of these actions taken by the government, the economy is expected to turn around.

But, Bangladesh Economy is facing some troubles. At present, inflationary pressure has become a major concern—particularly for the low-income consumers. High non-performing loans have been a major worry in the banking sector for long. The private sector, one of the key drivers of growth and employment, may also find it difficult to recover fully in 2022, though credit to the private sector has grown in 2021. The other worry is that higher exports of ready-made garments (RMG) is volume driven rather than value driven. Despite price hikes of raw materials, the unit prices of RMG have not increased, which may put the entrepreneurs in a disadvantageous situation to remain competitive.

Bangladesh has also developed self-sufficient industries in pharmaceuticals, steel and food processing. Bangladesh's telecommunication industry has witnessed rapid growth over the years, receiving high investment from foreign companies. Offshore exploration activities are increasing in its maritime territory in the Bay of Bengal to meet up extended demand of natural gas. It also has large deposits of limestone. The government is branding the Digital Bangladesh scheme as part of its efforts to develop the country's growing information technology sector. It is the time to look forward with some sense of optimism for our country over the coming decade. Bangladesh has the opportunity and potential for becoming a significant knowledge-based economy by 2030 if we can make the right decisions and investments in right place. The government will have to pursue expansionary fiscal and accommodative monetary policies to support the poor and small and large enterprises in a more focused manner.

To achieve a knowledge based economy, Bangladesh will need a high-productivity economy. To invest in human capital development will be crucial. We need also to finance significantly in teaching, learning and ICT facilities, among other areas, to create a competitive workforce. As growing economy, the policymakers should encourage private sector investment in Bangladesh. For Bangladesh to be an attractive destination for industries, it is critical to make resources such as land, electricity and gas available. But it is certainly possible if the investment by public-private partnership is to be provided in a transparent, inclusive, flexible and responsive multilateral manner. Central bank should provide clear guidance on future actions to boost up economy. All regulatory bodies should also cooperate to each other on digitalization and modernization of international trade and decisive policy actions by which we can combat climate change, strengthen social assistance, sustainable finance, sustainable production, and readdress inequality so that the affected people can get benefit.

At the end of year 2021, total deposit of our Bank stood at BDT 200,229.79 million which is 15.93 percent growth compared to the previous year's total deposit at BDT 172,710.51 million.

An Overview of Union Bank Limited

Union Bank Limited is a fourth generation Bank and it is just on its 10th year journey. Despite all the challenges and huge competition, we have been able to retain a steady growth in the year of 2021 like the previous years. At the end of year 2021, total deposit of our Bank stood at BDT 200,229.79 million which is 15.93 percent growth compared to the previous year's total deposit at BDT 172,710.51 million. On the other hand, total investment recorded BDT 193,822.28 million which is 16.52 percent increase against BDT 166,337.20 million of the previous year. The business of Export and Import has increased in this year. Total import of the bank for the year 2021 is BDT 10,448.40 million (Eqvt. USD 122.42 million) which is 13.54% progressive than that of the year 2020. The figure for export stood for BDT 4,121.70 million (Eqvt. USD 48.29 million). The Bank has attained an operating profit of BDT 3,597.99 million compared to the last year's operating profit BDT 3218.41 million. The profit growth has increased 11.79 percent this year.

Considering the upward demands of the customers, Union Bank Limited has been continuously evolving a large banking network throughout the country and providing high quality customer services through the integration of the latest banking technologies, such as Internet Banking and UniON apps. For providing better services to the customers, Union Bank Limited has upgraded its interface and functions with the help of the State-of-the-art Banking Software (ABABIL). From the very beginning of the operation, Union Bank Limited is doing well to establish a strong brand in the competitive market. It has accomplished 79 successful corporate agreements with renowned organizations of the country for ensuring the exclusive privileges for employees and debit Cardholders of the bank. Besides, we have launched Central Trade Operation Unit (CTOU) in 1st March, 2018 which puts fabulous contribution in extended FX trade of the Bank. Being direct Agent of MoneyGram International Money Transfer and Prabhu Money (Prabhu Group Inc. USA) have speeded up the remittance business of our Bank. At present UBL is providing remittance services, being affiliated with 14 (Fourteen) remittance houses.

During this year 2021, we have been able to open 09 (Nine) new branches and 17 (Seventeen) Sub-Branches both in rural and urban areas. At the end of the year, we have total 104 (One hundred and Four) branches and 31 (Thirty One) Sub-Branches which are ensuring convenience to the customers at all times to serve Bank's mission. We are establishing new ATM booths in different parts of the country as well. In order to guide the employees of the Bank, the Code of Conduct is designed. As a business enterprise, UBL is committed to conducting its affairs to the highest standards of ethics, integrity, honesty, fairness and professionalism which will make quality manpower. Union Bank Limited having its own Training Institute is ensuring proper training to its manpower.

Bangladesh Bank has declared guidelines for the activities of Corporate Social Responsibility. Union Bank Limited is very much active to move on this direction. Thus, from the beginning of our Bank's journey, we are always committed towards the economic and social well-being of the downtrodden. We are supporting particularly education, healthcare, reducing poverty and ensuring environment friendly society for the greater benefit of the future generations. During 2021, UBL has spent around BDT 39.65 million on CSR activities.

I would now like to express my sincere thanks and appreciation to the Board of Directors for their valuable guidance and efforts to keep Union Bank Limited on the right track. I thank all our Shareholders and all other Stakeholders for their continued faith in our strength and capabilities, customers for their valuable support and trust. We are very thankful to Bangladesh Bank, Bangladesh Securities and Exchange Commission, Register of Joint Stock Companies and Firms, Dhaka Stock Companies, National Board of Revenue and all other relevant entities for their tremendous support, trust and indispensable contributions. Special thanks to our depositors and customers for believing in Union Bank Limited.

My deepest gratitude to our fellow Board Members, members of the Shari'ah Supervisory Committee, all the Bank officials for their continuous and consistent support, encouragement, wisdom, input, guidance for development and progress.

I do believe by the grace of Almighty Allah, our sailing through success shall continue in the coming years In-Sha-Allah and Union Bank Limited will keep its successful journey as a modern technology-based Islamic Bank in Bangladesh.



Ahsanul Alam
Chairman



“বিনিয়োগ বহুমুখীকরণের জন্য
ব্যাংক সময়োপযোগী কৌশলগত
পদক্ষেপ নিয়েছে যার মাধ্যমে ক্ষুদ্র
ও এসএমই, নারী উদ্যোক্তা এবং
উৎপাদনশীল খাতে বিনিয়োগকে
সম্প্রসারিত করা হচ্ছে।”

ব্যবস্থাপনা পরিচালকের বক্তব্য

বিসমিল্লাহির রাহমানির রাহিম

সম্মানিত শেয়ারহোল্ডারবৃন্দ,

আসসালামু আলাইকুম ওয়া রাহমাতুল্লাহ,

ইউনিয়ন ব্যাংক লিমিটেড এর ৯ম বার্ষিক সাধারণ সভায় আপনাদের সকলের সামনে ২০২১ সালের ব্যাংকের আর্থিক ও পরিচালনাগত দিক থেকে আমরা যা অর্জন করেছি তা উপস্থাপন করতে পেরে আমি সম্মানিত বোধ করছি। মহান আল্লাহ তাআলার অশেষ মেহেরবানীতে ইউনিয়ন ব্যাংক লিমিটেড ব্যাংকের অগ্রযাত্রার আরেকটি সফল বছর অতিক্রম করেছে। আমাদের এ অর্জন ধরে রাখা সম্ভব হয়েছে মূলতঃ ব্যাংকের সম্মানিত পরিচালনা পর্ষদের সার্বিক সমর্থন ও সহযোগিতা, ব্যাংক ব্যবস্থাপনা কর্তৃক কার্যকর কর্ম-কৌশল গ্রহণ ও এর যথাযথ বাস্তবায়ন, বাংলাদেশ ব্যাংকের সময়োপযোগী নীতিমালা, ব্যাংকের নির্বাহী ও কর্মকর্তা-কর্মচারীদের অক্লান্ত পরিশ্রম এবং সর্বোপরি শাখা পর্যায়ে উন্নত ও দ্রুত গ্রাহক সেবা প্রদানের মাধ্যমে।

বৈশ্বিক ও বাংলাদেশের অর্থনীতি

স্বাধীনতার সুবর্ণজয়ন্তী এবং জাতির জনক বঙ্গবন্ধু শেখ মুজিবুর রহমান এর শততম জন্মবার্ষিকী উদযাপনের কারণে ২০২১ সাল একদিকে যেমন ছিল বাংলাদেশের জন্য গুরুত্বপূর্ণ অন্যদিকে করোনার প্রভাবে বিশ্বব্যাপী অর্থনৈতিক স্থবিরতার কারণে দেশের অভ্যন্তরীণ অর্থনীতি ছিল চ্যালেঞ্জের মুখে। বাংলাদেশ ঠিক যখন স্বল্পোন্নত দেশ হতে উন্নয়নশীল দেশের কাতারে উত্তরণের যোগ্যতা অর্জন করল ঠিক তখনই করোনার আঘাত এসে লাগলো দেশের অর্থনীতিতে। অবশ্য, বিশ্বব্যাপী কোভিড-১৯ মহামারী যতটা ভয়াবহ রূপে আর্ভিত হয়েছে বাংলাদেশ সরকারের সময়োচিত পদক্ষেপের কারণে দেশের অভ্যন্তরীণ অর্থনীতি তুলনামূলক কম বিপর্যস্ত হয়েছে। তবে বিশ্ব অর্থনীতির মন্দা প্রভাব দেশের অর্থনীতিকে চ্যালেঞ্জের মুখে ফেলে দিয়েছে। মূলতঃ আমদানি রফতানি খাতের বিপর্যয়, বেসরকারি ও প্রত্যক্ষ বিদেশী বিনিয়োগ এর নেতিবাচক প্রবৃদ্ধি, আয় খাতের স্থবিরতা ইত্যাদির মত প্রধান প্রধান আর্থিক সূচকের নিম্নমুখীতার জন্য ২০২১ সাল ছিল একটি চ্যালেঞ্জিং বছর।

করোনাকালীন এই সংকটাপন্ন সময়ে বিশ্বের উন্নত দেশগুলোর প্রবৃদ্ধি যেখানে নেতিবাচক ছিল সেখানে আমাদের অর্থনীতিতেও এর বিরূপ প্রভাব পড়া ছিল স্বাভাবিক। তবে সৌভাগ্যের বিষয় এই যে, এত প্রতিবন্ধকতা থাকা সত্ত্বেও বাংলাদেশ ৬.৯৪ শতাংশ অর্থনৈতিক প্রবৃদ্ধি অর্জন করেছে। আর এই প্রবৃদ্ধির হার আরও বাড়তে এবং সমসাময়িক চ্যালেঞ্জ মোকাবেলা করতে দরকার অবকাঠামো খাতে অধিক বিনিয়োগ, নিরবিচ্ছিন্ন জ্বালানি সরবরাহ নিশ্চিত করা, পণ্যের বহুমুখীকরণ ও বাজার অনুসন্ধানের মাধ্যমে রপ্তানি বাণিজ্য বাড়ানো এবং নতুন শ্রম বাজার অনুসন্ধানের মাধ্যমে রেমিটেন্স আহরণ বৃদ্ধি করা।

ইউনিয়ন ব্যাংকের সফলতা

যথাযথ ব্যবস্থাপনা ও মানসম্মত ব্যাংকিং সেবা প্রদানের মাধ্যমে ২০২১ সালে বেশীরভাগ ক্ষেত্রেই ব্যাংক সফলতা ধরে রাখতে পেরেছে। নানা প্রতিকূলতা থাকা সত্ত্বেও আমাদের ব্যাংক উল্লেখযোগ্য হারে ব্যবসা সম্প্রসারণ করেছে। ২০২১ সালের আমাদের ব্যাংকের অর্জন সমূহের মধ্যে প্রধান প্রধান দিকগুলো আপনাদের সামনে উপস্থাপন করতে পেরে আমি অত্যন্ত আনন্দিত। দেশব্যাপি ১০৪ টি শাখা এবং ৩১ 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 ২,৪২,৪১৮ মিলিয়ন টাকা, যা গত বছরের তুলনায় ১৫.৪২% বেশী এবং মূলধনের পরিমাণ ১৬,০২২ মিলিয়ন টাকা, যা গত বছরের তুলনায় ০.৯৪% বেশী। দ্রুত ও সহজে গ্রাহককে রেমিটেন্স সুবিধা প্রদানের জন্য আমাদের সাথে ১৪টি মানি এক্সচেঞ্জ হাউজ অত্যন্ত আন্তরিকভাবে কাজ করছে যা ধারাবাহিকভাবে আমাদের ব্যাংকের রেমিটেন্স প্রবাহের গতি বৃদ্ধিতে সহায়ক ভূমিকা পালন করছে।

অর্জিত মুনাফা

২০২১ সালে ব্যাংকের পরিচালনগত মুনাফা দাঁড়িয়েছে ৩,৫৯৮ মিলিয়ন টাকা এবং করপূর্ব মুনাফা দাঁড়িয়েছে ২,২৩২ মিলিয়ন টাকা। এই সফলতা অর্জন সম্ভব হয়েছে মূলত: কাঙ্ক্ষিত আমানত বৃদ্ধি, প্রত্যাশিত বিনিয়োগ, নিয়ন্ত্রণ ও আদায় কার্যক্রমে গতি আনয়ন, সহায়ক ব্যবসায়িক আয় বৃদ্ধি, মূলধন ব্যবস্থাপনায় কার্যকর উদ্যোগ গ্রহন ইত্যাদি পদক্ষেপের মাধ্যমে।

আমানত সংগ্রহ

২০২১ সালে ব্যাংকের আমানতের পরিমাণ ছিল ২,০০,২২৯ মিলিয়ন টাকা, যা বিগত বছরের আমানতের (১,৭২,৭১০ মিলিয়ন টাকা) চেয়ে ১৫.৯৪% বেশি। অন্যদিকে, মোট আমানত গ্রাহক সংখ্যাও এ বছর বৃদ্ধি পেয়েছে। ২০২১ সালে মোট আমানত গ্রাহকের সংখ্যা দাঁড়িয়েছে ৪,৯২,৪৫৬, যা ২০২০ সালে ছিল ৪,১৩,৭৯৪, অর্থাৎ গত বছরের তুলনায় তা ১৯.০১% বেশি।

বিনিয়োগ

জাতীয় পর্যায়ে দেশে ঋণ বৃদ্ধির সাথে সাথে কৌশলগত ব্যবসার অংশ হিসেবে ব্যাংকের প্রত্যাশিত বিনিয়োগেরও প্রবৃদ্ধি ঘটেছে, যা দেশব্যাপী ব্যাপ্তিক এবং সামষ্টিক অর্থনীতির উন্নয়নে গুরুত্বপূর্ণ ভূমিকা পালন করবে। ২০২১ সালে ব্যাংকের বিনিয়োগের পরিমাণ ১,৯৩,৮২২ মিলিয়ন টাকা, যা গত বছরের বিনিয়োগের (১,৬৬,৩৩৭ মিলিয়ন টাকা) তুলনায় ১৬.৫২% বেশী। বিনিয়োগ বহুমুখীকরণের জন্য ব্যাংক সময়োপযোগী কৌশলগত পদক্ষেপ নিয়েছে যার মাধ্যমে ক্ষুদ্র ও এসএনই, নারী উদ্যোক্তা এবং উৎপাদনশীল খাতে বিনিয়োগকে সম্প্রসারিত করা হচ্ছে। এ প্রক্রিয়ার অংশ হিসেবে ২০২১ সালে এসএনই খাতে ৫,৫২৪ মিলিয়ন টাকা, কৃষি খাতে ১,৩৬২ মিলিয়ন টাকা, গ্রীণ ফাইন্যান্স খাতে ১৮৮ মিলিয়ন টাকা বিনিয়োগ সহায়তা দেওয়া হয়েছে।

বৈদেশিক বাণিজ্য এবং রেমিটেন্স

২০২১ সালে করোনা মহামারীর প্রভাবে বিশ্ব বাণিজ্য পুরোপুরি বিপর্যস্ত হয়ে পড়েছিল যার ফলে ব্যাংকের বৈদেশিক বাণিজ্য খাতে কাঙ্ক্ষিত লক্ষ্যমাত্রা অর্জন সম্ভব হয়নি। এ বছরে ব্যাংকের রপ্তানীর পরিমাণ দাঁড়িয়েছে ৪,২১৯ মিলিয়ন টাকা এবং আমদানির পরিমাণ দাঁড়িয়েছে ১০,৪৪৩ মিলিয়ন টাকা। এখানে উল্লেখযোগ্য যে, আমদানি এবং রপ্তানীকে ত্বরান্বিত করতে ব্যাংকের রয়েছে সেন্ট্রাল ট্রেড অপারেশন ইউনিট (সিটিওইউ) নামে একটি পৃথক ইউনিট। অন্যদিকে, ২০২১ সালে ব্যাংক ৮,৪০০ মিলিয়ন টাকা রেমিটেন্স আহরণ করেছে। বর্তমানে ইউনিয়ন ব্যাংক ওয়েস্টার্ন ইউনিয়ন, এক্সপ্রেস মানি, রিয়া, ট্রান্সফার্ট, আল-আনসারি, প্লাসিড এনকে কর্পোরেশন, ফার্স্ট সিকিউরিটি ইসলামী এক্সচেঞ্জ, ইটালী রেমিটেন্স হাউজ, আফতাব কারেন্সি এবং স্মল ওয়ার্ল্ড 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 ২০২১ সালে ইউনিয়ন ব্যাংকের নতুন শাখা, উপশাখা ও এটিএম বুথ স্থাপন কার্যক্রম সম্প্রসারণ করা হয়েছে। এ লক্ষ্যে ২০২১ সালে আমরা ৯টি নতুন শাখা স্থাপন করেছি যেখানে ৪টি শহরে এবং ৫টি পল্লী অঞ্চলে। বছর শেষে মোট শাখার সংখ্যা দাঁড়িয়েছে ১০৪টি, যার মধ্যে ৫১টি শহর অঞ্চলে এবং ৫৩টি পল্লী অঞ্চলে। এছাড়াও ২০২১ সাল শেষে আমাদের মোট উপশাখার সংখ্যা দাঁড়িয়েছে ৩১টি, যার মধ্যে এই বছরে স্থাপন করেছি ১৭টি। এ বছরে আমরা ১৮টি এটিএম বুথ স্থাপন করেছি, যার ফলে ব্যাংকের মোট এটিএম বুথ এর সংখ্যা দাঁড়িয়েছে ৮১টি।

ঝুঁকি ব্যবস্থাপনা ও নিয়ন্ত্রণ কার্যক্রম

ব্যাংকের সার্বিক সূচকসমূহ সন্তোষজনক পর্যায়ে রাখার জন্য আমরা একটি সুদক্ষ ও কার্যকর ঝুঁকি ব্যবস্থাপনা কাঠামো তৈরি করেছি। ব্যাংকের টেকসই উন্নয়ন নিশ্চিত করার জন্য সম্পদ-দায় ব্যবস্থাপনা, মূখ্য ঝুঁকি ব্যবস্থাপনা, ঝুঁকি ভিত্তিক মূলধন ব্যবস্থাপনা এবং সর্বোপরি রিসোর্স ব্যবস্থাপনার উপর গুরুত্বারোপ করা হয়েছে। এখানে উল্লেখযোগ্য যে, ২০২১ 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 ঝুঁকি ব্যবস্থাপনা কমিটির পরিচালনা পর্ষদ ও ব্যবস্থাপনা পর্ষায় উভয়ক্ষেত্রেই সজাগ দৃষ্টিভঙ্গি রয়েছে যাতে করে চিহ্নিত, বর্তমান এবং সম্ভাব্য ঝুঁকি সমূহ মোকাবেলা করা যায়।

আমাদের ব্যাংক সবসময়ই চলমান ও সম্ভাব্য ঝুঁকির উপর সজাগ দৃষ্টি রাখে। কোভিড পরবর্তী সময়ে অর্থনৈতিক উন্নয়নে ইউনিয়ন ব্যাংক বিশেষ প্রস্তুতিনূলক কার্যক্রম হাতে নিয়েছে। সার্বিক ঝুঁকি ও সম্ভাব্য চ্যালেঞ্জসমূহ চিহ্নিতকরণের পাশাপাশি এ সংক্রান্ত সময়ে সময়ে নিয়ন্ত্রক কর্তৃপক্ষের নির্দেশনাসমূহ ব্যাংকের সামর্থ্য অনুযায়ী যথাযথ পরিপালনের ব্যবস্থা নেওয়া হয়েছে।

সামাজিক দায়বদ্ধতা

সামাজিক দায়বদ্ধতার আওতায় বিভিন্ন কর্মকাণ্ডে অংশগ্রহণের ক্ষেত্রে ব্যাংক সবসময়ই আন্তরিক ভূমিকা পালন করে আসছে। সামাজিক দায়বদ্ধতার অংশ হিসেবে আমাদের ব্যাংক ২০২১ সালে ৪০ মিলিয়ন টাকা প্রদান করেছে এ বছরে বরাদ্দকৃত অর্থের মধ্যে মাননীয় প্রধানমন্ত্রীর আণ তহবিলে অনুদান, দরিদ্র ও মেধাবী শিক্ষার্থীদের শিক্ষাবৃত্তি প্রদান, গরীব ও অসহায় মানুষের মাঝে শীত বস্ত্র বিতরণ ইত্যাদি কার্যক্রম উল্লেখযোগ্য। ব্যাংকের মোট অনুদানের ৯৫.৮৫% স্বাস্থ্য খাতে, ৪.১৫% শিক্ষা খাতে খাতে ব্যয় করা হয়েছে।

তথ্য ও যোগাযোগ প্রযুক্তি

একদিকে যেমন আর্থিক ব্যবস্থা স্বয়ংক্রিয়, আধুনিক এবং ডিজিটাল হচ্ছে অন্যদিকে অপরাধমূলক কার্যক্রমের মাধ্যমে আর্থিক খাতে সাইবার আক্রমণ সহ তথ্য ও যোগাযোগ প্রযুক্তি সংক্রান্ত অন্যান্য ঝুঁকিও দিন দিন বৃদ্ধি পাচ্ছে। এসব প্রেক্ষাপটে, প্রতিটি আর্থিক প্রতিষ্ঠানকে আন্তর্জাতিক ভাবে অনুসৃত তথ্য ও যোগাযোগ প্রযুক্তি সংক্রান্ত প্রতিরোধমূলক ব্যবস্থা গ্রহণের মাধ্যমে তা মোকাবেলা করতে হবে। এ লক্ষ্যে আমাদের ব্যাংক সাইবার নিরাপত্তা ঝুঁকি মূল্যায়ন, প্রযুক্তিগত দুর্বলতা মূল্যায়ন, আপদকালীন ব্যবস্থা কার্যক্রম প্রণয়ন, যে কোন সাইবার বা কারিগরি আক্রমণ মোকাবেলা, তৃতীয় পক্ষের মাধ্যমে গৃহীত সেবা সমূহের ঝুঁকি বিশ্লেষণ, সকল কর্মকর্তা-কর্মচারীদের মধ্যে সাইবার নিরাপত্তা বিষয়ক সচেতনতা বৃদ্ধি ও এ সংক্রান্ত প্রশিক্ষণ কার্যক্রম গ্রহণ ইত্যাদি কার্যক্রম জোরদার করা হয়েছে, যাতে করে আমরা ভবিষ্যত সম্ভাব্য তথ্য প্রযুক্তি সংক্রান্ত ঝুঁকি সমূহ দক্ষতার সাথে মোকাবেলা করতে পারি। দৈনন্দিন আর্থিক কার্যক্রম সফলভাবে সম্পাদন করার জন্য ব্যাংক BACH, BEFT, RTGS, ATM, POS, NPSB ও 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 অ্যাপভিত্তিক সেবা প্রদানের মাধ্যমে ব্যাংক গ্রাহকগণ নগদ ও বিকাশ সুবিধাসহ ফাভ ট্রান্সফার, চেক ব্যবস্থাপনা, ইউটিলিটি বিল প্রদান প্রভৃতি রিয়েল টাইম ট্রান্সজেকশন সপ্তাহে ৭ দিন ২৪ ঘণ্টা 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), পঞ্চাশোর্ধ্ব বয়সের বেশি নারী ও পুরুষ গ্রাহকদের জন্য মুদারাবা সিনিয়র সিটিজেন ডিপোজিট স্কীম (এহসান), মায়েদের জন্য মুদারাবা ওয়ালিদা মাসিক মুনাফা স্কীম (মা), গ্রাহকদের বিভিন্ন জরুরী ব্যয় মেটানোর জন্য মুদারাবা লাইফ স্টাইল ডিপোজিট স্কীম (সহজ)। আশা করি এসব আমানত স্কীমগুলো 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

২০২১ সালে ব্যাংকের মোট কর্মকর্তা ও কর্মচারীর সংখ্যা দাঁড়িয়েছে ১,৭৮৭ জন, যা বিগত বছরে ছিল ১,৬৫৮ জন। শুধুমাত্র নিয়োগ নয় তাদেরকে মানব সম্পদে পরিণত করতে ইউনিয়ন ব্যাংক বন্ধপরিচর। 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। তবে কোভিড-১৯ ও লকডাউন এর কারণে ইউনিয়ন ব্যাংক ট্রেনিং ইনস্টিটিউট গত বছরের তুলনায় স্বল্প সংখ্যক ট্রেনিং কার্যক্রম স্বাস্থ্যবিধি মেনে জুম কনফারেন্সের (zoom conference) এর মাধ্যমে পরিচালনা করেছে। এছাড়া ২০২১ সালে ব্যাংকের ট্রেনিং ইনস্টিটিউট ১ টি এ্যাডভান্সড ট্রেনিং কোর্স ও ১৪ টি ওয়ার্কশপের আওতায় ১,১১১ জন কর্মকর্তা ও নির্বাহী প্রশিক্ষণের ব্যবস্থা করা হয়েছে। অধিকন্তু পেশাগত দক্ষতা ও যোগ্যতাসম্পন্ন মানব সম্পদ উন্নয়নে কর্মকর্তাদের প্রায়োগিক জ্ঞান প্রদানের জন্য ফাউন্ডেশন ও এ্যাডভান্সড কোর্সগুলো আরো আপডেট 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 উলানাময়ে কেরামের সমন্বয়ে গঠিত শারী'আহ্ সুপারভাইজরী কমিটির পরামর্শ আমাদের ব্যাংকিং কার্যক্রমে শারী'আহ্ পরিপালনে উৎসাহ যোগাচ্ছে। শারী'আহ্ সুপারভাইজরী কমিটির অধীনে কর্তরত মুরাক্বিবগণ বিভিন্ন ধরনের নিরীক্ষা ও অনুসন্ধানের মাধ্যমে বৈসাদৃশ্য খুঁজে বের করছেন এবং তা যথারীতি পরিপালন করা হচ্ছে।

২০২২ সালের পরিকল্পনা

ইউনিয়ন ব্যাংক লিমিটেড আমানত সংগ্রহ, বিনিয়োগ হতে আদায়, বিভিন্ন সূচকের উন্নয়ন, সম্ভাব্য খাতে প্রত্যাশিত বিনিয়োগ, বৈদেশিক বাণিজ্যে প্রবৃদ্ধি, ব্যাংকের মূলধন পর্যাণ্ডতা বৃদ্ধিতে বিশদ পরিকল্পনা গ্রহন করেছে। এছাড়াও, বিশ্বের সাথে তাল মিলিয়ে টেকসই উন্নয়ন লক্ষ্যমাত্রা অর্জন, নিয়ন্ত্রণকারী সংস্থার সকল বিধি-বিধান পরিপালন এবং সামাজিক, নৈতিক, পরিবেশবান্ধব, উৎপাদনশীল ও লাভজনক ব্যবসায় আরো অধিকতর বিনিয়োগের জন্য ব্যাংক বন্ধপরিচর। আর্থিক সেবা খাতের সুবিধা বর্ধিত এবং স্বল্প সুবিধাপ্রাপ্ত প্রান্তিক জনগোষ্ঠী এবং অবহেলিত এলাকায় আর্থিক সেবাসমূহ পৌঁছে দিতে বিনিয়োগ বহুমুখীকরণ ও সর্বোপরি টেকসই সামাজিক উন্নয়নে ইউনিয়ন ব্যাংক অঙ্গীকারবদ্ধ। ২০২২ সালেও এ ধারাবাহিক সাফল্য ধরে রাখতে গ্রাহক সেবার মান বাড়ানো, মূলধন কাঠামোর ভিত্তি সুদৃঢ় করা, পরিবেশবান্ধব খাতে বিনিয়োগ প্রদান, কর্পোরেট সুশাসন নিশ্চিত করা এবং সর্বোপরি সম্পদের মান উন্নয়নে আমাদের নিরলস প্রচেষ্টা অব্যাহত থাকবে।

পরিশেষে, আমি ব্যবস্থাপনা কর্তৃপক্ষের পক্ষ থেকে আমাদের ব্যাংকের সম্মানিত চেয়ারম্যান ও পরিচালনা পর্ষদ, শেয়ারহোল্ডারবৃন্দ, বাংলাদেশ ব্যাংক ও অন্যান্য নিয়ন্ত্রক সংস্থা, গ্রাহক ও শুভানুধ্যায়ীদের অব্যাহত সমর্থন, পৃষ্ঠপোষকতা, সহযোগিতা ও মূল্যবান দিক-নির্দেশনার জন্য আন্তরিক কৃতজ্ঞতা প্রকাশ করছি। আমাদের সম্মানিত শেয়ারহোল্ডারদের আকাজক্ষার সাথে সঙ্গতি রেখে আমরা ব্যাংকের গুরুত্বপূর্ণ সূচকসমূহের মান বৃদ্ধি এবং টেকসই উন্নয়নে প্রতিশ্রুতিবদ্ধ। আশা করি, অদূর ভবিষ্যতে ইউনিয়ন ব্যাংক একটি আধুনিক শরীয়া'হ ভিত্তিক প্রগতিশীল ব্যাংক হিসেবে প্রতিষ্ঠা লাভ করবে, ইনশাআল্লাহ্। আল্লাহ হাফেজ।

এ.বি.এম মোকাম্মেল হক চৌধুরী
ব্যবস্থাপনা পরিচালক



UNION BANK

SHARIAH BASED

FROM THE DESK OF MANAGING DIRECTOR

Bismillahir Rahmanir Rahim,

Respected Shareholders,

Assalamu-Alaikum Wa Rahmatullah,

It is a great pleasure and honor for me to present you the financial and operational performance of the Bank for the year 2021 in the 9th Annual General Meeting. By the grace of Almighty Allah, Union Bank Ltd. has successfully completed its another year of journey with the stable growth and performance. In fact, it was possible through all-out support and co-operation of our Honorable Board of Directors & bank's stakeholders, undertaken strategic planning and its proper implementation by the management team, time based instructions and guidelines of regulators, hard work of bank's executives & officials and above all through our quality and prompt customer services at branch level.

Global and Bangladesh Economy

The year 2021 is important for us due to celebration of golden jubilee of our independence and also the centennial birth anniversary of the founder of Independent Bangladesh Bangabandhu Sheikh Mujibur Rahman. On the other hand, we have passed a challenging year due to worldwide economic disruption for the Covid-19 pandemic. It was unfortunate that, Covid-19 pandemic hits our economy just after the graduation from the list of least development country to developing country. But our economy has been affected comparatively less than the worldwide situation due to prompt measures taken by our government. However, worldwide economic disruption creates our economic activities challenging. Weak performance of a few economic indicators occurred such as exports, imports, private sector investment, foreign direct investment, and revenue mobilization.

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Despite of these difficulties, our economy has been able to maintain positive growth. We are fortunate because our GDP growth has been increased to 6.94% in 2021. To retain this achievement, we need to develop infrastructure, uninterrupted supply chain, increase export by exploring new markets and diversifying product and increase home bound remittance by providing some incentives.

Success of UBL

The Bank has achieved its successive growth in the year 2021 through proactive management and above all expansion of quality banking services. Despite of various challenges, our bank has expanded business notably. Now, I would like to highlight some of the key achievements during the year 2021 of our Bank. We have been maintaining leading position among the fourth generation banks in all financial indicators through wide network of 104 branches and 31 sub-branches all over the country. At present, our total asset size is Tk. 2,42,418 million which is 15.42% higher than previous year and total capital stood at Tk. 16,022 million which is 0.94% higher than previous year. To provide fast and easy remittance facilities to our valued customers, 14 money exchange houses are working with us closely that ultimately plays an important role to increase the flow of remittance through our bank.

Profitability

Operating Profit is Tk. 3,598 million and Profit Before Tax (PBT) was Tk. 2,232 million in the year 2021. Increasing core deposit, expected investment, expediting recovery and control over the classified investment, increasing auxiliary income and effective capital management initiatives were the key of this success.

Deposit

Deposit has increased to Tk. 2,00,229 million in the year 2021 which is 15.94 % higher than previous year's deposit Tk. 1,72,710 million. Meanwhile, the number of deposit accounts has increased during the year. In the year 2021, the number of deposit accounts were 4,92,456 whereas it was 4,13,794 in the year 2020, i.e. the growth of deposit was 19.01% 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. 1,93,822 million in the year 2021 which is 16.52% higher than previous year's Tk. 1,66,337 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. 5,524 million in SME sector, Tk. 1,362 million in Agriculture sectors, Tk. 188 million in Green Finance during the last year.

Foreign Trade and Remittance

During the year 2020-21, Covid-19 pandemic has drastically affected world trade business. Banking industry also passed a challenging year due to declining trend of foreign trade operation. However, Union Bank performs its foreign trade operation complying Bangladesh Bank foreign trade related stimulus package. The size of Export and Import of the bank are Tk. 4,219 million and Tk. 10,443 million during the year 2021. Moreover, we have established a separate business unit namely "Central Trade Operation Unit (CTOU)" to expedite Import and Export business in the days ahead.

On the other hand, our foreign remittance is Tk. 8,400 million during the year 2021. At present, Union Bank has agreement with 14 (fourteen) remittance houses like Western Union, Express Money, 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

The Bank has expanded new branches and ATM booth's in 2021 in line with rapid economic growth of the country by providing banking service at the door step of the people in both urban & rural areas. In this regard, we have established 9 new branches during the year 2021 out of which 4 (four) branches in urban and 5 (five) in rural area. Total number of branches are 104 (One hundred and four) at the end of 2021 out of which 51 (fifty-one) situated in urban areas and 53 (fifty-three) are in rural areas. Moreover, total number of sub-branch stands 31 (thirty-one) at the end of 2021 out of which 17 (seventeen) are established in current year. During this period, we also have established 18 (eighteen) ATM booth's and at the end of the year, total ATMs are 81 (eighty-one).

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. Union Bank has taken due preparation for proper enterprise risk management to accelerate economic recovery in the post COVID-19 situation. 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

The Bank is always cordial to participate the activities under corporate social responsibility as well as benevolent activities for the society simultaneously as the Bank is a part of the society. To become a socially committed bank and attain social welfare, Union Bank donated Tk. 40 million in 2021. 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 95.85% in Health sector, 4.15% in Education sector from our total CSR Fund.

Information & Communication Technology

Financial system is becoming more automated, modern and digitalized while on the other side, 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 of proper cyber security risk and technological weaknesses, established activity system during crisis period, tackled 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, BEFT, 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 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 committed to respond the needs of customer 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 1,787 in 2021 which was 1,658 in 2020. 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 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. Due to covid-19 and lockdown situation, Union Bank arranged few training programs through zoom conference by maintaining health rules. The training institute organized 1 advanced training Courses, 14 workshops which trained up 1,111 bank officials and executives. To provide more practical knowledge, the syllabus of foundation and advanced training is 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

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. Muraqib's under Shari'ah Supervisory Committee are conducting Shari'ah Audits and Inspections from time to time to find out the expectation gaps and compliance the same accordingly.

Planning for 2022

Union Bank has taken comprehensive plan for deposit mobilization, recovery from overdue investments, investment in the potential sectors, increasing foreign trade, strengthening comprehensive risk management systems along with prudent core risk management and mentionable development in ICT based Banking services. We are committed to invest more on social, ethical, environment friendly, productive and profitable business in light with sustainable development and complying all rules & regulations of the country. Moreover, we are also committed to deliver best financial services to deprived and less privilege marginal communities by providing CMSME investment to ensure overall social development. Our endeavor will be continued to increase the quality of customer services, retaining the strong capital base, ensuring good corporate governance, maintaining 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 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 aspirations of our respected shareholders. Hopefully, with all of your continuous support, Union Bank Ltd. will be able to establish 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,

We are delighted to welcome you all on behalf of the Board of Directors to the 9th Annual General Meeting of the Bank being held today through Digital Platform. It is an immense pleasure and privilege on the part of Directors to present the Directors' Report and Auditors' Report together with the audited financial statements of the Bank for the year ended 31st December 2021 for your valued consideration, adoption and approval. The report and Financial Statements of the Bank have been prepared in accordance with the regulations, standards & relevant sections mentioned in the Company Act 1994, the Bank Company Act 1991, Bangladesh Bank Circulars & guidelines, other applicable rules & regulations of Stock Exchanges and the respective Regulatory Authorities.

Before we present the performance of the Bank, we would like to briefly share with you the present macroeconomic and banking scenarios.

GLOBAL ECONOMY

Global economic recovery from the COVID-19 pandemic hinges on a delicate balance amid new waves of infection, labour market challenges, lingering supply-side constraints and rising inflationary pressures weighing heavily on near-term growth prospects. Easing supply-side disruptions and containing inflation are crucial to support global growth. The global economy grew by 5.5 percent in 2021 the highest growth rate since 1976 after contracting by 3.4 percent in 2020. World gross product in 2021 was 1.9 percent higher than in 2019 but still 3.3 percent below the level projected before COVID-19. The recovery of output in 2021 largely represented the resumption of household spending and investment, which had come to a screeching halt in 2020 amid lockdown measures worldwide. The world economy is projected to grow by 4 percent in 2022 and 3.5 percent in 2023. But these aggregate figures mask strong divergence in growth prospects as a significant number of developing countries are struggling to recover from the pandemic.

Global headline inflation surged to an estimated 5.2 percent in 2021, however, more than 2 percentage points above its trend rate in the past 10 years. The rise was particularly pronounced in the United States and the euro area, and in Latin America and the Caribbean. This rise in inflation in 2021 was largely due to a unique combination of a stronger than anticipated rebound of demand and high commodity prices. Commodity prices surged, with steep increases in metals, coal, crude oil and natural gas. Food prices shot up by 22 percent in 2021, reaching their highest level in a decade, spurred by sharp increases in vegetable oil, cereal and dairy prices (FAO, 2021).

Global economy faced many risks in 2021 such as health, limited space of fiscal and monetary policies, supply constraints, labor market distortions, external conditions and structural shifts. A slowdown in the world's largest economies, left the producers scrambling for components, raw materials as well as finished goods. A rise in geopolitical tensions among US and Russia and US and China along with inflation, debt, and income inequality endangered the recovery in emerging and developing economies. These risks have tilted to downsize global economic recovery and heighten global financial disruptions in 2022.

The international community also needs to work closely to ensure that financially constrained economies have adequate access to international liquidity so that they can continue health care, other social, and infrastructure spending required for their development and continued convergence to higher income per capita. Beyond addressing issues arising directly from the pandemic, countries should also work closely to redouble climate change mitigation efforts and to resolve economic issues underlying trade and technology tensions as well as close gaps in the rules-based multilateral trading system.

Now, International Policy Cooperation remains crucial. It depends on multilateral and cooperative approaches in key areas. The future outlook for health and economic variables remains uncertain and challenging. Any delay in decisive policy actions among countries will significantly increase the ultimate costs. Thus, policymakers must have immediate concerns to deal with macro prudential policies appropriately trained on containing financial stability risks. Without offsetting policy action, the crisis will have persistent effects over the medium and long term on firms, industries, labor markets, and human capital accumulation.

BANGLADESH ECONOMY

Bangladesh's economy is turning around in the context of tackling the coronavirus of the world economy. According to the provisional estimates of BBS, the GDP growth in FY 2020-21 stood at 5.47 percent. Despite the stagnation in the economy caused by the coronavirus, food production and supply chains remained unaffected, leading to inflation at 5.56 percent in FY 2020-21, slightly higher than the target (5.4%). Both export and import in Bangladesh have showed a sign of recovery after a sharp decline in FY 2019-20. In FY 2020-21, Bangladeshi expatriates remittance stood at US\$ 24,777.72 million which was significantly higher (36.10%) than the previous fiscal year. In FY 2020-21, current account balance deficit stood at US\$ 3,808 million on the back of robust remittance inflows compared to a US\$ 4,724 million deficit in the previous year. Financial account and capital account showed surplus during this time. Therefore, the overall balance recorded the surplus of US\$ 9,274 million in FY 2020-21 compared to US\$ 3,169 million surplus in the previous year. As a result, the foreign exchange reserves increased to a record US\$ 46.39 billion at 30 June 2021. During this period, a marginal (0.05%) depreciation in exchange rate of Taka with the US dollar is being observed. As per the directives of Honorable Prime Minister, activities are carried out under 21 stimulus packages of Tk. 1,20,153 crore in FY 2019-20 for additional expenditure in healthcare sector, emergency humanitarian assistance and economic recovery to address the COVID-19 pandemic. The number of the stimulus packages has further been increased to 23 in FY 2020-21 and the amount of fiscal and stimulus packages till April 2021 is Tk. 1,28,441 crore, which is 4.2 percent of GDP. As a result of these actions taken by the government, the economy is expected to turn around.

To achieve its vision of attaining upper middle income status by 2031, Bangladesh needs to create jobs and employment opportunities through a competitive business environment, increased human capital and skilled labor force, efficient infrastructure, and a policy environment that attracts private investments. Other development priorities include diversifying exports beyond the RMG sector; deepening the financial sector; making urbanization more sustainable and strengthening public institutions. Addressing infrastructure gaps would accelerate growth and reduce spatial disparities in opportunities across regions and within cities. Addressing vulnerability to climate change and natural disasters will help Bangladesh to continue to build resilience to future shocks. Pivoting towards green growth would support the sustainability of development outcomes for the next generation.

BANKING SECTOR

The Banking sector started with new hope and opportunities in 2021 but in March the second wave of COVID-19 hit, quickly slowing down the private sector credit and money started accumulating in the Banks. Full scale resumption of economic activities slowed down. The deposit rate fell below the inflation rate although Bangladesh Bank swiftly stepped in to declare that deposit rates could not go below the inflation rate. The domestic money market became volatile under import pressure as USD prices rose sharply. Non-performing loans (NPL) kept rising throughout the year 2021 though default loans were hiding behind the smock screen of loan moratoriums. Needless to say if this situation continues, it will be a cause of concern for Bangladesh's banking and business sector in 2022.

The economic development of Bangladesh is heavily reliant on the banking industry. Deposits are the blood of this industry which continued to be the main sources of funds of the banking industry. At the end of December 2021, deposit of the Banking system stood at BDT 14,09,911.90 crore which is 9.19 percent increase compared to the previous year's total deposit amounting BDT 12,91,221.50 crore. On the other hand, the total credit of the private sector reached BDT 12,63,247.50 crore on December 2021 which is 10.68 percent increase against the amount BDT 11,41,303.00 crore of the year 2020. The country's Foreign Exchange Reserve kept a great increase. It was USD 46,153.9 million on December, 2021 whereas it amounted USD 43,166.5 million on December, 2020.

Care must be taken to formulate a plan. The transition to a post-COVID-19 economy will require sectoral reallocation to revive the economy that is directly connected to Banking Industry. In this decade (From 2021 to 2030), the banking industry will have to achieve the ability to absorb shocks arising from any pandemic situation, and financial and economic stress, improve risk management and governance, and strengthen banks' transparency and disclosures. It is high time for the regulators to return to applying the banking rules and regulations uniformly for all and not to give special consideration to anyone and any business. Additionally, the regulators must identify the willful defaulters and instead of rescheduling their loans, take legal measures necessary to try and recover their borrowing. Otherwise, the good borrowers will continue to suffer by having to pay higher interest on loans. The economy will continue to suffer the repercussions of inefficiently utilizing its resources. The coming year will be more challenging. For this, the regulatory bodies have to be more careful in formulation their plans.

AN OVER VIEW OF UNION BANK LIMITED

Union Bank Limited has spanned its ninth year journey successfully by setting up a long-term development strategy towards our mission and vision. Despite the pressure of the slowdown in Bangladesh economy as well as world economy, customer service of our Bank has improved significantly. Customers are using digital channel to make any kind of transaction. It has been possible for hard working, competent and trained officials to retain a steady growth in the year of 2021 like the previous years. At the end of year 2021, total deposit of our Bank stood at BDT 200,229.79 million which is 15.93 percent growth compared to the previous year's total deposit at BDT 172,710.50 million. On the other hand, total investment recorded BDT 193,822.28 million which is 16.52 percent increase against BDT 166,337.19 million of the previous year. Total import of the bank for the year 2021 is BDT 10,448.40 million (Eqvt. USD 122.42 million) and the figure for export stood for BDT 4,121.70 million (Eqvt. USD 48.29 million). Hopefully, the growth of Export-Import business of the Bank will be improved more as the economic recovery is anticipated on track.

Union Bank Limited being a forward intellectual, has been building a large network of touch points and providing high quality customer services through the integration of the latest banking technologies, such as Internet Banking and UniON apps and Shari'ah based products by maintaining corporate and business ethics and transparency at all levels. The bank is always committed to provide quality global banking service to its clients and unlock the sleeping potentials of missing middle of the country who are beyond the coverage of corporate banking service, focus on rural & micro economic developments, bring the unbanked rural people under the umbrella of banking service with state-of-the-art technology. In the year 2021, Union Bank Limited has accomplished 79 successful corporate agreements with renowned organizations of the country for ensuring the exclusive privileges for employees and debit Cardholders of the bank and building a strong brand image in the competitive marketplace. In the beginning of 2021, 06 (Six) new deposit products have been launched by to enter new customer segment. Being newly direct Agent of MoneyGram International Money Transfer & Prabhu Money (Prabhu Group Inc. USA), the remittance business of our Bank has speeded up. At present UBL is disbursing remittance being affiliated with 14 (Fourteen) remittance houses by which migrant workers are remitting the money home. In Bangladesh, remittances are the second-largest source of foreign currency income after exports.

During this year 2021, we have been able to open 09 (Nine) new branches and 17 (Seventeen) Sub-Branches both in rural and urban areas. At the end of the year, we have total 104 branches and 31 Sub-Branches which are ensuring convenience to the customers at all times to serve Bank's mission. We are establishing new ATM booths in different parts of the country. In order to guide the employees of the Bank, the Code of Conduct is designed. As a business enterprise, UBL is committed to conducting its affairs to the highest standards of ethics, integrity, honesty, fairness and professionalism which will make quality manpower. Union Bank Limited having its own Training Institute can ensure proper training to its manpower.

BANK'S PERFORMANCE IN 2021

In spite of grim situation of the economy, Union Bank Limited has moved forward, materializing its strategy with shariah based product and services. The integration of the advanced equipment like Union Apps with state-of-the-art technology has eased the life style of the clients. They are making transactions, sitting at home by the use of the Union App and internet Banking. Deposits and investment have increased by 15.93 percent and 16.52 percent respectively in 2021 compared to the previous year 2020. Besides, the Bank has attained an operating profit of BDT 3,597.99 million compared to the last year's operating profit BDT 3218.41 million. The profit growth has increased 11.79 percent this year. At present UBL is disbursing remittance being affiliated with 14 (Fourteen) remittance houses. During this year 2021, we have been able to open 09 (Nine) new branches and 17 (Seventeen) Sub-Branches both in rural and urban areas. At the end of the year, we have total 104 branches and 31 Sub-Branches.

FUTURE OUTLOOK

We are projecting a strong recovery in 2023 and 2024 as a way out of the health and economic crisis, aroused by post COVID-19 pandemic situation, Supply chain disruptions, shortage of shipping containers and inflation. We expect a balanced execution of UBL Management in order to strengthen the quality of the Bank's assets in the next years through complying with Basel III requirements and following core risk management guidelines. It is taking strong steps to complete more business agreements with renowned organizations of the country for building a strong brand image in the competitive marketplace. Centralized MIS Cell of the bank has taken initiative to prepare a data bank for MIS and ensure accuracy of regulatory and internal reports in collaboration of related divisions. In case of account opening, EKYC is under process for the ease of the valued clients and formation of a standard call center is under process, as managed by ICT, for better customer care. The Bank always wants to stay with state-of-the-art technology. Proper implementation of such technology will satisfy the present valuable customers as well as, make their day to day life easier than any period of before. It will increase the customers and hold the topmost position among the 4th generation banks in the next years. We have a nurtured and superb quality of human capital along with a prudent management to lead us towards our goal.

FINANCIAL PRODUCTS & SERVICES

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.

Deposit Products of the Bank are as follows:

- Al-Wadiah 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 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 DIVISION:

The Bank emphasized on Technology, as a business enabler during the period under review, has underpinned effort across the Bank to identify creative ways of addressing strategic objectives. The aim of the effort was cost reduction, increase profitability, improve internal efficiency, more control and security, use alternate technologies where appropriate and ultimately, improve the internal and external customer service experience. The bank's key techno service initiatives, such as 'Easy account opening process', 'Robust Internet banking and Mobile apps, 'Document Management Solution' turn paperless office, Digital Workflow, World class EMV branded Debit Card, Enhanced Call Center - entails the enhancement of existing systems, introduction of new functionalities, re-engineering of business processes.

Union Bank in the year 2013 started its journey as a Shari'ah Based Bank with a strong Centralized Core Banking Platform ABABIL, developed by Millennium Information System Limited, a Bangladeshi Global Company engaged in the technology business. From the inception Union bank delivered all type of banking services and included new services in line of Customer demand. A client of UNION Bank can walk into any one of our 138 locations branch or

Sub-branch, and avail of the same facilities and services that they are getting from their home branch. To ensure a continuous and seamless service, we have developed a robust communication infrastructure in partnership with the leading ISP's and Mobile Network Operators of the country.

Information and Communication Technology (ICT) is very dynamic and continuously updating. To get benefit of latest technology, Union Bank has been applying new technology in its different area to extract the benefit of the technology and to ease the users and finally satisfaction of the valuable customers of the Bank.

Now, Bank is able to serve its customers from anywhere anytime with its centralized online banking solution. With running product portfolio of Debit Card, SMS Banking, Internet Banking, Bangladesh Automated Cheque Processing System (BACPS), Bangladesh Electronic Fund Transfer Network (BEFTN), Real Time Gross Settlement (RTGS) etc. under the guidelines of Bangladesh Bank, full-fledged Internet Banking & Mobile Apps UniON introduced with number of remarkable features like Fund Transfer to any bank any account, Any Credit Card bill payment, Any Mobile Recharge, Transfer money to bKash & Nagad, ADD money from Credit Cards etc. More features are in process of inclusion.

Union Bank has recently launched VISA branded Dual Currency most secured EMV Chip card with VISA membership for Card payment and now capable of issuing & acquiring VISA Debit/Credit/Prepaid card of Union Bank. For better customer satisfaction, Union Bank launched INSTANT VISA Card to deliver card readily to customer at the time of account opening. A lot of discount facilities is attaching with UBL Card service and customers are informed through SMS regularly. The Bank is expanding its own ATM network through branches and even joining with different merchants & corporates through agreement. bKash Cash out service for any customer of bKash is available now from any Union Bank ATM.

Considering better customer support and service at any time, Union Bank 24/7 Call Center Service UBL iContact with all available support features, has launched in August 2021. Support response through agents at any time has create tremendous positive impact to UBL Customers.

An important constituent of Union Bank is its Website. A new well designed and well contents space has opened for any information of Union Bank. Globally anybody can reach to Union Bank through www.unionbank.com.bd.

In line of Digital Transformation, Bank has successfully launched simple Account opening process "INST@ANT Account" from anywhere through Internet; Customers can open an account within shortest possible time and less input. Also any eligible person is capable of opening account from Home through mobile application or internet. Only NID or logical authorized document is the key authentication.

The other initiative of process re-engineering and Digital Document Management Solution (DMS) for every step of physical & manual work is moving and internally launched in few specific departments. This will play an effective role both in efficiency and time and cost. This will heavily improve Green application, reduce cost & space including productivity.

Union Bank Limited is continuously improving and updating its Cybersecurity areas and updated all security platform as standard procedures. Technology refreshment and innovative inclusion is a regular event in case of ICT areas. Regular Training and awareness programs continued with on premises and through remote technical way.

Union Bank Limited has strategically formulated Year 2022 for Technology Solution implementation and Infrastructure Placement for expanding its service portfolio and ensure efficient operation. Better Customer Service with proper compliance and control will be its logical sequence. Coming year, the impact will definitely position Union Bank Limited esteemed place in the banking sector, and Honorable Shareholders and Customers will be delighted to be associated with UNION Bank.

UNION Bank has upgraded the server and network platform with game-changing latest technology necessary services are going to included phase by phase to ensure expanding service portfolio and efficient Operation. This virtual environment technology ensures go green by saving significant energy consumption, less foot print at data center, faster server provisioning and increased uptime. Union Bank will be placed at a respected height among the banking sector of Bangladesh.

Services:

- Online Banking
- Mobile App Service
- SMS Banking
- Automated Clearing
- Bangladesh Automated Cheque Processing System(BACPS)
- SWIFT
- Electronic Fund Transfer (EFT)
- Bangladesh Electronic Fund Transfer Network (BEFTN)
- Real Time Gross Settlement (RTGS)
- Document Management Solution (DMS)
- Workflow
- E-KYC
- Alternative Delivery Channel(ADC)
- ATM banking (Debit Card)
- Visa Card
- Visa Instant Card
- e-GP
- Remittance
- Call Center

MANAGEMENT INFORMATION SYSTEMS

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 Banking 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) at the time of Bank's 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. They can easily identify where the dispute occurred or any uncertain matter is occurring.

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 through 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 stipulated time.

Management Reporting Desk:

Provide necessary information to the Senior Management to take proper strategic decision from time to time as well as supply 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 has implement in our system;
- Assist to prepare annual Budget;
- Prepare Power Point Presentation for Annual Business Conference;

BRANCH EXPANSION

SL.	Branch Name	Branch Code	Opening Date	Urban/Rural
	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	Rural
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

SL.	Branch Name	Branch Code	Opening Date	Urban/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
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	08.05.16	Urban
46.	Ataikula Branch	0305	15.05.16	Rural
47.	Barishal Branch	0401	19.05.16	Urban
48.	Keranihat Branch	0023	02.06.16	Rural
49.	Mymensingh Branch	0701	16.06.16	Urban
50.	Nawabpur Road Branch	0117	20.07.16	Urban
51.	Ati Bazar Branch	0116	28.07.16	Rural
52.	Khilpara Branch	0024	17.08.16	Rural
53.	Eidgaon Branch	0025	21.08.16	Rural
54.	Jashore Branch	0202	01.09.16	Urban
55.	Kalukhali Bazar Branch	0118	04.12.16	Rural
56.	Banskhali (Chandpur) Branch	0027	08.12.16	Rural
57.	Jamuna Future Park Branch	0119	27.12.16	Urban
2017				
58.	Kumira Branch	0026	29.03.17	Rural
59.	Jotpukuria Bazar Branch	0029	24.05.17	Rural
60.	Laldighi Branch	0028	25.05.17	Urban
61.	Dhanmondi Branch	0120	20.08.17	Urban
62.	Rangpur Branch	0602	22.08.17	Urban
63.	Tangail Branch	0122	05.10.17	Urban
64.	Shakpura Chowmuhony Branch	0031	19.10.17	Rural
65.	Madhobdi Branch	0121	26.10.17	Rural
66.	Lohagara Branch	0030	07.12.17	Rural
67.	Keranigonj Branch	0124	19.12.17	Rural
68.	Gazipur Chowrasta Branch	0123	21.12.17	Urban

SL.	Branch Name	Branch Code	Opening Date	Urban/Rural
2018				
69.	Kushtia Branch	0203	09.05.18	Urban
70.	Jubilee Road Branch	0032	13.05.18	Urban
71.	Raozan Branch	0033	14.05.18	Rural
72.	Dinajpur Branch	0603	08.10.18	Urban
73.	Islampur Branch, Dhaka	0125	24.10.18	Urban
74.	Moulvibazar Branch	0504	18.11.18	Urban
75.	Bhulta Branch	0126	20.11.18	Rural
76.	Jorargonj Branch	0034	27.11.18	Rural
77.	Hemayatpur Branch	0127	20.12.18	Rural
2019				
78.	Chapainawabganj Branch.	0306	01.08.19	Urban
79.	Barlekha Branch	0505	05.08.19	Rural
80.	Bandartila Branch	0036	13.11.19	Urban
81.	Fatikchhari Branch	0035	14.11.19	Rural
82.	Ukhiya Branch	0038	24.11.19	Rural
83.	Link Road Branch	0037	24.11.19	Rural
84.	Rajabari Bazar Branch	0128	05.12.19	Rural
85.	Tajmahal Road Branch	0129	12.12.19	Urban
86.	Ambarkhana Branch	0506	19.12.19	Urban
87.	Kanchan Branch	0130	24.12.19	Rural
2020				
88.	O R Nizam Road Branch	0039	11.06.20	Urban
89.	Tongi Branch	0131	07.07.20	Urban
90.	Borodighir Par Branch	0040	29.07.20	Rural
91.	Chambal Branch	0042	03.12.20	Rural
92.	Brahmanbaria Branch	0041	10.12.20	Urban
93.	Elephant Road Branch	0132	14.12.20	Urban
94.	Fenchuganj Branch	0507	24.12.20	Rural
95.	Ramu Branch	0043	29.12.20	Rural
2021				
96.	Goalabazar Branch	0508	07.01.21	Rural
97.	Kadamtali Branch	0044	17.06.21	Urban
98.	Habiganj Branch	0509	07.09.21	Urban
99.	Dohazari Branch	0045	17.11.21	Rural
100.	Bijoyagar Branch	0133	20.12.21	Urban
101.	Satkhira Branch	0204	23.12.21	Urban
102.	Sapahar Branch	0307	28.12.21	Rural
103.	Nazumeah Hat Branch	0046	28.12.21	Rural
104.	Sagardighi Branch	0134	29.12.21	Rural

SUB-BRANCH EXPANSION:

Sl.	Sub-branch name	Controlling branch	Opening date
01.	Jaldi	Banshkhali (Chandpur)	29.07.20
02.	Bazalia	Keranihat	26.08.20
03.	Adhunagar	Lohagara	21.09.20
04.	Kadoir Bazar	Munshirhat	28.09.20
05.	Mirpur Bazar	Bahubal	28.09.20
06.	Nachol	Chapainawabganj	02.11.20
07.	Fazilpur	Feni	03.12.20
08.	Sitakunda	Kumira	10.12.20
09.	Merul badda	Gulshan	14.12.20
10.	Rowshanhat	Patiya	21.12.20
11.	Matarbari	Badarkhali	21.12.20
12.	Gunagori	Banshkhali (Chandpur)	24.12.20
13.	Fakirhat	Fatikchhari	27.12.20
14.	Bangla Bazar	Jotpukuria Bazar	27.12.20
15.	Halishahar Bus Stand	D.T Road Eidgah	07.01.21
16.	Hathazari	Sarkarhat	28.01.21
17.	Ghatail	Tangail	28.01.21
18.	Palongkhali	Hnila	15.02.21
19.	Khuntakhali	Eidgaon	15.02.21
20.	Chatkhil	Khilpara	24.03.21
21.	Kachua	Miar bazar	24.03.21
22.	Shibganj	Chapainawabganj	12.04.21
23.	Kutupalong	Ukhiya	12.04.21
24.	College bazar	Shantirhat	19.07.21
25.	Khanhat	Keranihat	19.07.21
26.	Dakshinkhan	Ashkona bazar	17.08.21
27.	Solingmoor	Mawna	17.08.21
28.	Tilpapara	Hatkhola	15.09.21
29.	Kamrangirchar	Dhanmondi	15.09.21
30.	College gate	Tongi	29.11.21
31.	Gobindganj	Amberkhana	29.11.21
32.	Gokarnoghat Bazar	Brahmanbaria	14.02.22
33.	Chatmohar	Pabna	09.03.22
34.	Puichhari	Chambal	27.03.22

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 consist of three wings as follows:

- Audit Unit
- Compliance Unit
- Monitoring Unit and

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 2021, 04 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 2021, IC&C Division conducted Comprehensive Audit in 70 Branches and 08 Divisions at Head Office, Online Foreign Exchange Transaction Monitoring System Audit conducted in 07 (seven) 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&C is thoroughly guided by the motto "Prevention is better than cure". The array of IC&C 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 formed to facilitate the smooth banking operation at branch level as well as customer satisfaction. The main objective of this division is to oversee the operation activities of branches and provide solution of operation bottlenecks. The division works like a bridge between branch and head office. The main activity of BOCD is categorized in 03 (three) major areas:

Core Banking Operation solutions through ICTD including cash Management:

Branches seek solutions of all types of operation related problems and guidelines from BOCD. Subsequently, BOCD obtains necessary approval, if necessary, from competent authority to resolve the issues. Besides, up-gradation of all policy and procedure related to operation have been taken care as per Bangladesh Bank guidelines.

Customer Service and Complaint Management:

Customer satisfaction is the key to business growth. BOCD take care of all service related issues as received from branches and from the clients. Besides, all customer complaint is being received by the division through phone call, email, complaint box or by Bangladesh Bank. Subsequently, all complaints are managed by providing a solution following the guide line of Bangladesh Bank.

Formation of Annual Business Budget:

BOCD prepares the budget in consideration with Deposit, Investment, Profit, Import, Export, Remittance, Cost of Deposit, Cost of Fund, High Cost/Low Cost Deposit Ratio and Yield on Investment by evaluating the existing budget performance, achievement and variance of the Branches along with present economic situation and Bangladesh Bank Monetary Policy as well as contemporary growth of Banking Industry.

Moreover, in implementation of Government agenda of Inclusive banking, BOCD plays role to execute those banking like No frill account, School Banking. Also maintains account for Haji for collection of Pilgrim fees and smooth lines the collection of various type of collection account like WASA, PDB, DESCO etc.

Last year, we introduced the 2 pages' Account Opening Form for easy account opening for the clients as directed by Bangladesh Bank as well as EKYC is fully implemented by maintaining proper guidelines. Also a standard call center is functioning which provides customers with an alternative communication channel to report service inquiries, as managed by ICTD, for better customer care. Here we hear and care for better customer and banking service.

INTERNATIONAL DIVISION:

Foreign Trade is one of the pioneer business activities of the bank conducted by and routed through the International Division of the Bank. International Division is playing a vital role for smooth and dynamic operation of foreign trade transactions from time to time and maintains a coordination and continuous correspondence between foreign banks and authorized dealer branches of the bank. The main functions of International Division are: a) Establishment of Correspondent banking and remittance agency arrangement, b) Opening Nostro Accounts, maintenance and Fund management, c) Acting as a Gateway between AD branches and foreign/Local correspondents d) Foreign Trade payment/receipt settlement. e) Maintaining compliance and provide time to time guidance of foreign exchange transactions to AD branches to ensure compitance and to minimize foreign exchange risks. f) Supervising foreign trade related transaction issues g) Operating as assistant, advisor, guide and supervisor of the branches regarding their different issues related to foreign remittance and foreign exchange business. h) Mitigating various risks related to foreign exchange issues i) Maintaining and improving correspondent relations locally and internationally j) SWIFT support k) Performing Credit line /Confirmation arrangement l) Diversification of foreign exchange business products m) Generating new mechanisms in foreign trade n) Supervising of Central Trade Operations Unit (CTOU) for FX business of Non-AD Branches o) Maintaining liaison with Bangladesh Bank for AD License and required approval as and when required.

From the very beginning of the journey of the bank, International Division has been playing an outstanding role indeed it's playing as one of the key performer Divisions of the Bank promoting the Bank's business and reputation. Mainly the Financial Institution Unit/Correspondent Banking Relationship Unit and the Foreign Remittance Unit are the business developing wings of International Division.

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 149 (Home and abroad) as on 31 December 2021.

Foreign Trade Service:

UBL provides sustained support to facilitate international trade services so that its clients can meet the demands of a global business environment. The periphery as well as volume of trade finance business of the bank has been increasing notably day by day since beginning. But the COVID-19 pandemic started in 2020 has severely disrupted the world economy. Most major economies lost average nearly 5% of their gross domestic product (GDP) over 2020. The value of international trade fell by about 8 percent. Following a strong rebound in 2021, the global economy is entering a pronounced slowdown amid fresh threats from COVID-19 variants and a rise in inflation, debt, and income inequality that could endanger the recovery in emerging and developing economies, according to the World Bank's latest Global Economic Prospects report. Global growth is expected to decelerate markedly from 5.5 percent in 2021 to 4.1 percent in 2022 and 3.2 percent in 2023 as pent-up demand dissipates and as fiscal and monetary support is unwound across the world. At a time when governments in many developing economies lack the policy space to support activity if needed, new COVID-19 outbreaks, persistent supply-chain bottlenecks and inflationary pressures, and elevated financial vulnerabilities in large swaths of the world could increase the risk of a hard landing. The slowdown will coincide with a widening divergence in growth rates between advanced economies and emerging and developing economies. Growth in advanced economies is expected to decline from 5 percent in 2021 to 3.8 percent in 2022 and 2.3 percent in 2023—a pace that, while moderating, will be sufficient to restore output and investment to their pre-pandemic trend in these economies. In emerging and developing economies, however, growth is expected to drop from 6.3 percent in 2021 to 4.6 percent in 2022 and 4.4 percent in 2023. By 2023, all advanced economies will have achieved a full output recovery; yet output in emerging and developing economies will remain 4 percent below its pre-pandemic trend.

The rapid spread of the Omicron variant and the new possible variant scientists are afraid for indicates that the pandemic will likely continue to disrupt economic activity in the near term. Assuming from the above, the expectation for the next year is for the global economy and international trade as well as our export-import business to rebound close to 2019 levels. Total import of the bank for the year 2021 is BDT 10448.40 million (Eqvt. USD 122.42 million) which is 13.54% progressive than that of the year 2020. The figure for export stood for BDT 4121.70 million (Eqvt. USD 48.29 million).

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. In 2021 CTOU performed Import business amounting BDT 2,969.40 million (Eqvt. \$34.79 million) and Export business amounting BDT 917.60 million (Eqvt. \$10.75 million) which is very significant compared to the year 2020 despite overall disruption due to COVID-19 Pandemic.

Union Bank focuses on encouraging the overseas remittance to generate the wage earners revenue, increase the remittance through banking channel, quick settlement remittance and immediate response of queries as well as to equally participate with the government's decision against Money Laundering. Union Bank is in a remarkable position of disbursing foreign remittance among the 4th generation banks.

Foreign Remittance:

UBL handles both inward & outward foreign remittance products. The outward remittance includes FC Cash/FDD & Wire transfer by SWIFT. The Bank's inward remittance covers Cash Payout Service, Account Credit Service and Electronic Fund Transfer (EFT) arrangement for other banks account holders. The inward foreign remittance business amounted in BDT 1,923.00 million (Eqvt. USD 23.00 million) was in 2019 whereas the figure stood for the year 2020 is BDT 2,936.00 million (Eqvt. USD 35.00 million) which indicates a 53% increase and in 2021 the figure for inward foreign remittance stood BDT 8476.30 million (Eqvt. USD 99.31.00 million) which indicates a huge 188.73% progress than the year of 2021 which clearly is a great progress indeed.

At present UBL is disbursing remittance being affiliated with 14 remittance houses i.e. 1. Western Union Money Services, 2. Xpress Money Services, 3. Tran-Fast Remittance Co. LLC, 4. Small World Financial services, UK, 5. RIA Financial Services, 6. Aftab Currency Exchange Ltd, UK, 7. Placid NK Corporation, USA, 8. First Security Islami Exchange Italy, Srl, 9. AL-Ansari Exchange, 10. Merchantrade Asia, Malaysia, 11. NEC Money Transfer Limited, and 12. Sha Global, 13. MoneyGram International Money Transfer & 14. Prabhu Money (Prabhu Group Inc. USA). International Division strives for promoting Export, Import & Foreign Remittance of the bank with endless effort.

The bank is committed to provide quality global banking service to its clients and unlock the sleeping potentials of missing middle of the country who are beyond the coverage of corporate banking service, focus on rural & micro economic developments, bring the unbanked rural people under the umbrella of banking service with state-of-the-art technology.

CORPORATE AFFAIRS & 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"> Posting 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 /Visa 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 79 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 introduced customer service policy for the employees of the bank to enhance the service quality standard and to provide supreme customer service to our clients. In the beginning of 2021, 06 (Six) new deposit products have been launched by Corporate Affairs & Branding Division to enter new customer segment. Apart from this, CABD had arranged a deposit campaign in 2021 for enhancing retail low/no cost 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:

- a. Active involvement of board and senior management;
- b. Adequate organization, policies and procedures;
- c. Appropriate management information systems; and
- d. 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
- Other related instructions/circulars/letters as issued by regulators from time to time; etc.

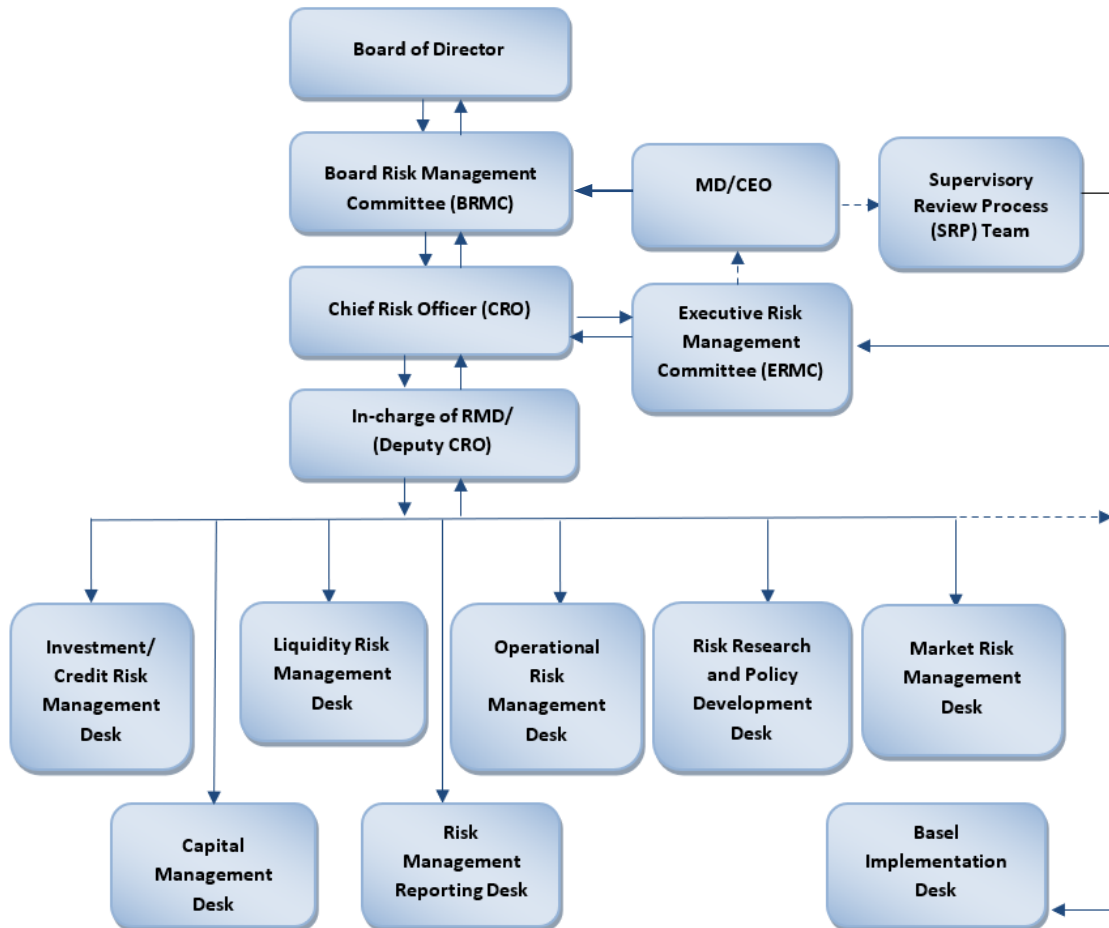
6.00: Risk Appetite Statement

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 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 2021. 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;

- 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 Guideline 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 department/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. No.	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 (CRMR)	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.	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-2021

- 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.
- Initiatives for strengthening Core Capital of the bank through issuing IPO so that bank may able to meet up the regulatory requirement and subsequently bank has implemented the issue.
- Outline the identified areas for the development of CAMELS Rating where bank required to take remedial action and subsequently, Bank's CAMELS rating has been improved comparing to December 2020.
- Conveyed the remedial actions for improvement of key liquidity ratios i.e. IDR, LCR, Wholesale borrowing. Subsequently Bank has maintained IDR and LCR within regulatory limit and also reduce wholesale borrowing.
- Greater Reliance on Information Technology for efficient supervision
- Expedited credit rating process to reduce risk weighted assets and thus improving bank's capital adequacy.
- Formulated Individual Investment Risk Assessment & Evaluation Checklist and assessed the risk originating from Top investment clients accordingly.
- Address key risk areas and action plan for the year 2021 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.
- Review of "Management Action Trigger" for the selective risk areas.
- Review of "Methodology of assessing Customer Services & Evaluation Report".
- Developing Operational Risk Management Framework for taking necessary measures to identify and mitigate the operational risk issues properly.
- Introducing robust employees' awareness programs on risk management; etc.

12.00: Action Plan for the year-2022

- Developing risk profile of the bank and determining appropriate risk management strategies based on the periodic capital adequacy as well as identified and potential risks.
- Strengthen capital base and expediting Credit rating of eligible client to reduce Risk Weighted Assets (RWA) of the bank.
- Ensuring all applicable regulatory compliances related to capital adequacy & risk management.
- Forming 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.
- Prepare a guideline for archiving updated regulatory instructions, circulars, guidelines and other major information.
- Develop a recovery plan for prompt and effective action in the event of a stress situation.
- Identify triggers and key vulnerabilities of the bank for adequate monitoring of the risk factors.
- Properly monitor stress situation and inform to the Board and senior management regularly for taking timely action.
- Initiating the 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

13.00: Concluding Remarks

After the pandemic situation, banking business are struggling to recover with reducing scope of earnings and to maintain regulatory requirements. COVID-19 has shown that risk management should evolve to be more dynamic and agile to better manage risk and maintain sustainable development. However, we are fortunate that, Union Bank Ltd. managed the risk by taking proactive 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 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 OPERATION 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.

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

Money Laundering and Terrorist Financing have become a globally burning issue for the nations, 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 also is in vulnerability like other parts of the world for Money Laundering, Terrorist 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.

In this regard, 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 terror 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. Money laundering risk is a national issue. KYC and transaction profile as well CTR & STR reporting is being followed in our bank to minimize money laundering risks.

Union Bank Limited is also committed to take appropriate measures from its position to handle these issues. With this view, Union Bank Limited has taken the following steps to work together with Bangladesh Financial Intelligence Unit (BFIU) in 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, UBL also considers the following issues:

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

Moreover, Honorable Managing Director of the bank regularly circulates his yearly statement of commitment conveying the messages to the concerned officials regarding 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 RESOURCE 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 (BDD)

Business Development Division has been formed with a view to pave the way for strategy formulation in relation to achievement of business targets, analytical preparation of potential growth opportunities of the Bank as well as extending subsequent support for its implementation. The main activity of BDD is categorized in following major areas:

Business Planning:

Business planning is the key strategies to achieve the business target. We make the bridge between branch, client and Head Office to minimize the business process time. Always keep close watchdog on market trend of business and competitor to set the business strategy with the industry at per.

Follow-up & Monitoring:

Follow up and monitoring of the achievement status of Branch's Business Budgets on monthly, quarterly and yearly basis and report to the management is a vital issue for banking business. BDD performs these duties from time to time. BDD also rationalizes/pragmatic the action plans received from the Branches, if necessary and communicate the same to the concerned Branches to pave the way for their business targets achievement.

Business Solution and process reengineering:

We always play the pivotal role to solve the branch Business bottle neck and take steps to solve the problem at end earliest time.

Keeping liaison with different department of bank to minimize time of approval and make the process simple and fast.

Business Development:

Developing New Business Insights (NBI) for a growth Strategy of the Branches focused on financial gain.

At last, to continue successive Business growth as well as market position despite having challenging business activities of the economy supervising business targets and giving all sorts of necessary assistances and co-operations to the branches from the Division in respect of business targets achievement. In addition to these, BDD provides required policy/guideline and support on Business Target time to time.

UNION BANK TRAINING INSTITUTE

In 2021, 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.

Synopsis of the activities of the Union Bank Training Institute are as follows:

a) Advanced Training Course conducted during 2021:

S.L	Name of the Courses	Period	Duration	No. of Participants
01	Training on "Foreign Trade Operations"	24.10.21-29.10.21	5 Days	27
Sub Total				27

b) Workshops conducted during 2021:

S.L	Name of the Courses	Date	Duration	No. of Participants
01	e-workshop on "Marketing of new products"	16.02.21	Day Long	50
		17.02.21		50
		18.02.21		50
		22.02.21		43
02	e-Workshop on "Prevention of Money Laundering & Combating Terrorist Financing"	21.03.21 & 22.03.21	2 Days	36
03	e-Workshop on "Investment Classification and Provision Reporting Solution"	21.03.21	Day Long	50
		22.03.21		50
		23.03.21		49
		24.03.21		42
04	e-Workshop on "Gender Equality: Challenges"	19.05.21	Day Long	40
05	e-Workshop on "e-Account Opening & Operations"	24.05.21 Morning & Evening (2 batch)	Day Long	(45+48)=93
		25.05.21 Morning & Evening (2 batch)		(34+45)=79

S.L	Name of the Courses	Date	Duration	No. of Participants
06	e-Workshop on "Prevention of Money Laundering & Combating Terrorist Financing"	07.06.21 & 08.06.21	2 Days	39
07	e-Workshop on "Gender Equality: Challenges"	23.06.21	1 Day	32
08	Workshop on "Automated Challan Management System"	06.08.21	Day Long	23
09	Workshop on "Automated Challan Management System"	07.08.21	Day Long	22
10	e-Workshop on "Automated Challan Management System"	22.08.21	Day Long	48
11	e-Workshop on "Automated Challan Management System"	23.08.21	Day Long	50
12	Virtual Seminar On "National Mourning Day-2021"	31.08.21	Day Long	91
13	e-workshop on "Effective Investment Management"	26.09.21 & 27.09.21	2 Days	48
14	Refreshers e-BAMLCO Conference-2021	13.12.21	Day Long	99
Subtotal				1084

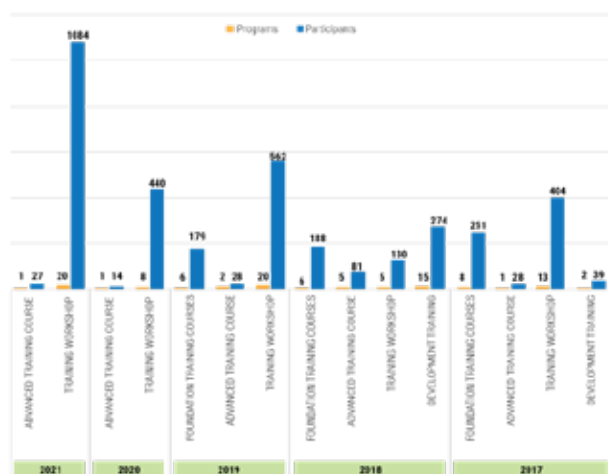
Total (a+b) = 1111

Performance Report

Union Bank Training Institute has conducted and facilitated training, workshops, discussion for meeting banking challenges will be continued in upcoming days to enrich knowledge, improve skills and build positive attitudes in sha Allah. Synopsis of the activities of the Union Bank Training Institute are as follows:

Year	Title	Number of Programs	Total Participants
2021	Advanced Training Course	01	27
	Training Workshop	20	985
	Conference	01	99
	Total	22	1111
2020	Foundation Training Courses	01	29
	Advanced Training Course	01	14
	Training Workshop	08	440
	Total	10	483
2019	Foundation Training Courses	06	179
	Advanced Training Course	02	28
	Training Workshop	20	562
	Total	28	769
2018	Foundation Training Courses	06	188
	Advanced Training Course	05	81
	Training Workshop	05	130
	Other Development Training	15	274
	Total	31	673
2017	Foundation Training Courses	08	251
	Advanced Training Course	01	28
	Training Workshop	13	404
	Other Development Training	02	39
	Total	24	722

GRAPHICAL PERFORMANCE



DIVIDEND

The Board of Directors has recommended 05% Cash Dividend and 05% Stock Dividend (Subject to approval from Bangladesh Securities and Exchange Commission) for the year ended December 31, 2021.

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 reelection by shareholders at regular intervals.

APPOINTMENT OF AUDITORS

The present Auditor K. M. Hasan & Co., Chartered Accounts was appointed as external Auditor for the year 2021 by the Shareholders in the 8th Annual General Meeting as per provision of Companies Act, 1994. They have completed their Third term audit for the year 2021 as external Auditor and they also complete their full term as auditor they are not eligible for re-appointment. So a new auditor will be appointed for the period until the next AGM.

APPOINTMENT OF COMPLIANCE AUDITORS

Rahman Mostafa Alam & Co. Chartered Accountant was appointed as Compliance Auditor of the Bank for the year 2021 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. So a new Compliance Auditor will be appointed for the next year 2022.

APPRECIATION

Thanks to Almighty Allah for the Business success of the Bank in 2021. I would like to thank my Board colleagues for their continued support and on their behalf to express my thanks to Managing Director, officials and also all staffs of Union Bank Limited. The Board of Directors and the bank management are confident that the Bank is well-positioned to continue its growth journey in the coming years. This can be achieved through an unwavering focus on enhancing the Bank's customer service and product proposition, adopting sound asset and liability management, embracing market best practices and practicing prudent risk management and good governance. I would like to take this opportunity to extend my sincerest gratitude and appreciation to Union Bank Limited shareholders and clients for their trust and support. And I would also like to thank Bangladesh Bank, Bangladesh Securities and Exchange Commission, Registrar of Joint Stock Companies and Firms, Dhaka Stock Exchange Limited and Chittagong Stock Exchange PLC and all other concerned regulatory authorities who have supported us and extended to us their valuable co-operation.

May Almighty Allah grant his infinite mercy upon us.

Ameen.

On behalf of the Board of Directors

Signature

Ahsanul Alam
Chairman

REPORT OF THE AUDIT COMMITTEE

FOR THE PERIOD FROM JANUARY-2021 TO DECEMBER-2021

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:

Sl.	Name	Status in the Board	Status in Audit Committee
1	Mr. Md. Abdul Quddus	Independent Director	Chairman
2	Mr. Showkat Hossain, FCA	Director	Member
3	Mr. Mohammad Fazlay Morshed	Director	Member
4	Mr. Md. Abdus Salam, FCA	Independent 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 Four (04) meetings during the year 2021 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 2021 are:

Meeting	Date of Meeting Held
38 th Audit Committee Meeting	29-04-2021
39 th Audit Committee Meeting	02-09-2021
40 th Audit Committee Meeting	28-10-2021
41 st Audit Committee Meeting	02-12-2021

Activities in 2021:

- Reviewed Internal Audit Plan-2021 prepared by Internal Control & Compliance Division, Head Office and recommended to submit it to the Board of Directors.
- Reviewed Financial Statements of 2020 prepared on 31-12-2020 and recommended those to place before the Board of Directors for consideration.
- Reviewed Comprehensive inspection report of Union Bank Ltd, Head Office, Dhaka conducted by Bangladesh Bank based on 30-06-2020 and advised to the Bank Management to regularize the irregularities and recommended to submit it to the Board of Directors.
- Reviewed and Approved "Report of the Audit Committee" to be attached with "Annual Report 2020".
- Reviewed surprise inspection report of Panthapath Branch conducted by Bangladesh Bank and advised to the Bank Management to regularize the irregularities.
- Reviewed Financial Statements of 1st quarter of 2021 prepared on 31-03-2021 and recommended those to place before the Board of Directors for consideration.
- Reviewed Financial Statements of 2nd quarter of 2021 prepared on 30-06-2021 and recommended those to place before the Board of Directors for consideration.
- Reviewed and approved proposal of hiring K. M. Hasan and Co., Chartered Accounts as an external auditor from 8th Annual General Meeting to 9th Annual General Meeting and recommended to submit it to the Board of Directors.
- Reviewed and approved proposal of hiring Rahman Mostafa Alam and Co., Chartered Accounts as a Compliance Auditor 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 (12) Branches submitted by Internal Audit from 01-01-2021 to 31-03-2021 and recommended to Bank Management for taking proper initiative to regularize non-complied issues.
- Reviewed summary of Comprehensive Report and report

on non-complied vital issues of Compliance report of (23) Branches submitted by Internal Audit from 01-01-2021 to 30-06-2021 and recommended to Bank Management for taking proper initiative to regularize non-complied issues.

- Reviewed summary of Investment Documentation Checklist (IDCL) of all Branches in 1st quarter submitted by Internal Audit from 01-01-2021 to 31-03-2021 and recommended to Bank Management for taking proper initiative to regularize non-complied issues.
- Reviewed summary of Investment Documentation Checklist (IDCL) of all Branches in 2nd quarter submitted by Internal Audit from 01-04-2021 to 30-06-2021 and recommended to Bank Management for taking proper initiative to regularize non-complied issues.
- Reviewed and approved Annual Health Report-2020 and recommended to submit it to the Board of Directors.
- Reviewed and Enlargement of Internal Control & Compliance guideline of Union Bank Ltd. and recommended to submit it to the Board of Directors.
- Reviewed summary of Investment Documentation Checklist (IDCL) of all Branches in 3rd quarter submitted by Internal Audit from 01-07-2021 to 30-09-2021 and recommended to Bank Management for taking proper initiative to regularize non-complied issues.
- Reviewed summary of Comprehensive Report and report on non-complied vital issues of Compliance report of (42) Branches submitted by Internal Audit from 01-01-2021 to 30-09-2021 and recommended to Bank Management for taking proper initiative to regularize non-complied issues.
- Reviewed summary of Comprehensive Report and report on non-complied vital issues of Compliance report of (71) Branches submitted by Internal Audit from 01-01-2020 to 31-12-2020 prepared on 30-12-2020 and recommended to Bank Management for taking proper initiative to regularize non-complied issues.

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. Abdul Quddus)

Chairman
Audit Committee

শারী'আহ সুপারভাইজরি কমিটির বার্ষিক প্রতিবেদন (৩১ ডিসেম্বর, ২০২১ ঈসায়ী তারিখে সমাপ্ত বছরের জন্য)

বিসমিল্লাহির রাহমানির রাহীম

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

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 কেরাম 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 ২০২১ সালে মোট ৩ টি সভায় মিলিত হয়েছে। এ সময় কমিটি ২০২০ 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, 2021)

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 2021, 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 2020 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 tafiqe to achieve His satisfaction through the implementation of Shari'ah in everywhere 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



Credit Rating	2020	2019	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	17 June, 2021	18 June, 2020	–
Validity of Rating	16 June, 2022	17 June, 2021	–

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.



www.unionbank.com.bd

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 basis on the recommendation of the Board of Directors. The Board of Directors may consider not declaring dividend or may recommend a lower payout for a given Financial year, after analyzing the prospective opportunities and threats or in the event of challenging circumstance such as regulatory and financial environment

Entitlement to 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 number-wise 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.

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.

SUSTAINABLE FINANCE

The Green Finance and the Sustainable Linked Finance together comprise the Sustainable Finance. Comprehensive lists of green products/projects/initiatives and identical areas of sustainable linked finance have been included in the policy. This policy addresses the essential clarity and guidance to identify Green and Sustainable Linked Finance. Sustainable Finance contains Green Finance, which is one of its components along with Agriculture, CMSME and Socially Responsible Finance linked to sustainability. Being a part of financial corporate house of the country, Union Bank Ltd. (UBL) is well concerned about the enormous loss of biodiversity, climate change and damage occurred in environment. We would focus on environmental issues at the center of banking activities.

UBL has formed a strong Sustainable Finance Committee comprising 12(twelve) members and Sustainable Finance Unit comprising 8 (eight) members as per guideline of Bangladesh Bank to look after the activities related to sustainable finance and working to formulate its own ESRM guideline. Apart, the bank has been following guideline on Environmental and Social Risk Management (ESRM) guideline issued by Bangladesh Bank. Union Bank Ltd. has introduced green financing products through which we are able to finance various projects which are environmental friendly. For example, we are financing in ETP (Effluent Treatment Plant) at manufacturing unit, Auto Bricks, solar panel under sustainable finance for safeguarding the environment from Industrial pollution.

Sustainable Finance Policy has not been confined to only Green Taxonomy but also Sustainable Finance Taxonomy. Green Taxonomy includes green banking activities, green finance policy, ESDD, utilization of Climate Risk Fund, internal environmental management including carbon footprint measurements, green marketing, disclosures etc., whereas Sustainable Finance Taxonomy contains Sustainable Agriculture, CMSME, Socially Responsible Financing and identification process of sustainable linked finance, R&D for sustainable product innovation, marketing, awareness, capacity building and sustainable finance disclosure for banks & FIs etc.

In addition, we are working in opening account of students and low income people under the umbrella of Banking service which also a part of sustainable Finance. Keeping the growth in sustaining manner, we also finance in SME (women Entrepreneur) because we believe without the development of half of countries citizen our nations ultimate goal will not be accomplished.

Social Obligations

Over the years, the expansion of corporate social responsibility (CSR) activities of banks has been contributory to the advancement of the 'Sustainable Banking'. 'CSR' is not only about philanthropy today, it is directly allied with the concept of 'sustainable banking', and sometimes these two terms indicate the same bunch of banking actions. During the year UBL spend Taka 39.65 million under, Education, Health, which was Taka 123.43 million in 2020.

Environment obligations

Energy Savings

UBL is keen on saving energy. Almost all of the bulbs being used in this office are of energy saving type. We are saving around 50% electricity (used for lighting purpose) by using the day light in our corporate office, our electronic communication reduces paper consumption thereby reduce deforestation.

Energy Consumption

Energy Type	Million Taka
Electricity	50.30
Water	1.16
Gas	0.55
Fuel	3.57



Reducing Energy & Resource Consumption

UBL is reorienting the banks towards inclusive and sustainable finance in addition to their widespread digitization which itself is a greening exercise. The central bank also provided recognition to those financial institutions who went for green products. They also get better CAMELS rating from the regulator which enhanced their reputational incentives to go green. Instruments of Green Banking offered by our banking service includes E-Statement, SMS Banking, SMS Alert, Net Banking, E-Fund Transfer and Digital Attendance and Paperless Board of Directors meeting, E-Mail corresponding, Video Conference, Tele Conference, which help reducing printing paper.

Sl. No	Instruments
1	E-Statement
2	SMS Banking
3	SMS Alert
4	Net Banking
5	E-Fund Transfer
6	Digital Attendance
7	E-Mail corresponding
8	Video Conference
9	Tele Conference
10	Paperless Board of Directors Meeting
11	UBL i-Banking

Integrated Reporting

UBL presents relevant information about its organization strategy, governance systems, and performance and future prospects in a way that reflects the economic, environmental and social environment within which it operates. The goal is to give a comprehensive picture of the organization, thus helping management, investors and other stakeholders make better-informed decisions.

Green Banking

UBL certainly playing a particularly useful role in promoting green finance. Firstly, banks provide finance, a critical input for business operations. Thus, banks are in a strong position to not only encourage their clients to go for green technology and practices, they can also provide finance for this. Secondly, due to their intensive interactions with the clients, banks are a great source of information on the business sector.

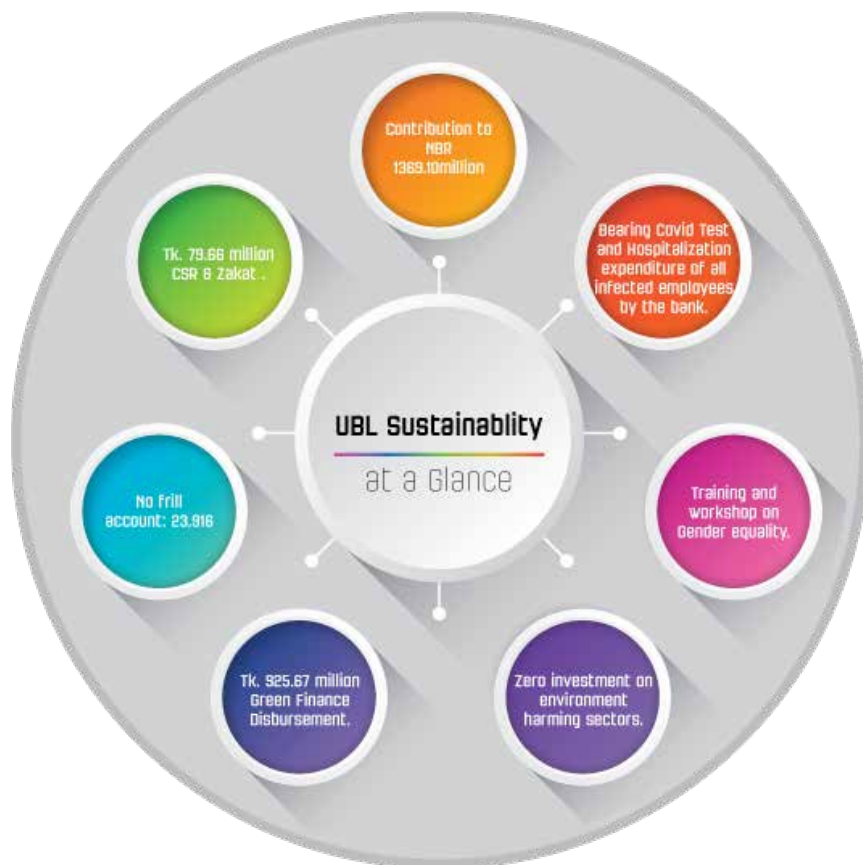
Online Banking

UBL has been introducing online Banking service to its clients after very days of its inception. UBL introduced Online Banking Service to our clients and it covers all our 104 branches, 83 own ATMs. Clients can also have access to their accounts through internet & Mobile Banking. Online Banking system is a great way to reduce wastage of paper.

Our future Plan:

- UBL has the plan to focus on the following areas of operation for promoting Green Initiatives;
- Our main strategies must be accelerating green growth by focusing more sharply on sustainable finance.
- We emphasized on a long-term, well connected and beyond self-preserving growth policies that work for the many and not for a few.
- Creating a long term green sustainable financing policy for energy efficiency but also provided green refinance to the financial institution to support small and medium enterprises to go green.
- Incorporating ESG (environment, social and governance) considerations in financing decisions.
- Authorized annual budget for Green finance, Climate Risk Fund and CSR activities.
- Formed a sustainable finance committee for preparing and monitoring environmental and sustainable finance related policy and strategies.
- Setting up a Sustainable finance unit for implementing the sustainable finance related policies and strategies.
- Ensure the coordination and cooperation among all the departments of the banks regarding the activities of sustainable finance unit.
- Encouraged environment friendly investment sector i.e. renewable energy project, bio-gas, waste plant, recycling plant, modern technology based brick project, Green establishment etc.
- Ensured fully online communication system & leave management, office orders & transfer orders etc.
- Virtual communication for meeting arrangement that support for saving cost and energy. Conducted inauguration ceremony of branch through video conference.

Key Highlights-2021 on Sustainability Banking:



Green Banking:

Green Finance aligned with Climate Finance for Sustainability where finance aims at reducing emissions and enhancing sinks of greenhouse gases and aims at reducing vulnerability and maintaining and increasing the resilience of human and ecological systems to negative climate change impacts.

Green finance as a part of Green Banking that makes great contribution to the transition to resource-efficient and low carbon industries. Green Banking is a component of the global initiative by a group of stakeholders to save environment. Environmental changes in Bangladesh is rapidly deteriorating day by day specially air pollution, water pollution and scarcity, encroachment of rivers, improper disposal of industrial, medical and house-hold waste, deforestation, loss of biodiversity etc.

Green Banking for Safe Environment

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 2021 banks significance green banking activities are highlighted in below.

In-house Green Banking Practices:

Consumption	Year 2021
Electricity Consumption in 2021 per employee (in million Taka)	0.02802
Water Consumption in 2021 per employee (in million Taka)	0.00065
Paper Usage in 2021 per employee (in million Taka)	0.00294
Transport expenses for official purpose in 2021 per employee (in million Taka)	0.00749

Green Investments:

Investments	Year 2021
Green Investment (in million Taka)	187.80
Total Investments (in million Taka)	166327.20
Green Equity (in million Taka)	0.00
Shareholders ' Equity (in million Taka)	9325.38

CORPORATE GOVERNANCE CODE

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 (Ten) Directors excluding the Managing Director. The existing Board of Directors of the Bank includes 2 (Two) Independent Directors as per rules and regulation set by regulatory authorities and law of the land. 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 of the BSEC and Circulars of the Bangladesh Bank. List of details of the Committees as on 31st May 2021 are stated below:

Board of Directors		
S L No.	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. Abdus Qaddus	Independent Director
10	Mr. Md. Abdus Salam, FCA	Independent Director

Executive Committee of the Board of Directors		
SL No.	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 No.	Name	Designation
1	Mr. Md. Abdus Qaddus	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 No.	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 has to retire from office in every AGM and shall be eligible for re-election upon retirement immediately. List of the change of the Directors during 01-01-2021 to 31-12-2021 is given below:

SL No.	Name of Director	Position	Date of Changes	Remark
01	Ms. Sarwar Jahan Maleque	Director	30.03.21	Retired from Director & Shareholder
02	Mr. Md. Abdus Salam, FCA	Independent Director	29.04.21	Appointed as Independent Director (BB approved on 02.09.2021)
03	Mr. Osman Goni	Director	29.06.21	Appointed as Director (BB approved 25.07.2021)
04	Ms. Farzana Begum	Director	29.06.21	Retired from Director on 15.06.2021
05	Mr. Md. Rashedul Alam	Director	29.06.21	Appointed as Director (BB approved 25.07.2021)
06	Mr. Showkat Hossain, FCA	Director	29.06.21	Appointed as Director (BB approved 25.07.2021)
07	Ms. Marzina Sharmin	Director	30.09.21	Retired and re-appointed (BB approved 24.10.2021)
08	Mr. Ahsanul Alam	Chairman	30.09.21	Retired and re-appointed (BB approved 24.10.2021)
09	Mr. Mollah Fazle Akbar	Vice-Chairman	30.09.21	Retired and re-appointed (BB approved 24.10.2021)

Directors' Shareholding

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

SL No.	Name	Designation	Holding of Share	Percentage of Share
01	Mr. Ahsanul Alam Nominee of Unique Investment & Securities Ltd.	Chairman	5,22,36,800	9.35%
02	Mr. Mollah Fazle Akbar Nominee of Reliable Entrepreneurs Ltd.	Vice-Chairman	1,98,53,280	3.55%
03	Ms. Marzina Sharmin	Director	2,74,24,320	4.91%
04	Mr. Showkat Hossain, FCA Nominee of Western Designers Ltd.	Director	2,08,16,365	3.72%
05	Mr. Md. Rashedul Alam Nominee of Ocean Resorts Ltd.	Director	2,74,24,320	4.91%
06	Mr. Mohammad Fazlay Morshed Nominee of C&A Fabrics Ltd.	Director	1,99,06,240	3.56%
07	Ms. Halima Begum Nominee of Lion Securities & Investment Ltd.	Director	4,47,36,800	8.00%
08	Mr. Osman Goni Nominee of C&A Accessories Ltd.	Director	1,99,01,683	3.56%
09	Mr. Md. Abdul Quddus	Independent Director	Nil	-
10	Mr. Md. Abdus Salam, FCA	Independent Director	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. Mohammad Ali Hossain Bhuiyan	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 2021 and the attendance of Directors from 01 January 2021 to 31 December 2021 are appended below:

Board of Directors							
SL	Name of Directors	Position	Meeting Held	Attended	Absent	Remuneration (Per meeting)	Remarks
01	Mr. Ahsanul Alam	Chairman	10	10	-	Tk. 8,000/=	-
02	Mr. Mollah Fazle Akbar	Vice-Chairman		10	-		-
04	Ms. Marzina Sharmin	Director		10	-		-
05	Mr. Showkat Hossain, FCA	Director		10	-		-
06	Mr. Md. Rashedul Alam	Director		10	-		-
07	Ms. Farzana Begum	Director		04	-		-
08	Mr. Mohammad Fazlay Morshed	Director		10	-		-
09	Ms. Sarwar Jahan Maleque	Director		03	-		She is retired from Director. (Three Meetings were held during her tenure)
10	Ms. Halima Begum	Director		10	-		Appointed as Director from 17.06.2020 after BB approval (Six Meetings were held during her tenure)
11	Mr. Osman Goni	Director		05	-		Appointed as Director on 25.07.2021 (Five Meetings were held during his tenure)
11	Mr. Md. Abdul Quddus	Independent Director		10	-		-
12	Mr. Md. Abdus Salam, FCA	Independent Director		5	-		Appointed as Independent Director on 02.09.2021 (Five Meetings were held during his tenure)

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

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	-		Retired from Director (One meeting held during his 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 Chairman (One meeting held during his tenure)

Responsibility of the Chairman of the Board of Directors

The responsibility 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.

Responsibility 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 achieving 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.

Responsibility 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.

Responsibility of Company Secretary

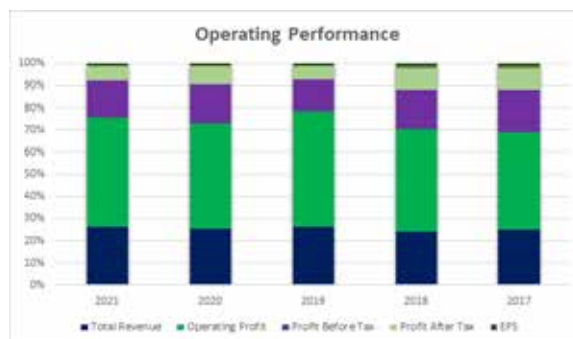
The Company Secretary of the Bank assists and advises the Board of Directors in the quest of profit and growth of the Bank but also act with integrity and Independence to protect the interests of the company, its shareholders and employees. The Company Secretary is accountable to the Board for all the 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.

Responsibility 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 reports 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:

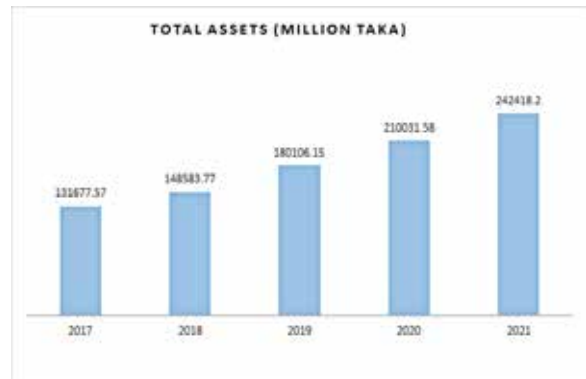
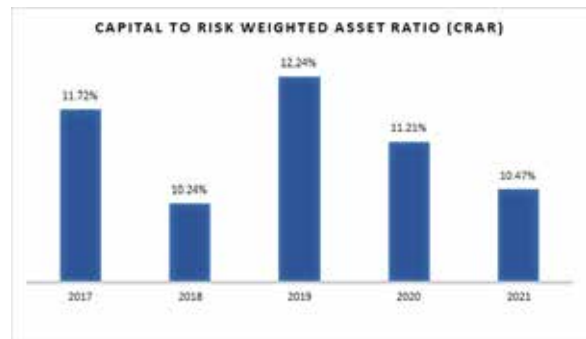
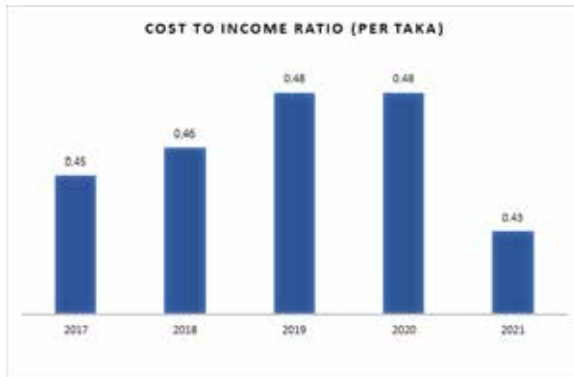
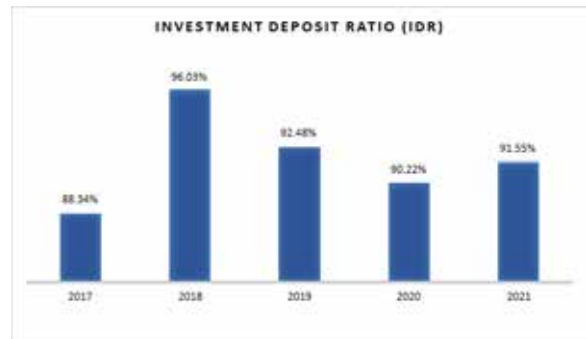
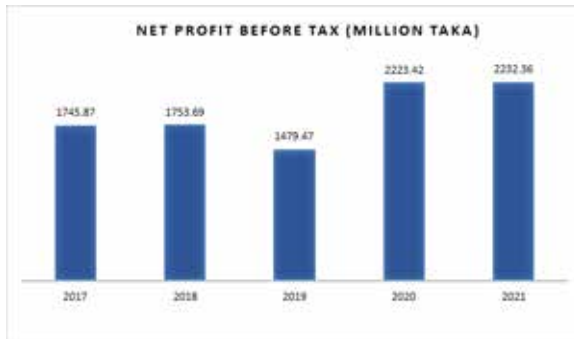
Operating Performance (Income Statement)	2021	2020	2019	2018	2017
Total Revenue	3598.00	3218.42	2707.90	2329.55	2272.77
Operating profit	6581.12	5959.11	5207.89	4439.57	4011.08
Profit Before Tax	2232.36	2223.42	1479.47	1753.69	1745.87
Profit After Tax	872.36	988.42	594.47	953.66	890.08
EPS	1.56	1.77	1.13	1.81	1.69

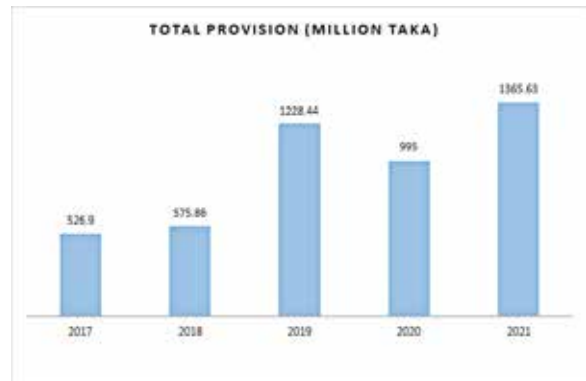
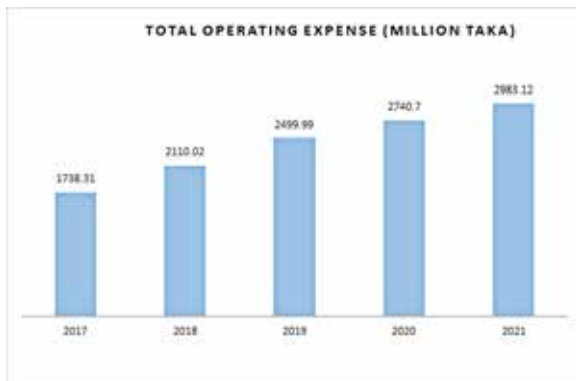
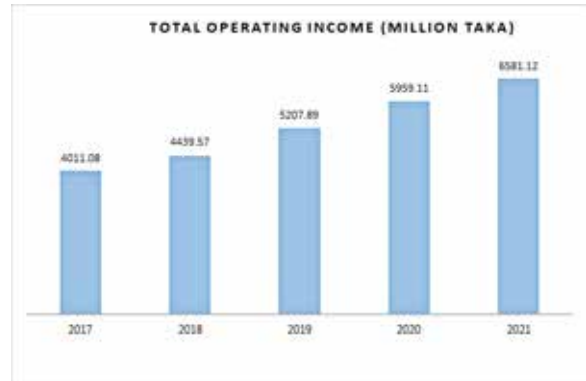
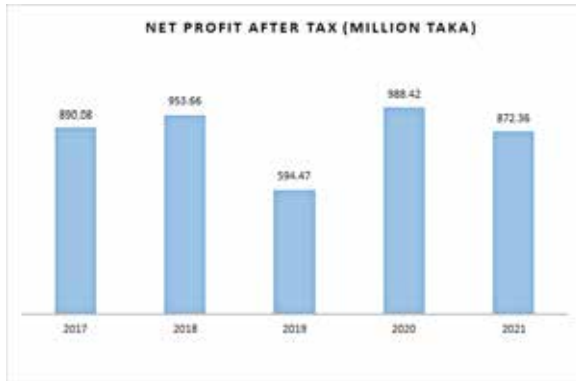


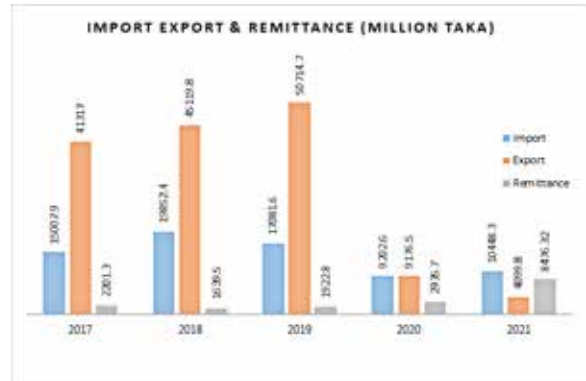
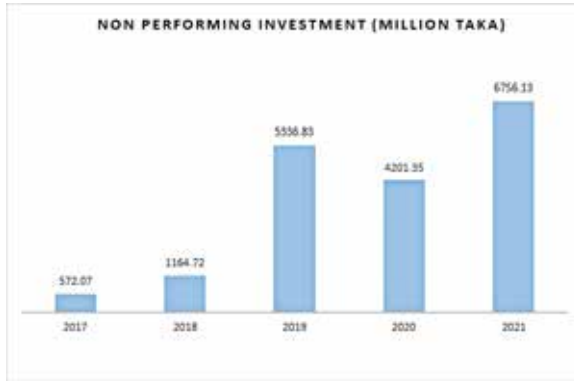
Statement of Financial Position (Balance Sheet)	2021	2020	2019	2018	2017
Shareholders' Equity	10010.54	9155.62	8450.62	7856.16	6902.50
Total Assets	242418.20	210031.58	180106.15	148583.77	131677.57
Total Liabilities	232407.67	200875.95	171655.53	140727.61	124775.07



Profitability, Dividends, Performance and Liquidity Ratios







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 28, 2022

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, 2021.

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, 2021 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, 2021 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;
 - ii. 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



Solution...Begins

Rahman Mostafa Alam & Co.
Chartered Accountants



ANNEXURE-B

**Report to the Shareholders of
Union Bank Limited
On
Compliance on the Corporate Governance Code
For the year ended on December 31, 2021**

We have examined the compliance status to the Corporate Governance Code by **Union Bank Limited** for the year ended as on **December 31, 2021**. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated, June-3, 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 satisfactory.

Dated: Dhaka
April 28, 2022

Md. Anwaruzzaman FCA
Partner
Rahman Mostafa Alam & Co.
Chartered Accountants

Compliance Status of BSEC Guidelines for Corporate Governance

Annexure –C
[(As per condition No. 1(5) (xxvii)]

Compliance Status of BSEC Guidelines for Corporate Governance

Status of compliance with the conditions imposed by Bangladesh Securities and Exchange Commission (BSEC) per Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 3-June-2018 (Issued under Section 2CC of the Securities and Exchange Ordinance, 1969)

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	✓		
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	✓		

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



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

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable			Not Applicable
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			Not Applicable
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	✓		
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	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
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			Not Applicable
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 and 5% Stock 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	✓		
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

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
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	✓		
1(5)(xxv)(g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM	✓		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A	✓		
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C	✓		
1(6)	Meetings of the Board of Directors			
	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	✓		
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.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
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	✓		
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)	(2) Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members	✓		
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
5(2)(c)	All members of the audit committee should be “financially literate” and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience	✓		
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee			No such 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	✓		
5(4)	Meeting of the Audit Committee			
	The Audit Committee shall conduct at least its four meetings in a financial year	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
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	✓		
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			Not Applicable
5(6)	(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	✓		

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

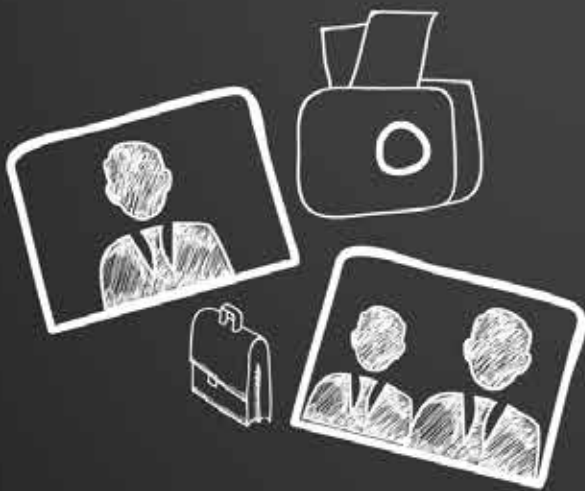
Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).			Do
6(2)	Constitution of NRC			Do
6(2)(a)	The Committee 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			Bangladesh Bank barred to form NRC vide their letter no. BRPD(R)717/2021-5064, Dated: June 16, 2021.
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
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

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks
		Complied	Not Complied	
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: 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
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			Bangladesh Bank barred to form NRC vide their letter no. BRPD(R)717/2021-5064, Dated: June 16, 2021.

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

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

MEMORIES
IN FRAME





8th Annual General Meeting.



Annual Business Conference 2021.



Annual Risk Management Conference 2021.



Mr. A.B.M Mokammel Hoque Chowdhury, Managing Director of Union Bank Limited placing a floral wreath at the portrait of Father of the Nation Bangabandhu Sheikh Mujibur Rahman on Dhanmondi Road-32 on August 15, 2021.



Mr. A.B.M Mokammel Hoque Chowdhury, Managing Director of Union Bank Limited planted sapling on the eve of National Mourning Day-2021.



Union Bank Limited has organized Discussion Meeting and Doa-Mahfil on the eve of National Mourning Day 2021 at bank Head Office, Gulshan Avenue, Gulshan-1, Dhaka.



Bangladesh Bank and Union Bank Limited has signed an agreement on Automated Challan System (ACS).



Inaugural ceremony of Kadamtoli Branch, Chattogram.



Inaugural ceremony of Habiganj Branch, Habiganj.



Inaugural ceremony of Bijoy Nagar Branch, Dhaka.



Inaugural ceremony of Satkhira Branch, Satkhira.



Inaugural ceremony of Sapahar Branch, Naogaon and Nazumeah Hat Branch, Chattogram.



Inaugural ceremony of Sagardighi Branch, Tangail.



Inaugural ceremony of Halishahar Bus Stand Sub-Branch, Halishahar, Chattogram.



Inaugural ceremony of Ghatail Sub-Branch, Ghatail, Tangail.



Inaugural ceremony of Hathazari Sub-Branch, Hathazari, Chattogram.



Inaugural ceremony of Khuntakhali Sub-Branch, Chakaria, Cox's Bazar.



Inaugural ceremony of Kachua Sub-Branch, Kachua, Chandpur.



Inaugural ceremony of Chatkhil Sub-Branch, Chatkhil, Noakhali.



Inaugural ceremony of Kutupalong Sub-Branch, Ukhiya, Cox's Bazar.



Inaugural ceremony of College Bazar Sub-Branch, Karnafuli and Khan Hat Sub-Branch, Chandanaish in Chattogram.



Inaugural ceremony of Dakshinkhan Sub-Branch, Dhaka and Solingmoor Sub-Branch, Gazipur.



Inaugural ceremony of Tilpapara Sub-Branch and Kamrangirchar Sub-Branch in Dhaka.



Inaugural ceremony of College Gate Sub-Branch, Tongi and Gobindganj Sub-Branch, Chhatak.

SME & Project Finance



Client Name: Pran Foods Limited



Client Name: Rapid Accessories Limited



Client Name: BPPSL



Client Name: Bengal Group of Industries

CSR ACTIVITIES

of Union Bank Limited-2021

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 in 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 undertaken 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 2021 we have spent an amount of TK.3,96,55,000 (Taka Three Crore Ninty Six Lac Fifty Five Thousand) only in different sectors. CSR expenditure on different sectors is given below :

Description	Amount in TK.
Education	16,45,000.00
Health	3,73,50,000.00
Total Amount	3,96,55,000.00

We are also adding here some photographs on CSR activities of Union Bank Limited for the year 2021 with captions.



Mr. Showkat Hossain, FCA, Director and Mr. A.B.M Mokammel Hoque Chowdhury, Managing Director of Union Bank Limited handed over the blanket to Dr. Ahmad Kaikaus, Principal Secretary to the Honorable Prime Minister for Prime Minister's Relief Fund. Honorable Prime Minister Sheikh Hasina joined the program through virtual platform from Ganabhaban.



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



Mr. A.B.M Mokammel Hoque Chowdhury, Managing Director of Union Bank Limited handed over a cheque to Additional Inspector General of Bangladesh Police and Chief of Special Branch, Mr. Monirul Islam, President of Bangladesh Police Service Association.

Disclosures on Risk Based Capital (BASEL III) for the year ended 31 December 2021

Background:

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 2021.

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 104 (One Hundred Four) branches and 31 (Thirty One) 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 two 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 share capital, b) Non-repayable share premium account, c) Statutory Reserve, d) General Reserve, e) Dividend equalization reserve, f) Retained earnings g) Minority interest in subsidiaries. <p>Additional Tier 1 (AT 1) Capital:</p> <ol style="list-style-type: none"> a) Instruments issued by the banks that meet the qualifying criteria for AT1; b) Minority Interest i.e. AT1 issued by consolidated subsidiaries to third parties (for consolidated reporting only); <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; c) Minority Interest i.e. Tier-2 issued by consolidated subsidiaries to third parties.

Quantitative Disclosure: As on 31.12.2021			
b)	The amount of regulatory capital, with separate disclosure of:	BDT in Crore	
		Solo	Consolidated
	CET-1 Capital		
	Paid up capital	558.93	-
	Statutory reserve	241.46	-
	General reserve	14.57	-
	Retained earnings	186.08	-
	Sub-Total:	1,001.05	-
	Less: Deferred Tax Assets (DTAs)	9.79	-
	Total CET-1 Capital	991.26	-
	Additional Tier 1 Capital	-	-
	Total Tier-1 Capital	991.26	-
	Tier-2 Capital		
	General Provision	296.70	-
	Subordinated debt	320.00	-
	Sub-Total:	616.70	-
	Less: Excess amount over maximum Tier-2 Capital	5.79	-
	Total Tier-2 Capital	610.91	-
c)	Regulatory Adjustments/Deductions from capital	-	-
d)	Total eligible capital	1,602.17	-

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.	<ul style="list-style-type: none"> ➤ 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 10.47% CRAR for the year ended December 2021 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%. ➤ Union Bank is maintaining Capital to Risk Weighted Assets Ratio (CRAR) at 10.47% on SOLO basis against the regulatory minimum level of 12.50%. Tier-I capital adequacy ratio under "Solo" basis is 6.48% against the minimum regulatory requirement of 6%.

Quantitative Disclosure			
	Particulars	BDT in Crore	
		Solo	Consolidated
b)	Capital requirement for credit risk	1,416.97	-
c)	Capital requirement for market risk	7.09	-
d)	Capital requirement for operational risk	105.72	-
e)	Total Capital	1,602.17	-
	CET-1 capital	991.26	-
	Total Tier-1 capital	991.26	-
	Tier-2 capital	610.91	-
	Total Risk Weighted Assets (RWA)	15,297.73	-
	Minimum capital requirement	1,529.77	-
	• CRAR	10.47%	-
	• Tier-1 Capital to RWA	6.48%	-
	• Tier-2 Capital to RWA	3.99%	-
f)	Capital Conservation Buffer (CCB-2.50%)	0.47%	-
g)	Available Capital under Pillar 2 Requirement	The statement of ICAAP under SRP for the year 2021 will be submitted by 31 May 2022 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)". ➤ 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>

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%
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)	i. 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.

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)	509.30
b) Consumer Financing (CF)	-
c) Loans to BHs/MBs/SDs against Shares	46.17
d) Other than SMEF, CF, BHs/MBs/SDs	15,209.64
Sub-total	15,765.11

Particulars	Amount
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	1,341.72
Sub-total	1,341.72
Term loan (CL-4)	
a) Small & Medium Enterprise Financing	44.22
b) Consumer Financing (Other than HF & LP)	2.44
c) Housing Financing (HF)	31.42
d) Other than SMEF, CF, BHs/MBs/SDs	2,019.07
Sub-total	2,097.15
Short term Agri credit and microcredit (CL-5)	
a) Short term Agri credit	110.89
b) Microcredit	-
Sub-total	110.89
Staff Loan	67.36
Total	19,382.23

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	9,692.07
2	Chattogram	9,608.23
3	Barishal	6.76
4	Rajshahi	19.24
5	Khulna	12.62
6	Rangpur	27.12
7	Sylhet	13.94
8	Mymensingh	2.25
	Total	19,382.23

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	136.19
2	RMG	382.63
3	Textile	1,278.47
4	Ship Building	0.73
5	Ship Breaking	-
6	Other Manufacturing Industry	1,012.27
7	SME Investment	552.44
8	Construction	564.25
9	Power, Gas	184.17
10	Transport, Storage and Communication	34.30
11	Trade Service	13,585.27
12	Commercial real estate	965.85
13	Residential real estate	94.29
14	Consumer Investment	8.27
15	Capital Market	128.21
16	Non-bank financial institutions	-
17	Others	454.89
	Total	19,382.23

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	3,044.08
2	Up to Three months	5,787.29
3	Three months to One year	9,108.99
4	One year to Five years	554.68
5	Above five years	887.19
	Total	19,382.23

f. By major industry or counterparty type:

i) Amount of impaired investment (Investment s) 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	Amount
	1.	SS	149.37
	2.	DF	93.98
	3.	B/L	432.25
Total		675.61	
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 31.12.2021
	Unclassified Investments		239.00
	Classified Investment		231.77
	Off-balance sheet		7.70
	Special General Provision for Covid-19		50.00
	Total		528.47

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	420.14
Addition during the year	255.47
Reduction during the year	-
Closing Balance	675.61

• **Movement of specific provisions for NPAs:**

(BDT in Crore)

Particulars	Amount
Opening Balance	139.20
Provisions made during the period	92.57
Written off	-
Write-back of excess provisions	-
Closing Balance	231.77

E) Equities: Disclosures for Banking Book Positions

Qualitative Disclosures:		
a)	The general qualitative disclosures requirement with respect to equity risk, including	
	<p>i) 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>
	<p>ii) 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.	-	-
c)	The cumulative realized gains (losses) arising from sales and liquidations in the reporting (31 December 2021) period.	(0.69)	
d)	Total unrealized gains (losses)	-	
	• 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)	<p>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.</p> <p>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.</p>

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	3,515.24	6,261.57	9,416.99	1,086.72	887.19
Rate Sensitive liabilities	2,050.48	6,396.53	8,166.48	3,834.98	977.88
Net gap	1,464.76	(134.96)	1,250.51	(2,748.26)	(90.69)
Cumulative gap	1,464.76	1,329.80	2,580.31	(167.95)	(258.64)

(BDT in Crore)

Profit Rate Stress	Minor	Moderate	Major
Assumed change in Profit Rate	1%	2%	3%
Net investment income impact			
<12 months	11.12	22.24	33.35
Capital after-shock	1,613.29	1,624.41	1,635.52
CRAR after-shock (%)	10.55	10.62	10.69
Change in CRAR after-shock (%)	0.07	0.15	0.22

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:	Solo	Consolidated
	Particulars	BDT in Crore	
	Profit rate risk	0.00	-
	Equity position risk	0.00	-
	Foreign exchange risk	7.08	-
	Commodity risk	0.00	-
	Total Capital Requirement	7.08	-

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"> a) 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; b) Approve the implementation of a bank-wide framework to explicitly manage operational risk as a distinct risk to the bank's safety and soundness; c) Provide senior management clear guidance and direction regarding the principles underlying the framework and approve the corresponding policies developed by senior management; d) Establish a management structure capable of implementing the bank's operational risk management framework specifying clear lines of management responsibility, accountability and reporting; and e) 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	<p>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:</p> $K = [(GI_1 + GI_2 + GI_3) \times \alpha] / n$ <p>Where-</p> <p>K = the capital charge under the Basic Indicator 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.</p> <p>Gross Income (GI) is defined as "Net Investment Income" plus "Net non- Investment Income". It is intended that this measures hold:</p> <ol style="list-style-type: none"> 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 **105.72**

Capital Charge for Operational Risk-Basic Indicator Approach

Year	Gross Income (GI)	Average Gross Income (AGI)	Capital Charge = 15% of AGI
2019	560.48	704.80	105.72
2020	695.45		
2021	858.48		

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> <ul style="list-style-type: none"> a) Providing guidance on the level of appetite for liquidity risk; b) Appointing senior managers who have ability to manage liquidity risk and delegate to them the required authority to accomplish the job; c) Continuously monitoring the bank's performance and overall liquidity risk profile through reviewing various reports; and d) 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> <ul style="list-style-type: none"> a) 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. b) 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. c) Managing liquidity in different currencies: The bank should have a strategy on how to manage liquidity in different currencies. d) 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.
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b) Quantitative Disclosure

Components	BDT in Crore
Liquidity Coverage Ratio (LCR)	105.63%
Net Stable Funding Ratio (NSFR)	120.69%
Stocks of high quality liquid assets	1,872.38
Total net cash outflows over the next 30 calendar days	1,772.62
Available amount of stable funding	17,912.09
Required amount of stable funding	14,841.96

J) Leverage Ratio:

a) Qualitative Disclosure	
Views of BOD on system to reduce excessive leverage	The BOD should have the overall responsibility is 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		4.09%
Tier 1 Capital		991.26
On balance sheet exposure		24,011.05
Off balance sheet exposure		254.68
Deferred Tax Assets		9.79
Total exposure		24,255.94

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> <ul style="list-style-type: none"> a) Managing Director. b) Additional Managing Director. c) Deputy Managing Director. d) Senior Executive Vice President. e) Board Secretary. f) Head of HRD. g) 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.
	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 19 and the total no. of Branch Managers is 104.
b)	Information relating to the design and structure of remuneration processes.	
	An overview of the key features and objectives of remuneration policy.	<p>The key features and objectives of the Remuneration policy are as follows:</p> <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.	No review was made by the remuneration committee in the Year-2021.
	A discussion of how the bank ensures that risk and compliance employees are remunerated independently of the businesses they oversee.	<p>In determining Remuneration, the Remuneration Committee uses the following information supplied through the Remuneration surveys:</p> <ul style="list-style-type: none"> • Industry comparative remuneration data across all positions, including Directors. • Remuneration benchmarking for organizations of similar Asset Size.

Qualitative Disclosures		
Sl. No.	Particulars	Information
c)	Description of the ways in which current and future risks are taken into account in the remuneration processes.	
	<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 loan, deposit and profit target with the threshold of NPL ratio, cost-income ratio, cost of fund, yield on loans, 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.	
	<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>	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.
f)	Description of the different forms of variable remuneration that the bank utilizes and the rationale for using these different forms.	
	<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</p> <p>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 60 employees have received a variable remuneration award during the 2020/2021 Financial Year.
	Number and total amount of guaranteed bonuses awarded during the financial year.	Total no. & amount of 1647 guaranteed bonuses awarded during the 2020/2021 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 2020/2021 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.	

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 sheet as at 31 December 2021, and the profit and loss account, statement of changes in equity and cash flow statement 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 of the balance sheet of the Bank as at 31 December 2021, and of its profit and loss account and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note- 2 and comply with the Bank Company Act, 1991 (as amended up to date) the Rules and Regulations issued by the Bangladesh Bank, the Companies Act, 1994 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 and Exchange Commission (BSEC) and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements for 2021. These matters were addressed in the context of the audit of the financial statements, and in forming the Auditors' opinion thereon, and we do not provide a separate opinion on these matters. For each matter below our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters.

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

Description of key audit matters	Our response to key audit matters
Measurement of provision for investments	
<p>The process for estimating the provision for investments portfolio associated with credit risk is significant and complex.</p> <p>For the individual analysis for large exposure, provisions calculation considers the estimates of future business performance and the market value of collateral provided for credit transactions.</p> <p>For the collective analysis of exposure on portfolio basis, provision calculation and reporting are manually processed that deals with voluminous databases, assumptions and estimates.</p> <p>At year end the total gross Investments of BDT 193,822 million (2020: BDT 166,337 million) and provision for investments of BDT 5,284 million (2020: BDT 4,109 million).</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Credit appraisal, investments disbursement procedures, monitoring and provisioning Process; • Identification of loss events, including early warning and default warning indicators; and • Reviewed quarterly Classification of Investments; • Our substantive procedures in relation to the provision for investments portfolio comprised the following: • Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank Guidelines; • Assessed the methodologies on which the provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information; • Evaluated the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh bank guidelines • Finally, compared the amount of provision requirement as determined by Bangladesh Bank inspection team to the actual amount of provision maintained.
See note no. 6 and 11 to the financial statements	
Implementation of IFRS 16 Leases	
<p>IFRS 16 modifies the accounting treatment of operating leases at inception, with the recognition of a right of use (ROU) on the leased asset and of a liability for the lease payments over the lease contract term. With respect to operating leases of premises used by the Bank, at inception of the lease, the lessor receives a right of using the premises, in exchange of a lease debt, using an implicit discount rate.</p> <p>Our key audit matter was focused on all leasing arrangements within the scope of IFRS 16 are identified and appropriately included in the calculation of the transitional impact and specific assumptions applied to determine the discount rates for lease are inappropriate.</p>	<p>In responding to the identified key audit matter, we completed the following audit procedures:</p> <p>Assessed the design and implementation of key controls pertaining to the determination of the IFRS 16 Leases impact on the financial statements of the Bank;</p> <p>Assessed the appropriateness of the discount rates applied in determining lease liabilities;</p> <p>Verified the accuracy of the underlying lease data by agreeing to original contract and checked the accuracy of the IFRS 16 calculations through recalculation of the expected IFRS 16 adjustment; and</p> <p>Assessed whether the disclosures within the financial statements are appropriate in light of the requirements of IFRS.</p>
See note no. 7, 11 and 20 to the financial statements	
Measurement of deferred tax assets	
<p>The Bank reports net deferred tax assets to totaling BDT 97.90 million as at 31 December 2021.</p> <p>Significant judgment is required in relation to deferred tax assets as their recoverability is dependent on forecasts of future profitability over a number of years.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the recognition and measurement of DTAs and the assumptions used in estimating the Bank's future taxable income.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable income.</p> <p>We involved tax specialists to assess key assumptions, controls, recognition and measurement of DTA's.</p> <p>Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax.</p>

Description of key audit matters	Our response to key audit matters
See note no. 8.3.1 to the financial statements	
IT systems and controls	
<p>Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.</p> <p>Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are keys to ensuring IT dependent and application-based controls are operating effectively.</p>	<p>We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting. 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 and reviewed 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.</p>
Legal and regulatory matters	
<p>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.</p> <p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities.</p> <p>Overall, the legal provision represents the Bank's best estimate for existing legal matters that have a probable and estimable impact on the financial position.</p>	<p>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.</p> <p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities.</p> <p>Overall, the legal provision represents the Bank's best estimate for existing legal matters that have a probable and estimable impact on the financial statements</p>

Other information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than financial statements and our Auditors' report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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 for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Bank Companies Act, 1991 and the Bangladesh Bank 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 financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the 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 Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 Auditors' 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.


Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules 1987, the Bank Companies Act, 1991 and 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 Auditors' Responsibility section in forming the above opinion on the financial statements and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:
 - a. internal audit, internal control and risk management arrangements of the 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);

- iii. in our opinion, proper books of account as required by law have been kept by the Bank so far as it appeared from our examination of those books;
- iv. the records and statements submitted by the branches have been properly maintained and in the financial statements;
- v. the balance sheet and profit and loss account together with the annexed notes dealt with by the report agree with the books of account and returns;
- vi. the expenditures incurred were for the purpose of the Bank's business for the year;
- vii. the financial statements have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- viii. adequate provisions have been made for Investments which are in our opinion, doubtful of recovery;
- ix. the information and explanations required by us have been received and found satisfactory;
- x. we have reviewed over 80% of the risk weighted assets of the Bank and spent over 4,200 person hours; and
- xi. Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

Place: Dhaka, Bangladesh
Date: 28 April 2022


Md. Shahidul Islam FCA
Engagement Partner
K. M. HASAN & CO.
Chartered Accountants
DVC No: 2204281758AS140136

UNION BANK LIMITED
BALANCE SHEET
As at 31 December 2021

Particulars	Notes	2021	2020
		Taka	Taka
PROPERTY AND ASSETS			
Cash	3	8,353,449,515	7,195,891,435
In hand (Including foreign currency)	3.1	1,207,822,446	825,991,310
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currency)	3.2	7,145,627,069	6,369,900,125
Balance with other Banks and Financial Institutions	4.1	354,647,804	232,229,412
In Bangladesh		69,212,323	93,870,582
Outside Bangladesh		285,435,481	138,358,830
Placement with banks & Other Financial Institutions	4.2	5,469,784,155	5,718,811,530
Investments in Shares & Securities	5	12,030,420,000	7,688,051,408
Government		10,440,420,000	7,463,970,000
Others		1,590,000,000	224,081,408
Investments	6	193,822,280,481	166,337,195,954
General Investments etc.	6.A	188,105,717,264	149,536,346,400
Bills Purchased and Discounted	6.B	5,716,563,217	16,800,849,554
Fixed Assets Including Premises, Furniture and Fixtures	7	4,054,545,287	3,763,215,812
Other Assets	8	18,333,075,866	19,096,180,885
Non Banking Assets		-	-
Total Assets		242,418,203,108	210,031,576,436
LIABILITIES AND CAPITAL			
Liabilities			
Placement from Banks & other Financial Institutions	9	10,033,749,650	9,649,997,064
Deposits and Other Accounts	10	200,229,794,529	172,710,507,951
Mudaraba Savings Deposits	10.1	9,406,334,184	7,245,509,172
Mudaraba Term Deposits	10.2	108,919,670,985	96,010,891,579
Other Mudaraba Term Deposits	10.3	48,866,097,485	42,707,178,422
Al-Wadia Current Accounts and Other Accounts	10.4	31,735,974,901	25,554,877,551
Bills Payable	10.5	1,301,716,974	1,192,051,227
Mudaraba Subordinated Bond		4,000,000,000	4,000,000,000
Other Liabilities	11	18,144,122,377	14,515,451,219
Total Liabilities		232,407,666,556	200,875,956,234
Capital/Shareholders' Equity			
Paid-up Capital	12.1	5,589,337,600	5,589,337,600
Statutory Reserve	13	2,414,624,395	1,968,151,671
Other Reserve	14	145,749,665	145,749,665
Retained Earnings	15	1,860,824,892	1,452,381,266
Total Shareholders' Equity		10,010,536,552	9,155,620,202
Total Liabilities and Shareholders' equity		242,418,203,108	210,031,576,436

UNION BANK LIMITED
BALANCE SHEET
As at 31 December 2021

Particulars	Notes	2021	2020
		Taka	Taka
OFF- BALANCE SHEET ITEMS			
Contingent Liabilities			
Acceptances and Endorsements		2,590,271,534	4,149,886,886
Letters of Guarantee	16	1,897,210,885	1,699,306,414
Irrevocable Letters of Credit	17	2,757,426,735	1,546,252,267
Bills for Collection	18	3,148,551,768	3,174,870,684
Other Contingent Liabilities		-	-
Total		10,393,460,922	10,570,316,251
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		10,393,460,922	10,570,316,251

The annexed notes form an integral part of these financial statements.


Managing Director


Director


Director


Chairman

See annexed auditor's report of even date

Place: Dhaka, Bangladesh
Dated: 28 April 2022


Md. Shahidul Islam FCA
Engagement Partner
K. M. HASAN & CO.
Chartered Accountants
DVC No: 2204281758AS140136

UNION BANK LIMITED
PROFIT AND LOSS STATEMENT
For the year ended 31 December 2021

Particulars	Notes	2021	2020
		Taka	Taka
Investments Income	19	19,450,306,835	19,740,126,917
Profit Paid on Deposits	20	(13,400,469,156)	(14,291,980,638)
Net Investment Income		6,049,837,679	5,448,146,279
Income from Investment in Shares and Securities	21	174,152,095	195,066,492
Commission, Exchange and Brokerage	22	226,316,393	192,143,415
Other Operating Income	23	130,809,542	123,757,818
		531,278,030	510,967,725
Total Operating Income		6,581,115,709	5,959,114,004
Operating Expenses			
Salary and Allowances	24	1,663,899,788	1,407,236,899
Rent, Taxes, Insurances, Electricity etc.	25	381,450,278	421,773,319
Legal Expenses	26	4,767,618	7,089,692
Postage, Stamps, Telecommunication etc.	27	26,748,261	23,355,180
Stationery, Printings, Advertisements etc.	28	75,248,527	82,487,626
Chief Executives Salary and Fees	29	12,567,259	12,247,950
Auditors' Fees		345,000	345,000
Directors' Fees & Expenses	30	2,316,200	1,968,200
Shariah Supervisory Committee's Fees & Expenses	31	454,000	316,600
Depreciation and Repair of Bank's Assets	32	297,361,446	224,351,439
Zakat Expenses		55,000,000	44,000,000
Other Expenses	33	462,965,703	515,526,647
Total Operating Expenses		2,983,124,080	2,740,698,552
Profit/(Loss) before Provision and tax		3,597,991,629	3,218,415,452
Provisions for Classified Investments	11.2.a	925,654,000	-
Provisions for Unclassified Investments	11.2.a	144,000,000	600,000,000
Provisions for Off Balance Sheet items	11.2.a	-	-
Special General Provisions for Covid - 19	11.2.a	290,974,006	394,000,000
Other Provisions		5,000,000	1,000,000
Provisions for diminution in value of investment in share	11.5	-	-
Total Provisions		1,365,628,006	995,000,000
Total Profit/(Loss) before Tax		2,232,363,623	2,223,415,452
Provision for Income Tax			
Current Tax	11.1	1,375,429,088	1,235,275,896
Deferred Tax Income	8.3.1	(15,429,088)	(275,896)
		1,360,000,000	1,235,000,000
Net Profit/(Loss) after Tax		872,363,623	988,415,452
Retained Earnings from Previous Year		1,452,381,266	1,508,442,504
Add: Net Profit/(Loss) after Tax		872,363,623	988,415,452
Profit available for Appropriation		2,324,744,889	2,496,857,956
Appropriations:			
Statutory Reserve	13	446,472,725	444,683,090
Start-up Fund		8,723,636	9,884,000
CSR Fund		8,723,636	9,884,000
Stock Dividend		-	316,377,600
Cash Dividend		-	263,648,000
Retained earnings		1,860,824,892	1,452,381,266
		2,324,744,889	2,496,857,956
Earnings Per Share (EPS)	34	1.56	1.77

The annexed notes form an integral part of these financial statements.


Managing Director


Director


Director


Chairman

See annexed auditor's report of even date

Place: Dhaka, Bangladesh
Dated: 28 April 2022


Md. Shahidul Islam FCA
Engagement Partner
K. M. HASAN & CO.
Chartered Accountants
DVC No: 2204281758AS140136

UNION BANK LIMITED
CASH FLOW STATEMENT
For the year ended 31 December 2021

Particulars	Notes	2021	2020
		Taka	Taka
A. Cash Flow from Operating Activities			
Investments income receipts		19,811,747,432	20,031,311,190
Profit paid on deposit		(13,421,372,080)	(14,182,693,379)
Fee and Commission receipts		226,316,393	192,143,415
Dividend receipts		259,522	235,153
Payments to employees		(1,630,704,563)	(1,495,677,087)
Payments to suppliers		(75,248,527)	(82,487,626)
Income tax paid		(1,290,468,713)	(1,220,668,678)
Receipts from other operating activities	35	130,809,542	123,757,818
Payments for other operating activities	36	(1,058,011,177)	(1,066,426,110)
Operating Profit before changes in Operating Assets & Liabilities		2,693,327,829	2,299,494,696
Changes in Operating Assets & Liabilities			
(Increase)/ Decrease Investments to Customers		(27,485,084,527)	(19,877,621,006)
(Increase)/ Decrease of Other Assets	37	1,896,454,796	(9,594,244,553)
Increase/ (Decrease) Deposits from Customers		27,519,286,578	22,490,587,097
Increase/ (Decrease) of Other Liabilities	38	620,407,652	971,907,211
		2,551,064,499	(6,009,371,251)
Net Cash Flow from Operating Activities		5,244,392,328	(3,709,876,555)
B. Cash Flow from Investing Activities			
Payments to Investment in Shares and Securities		(4,342,368,592)	(1,603,984,020)
Purchases of Property, Plant and Equipment		(254,827,225)	(217,725,051)
Net Cash Used in Investing Activities		(4,597,195,817)	(1,821,709,071)
C. Cash Flow from Financing Activities			
Receipts from issuance of Mudaraba Subordinated Bond		-	-
Increase/(Decrease) in Share Capital		-	-
Increase/(Decrease) in Other reserve		-	-
Increase/(Decrease) in Placement from Banks & other Financial Institutions		383,752,586	3,356,144,622
Net Cash Flow from Financing Activities		383,752,586	3,356,144,622
D. Net Increase/(Decrease) of Cash & Cash Equivalents (A+B+C)		1,030,949,097	(2,175,441,004)
E. Add/(Less): Effect of Exchange Rate on Cash & Cash Equivalents		-	-
F. Beginning Cash & Cash Equivalents		13,146,932,377	15,322,373,381
G. Ending Cash & Cash Equivalents (D+E+F)		14,177,881,474	13,146,932,377
The above closing Cash and Cash Equivalents include:			
In hand (Including foreign currency)	3.1	1,207,822,446	825,991,310
Balance with Bangladesh Bank and its agent bank(s)	3.2	7,145,627,069	6,369,900,125
Balance with other Banks and Financial Institutions	4.1	354,647,804	232,229,412
Placement with banks & Other Financial Institutions	4.2	5,469,784,155	5,718,811,530
		14,177,881,474	13,146,932,377

The annexed notes form an integral part of these financial statements.


Managing Director


Director


Director


Chairman

Place: Dhaka, Bangladesh
Dated: 28 April 2022

UNION BANK LIMITED
STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2021

Particulars	Paid-up Capital	Statutory Reserve	Other Reserve	Retained Earnings	Total
	Taka	Taka	Taka	Taka	Taka
Balance as on 01 January 2021	5,589,337,600	1,968,151,671	145,749,665	1,452,381,266	9,155,620,202
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	-	-	-	872,363,623	872,363,623
Dividends					
Stock	-	-	-	-	-
Cash	-	-	-	-	-
Transfer to Statutory Reserve	-	446,472,725	-	(446,472,725)	-
Transfer to Start-up Fund	-	-	-	(8,723,636)	(8,723,636)
Transfer to CSR Fund	-	-	-	(8,723,636)	(8,723,636)
Transfer to Retained Earnings	-	-	-	-	-
Issue of Share Capital during the year	-	-	-	-	-
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
Balance as on 31 December 2020	5,589,337,600	1,968,151,671	145,749,665	1,452,381,266	9,155,620,202


Managing Director


Director


Director


Chairman

Place: Dhaka, Bangladesh
Dated: 28 April 2022

UNION BANK LIMITED
LIQUIDITY STATEMENT (ASSETS AND LIABILITY MATURITY ANALYSIS)
As at 31 December 2021

Particulars	Up to 01 month		01-03 months		03-12 months		01-05 years		More than 05 years		Total	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	
Assets												
Cash	1,758,149,515	-	-	-	-	-	-	-	6,595,300,000	-	-	8,353,449,515
Balance with banks & Other Financial Institutions	354,647,804	-	-	-	-	-	-	-	-	-	-	354,647,804
Placement with banks & Other Financial Institutions	3,706,984,155	1,762,800,000	-	-	-	-	-	-	-	-	-	5,469,784,155
Investments in Shares and Securities	650,000,000	2,980,000,000	3,080,020,000	5,320,400,000	5,546,800,000	8,871,900,000	193,822,280,481	4,054,545,287	-	-	-	12,030,420,000
Investments	30,440,800,000	57,872,900,000	91,089,880,481	5,546,800,000	5,546,800,000	8,871,900,000	193,822,280,481	4,054,545,287	-	-	-	193,822,280,481
Fixed Assets including Premises, Furniture & Fixtures	-	-	-	450,424,300	125,475,866	-	-	-	-	-	-	18,333,075,866
Other Assets	11,736,000,000	533,600,000	5,938,000,000	125,475,866	-	-	-	-	-	-	-	18,333,075,866
Non-banking Assets	-	-	-	-	-	-	-	-	-	-	-	-
Total Assets	48,646,581,474	63,149,300,000	100,107,900,481	11,443,100,166	19,071,320,987	242,418,203,108	242,418,203,108	242,418,203,108	242,418,203,108	242,418,203,108	242,418,203,108	242,418,203,108
Liabilities												
Placement from Banks & Other Financial Institutions	657,200,000	4,895,300,000	4,481,249,650	-	-	-	-	-	-	-	-	10,033,749,650
Deposits and Other Accounts	19,847,594,529	59,070,000,000	77,183,600,000	38,349,800,000	5,778,800,000	200,229,794,529	4,000,000,000	4,000,000,000	4,000,000,000	4,000,000,000	4,000,000,000	200,229,794,529
Mudaraba Subordinated Bond	-	-	-	-	-	-	-	-	-	-	-	-
Other Liabilities	379,000,000	1,635,600,000	5,426,166,248	8,118,700,000	2,584,656,129	18,144,122,377	18,144,122,377	18,144,122,377	18,144,122,377	18,144,122,377	18,144,122,377	18,144,122,377
Total Liabilities	20,883,794,529	65,600,900,000	87,091,015,898	46,468,500,000	12,363,456,129	232,407,666,556	232,407,666,556	232,407,666,556	232,407,666,556	232,407,666,556	232,407,666,556	232,407,666,556
Net Liquidity Gap	27,762,786,945	(2,451,600,000)	13,016,884,583	(35,025,399,834)	6,707,864,858	10,010,536,552	10,010,536,552	10,010,536,552	10,010,536,552	10,010,536,552	10,010,536,552	10,010,536,552


Managing Director


Director


Director


Chairman

Place: Dhaka, Bangladesh
Dated: 28 April 2022

UNION BANK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

1. The Bank and its activities

1.1 Status of the Bank

Union Bank Limited (UBL) was incorporated (No.C-107837/13) in Bangladesh on 07 March 2013 as a banking company under Companies Act 1994. The Bank is one of the interest-free Shariah based banks in the country and its modus-operandi are substantially different from other conventional Banks. It obtained permission from Bangladesh Bank on 10 March 2013 to commence its business (Ref: BRPD (P-3)/745(60)/2013-1153). Presently the Bank carries banking activities through its 104 (One Hundred and Four) branches and 31 (Thirty one) sub-branches operating as per Islamic Shariah prevailing in the country. The Bank has no overseas branches as at 31 December 2021.

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

1.2 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 Significant accounting policies and basis for preparation of Financial Statements

2.1 Statements of Compliance

The financial statements of the Bank are made up to 31 December 2021 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.

2.1.1 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 IAS 39 “Financial Instruments: Recognition and Measurement” 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 that 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

IAS/IFRS: Investment to customers are generally classified as ‘loans and receivables’ as per IAS 39 “Financial Instruments: Recognition and Measurement” and investment income is recognized through effective interest rate method over the term of the investment. Once an investment is impaired, investment income is recognized 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 IAS 39 “Financial Instruments: Recognition and Measurement” investment in shares and securities generally falls either under “at fair value through profit and loss account” or under “available for sale” where any change in the fair value (as measured in accordance with IFRS 13) at the year-end is taken to profit and loss account or revaluation reserve respectively.

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

iv. Revaluation gains/losses on Government securities

IAS/IFRS: As per requirement of IAS 39 “Financial Instruments: Recognition and Measurement” where securities will fall under the category of Held for Trading (HFT), any change in the fair value of held for trading assets is recognized through profit and loss account. Securities designated as Held to Maturity (HTM) are measured at amortized cost method and income from investments 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 IAS 39 “Financial Instruments: Recognition and Measurement”. As such full disclosure and presentation requirements of IFRS 7 “Financial Instruments: Disclosures” and IAS 32 “Financial Instruments: Presentation” cannot be made in the financial statements.

vii. Financial guarantees

IAS/IFRS: As per IAS 39 “Financial Instruments: Recognition and Measurement”, financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are 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.

2.1.2 Authorization of the financial statements for issue

The financial statements of the Bank have been authorized for issue by the Board of Directors on 28 April 2022.

2.1.3 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.

2.1.4 Prior period adjustments

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

2.2 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.

2.3 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.

2.4 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.

2.5 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.

2.6 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”.

2.6.1 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.

2.6.2 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.

2.6.3 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.

2.6.4 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.

2.6.5 Profit paid and Other Expenses

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

2.6.6 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 2021 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.

2.7 Foreign Currency Transactions

2.7.1 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.

2.7.2 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 2021 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.

2.7.3 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 2021 have been shown in the Balance Sheet under Off-Balance Sheet items.

Exchange rates with major foreign currencies as on 31 December 2021 were as:

Currency Name	Exchange Rate (Taka)
USD	85.350
Euro	98.357
JPY	0.754
ACU	85.350
GBP	115.649
CHF	94.033
SGD	63.306
AUD	62.301
CAD	66.949

2.7.4 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.

2.8 Assets and their basis of valuation

2.8.1 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.

2.8.2 Investments

- a) Investments are stated in the balance Sheet at the net amount excluding unearned income and profit receivable.
- b) 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. 16, dated November 18, 2014, 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 January 03, 2018, 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. 17, dated September 28, 2020 and BRPD Circular no. 52, dated October 20, 2020 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, 16, 08, 12, 15, 01, 01, 07, 13, 03, 16, 17 and 52 dated September 23, 2012, May 29, 2013, November 18, 2014, August 02, 2014, August 02, 2015, August 20, 2017, September 27, 2017, January 03, 2018, February 20, 2018, June 21, 2018, October 18, 2018, April 21, 2019, July 21, 2020, September 28, 2020 and October 20, 2020 respectively 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.

2.8.3 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.

2.8.3.1 Valuation Method

Considerable value of Investments has been considered as follows:

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

2.8.4 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.

2.8.5 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.

2.8.6 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.

2.9 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 @ 40% as prescribed in the Finance Act 2021 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 six (06) 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.

2.11.5 Internal Control and Compliance Risk

An internal control system oversights 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 2021, 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 2021, 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 2021 is from 01 January 2021 to 31 December 2021.

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) VAT & SD Act, 2012
- h) Value Added Tax and Supplementary Duty Act, 2012 as passed 13 June 2019,
- i) Value Added Tax and Supplementary Duty Rules, 2016 as passed 13 June 2019,
- j) Standards issued by AAOIFI
- k) The Stamp Act, 1899
- l) The Customs Act, 1969
- m) The Money Laundering Prevention Act, 2012
- n) 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:

SI	IFRS No.	IFRS Title	Compliance Status
01	1	First-time adoption of International Financial Reporting Standards	Not Applicable
02	2	Share-based Payment	Not Applicable
03	3	Business Combinations	Not Applicable
04	4	Insurance Contracts	Not Applicable
05	5	Non-current Assets Held for Sale and Discontinued Operations	Not Applicable
06	6	Exploration for and Evaluation of Mineral Resources	Not Applicable
07	7	Financial Instruments: Disclosures	Complied
08	8	Operating Segments	Complied
09	9	Financial Instruments	Complied
10	10	Consolidated Financial Statements	Not Applicable
11	11	Joint Arrangements	Not Applicable
12	12	Disclosure of Interests in other Entities	Not Applicable
13	13	Fair Value Measurement	Complied
14	14	Regulatory Deferral Accounts	Complied
15	15	Revenue from Contract with Customers	Complied
16	16	Lease	Complied
17	17	Insurance Contracts	Complied

Sl. No.	IAS No.	IAS Title	Compliance Status
01	1	Presentation of Financial Statements	Complied
02	2	Inventories	Not Applicable
03	7	Statement of Cash Flows	Complied
04	8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
05	10	Events after the Reporting Period	Complied
06	12	Income Taxes	Complied
07	16	Property, Plant & Equipment	Complied
08	19	Employee Benefits	Complied
09	20	Accounting for Government Grants and Disclosure of Government Assistance	Not Applicable
10	21	The Effects of Changes in Foreign Exchange Rates	Complied
11	23	Borrowing Costs	Not Applicable
12	24	Related Party Disclosures	Complied
13	26	Accounting and Reporting by Retirement Benefit Plans	Complied
14	27	Separate Financial Statements	Not Applicable
15	28	Investments in Associates and Joint Ventures	Not Applicable
16	29	Financial Reporting in Hyperinflationary Economics	Not Applicable
17	32	Financial Instruments: Presentation	Complied
18	33	Earnings per Share	Complied
19	34	Interim Financial Reporting *	Complied
20	36	Impairment of Assets	Complied
21	37	Provisions, Contingent Liabilities and Contingent Assets	Complied
22	38	Intangible Assets	Complied
23	39	Financial Instruments: Recognition and Measurement	Complied
24	40	Investment Property	Not Applicable
25	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.

		2021 Taka	2020 Taka
3	CASH		
3.1	Cash in Hand		
	In Local Currency	1,206,832,386	824,369,870
	In Foreign Currencies	990,060	1,621,440
		1,207,822,446	825,991,310
3.2	Balance with Bangladesh Bank and its Agent Bank		
	In Local Currency	6,665,364,587	6,032,719,018
	In Foreign Currencies	480,262,482	337,181,107
		7,145,627,069	6,369,900,125
		8,353,449,515	7,195,891,435
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 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.		
3.4	Cash Reserve Ratio (CRR): 4.00 % (Bi-Weekly) of Average Demand and Time Liabilities		
	Required Reserve	6,006,736,544	5,659,936,811
	Actual Reserve maintained	6,595,300,853	6,067,965,716
	Surplus/(Shortfall)	588,564,309	408,028,905
3.5	Statutory Liquidity Ratio (SLR): 5.50% of Average Demand and Time Liabilities:		
	Required Reserve	9,439,157,426	7,782,413,115
	Actual Reserve	11,758,108,649	8,848,907,757
	Surplus/(Shortfall)	2,318,951,223	1,066,494,642
4	BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS AND PLACEMENT		
4.1	BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS		
A.	Inside Bangladesh		
	AI-Wadiah Current Accounts		
	Janata Bank Ltd.	2,530,281	18,431

					2021 Taka	2020 Taka
Others Accounts:						
Mudaraba Short Notice Deposits						
First Security Islami Bank Ltd.					33,176,091	68,552,190
Global Islami Bank Ltd.					7,126,025	6,353,450
AB Bank Ltd.					725,339	673,323
Trust Bank Ltd.					19,254,539	16,746,185
Agrani Bank Ltd.					9,208	-
Islami Bank Bangladesh Ltd.					6,390,840	1,527,003
					66,682,042	93,852,151
					69,212,323	93,870,582
B. Outside Bangladesh						
					31.12.2021	31.12.2020
					Taka	Taka
Current Account						
Banco De Sabadell S.A., Spain		EURO	28192.76	98.36	2,772,958	22,684,937
Sonali Bank (UK) Limited, UK		GBP	114.00	115.65	13,184	13,099
Sonali Bank (UK) Limited, UK		USD	12713.37	85.35	1,085,086	1,073,644
Sonali Bank (UK) Limited, UK		ACU	333543.09	85.35	28,467,903	728,663
Habib American Bank, New York, USA		USD	1849388.00	85.35	157,845,266	31,974,708
Kookmin Bank, Seoul		USD	360467.57	85.35	30,765,907	46,343,637
Axis Bank Limited, Kolkata		ACU	50297.09	85.35	4,292,857	2,324,179
Meezan Bank Limited, Karachi		ACU	2780.75	85.35	237,337	12,315,597
AB Bank Ltd., Mumbai, India		ACU	345841.28	85.35	29,517,553	12,420,445
United Bank of India, Kolkata, India		ACU	355930.72	85.35	30,378,687	8,415,306
National Bank of Pakistan, Tokyo, Japan		JPY	77878.00	0.75	58,743	64,615
					285,435,481	138,358,830
					354,647,804	232,229,412

	2021 Taka	2020 Taka
4.1.1 Maturity-wise Grouping (Inside and Outside Bangladesh)		
Payable on Demand	354,647,804	232,229,412
Up to Three Months	-	-
Three Months to One Year	-	-
One Year to Five Years	-	-
Above Five Years	-	-
	354,647,804	232,229,412
4.2 Placement with banks & Other Financial Institutions		
Aviva Finance Limited	4,579,602,155	4,028,629,530
Phoenix Finance and Investments Ltd.	80,000,000	80,000,000
International Leasing and Financial Services Ltd.	110,182,000	110,182,000
Islamic Finance and Investment Ltd.	700,000,000	1,500,000,000
	5,469,784,155	5,718,811,530
4.2.1 Maturity-wise Grouping (Placement with banks & other FI)		
Payable on Demand	3,706,984,155	3,103,911,530
Up to Three Months	1,762,800,000	2,328,600,000
Three Months to One Year	-	286,300,000
One Year to Five Years	-	-
Above Five Years	-	-
	5,469,784,155	5,718,811,530
5 INVESTMENTS IN SHARES AND SECURITIES		
Government Securities		
Bangladesh Govt. Islamic Investment Bonds	6,650,000,000	7,200,000,000
Bangladesh Govt. Investment Sukuk (Ijarah Sukuk)	3,790,420,000	263,970,000
	10,440,420,000	7,463,970,000
Others		
Subordinated Bond	90,000,000	180,000,000
Beximco Green SUKUK	500,000,000	-
Mudaraba Perpetual Bond (standard Bank)	1,000,000,000	-
Quoted Shares (Note - 5.1)	-	44,081,408
	1,590,000,000	224,081,408
	12,030,420,000	7,688,051,408
5.1 Quoted Shares		
Name of Companies	Acquisition cost	Acquisition cost
Al-Haj Textile Mills Limited	-	2,329,280
Bengal Windsor Thermoplastics Ltd.	-	5,838,069
Bashundhara Paper Mills Ltd.	-	5,285,540
Miracle Industries Ltd.	-	12,678,319
Navana CNG Ltd.	-	4,363,516
SAIF Powertec Ltd.	-	5,232,089
Shasha Denims Limited	-	2,241,495
Tallu Spinning Mills Ltd.	-	2,488,526
Western Marine Shipyard Ltd.	-	1,473,931
Zaheen Spinning Ltd.	-	2,150,643
	-	44,081,408
5.2 Market Value of Quoted Shares	-	27,103,889
5.3 Maturity Grouping of Investments in Shares and Securities		
On Demand	650,000,000	900,000,000
One Month to three Months	2,980,000,000	2,530,000,000
Three Months to One Year	3,080,020,000	3,904,151,408
One Year to Five Years	5,320,400,000	353,900,000
More than Five Years	-	-
	12,030,420,000	7,688,051,408

	2021 Taka	2020 Taka
6 INVESTMENTS (All Inside Bangladesh)		
General Investments etc. (Note-6.A)	188,105,717,264	149,536,346,400
Bills Purchased and Discounted (Note - 6.B)	5,716,563,217	16,800,849,554
	193,822,280,481	166,337,195,954
6.A General Investment etc.		
Inside Bangladesh		
Bai Murabaha (Hypo)	655,932,392	621,371,231
Bai Murabaha against MTDR	48,293,660,189	31,372,695,654
Bai Murabaha TR (Non INST)	101,775,100,811	86,781,767,423
Bai Murabaha TR (INST)	2,659,613,320	2,191,442,816
Bai Murabaha (Post Import) TR	2,612,682,776	2,843,833,832
Bai Murabaha Real Estate Material	1,941,187,500	-
Bai Murabaha (TR) SME	5,188,109,809	5,179,936,620
Bai Murabaha Agriculture	1,033,575,655	838,384,733
Bai Murabaha (TR) Agriculture	137,030,153	109,042,535
Bai Murabaha (TR) Women Entrepreneur	15,554,035	13,400,965
Bai Murabaha Import Bill (MIB)	17,801,946	-
Bai Murabaha under Stimulus Package	2,127,723,883	1,746,522,524
Bai Muazzal Real Estate (Short Term)	742,263,496	683,864,432
Bai Muazzal (Guarantee)	72,262,592	65,332,868
Bai Muazzal TR	1,000,580,000	1,000,580,000
Bai Muazzal against BG (Bid Bond)	81,583,454	23,018,177
Bai Muazzal against Import Bill	5,336,081,644	3,490,020,825
Bai Muazzal Back to Back Bill	1,270,124,320	1,041,644,531
Mudaraba Investment	486,005,686	517,479,664
HPSM (Real Estate)	3,064,754,169	3,126,524,441
HPSM (Transport)	298,899,655	278,172,252
HPSM (SME)	77,399,882	50,720,701
HPSM House Building Staff	618,251,590	534,037,733
HPSM Rural Housing	940,495	1,391,970
HPSM House Building General	313,221,842	271,980,524
HPSM Industrial Term	1,751,371,318	1,336,754,375
HPSM Machinery	3,701,023,165	3,394,626,532
HPSM Machinery Women Entrepreneur	1,709,433	1,624,037
Quard Investment	742,329,561	165,265,150
Car Leasing Scheme Staff	34,380,454	46,275,319
Murabaha EDF Investment General	125,653	134,685,160
Murabaha EDF Investment	1,888,118,000	1,512,607,984
Bai Istisna	129,317,667	122,548,241
HPSM Consumer Durables (Scheme)	37,000,719	38,793,151
	188,105,717,264	149,536,346,400
Outside Bangladesh	-	-
	188,105,717,264	149,536,346,400

	2021 Taka	2020 Taka
6.B Bills Purchased and Discounted		
Payable in Bangladesh	5,716,563,217	16,800,849,554
Payable outside Bangladesh	-	-
	5,716,563,217	16,800,849,554
	193,822,280,481	166,337,195,954

** 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, the collection of audited financial statements and statutory audit report for sanctioned/renewed investments. Regarding this issue, we have compiled 50 (fifty) customers file and BRPD circular letter no. 35 dated 06 July 2021, the verification of audited financial statements through Document Verification System (DVS) developed by The Institute of Chartered Accountants of Bangladesh (ICAB) is working under process.

6.1 Maturity Grouping of Investments		
Payable on Demand	30,440,800,000	46,718,700,000
Up to Three Months	57,872,900,000	34,431,300,000
Three Months to One Year	91,089,880,481	73,612,095,954
One Year to Five Years	5,546,800,000	4,452,900,000
Above Five Years	8,871,900,000	7,122,200,000
	193,822,280,481	166,337,195,954
6.2 Analysis to disclose the following Significant Concentration including Bills Purchased & Discounted		
Investments to Directors of other Banks	12,348,715,498	11,757,160,334
Investments to Chief Executive and Other high Officials	-	-
Investments to Customers Group	131,570,671,525	111,267,351,721
Investments to Industry	49,228,325,547	42,707,641,517
Investment to staff	674,567,911	605,042,382
	193,822,280,481	166,337,195,954
6.3 Investments to Customers amounting to 10% or more of UBL's Total Regulatory Capital		
Number of Clients	21	18
Amount of Outstanding Investments:		
Funded	20,529,100,000	15,146,400,000
Non-funded	683,500,000	3,281,100,000
	21,212,600,000	18,427,500,000
6.4 Sector wise Investments		
Agriculture	1,361,944,877	992,644,446
Ready Made Garments (RMG)	3,826,313,083	3,086,122,456
Textile	12,784,715,912	10,153,069,584
Ship Building	7,271,359	5,560,981
Other Manufacturing industry	10,122,696,880	8,390,714,351
SME Investment	5,524,375,881	5,431,842,020
Construction	5,642,476,378	5,683,862,096
Power, Gas	1,841,682,541	1,657,709,174
Transport, Storage and Communication	342,992,455	373,375,444
Trade Service	135,852,698,569	115,861,118,631
Commercial real estate financing	9,658,496,364	7,132,275,007
Residential real estate financing	942,928,413	832,677,549
Consumer investment	82,729,033	100,801,246
Capital market	1,282,107,978	1,312,374,216
Non Banking Financial Institutions (NBFI)	-	132,822,500
Others	4,548,850,758	5,190,226,253
	193,822,280,481	166,337,195,954

	2021 Taka	2020 Taka
6.5 Geographical Location-wise Investments		
Urban		
Dhaka	96,387,045,378	90,610,764,664
Chattogram	57,409,901,334	50,045,660,525
Barishal	67,593,684	72,110,724
Rajshahi	117,328,125	150,241,786
Khulna	126,236,655	125,956,232
Rangpur	142,030,414	98,466,722
Sylhet	77,433,315	50,275,115
Mymensingh	22,485,195	25,120,944
	154,350,054,100	141,178,596,712
Rural		
Dhaka	533,620,763	412,178,183
Chattogram	38,672,411,194	24,451,154,150
Barishal	-	-
Rajshahi	75,097,734	72,495,845
Khulna	-	-
Rangpur	129,179,276	183,068,127
Sylhet	61,917,414	39,702,937
Mymensingh	-	-
	39,472,226,381	25,158,599,242
	193,822,280,481	166,337,195,954
6.6 Classification of Investments as per Bangladesh Bank (BRPD) Circular		
Unclassified		
Standard	185,601,624,587	161,055,882,690
Special Mention Account	1,464,527,295	1,079,959,401
	187,066,151,882	162,135,842,091
Classified		
Sub-standard	1,493,746,908	834,049,751
Doubtful	939,838,106	2,335,340,842
Bad & Loss	4,322,543,585	1,031,963,270
	6,756,128,599	4,201,353,863
	193,822,280,481	166,337,195,954
6.7 Particulars of Required Provision for Investments and Off Balance Items		
Classification status		
Unclassified (a)		
Standard	2,369,034,807	2,107,014,885
Special Mention Account	14,507,252	115,651,677
	2,383,542,059	2,222,666,562
Classified (b)		
Sub - Standard	78,230,627	41,847,505
Doubtful	188,618,645	801,991,302
Bad and Loss	2,040,804,800	537,272,235
	2,307,654,072	1,381,111,042
Off Balance Items (c)	72,449,094	73,954,461
Special General Provisions for Covid - 19 (d)	491,906,440	393,968,000
	5,255,551,665	4,071,700,065
Required Provision for Investments (a+b+c+d)	5,255,551,665	4,071,700,065
Total Provision Maintained	5,284,654,000	4,109,000,000
Provision Excess/ (Shortfall)	29,102,335	37,299,935

* Details of provision is shown in note 2.8.2

	2021 Taka	2020 Taka
6.8 Particulars of Investments		
i) Investments considered good in respect of which the Bank Company is fully secured	176,294,012,656	137,880,173,979
ii) Investments considered good for which the bank holds no Security other than the debtors personal security	17,528,267,825	28,457,021,975
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	193,822,280,481	166,337,195,954
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	4,201,353,863	5,336,826,004
Increase/ (Decrease) during the year	2,554,774,736	(1,135,472,141)
	6,756,128,599	4,201,353,863
b. Amount of provision kept against investment classified as 'bad/loss' on the reporting date of Balance Sheet	2,317,654,000	537,272,235
c. Profit credited to the profit/Rent/Compensation Suspense	2,000,273,526	995,350,547
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	629,092	599,092
e. Amount of investment written- off against which suit has been filled to recover the same.	-	-
6.9 Security against Investments including bills purchased & discounted		
Collateral of movable/immovable assets	129,983,217,187	106,507,478,328
Local banks & financial institutions guarantee	-	-
Government Guarantee	-	-
Foreign Banks guarantee	-	-
Export documents	3,988,824,319	16,800,849,554
Fixed deposits receipts:		
Own MTDR	46,310,795,469	31,372,695,654
MTDR of other Banks	-	-
Government Bonds	-	-
Personal guarantee	-	-
Other security	13,539,443,506	11,656,172,418
Unsecured	-	-
	193,822,280,481	166,337,195,954

	2021 Taka	2020 Taka
6.10 Maturity Grouping of Bills Purchased and Discounted		
Payable within one month	2,636,563,217	14,225,349,554
Over one month but less than three months	670,300,000	154,000,000
Over three months but less than six months	2,409,700,000	2,421,500,000
Six Months and Above	-	-
	5,716,563,217	16,800,849,554
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	1,124,561,556	983,051,823
Office Equipment	1,035,181,663	941,063,120
Vehicles	110,128,580	101,228,719
Books	487,654	426,567
	4,937,109,793	4,692,520,569
Less: Accumulated Depreciation	1,095,900,693	929,304,757
	3,841,209,100	3,763,215,812
Lease Assets-Premises		
Right-of-use assets	279,825,267	-
Less: Accumulated Depreciation	66,489,080	-
	213,336,187	-
	4,054,545,287	3,763,215,812
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.		
8 OTHER ASSETS		
Inter - branch Transaction Account (Note - 8.a)	11,609,142,535	13,393,588,068
Accrued Income on MTDR	288,447,040	475,995,064
Advances, Deposits and Prepayment (Note - 8.1)	366,611,701	485,427,099
Advance Income Tax	5,812,106,428	4,506,637,715
Stock of Stationery	30,005,296	14,834,826
Suspense Account (Note - 8.2)	126,376,607	134,745,902
Deferred tax asset (Note - 8.3)	97,904,339	82,475,251
Stamps on Hand	2,481,920	2,476,960
	18,333,075,866	19,096,180,885
8.a Inter-branch transaction account represents outstanding Inter-branch and Head Office transaction (net) originated but yet to be responded at the balance sheet date.		
8.1 Advance, Deposits and Prepayment		
Advance against Rent - Office	119,333,872	183,420,751
Prepayment	247,277,829	302,006,348
	366,611,701	485,427,099
8.2 Suspense Account		
Sundry Debtors	126,376,607	130,969,017
Advance against New Branch	-	3,776,885
	126,376,607	134,745,902

		2021 Taka	2020 Taka
8.3	Deferred Tax Assets		
	Opening Balance	82,475,251	82,199,355
	Add: Addition during the year	15,429,088	275,896
		97,904,339	82,475,251
	Less: Adjustment during the year	-	-
	Closing Balance	97,904,339	82,475,251
8.3.1	Deferred tax income Recognized in Profit and Loss Account:		
		Accounting base	Tax base
			Deductible temporary difference
	As on 31 December 2021		
	Property, plant and equipment	3,841,209,100	4,019,081,983
	Deferred liability - Gratuity	66,887,963	-
			244,760,846
	Current tax rate		40.00%
	Deferred tax Asset at closing		97,904,339
	Deferred tax Asset at beginning		82,475,251
	Deferred tax income Recognized during the year		15,429,088
9	PLACEMENT FROM BANK AND OTHER FINANCIAL INSTITUTIONS		
	Inside Bangladesh		
	Bangladesh Bank (Refinance Scheme)	99,051,193	74,606,020
	Bangladesh Govt. Islami Investment Bond Funds	8,000,000,000	8,000,000,000
	Bangladesh Bank Cover Fund against QSF	821,556,444	547,512,000
	Bangladesh Bank Export Development Fund (EDF)	1,113,142,013	1,027,879,044
		10,033,749,650	9,649,997,064
	Outside Bangladesh	-	-
		10,033,749,650	9,649,997,064
A.	Security- wise grouping		
	Secured Placement	-	-
	Unsecured Placement	10,033,749,650	9,649,997,064
		10,033,749,650	9,649,997,064
B.	Repayment Nature wise Grouping		
	Repayable on demand	-	-
	Others	10,033,749,650	9,649,997,064
		10,033,749,650	9,649,997,064
C.	Maturity Analysis		
	Repayable on Demand	-	-
	Repayable within One Month	657,200,000	157,900,000
	One Month to Six Months	4,895,300,000	4,538,300,000
	Six Month to One Year	4,481,249,650	4,953,797,064
	One Year to Five Years	-	-
	Five Years to Ten Years	-	-
	Unclaimed Deposits Ten Years and Over	-	-
		10,033,749,650	9,649,997,064

	2021 Taka	2020 Taka
10 DEPOSITS AND OTHER ACCOUNTS		
Mudaraba Savings Deposits (Note-10.1)	9,406,334,184	7,245,509,172
Mudaraba Term Deposits (Note-10.2)	108,919,670,985	96,010,891,579
Other Mudaraba Term Deposits (Note-10.3)	48,866,097,485	42,707,178,422
Al-Wadia Current Accounts and Other Accounts (Note-10.4)	31,735,974,901	25,554,877,551
Bills Payable (Note-10.5)	1,301,716,974	1,192,051,227
	200,229,794,529	172,710,507,951
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	846,570,077	652,095,825
91% of total Mudaraba Savings Deposits	8,559,764,107	6,593,413,347
	9,406,334,184	7,245,509,172
10.2 Mudaraba Term Deposits- Maturity wise Grouping		
Payable on Demand	1,615,866,531	1,920,829,881
Up to Three Months	42,850,919,532	38,717,720,320
From Three Months to Six Months	28,137,229,212	26,381,525,025
Above Six Months to One Year	36,203,095,279	27,901,791,263
Above One Year to Two Years	70,106,805	1,062,380,732
Above Two Years	42,453,625	26,644,358
	108,919,670,985	96,010,891,579
10.3 Other Mudaraba term Deposits		
Mudaraba Monthly Savings Scheme	6,619,678,321	5,405,030,834
Mudaraba Double Benefit Deposits Scheme	10,128,868,353	9,910,201,039
Mudaraba Monthly Profit Scheme	29,365,515,534	24,975,912,375
Mudaraba Millionaire Savings Scheme	1,533,664,188	1,368,611,149
Mudaraba Kotipoti Deposit Scheme	84,934,012	67,408,273
Mudaraba Marriage Scheme	165,065,141	114,696,781
Mudaraba Probashi Sanchay Prokolpo	9,333,000	-
Mudaraba Hajj Deposit Scheme	42,333,612	37,936,642
Mudaraba Union Pension Prokolpa	100,282,605	127,730,530
Mudaraba Muhor Savings Scheme	71,222,708	50,551,311
Mudaraba Corepoty Sanchaya Scheme	641,323,394	602,520,034
Mudaraba Privileged Deposit Scheme	55,740,000	-
Mudaraba Barakah Deposit Scheme	48,136,617	46,579,454
	48,866,097,485	42,707,178,422
10.4 Al-Wadiah Current Accounts & Other Deposit Accounts		
Al-wadiah Current Deposits	7,333,489,538	4,264,987,389
Mudaraba Short Notice Deposits	23,271,341,121	20,280,546,410
Sundry Deposits (Note-10.4.1)	1,131,144,242	1,009,343,752
	31,735,974,901	25,554,877,551

	2021 Taka	2020 Taka
10.4.1 Sundry Deposits		
Security Deposit	511,344,931	416,021,194
Sundry Creditors	59,940,823	36,063,933
Income Tax Deduction at Source -Profit on Deposits	137,983,678	172,907,728
Income Tax on Profit Paid on Mudaraba Subordinated Bond	3,689,249	3,585,000
Income Tax on Local L/C	609,542	1,653,899
Income Tax on Export bill (Foreign)	1,783,174	452,982
Income Tax on Export bill (Local)	547,947	382,770
Income Tax on Local/Buying Agents Commission	69,155	218,436
Excise Duty on Deposits & Investments	235,507,919	186,024,318
Tax on Payment to Foreign Person	22,313	-
VAT on Online Charge	46,588	37,734
VAT on Commission TT/DD/PO/LG	41,912	43,311
VAT on Service Charge and Others	4,630,672	3,751,046
VAT Deduction Bills Paid	7,291,054	717,449
VAT Deduction from advertisement Bill	168,774	83,393
VAT on Rent	2,662,705	1,995,598
VAT on Director's Fee	21,600	20,400
VAT on Indenting Commission	-	318,296
VAT on L/C Commission	419,094	1,079,543
VAT on Postage	34,590	23,348
VAT on Security Service	617,231	634,974
VAT on Swift Charge	46,898	59,701
VAT on L/C Advising Charge	294,231	262,893
VAT on Pally Bidyut bill	3,106,582	1,913,068
VAT on Acceptance Commission	57,446	1,594,943
VAT on Bank Guarantee Commission	186,531	325,491
VAT on Professional Fee	818,550	4,800
VAT on PO/DD/FDD Collection charge	80,185	56,619
VAT on commission on export bill	6,336	3,666
VAT on income from ATM	4,209	-
VAT on Processing Fee on Investment	46,545	502,535
VAT in Misc. Earnings	37,922	25,739
Income Tax Deduction at Source - Office rent	857,666	682,378
Income Tax Deduction at Source - Bills	4,032,763	427,108
Income Tax Deduction at Source - Advertising Bill	107,120	28,870
Income Tax Deduction at Source-Employee's	4,257,060	3,558,135
Income Tax on Directors' Fee	14,400	13,600
Income Tax on Indenting Commission	715,124	27,501
Income Tax on Professional Fee	555,700	3,050
Marginal Deposit Export	14,973,167	13,126,603
F.C. Held against B.B L/C	54,001,496	36,462,277
Sundry Deposit - Swift charge	17,500,658	14,436,108
Sundry Deposit LAC (Export)	3,799,059	6,024,969
S/D/A/C ATM Charge collection Account	2,123	2,095
D&B Credit report collection fee	396,570	1,263
ATM Charge Collection (NPSB)	5,265	5,151
S/D/A/C VAT on Polli Bidyut Samity	8,665,376	4,873,577
Central Fund (RMG Sector)	50,116	21,507
NR. Taka A/C Small World Finance	3,867,270	13,090,840
Security Deposit A/C Small World Finance	853,500	844,500
NR. Taka A/C Xpress Money Services	841,539	841,539
Security Deposit A/C Xpress Money Services	853,500	844,500
S/D Cash incentive against export	59,605	53,410
NR. Tk. A/C Transfast Remittance	1,825,838	2,963,366
Settlement A/C Cash Incentive on Foreign Remittance	30,354,556	76,658,494
Mobile Top up Settlement Account	7,805,513	2,637,748
Nagad Adjustment Account	183,172	-
Bkash Adjustment Account	715,176	13,600
Pre-Registration Fee-PVT/GVT MGT. Pilgrim	879,024	92,256
SD. A/C Transfast Remittance, LLC	853,500	844,500
	1,131,144,242	1,009,343,752

	2021 Taka	2020 Taka
10.5 Bills Payable		
Pay Order Issued	1,301,716,974	1,192,051,227
Demand Draft Issued	-	-
	1,301,716,974	1,192,051,227
10.6 Maturity wise Grouping of Deposits and Other Accounts		
Repayable within One Month	19,847,594,529	46,429,507,951
One Month to Three Months	59,070,000,000	39,185,200,000
Three Months to One Year	77,183,600,000	44,897,800,000
One Year to Five Years	38,349,800,000	37,519,800,000
Repayable over Five Years	5,778,800,000	4,678,200,000
	200,229,794,529	172,710,507,951
10. A Deposits received from Banks (Note A-1)	33,857,548,611	32,461,182,480
10.B Deposits received from other than Bank		
Payable on Demand (Note B-1)	10,612,920,831	7,118,478,193
Other Deposits (Note B-2)	155,759,325,087	133,130,847,278
	166,372,245,918	140,249,325,471
	200,229,794,529	172,710,507,951
10. A.1 Deposits Received from Banks		
AB Bank Limited	211,394	7,853,608
Bangladesh Development Bank Ltd.	300,000,000	200,000,000
Bangladesh Commerce Bank Ltd.	28,668	29,055
Janata Bank Ltd.	-	1,300,000,000
Islami Bank Bangladesh Ltd.	22,902,586,064	20,258,084,217
BRAC Bank Ltd.	500,000	-
Al-arafah Islami Bank Ltd.	1,000,000,000	1,000,000,000
National Bank Ltd.	500,000,000	1,280,000,000
Agrani Bank Ltd.	1,528,000,000	1,530,000,000
Sonali Bank Ltd.	1,969,847,808	2,121,209,372
Social Islami Bank Ltd.	3,784,790,124	3,397,466,943
Probashi Kallayan Bank Ltd.	-	40,000,000
Rajshahi Krishi Unnayan Bank Ltd.	200,000,000	200,000,000
Rupali Bank Ltd.	-	1,000,000,000
Trust Bank Ltd.	6,120,552	5,912,977
NRB Commercial Bank Ltd.	118,229,904	70,000,000
South Bangla Agriculture and Commerce Bank Ltd.	4,844	101,393
NRB Bank Ltd.	200,000,000	-
First Security Islami Bank Ltd.	1,004,411,773	2,238,050
Exim Bank Ltd.	9,015,732	1,808,538
Global Islami Bank Ltd.	333,801,748	46,478,327
	33,857,548,611	32,461,182,480
Maturity wise Grouping of Deposits Received from Banks		
Repayable on Demand	-	-
Repayable within One Month	17,087,653,303	12,929,973,109
Repayable over One Month but within Six Months	16,764,563,808	19,435,061,371
Repayable over Six Months but within one Year	5,331,500	96,148,000
Repayable over One Year but within Five Years	-	-
Repayable over Five Years but within Ten Years	-	-
Unclaimed Deposits for Ten Years and above	-	-
	33,857,548,611	32,461,182,480

	2021 Taka	2020 Taka
B-1 Payable on Demand		
Al-wadiah Current Deposits	7,333,489,538	4,264,987,389
Mudaraba Saving Deposits (9%) (Note-10.1)	846,570,077	652,095,825
Bills Payable (Note-10.5)	1,301,716,974	1,192,051,227
Sundry Deposits (Note-10.4.1)	1,131,144,242	1,009,343,752
	10,612,920,831	7,118,478,193
B- 2 Other Deposits		
Mudaraba Saving Deposits (91%) (Note-10.1)	8,559,764,107	6,593,413,347
Mudaraba Term Deposits	91,549,775,676	76,479,682,208
Mudaraba Short Notice Deposits	6,783,687,819	7,350,573,301
Other Mudaraba Term Deposits (Note-10.3)	48,866,097,485	42,707,178,422
	155,759,325,087	133,130,847,278
11 OTHER LIABILITIES		
Inter - branch Transaction Account	-	-
Provision for Taxation (Note-11.1)	6,256,226,158	4,880,797,070
Accumulated Provision against Investments (Note-11.2)	5,284,654,000	4,109,000,000
Accrued Profit and Expenses Payable (Note-11.3)	3,090,264,576	3,114,604,108
Provision for Gratuity (Note-11.4)	68,887,963	50,317,415
Provisions for diminution in value of Investments in share (Note-11.5)	21,800,000	21,800,000
Provision for Zakat	55,000,000	44,000,000
Provision for Expenses on Mudaraba Subordinated Bond	92,286,635	63,709,545
Other provisions (Note - 11.2.5)	17,567,214	12,140,349
Lease Liabilities	217,400,708	-
Provident Fund	1,152,891	802,945
Benevolent Fund	185,071	168,879
Provision for Incentive Bonus	180,096,501	101,254,509
Provision for Audit fee	345,000	345,000
Clearing adjustment account	2,717,545	3,968,853
Compensation Realized	65,689,025	82,002,351
NPSB Transaction Adjustment Account	8,620,806	6,414,790
Profit Rent Suspense	2,000,273,526	995,350,547
Compensation Receivable	619,094,118	621,603,357
Dividend Payable	-	263,648,000
Unclaimed Dividend	24,640,000	-
Start-up Fund	22,334,176	9,884,000
CSR Fund	12,450,176	9,884,000
Others	102,436,288	123,755,501
	18,144,122,377	14,515,451,219
11.1 Provision for Taxation		
Opening balance	4,880,797,070	3,725,521,174
Add : Provision made during the year	1,375,429,088	1,235,275,896
Less: (Adjustment)/settlement during the year	-	80,000,000
Closing balance	6,256,226,158	4,880,797,070

Assessment for the year 2013 & 2014 has been settled. Assessment for the year 2015 & 2016 are pending with the commissioner of Taxes (Appeal). Assessment for the year 2017, 2018, 2019 & 2020 is not yet completed by Deputy Commissioner of Taxes and the submission of return for the year 2021 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.

	2021 Taka	2020 Taka
11.2 Accumulated Provision against Investments		
Specific Provision for Classified Investments (Note -11.2.1)	2,317,654,000	1,392,000,000
General Provision for Unclassified Investment (Note -11.2.2)	2,390,000,000	2,246,000,000
General Provision for off- balance sheet exposure (Note -11.2.3)	77,000,000	77,000,000
Special General Provisions for Covid - 19 (Note -11.2.4)	500,000,000	394,000,000
	5,284,654,000	4,109,000,000
11.2.1 Movement in Specific Provision for Classified Investments		
Provision held at the beginning of the year	1,392,000,000	1,520,000,000
Fully Provided Debts written off	-	-
Recoveries of amounts previously written off	-	-
Transfer to Unclassified Investments	-	(128,000,000)
Specific Provision for the year	925,654,000	-
Recoveries and Provisions no longer required	-	-
Net Charge to Profit and Loss Account	-	-
Provision held at the end of the year	2,317,654,000	1,392,000,000
11.2.2 General Provision for Unclassified Investments		
Provision held at the beginning of the year	2,246,000,000	1,493,000,000
Addition during the year	144,000,000	600,000,000
Transfer from Classified Investments	-	128,000,000
Transfer from off-balance sheet exposure	-	25,000,000
Provision held at the end of the year	2,390,000,000	2,246,000,000
11.2.3 General Provision for off-balance sheet exposure		
Provision held at the beginning of the year	77,000,000	102,000,000
Transfer to Unclassified Investment	-	(25,000,000)
Provision held at the end of the year	77,000,000	77,000,000
11.2.4 Special General Provisions for Covid - 19		
Provision held at the beginning of the year	394,000,000	-
Addition during the year	290,974,006	394,000,000
Transfer during the year	(184,974,006)	-
Provision held at the end of the year	500,000,000	394,000,000
11.2.5 Other Provisions		
Provision held at the beginning of the year	12,140,349	10,678,017
Addition during the year	5,426,865	1,462,332
Provision held at the end of the year	17,567,214	12,140,349

Other provisions consist of provision for Good Borrower, Climate Risk Fund and ICT Equipment Insurance Premium Fund.

	2021 Taka	2020 Taka
11.2.5.1 Provision for Good Borrower		
Provision held at the beginning of the year	9,500,000	8,500,000
Addition/transfer during the year	1,000,000	1,000,000
Provision held at the end of the year	10,500,000	9,500,000
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.a Provision for Investments during the year		
Specific Provision for Classified Investments	925,654,000	-
General Provision for Unclassified Investments	144,000,000	600,000,000
General Provision for off- balance sheet exposure	-	-
Special General Provisions for Covid - 19	290,974,006	394,000,000
	1,360,628,006	994,000,000
11.3 Accrued Profit and Expenses Payable		
Mudaraba Term Deposit Receipt	1,961,629,535	2,058,757,140
Mudaraba Monthly Benefit Savings Scheme	292,885,322	237,859,850
Mudaraba Double Benefit Savings Scheme	586,337,850	582,403,837
Mudaraba Monthly Profit Scheme	112,091,566	112,639,875
Mudaraba Pension Prokolpa	4,655,209	5,991,196
Mudaraba Marriage Deposit Scheme	7,021,708	4,738,923
Mudaraba Hajj Deposit Scheme	1,678,605	1,584,621
Mudaraba Millionaire Savings Scheme	85,127,953	76,840,665
Mudaraba Kotipoti Deposit Scheme	4,222,083	3,331,510
Mudaraba Probashi Sanchay Prokolpo	302,578	-
Mudaraba Mohor Saving Scheme	2,930,036	1,836,258
Mudaraba Corepoty Sanchaya Prokalpa	27,803,137	26,486,098
Mudaraba Privileged Deposit Scheme	1,543,765	-
Mudaraba Barakah Deposit Scheme	2,035,229	2,134,135
	3,090,264,576	3,114,604,108
11.4 Provision for Gratuity		
Opening Balance	50,317,415	85,067,446
Add: Provision made during the year	67,000,000	50,000,000
	117,317,415	135,067,446
Less: Adjustment	48,429,452	84,750,031
Closing Balance	68,887,963	50,317,415
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

		2021 Taka	2020 Taka
12	CAPITAL		
	AUTHORISED CAPITAL		
	1,000,000,000 Ordinary Shares of Taka 10 each.	10,000,000,000	10,000,000,000
12.1	Issued, Subscribed and Paid-Up Capital		
	558,933,760 Ordinary Shares of Taka 10 each issued	5,589,337,600	5,589,337,600
12.2	Category of shareholding as at 31 December 2021		
	Name of Category	Percentage (%)	Percentage (%)
	Sponsors/Directors	100.00	100.00
	Financial Institutes	-	-
	Non-Resident Bangladeshi	-	-
	General Public	-	-
		100.00	100.00
12.3	Classification of Shareholders by holding position as at 31 December 2021		
	Shareholding Range	No. of Shares	Percentage (%)
	501 to 5000 Shares	-	-
	5001 to 10,000 Shares	-	-
	10,001 to 20,000 Shares	-	-
	20,001 to 30,000 Shares	-	-
	30,001 to 40,000 Shares	-	-
	40,001 to 50,000 Shares	-	-
	50,001 to 100,000 Shares	-	-
	100,001 to 1,000,000 Shares	-	-
	Over 1,000,001 Shares	558,933,760	100.00
		558,933,760	100.00
12.4	Regulatory Capital Requirement in line with Basel-III		
	I. Tier - 1 Capital		
	a. Common Equity Tier-1 Capital (CET-1)		
	Paid up Capital	5,589,337,600	5,589,337,600
	Statutory Reserve	2,414,624,395	1,968,151,671
	Other Reserve	145,749,665	145,749,665
	Retained Earnings	1,860,824,892	1,452,381,266
	Adjustment for Deferred Tax Assets	(97,904,339)	-
		9,912,632,213	9,155,620,202
	b. Additional Tier -1 Capital (AT-1)	-	-
	Total Tier 1 Capital (a + b)	9,912,632,213	9,155,620,202
	General Provision	2,967,000,000	2,717,000,000
	Mudaraba Subordinated Bond	3,200,000,000	4,000,000,000
	Excess Amount over Maximum Limit of T-2	57,909,781	-
		6,109,090,219	6,717,000,000
	A. Total Regulatory Capital (I+II)	16,021,722,432	15,872,620,202
	B. Total Risk Weighted Assets	152,977,255,479	141,548,705,882
	C. Minimum Capital Requirement	15,297,725,548	14,154,870,588
	D. Capital Surplus/(Shortfall); (A - C)	723,996,884	1,717,749,614
	Capital to Risk Weighted Assets Ratio (CRAR)	10.47%	11.21%
	Capital to Risk Weighted Assets Ratio (CRAR):	Held	Held
	a. Common Equity Tier-1 Capital to Risk Weighted Assets	6.48%	6.47%
	b. Tier - 1 Capital to Risk Weighted Assets	6.48%	6.47%
	c. Tier - 2 Capital to Risk Weighted Assets	3.99%	4.75%
	Total (b+c)	10.47%	11.21%

At the end of 31 December 2021, Capital to Risk Weighted Assets Ratio (CRAR) stands at 10.47% where Capital is BDT 1,602 crore and Risk Weighted Assets is BDT 15,298 crore. In this consequences, Bank has taken initiatives for strengthening Core Capital of the bank through issuing IPO of BDT 428 crore. IPO proceeds of BDT 428 crore has already been added in total Paid up Capital just after year end 2021. Within the process, subcription date of the IPO was 26/12/2021 to 30/12/2021 and stocks of the bank has been started trading on January 26, 2022. It is expected that, Bank's Capital adequacy will stand at reasonably upper than the regulatory limit of CRAR from the upcoming March 2022 quarter.

	2021 Taka	2020 Taka
13 STATUTORY RESERVE		
Opening Balance	1,968,151,671	1,523,468,581
Transferred during the year from Profit & Loss A/C	446,472,725	444,683,090
Closing Balance	2,414,624,395	1,968,151,671
14 OTHER RESERVE	145,749,665	145,749,665
15 RETAINED EARNINGS		
Opening Balance	1,452,381,266	1,508,442,504
Add: Net Profit after tax for the year	872,363,623	988,415,452
Less: Transferred to Statutory Reserve	(446,472,725)	(444,683,090)
Less: Transferred to Start-up Fund	(8,723,636)	(9,884,000)
Less: Transferred to CSR Fund	(8,723,636)	(9,884,000)
Less: Transferred to Dividend Payable	-	(263,648,000)
Less: Transferred to Paid up Capital	-	(316,377,600)
Closing Balance	1,860,824,892	1,452,381,266
16 LETTER OF GUARANTEES		
Money for which the Bank is contingently liable in respect of guarantees are given favoring:		
Letters of Guarantee - Local	1,897,210,885	1,699,306,414
Letter of Guarantee - Foreign	-	-
	1,897,210,885	1,699,306,414
16.1 Money for Which the Bank is Contingently Liable in respect of Guarantees:		
Directors	-	-
Government	-	-
Banks and Other Financial Institutions	-	-
Others	1,897,210,885	1,699,306,414
	1,897,210,885	1,699,306,414
17 IRREVOCABLE LETTERS OF CREDIT		
Letters of Credit - Cash	2,154,193,884	1,294,346,905
Letter of Credit - Cash Inland	-	-
Back to Back Letters of Credit - Local	369,789,078	205,384,776
Back to Back Letters of Credit - Foreign	233,443,773	46,520,586
	2,757,426,735	1,546,252,267
18 BILLS FOR COLLECTION ISSUED BY THE BANK		
Foreign Documentary Bills	218,304,242	254,901,580
Outward Bills	-	-
Inland Documentary Bills	2,930,247,526	2,919,969,104
	3,148,551,768	3,174,870,684

	2021 Taka	2020 Taka
19 INVESTMENT INCOME		
Profit Received from:		
Deposit with Other Banks	503,740,924	554,363,831
Bai Murabaha - General	5,000	100,000
Bai Murabaha Hypothecation	47,247,424	39,802,291
Bai Murabaha against MTDR	4,930,865,946	4,691,098,108
Bai Murabaha - TR	10,589,602,000	9,981,711,337
Bai Murabaha Real Estate	41,147,500	-
Bai Murabaha - Agriculture	74,748,778	61,982,799
Bai Murabaha - Stimulus Package	150,196,536	31,417,969
Musharaka - MDB	1,550,112,581	2,780,757,597
Bai Muajjal Guarantee	10,378,471	5,756,772
Bai Muajjal Real Estate	53,145,714	66,488,353
Bai Muajjal General	7,533	11,909,966
Mudaraba Investment	39,488,597	3,662,489
Bai Murabaha Post Import Bill - TR	213,492,836	340,167,609
HPSM Transport	21,683,519	22,105,285
HPSM Industry	143,224,375	123,384,284
HPSM Real Estate	234,553,100	203,651,198
HPSM Employees House Building	24,681,703	22,219,647
HPSM Machinery	237,541,606	255,782,398
HPSM Consumer Durables	3,538,835	3,898,760
HPSM SME	6,272,714	617,408
HPSM Rural House Building	102,755	145,890
Quard against MTDR	21,334	598,011
Bill Purchased - Foreign	28,652,882	4,076,069
Bai Murabaha Import Bill (MIB)	121,994,213	124,406,496
Bai Murabaha EDF Investments	27,601,694	27,792,586
Back to Back Bill	55,870,101	70,488,885
Bai Muajjal against Import Bill	332,538,645	305,031,669
Bai Istisna	7,849,519	6,709,210
	19,450,306,835	19,740,126,917

	2021 Taka	2020 Taka
20 PROFIT PAID ON DEPOSITS		
Profit Paid on:		
Mudaraba Term Deposit	6,907,528,435	7,674,997,588
Mudaraba Double Benefit Deposits Scheme	1,130,488,430	1,189,906,352
Mudaraba Monthly Savings Scheme	521,113,129	423,595,154
Mudaraba Monthly Benefit Savings Scheme	2,542,381,466	2,429,862,629
Bangladesh Government Islami Bond	492,009,938	391,974,439
Mudaraba Savings Deposits	186,065,017	178,905,785
Mudaraba Short Notice Deposits	1,054,869,542	1,461,155,365
Mudaraba no Frill Savings Deposits	649,473	525,980
Mudaraba Marriage Scheme	11,858,339	7,812,237
Mudaraba Union Pension Prokolpo	11,336,410	11,389,137
Mudaraba Pension Deposit Scheme	-	184
Mudaraba Millionaire Deposit Scheme	133,564,334	116,075,031
Mudaraba Hajj Deposit Scheme	3,158,744	2,780,283
Mudaraba Mohor Savings Scheme	4,946,366	3,112,347
Mudaraba Corepoty Savings Scheme	56,853,840	43,475,002
Mudaraba Kotipoti Deposit Scheme	9,232,712	9,114,441
Mudaraba Non Resident F.C. Deposits	8,721	17,321
Mudaraba Barakah Deposit Scheme	3,808,049	3,745,294
Mudaraba Probashi Sanchay Prokolpo	309,437	-
Mudaraba Privileged Deposit Scheme	2,077,869	-
Mudaraba GIFT Cheque	2,706	-
Lease Liabilities IFRS - 16	3,436,608	-
Mudaraba Subordinated Bond	324,769,591	343,536,069
	13,400,469,156	14,291,980,638
21 INCOME FROM INVESTMENT IN SHARES AND SECURITIES		
Bangladesh Govt. Islamic Investment Bond	110,000,000	171,716,539
Bangladesh Govt. Islamic Sukuk	58,275,470	-
Other Bond	12,497,540	23,111,290
Profit/(Loss) on sale of shares	(6,880,437)	3,510
Dividend Income	259,522	235,153
	174,152,095	195,066,492
22 COMMISSION, EXCHANGE AND BROKERAGE		
Commission	124,029,098	126,288,377
Exchange Gain	102,287,295	65,855,038
Exchange Earning	102,287,295	65,882,821
Less: Exchange Loss	-	27,783
	226,316,393	192,143,415
23 OTHER OPERATING INCOME		
Account maintenance charge	25,204,356	26,793,330
Clearing cheque processing fee	185,203	149,816
Investment processing fee	42,265,047	51,566,856
Miscellaneous Earnings	63,154,936	45,247,816
	130,809,542	123,757,818

	2021 Taka	2020 Taka
24 SALARY AND ALLOWANCES		
Basic Salary	627,289,017	557,855,085
Bonus	286,747,659	194,921,299
Bank's Contribution to Staff Provident Fund	58,650,679	52,075,763
Gratuity	67,000,000	50,000,000
House Rent Allowance	344,353,651	305,993,203
Conveyance Allowance	41,628,833	36,895,573
Leave Fare Allowance	34,700,885	30,625,370
Entertainment Allowance	18,887,537	16,020,770
Medical Allowance	89,422,881	78,951,409
Utility Services	32,298,292	28,376,693
House Maintenance Allowance	43,550,240	38,867,677
Bengali New Year Allowance	10,510,766	9,542,690
Other Allowances	8,859,348	7,111,367
	1,663,899,788	1,407,236,899
25 RENT, TAXES, INSURANCE, ELECTRICITY etc.		
Rent	259,707,561	298,337,618
Insurance	66,699,012	47,362,389
Rates and Taxes	3,895,431	33,153,555
Water Charges	1,163,124	1,051,305
Gas Charges	546,771	366,433
Electric Bills	49,438,379	41,502,019
	381,450,278	421,773,319
26 LEGAL EXPENSES		
Law Charges	601,445	213,475
Stamp	42,457	58,696
Other Professional Charges	4,123,716	6,817,521
	4,767,618	7,089,692
27 POSTAGE, STAMP AND TELECOMMUNICATION etc.		
Telephone	4,340,346	4,414,100
Telegram, Telex, Internet, Fax and Email charge	12,822,339	9,871,061
Stamp	12,067	5,070
Swift charge	5,268,769	5,368,768
Postage	4,304,740	3,696,181
	26,748,261	23,355,180
28 STATIONERY, PRINTING AND ADVERTISEMENT etc.		
Publicity and Advertisement	50,176,151	61,370,085
Printing and Stationery	25,072,376	21,117,541
	75,248,527	82,487,626
29 CHIEF EXECUTIVE'S SALARY & FEES		
Basic Pay	6,248,417	5,313,334
House Rent Allowances	2,160,000	1,985,833
Leave Fare Allowance	540,000	793,333
Bonus	1,808,917	2,455,000
Bengali New Year Allowance	105,083	77,000
House Maintenance Allowance	600,000	837,500
Other Allowance	1,104,842	785,950
	12,567,259	12,247,950

	2021 Taka	2020 Taka
30 DIRECTORS' FEES & EXPENSES		
Fees	1,251,200	1,113,200
Travel	1,065,000	855,000
	2,316,200	1,968,200
31 SHARIA'H SUPERVISORY COMMITTEE'S FEES AND EXPENSES		
Fees	304,000	211,600
Travel	150,000	105,000
	454,000	316,600
32 DEPRECIATION AND REPAIRS TO FIXED ASSETS		
Depreciation on Fixed Assets (Annexure - A)	243,323,017	172,299,967
Repairs:	54,038,429	52,051,472
Office equipment	44,689,944	42,273,764
Renovation and Maintenance of Office Premises	64,441	523,874
Furniture and Fixtures	250,332	409,165
Repair & Maintenance of Vehicle	9,033,712	8,844,669
	297,361,446	224,351,439
33 OTHER EXPENSES		
Car Expense	46,930,383	48,997,708
Wages	162,859,725	154,690,251
Traveling	5,213,469	5,047,794
Donation and Subscription:		
Donation	66,808,580	203,522,705
Subscription	4,622,003	4,250,041
Newspaper and Periodicals	475,456	747,893
Entertainment	24,879,987	19,144,675
Conveyance	7,008,301	5,603,489
Bank charges	13,929,479	8,327,339
Holiday Banking allowances	485,600	12,964,512
Medical Expense	7,620,598	7,331,944
Recruitment Expenses	3,521,000	-
Training, Seminar and Workshop	1,415,591	1,855,802
Photocopy, Photograph & Toner	2,368,676	2,046,749
Generator Expenses	7,243,724	5,496,731
Washing and Cleaning	487,271	500,990
Online Expenses	2,963,471	2,056,298
Office Maintenance	16,562,999	12,835,990
Crockery Expense	463,806	393,868
Meeting Expenses	9,718,575	7,780,678
IPO Expenses	62,527,595	-
ATM Expenses	11,548,062	9,242,997
Miscellaneous Expenses	3,311,352	2,688,193
	462,965,703	515,526,647
34 EARNINGS PER SHARE (EPS)		
A. Net Profit after Tax	872,363,623	988,415,452
B. Weighted Average Number of Ordinary Shares	558,933,760	558,933,760
Earnings Per Share (A/B)*	1.56	1.77

	2021 Taka	2020 Taka
35 RECEIPTS FROM OTHER OPERATING ACTIVITIES		
Account maintenance charge	25,204,356	26,793,330
Clearing cheque processing fee	185,203	149,816
Investment processing fee	42,265,047	51,566,856
Miscellaneous Earnings	63,154,936	45,247,816
	130,809,542	123,757,818
36 PAYMENTS FOR OTHER OPERATING ACTIVITIES		
Rent, Taxes, Insurances, Electricity etc.	451,375,966	421,773,319
Legal Expenses	4,767,618	7,089,692
Postage, Stamps, Telecommunications etc.	26,748,261	23,355,180
Directors' fees	2,316,200	1,968,200
Sharia'h Supervisory Committee's fees and expenses	454,000	316,600
Auditor's Fee	345,000	345,000
Repair of Fixed Assets	54,038,429	52,051,472
Zakat Expenses	55,000,000	44,000,000
Other Expenses	462,965,703	515,526,647
	1,058,011,177	1,066,426,110
37 INCREASE / DECREASE OF OTHER ASSETS		
Inter - branch Transaction Account	11,609,142,535	13,393,588,068
Advances, Deposits and Prepayment	366,611,701	485,427,099
Stock of Stationery	30,005,296	14,834,826
Suspense Account	126,376,607	134,745,902
Stamps on Hand	2,481,920	2,476,960
	12,134,618,059	14,031,072,855
(Increase)/Decrease during the year	1,896,454,796	(9,594,244,553)
38 INCREASE / DECREASE OF OTHER LIABILITIES		
Provision for Zakat	55,000,000	44,000,000
Benevolent Fund	185,071	168,879
Clearing Adjustment Account	2,717,545	3,968,853
Others	2,570,399,513	1,959,756,745
	2,628,302,129	2,007,894,477
Increase /(Decrease) during the year	620,407,652	971,907,211
39 NUMBER OF EMPLOYEES		
Executives and Officers	1,480	1,341
Members of Staff (Contractual)	314	317
	1,794	1,658

41 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) Related Party Transactions	Nil
ii) Shares issued to Directors and Executives without consideration or exercisable at discount	Nil
iii) Lending to Related Parties is effected as per requirements of Section 27 (1) of the Bank Companies Act, 1991.	Nil
iv) Business other than banking business with any related concern of the Directors as per Section 18(2) of the Bank Companies Act, 1991	Nil
v) Investment in the Securities of Directors and their related concern	Nil

42 DIRECTORS' INTEREST IN DIFFERENT BUSINESSES OR ENTITIES

Sl. No	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
			Genesis Textiles Accessories & Apparels Ltd.
			Blythe Ltd.
			Affinity Assets Ltd.
			Wesco Ltd.
			Director
			Norinco Engineering Ltd.
			Hasan Abasan (Pvt) Ltd.
			Proprietor
M/s. Genesis Enterprise			
2	Mollah Fazle Akbar	Vice Chairman	Lt. General (Retd)
			Bangladesh Army
3	Ms. Marzina Sharmin	Director	Managing Director
			Times Securities Limited
			Chairman
			Kingston Flour Mills Ltd.
			Proprietor
			M/s. Marzina Trading
Shareholder			
Infinite CR Strips Industries Ltd.			

Sl. No	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.
			Partner
			M/s. Rafi Enterprise
			M/s. Khorshed Paribahan Sangstha
Proprietor			
M/s Rashed Enterprise			
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 Prakritik 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.
			EX- Chief Executive Officer (CEO)
10	Abdus Salam, FCA	Independent Director	First Security Islami Bank Foundation
			EX- Managing Director
			Bangladesh Krishi Bank
			EX- CEO & Managing Director
			Janata Bank Ltd.

43 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 04 (Four) 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.

44 EVENTS AFTER BALANCE SHEET DATE

- The Board of Directors of the Bank in its 86 th Board meeting held on 28 April 2022 approved the financial statements of the Bank for the year ended 31 December 2021 and recommended 5% cash dividend and 5% stock dividend for shareholders for the year 2021 to be approved in the next Annual General Meeting and authorized the same for issue.
- The Bank has Listed on 26 January 2022 in both Dhaka Stock Exchange and Chittagong Stock Exchange as Listed Bank Company through issuance of Initial Public Offering (IPO) of Tk. 4,280,000,000
- 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


Chairman

Place: Dhaka, Bangladesh
Dated: 28 April 2022

UNION BANK LIMITED
Schedule of fixed assets
As at 31 December 2021

Figure in Taka

Particulars	Cost			Depreciation				Written Down Value as on 31 Dec'21	
	Balance as on 01 January'21	Addition during the period	Sales/Transfer during the period	Balance as on 31 December'21	Balance as on 01 January'21	Charged for the period	Adjustment on sale/transfer during the period		Balance as on 31 December'21
Furniture & Fixtures	983,051,823	141,509,733	-	1,124,561,556	328,371,413	72,155,683	-	400,527,096	724,034,460
Office Equipment	941,063,120	94,118,543	-	1,035,181,663	510,226,822	98,494,787	-	608,721,609	426,460,054
Vehicles	101,228,719	19,137,862	10,238,000	110,128,581	90,559,448	6,149,565	10,237,999	86,471,013	23,657,568
Books	426,567	61,087	-	487,654	147,074	33,902	-	180,976	306,678
Land	2,666,750,340	-	-	2,666,750,340	-	-	-	-	2,666,750,340
Sub Total	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
Lease assets - Premises									
Right-of-use-assets	-	279,825,267	-	279,825,267	-	66,489,080	-	66,489,080	213,336,187
Total Dec' 2021	4,692,520,569	534,652,492	10,238,000	5,216,935,061	929,304,757	243,323,017	10,237,999	1,162,389,774	4,054,545,287
Total Dec' 2020	4,485,038,517	217,725,052	10,243,000	4,692,520,569	767,247,789	172,299,967	10,242,999	929,304,757	3,763,215,812

UNION BANK LIMITED
FINANCIAL HIGHLIGHTS
For the year ended 31 December 2021

Figure in Taka

SL	Particulars	2021	2020
1	Paid-up Capital	5,589,337,600	5,589,337,600
2	Total Regulatory Capital	16,021,722,432	15,872,620,202
3	Total Regulatory Capital Surplus/(deficit)	723,996,884	1,717,749,614
4	Total Assets	242,418,203,108	210,031,576,436
5	Total Deposits	200,229,794,529	172,710,507,951
6	Total Investments	193,822,280,481	166,337,195,954
7	Total Contingent Liabilities and Commitments	10,393,460,922	10,570,316,251
8	Investment Deposit Ratio (in %)	91.55%	90.22%
9	Percentage of Classified Investments against total Investments (in %)	3.49%	2.53%
10	Profit after Provision and Tax	872,363,623	988,415,452
11	Amount of Classified Investments	6,756,128,599	4,201,353,863
12	Provision kept against Classified Investments	2,317,654,000	1,392,000,000
13	Investments Provision Surplus/(deficit)	29,102,335	37,299,935
14	Cost of Fund	8.90%	10.55%
15	Profit Earning Assets	211,677,132,440	179,976,288,304
16	Non-profit Earning Assets	30,741,070,668	30,055,288,132
17	Income from Investment in Shares & securities	174,152,095	195,066,492
18	Return on Investment in Shares & securities (ROI)(in %)	1.45%	2.54%
19	Return on Assets (ROA)(in %)	0.39%	0.51%
20	Earnings Per Share (Tk.)	1.56	1.77
21	Net Income Per Share (Tk.)	1.56	1.77
22	Price Earnings Ratio (Times)	N/A	N/A

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

Revenue Stamp
Taka 20/-

PROXY FORM

I/We.....

of (Address).....

being a member of UNION BANK LIMITED entitled to vote hereby appoint Mr./Mrs./Miss as my proxy to attend and vote for me and on my behalf at the 9th Annual General Meeting (AGM) of the Bank to be held on Monday, the 4th July 2022 at 12:00 PM by using Digital Platform through the link <https://unionbank.digitalagmbd.net>.

As witness my hand this day of 2022.

(Signature of the Proxy)

Signature of the Member

Date :

Folio No :

Signature Verified by

BO ID No :

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No. of Shares held :

Notes:

1. A Member entitled to join and vote at the General Meeting may appoint a Proxy who will also be a Member of the company to join and vote in his/her behalf through digital platform. The Proxy Form, duly stamped, must be submitted at the Registered Office of the Company not later than 72 hours before the time fixed for the meeting.
2. Signature of the Member must be in accordance with the specimen signature registered with the Company or with the Depository.

ATTENDANCE SLIP

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

I/We hereby record my/our presence at the 9th Annual General Meeting (AGM) of Union Bank Ltd. will be held virtually by using digital platform through link <https://unionbank.digitalagmbd.net> (in pursuant with BSEC order SEC/SRMIC/94-231/91 dated March 31, 2021) on Monday, the 4th July 2022 at 12:00 PM.

Name of Member/Proxy:

Registered Folio/BO No: holding of..... Ordinary Shares of Union Bank Ltd.

Signature of Member/Proxy



UNION BANK LIMITED
Bahela Tower, 72, Gulshan Avenue, Gulshan - 1
Dhaka-1212, Bangladesh.
e-mail: info@unionbank.com.bd
Phone: +88 02 22 22 97310