

সংস্কৃত শেখ মুজিবুর রহমান টানেল
SANGSUKRIT SHEKH MUJIBUR RAHMAN TUNNEL



2023
ANNUAL REPORT

Economic
Prosperity



UNION BANK PLC.
SHARIAH BASED BANK



VERSES FROM THE HOLY QURAN AND HADITH

“..... That is because they say Trade is just like usury whereas,
Allah permitteth trading and forbideth usury.....”

-Surah Al-Baqarah,verse : 275

“.....Allah will destroy Riba (usuary) and will give increase for Sadaqaat and
Allah likes not the disbelievers, sinners.....”

-Surah Al-Baqarah,verse : 276

“..... O you who believe! Be afraid of Allah and give up
what remains from Riba, if you are really believers.....”

-Surah Al-Baqarah,verse : 278

“..... Verily never will Allah change the condition of a people until they
change it themselves (with their own souls).....”

-Surah Ar-ra'ad, verse : 11

“A man’s work ends upon his death except for three things
(a) contribution to knowledge (b) on-going charity and (c) faithful child”

- Al Hadith Muslim



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UNION BANK PLC.
SHARIAH BASED BANK

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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.

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.

LETTER OF TRANSMITTAL

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

Subject: Annual Report 2023 of Union Bank PLC.

Muhtaram

Assalamu Alaikum Wa Rahmatullah,

Reference to the above, we enclosed herewith the copy of Annual Report of Union Bank PLC. including Directors' Report & Corporate Governance Report along with Audited Financial Statements as on 31st December 2023. 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 PLC. for the period ended 31st December 2023.

This is for your kind information and record please.

Ma-Assalam



Ali Hossain Bhuiyan ACS
Company Secretary

NOTICE OF THE 11TH ANNUAL GENERAL MEETING

Notice is hereby given that the **11th Annual General Meeting** of the Members of Union Bank PLC. will be held on **Monday, the 12th August 2024 at 11.30 AM** by using Hybrid Platform through the link <https://unionbank.digitalagmbd.net> and at **Banani DOHS Community Center**, Road-03, Dhaka Cantonment, Dhaka-1206 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st December 2023 along with the Auditors' Report and the Directors' Report thereon.
2. To approve Dividend for the year ended 31st December 2023 as recommended by the Board of Directors.
3. To re-elect Directors in place of the Directors' retirement and/or elect new Director.
4. To approve re-appointment of Independent Director.
5. To re-appoint External Auditor of the Company for the period until the next Annual General Meeting and to fix their remuneration.
6. To re-appoint Compliance Auditor as per Corporate Governance Code by BSEC for the year 2024 and to fix their remuneration.
7. Any other agenda (if any) with the permission of the Chair.

SPECIAL BUSINESS:

01. To approve change the name of the Bank from Union Bank PLC. to Union Islami Bank PLC.

“RESOLVED THAT pursuant to approval of the Board of Directors of the company in its 106th meeting held on 27 September 2023, the shareholders of the company be and is hereby accorded to change the registered name of the Bank as ‘Union Islami Bank PLC.’ instead of ‘Union Bank PLC.’,

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

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

02. To approve the time extension for utilization of the use of proceeds of IPO fund.

“RESOLVED THAT as the time limit for utilization of IPO fund proceeds has been expired and consequent recommendation by the Board of Directors of the Bank, the shareholders of the company be and is hereby accorded to extend the time for utilizing the IPO fund proceeds till June 30, 2025.

FURTHER RESOLVED THAT the Management of the Company is hereby authorized to take necessary initiative (if any) with Bangladesh Securities and Exchange Commission, sign necessary documents, and submit such papers as may be required to give effect to the said resolution.”

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

Date: 18th July, 2024
Dhaka, Bangladesh.



Please scan this QR Code in your smart phone to download the Annual Report 2023



Please scan this QR Code in your smart phone to join the 11th Annual General Meeting

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

NOTES:

- a. The “Record Date” was on Thursday the 06th June 2024. 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 participate and vote the 11th AGM and to receive Cash Dividend for the year 2023.
- b. The Board of Directors recommended 05% Cash dividend for the year ended 31st December 2023.
- c. Any Member of the Company entitled to attend and vote at the AGM may appoint a Proxy to attend and vote on his/her behalf. The Proxy Form duly filled in and signed by the Member and stamped, must be submitted at the Registered Office of the Company/sent through e-mail to share@unionbank.com.bd at least 48 (Forty-Eight) hours before the meeting.
- d. The members may participate the AGM physically or join through the link <https://unionbank.digitalagmbd.net> as it will be conducted using hybrid platform. In case of online participants, they 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 via email address and mobile SMS. Full login/participation process for online participants in the AGM will also be available in the Bank’s website: www.unionbank.com.bd.
- e. The Online (real time) or e-voting option will be opened before 24 hours prior to start of Annual General Meeting and shall remain open up to the closure of General Meeting. The shareholders attending physically will be able to vote through ballot paper up to the closure of General Meeting after registration in the venue.
- f. The members are requested to update their respective BO accounts along with bank account details, mailing address, email address, contact number and 13 digits e-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-2023 of the Bank along with Proxy Form and Notice of the 11th AGM will be forwarded to all the members at their respective e-mail address available in their Beneficiary Owners (BO) accounts maintained with the Depository. Shareholders may also collect the printed copy of the Annual Report-2023 from the registered Office or Share Division (Address: Mehnaz Mansur Tower, level-5, 11/A, Road-130, Gulshan-01, Dhaka) of the Bank. Soft copy of the Annual Report-2023, Notice of 11th AGM, Proxy Form and Attendance Slip will also be available at the bank’s website: www.unionbank.com.bd
- 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. 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 31st July 2024, along with DP/ Stock Broker’s Bank Account name & number, routing number etc. and the name of the contact person of the Share Department of the company and also soft copy of the same to share@unionbank.com.bd for facilitating payment of Cash Dividend.
- j. 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 cash dividend or stock dividend, shall be paid to the holders of equity securities (i.e. No Food/Box/Gift Coupon etc.)”** to be distributed at the AGM.

CORPORATE PROFILE



REGISTERED NAME OF THE COMPANY

Union Bank PLC.

LEGAL FORM

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

CALL CENTER (24/7)

From Bangladesh : 16716
From Overseas : +88-09666-789-000

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 (Union Bank Ltd.)
BRPD (LS-1) 745(63)/2023-10261 Dated: November 29, 2023 (Union Bank PLC.)

DATE OF LISTING

Dhaka Stock Exchange PLC. : January 18, 2022
Chittagong Stock Exchange PLC. : January 17, 2022

VAT REGISTRATION NUMBER

000875584-0101

TAX PAYER'S IDENTIFICATION NUMBER

796739852073

EXTERNAL AUDITOR

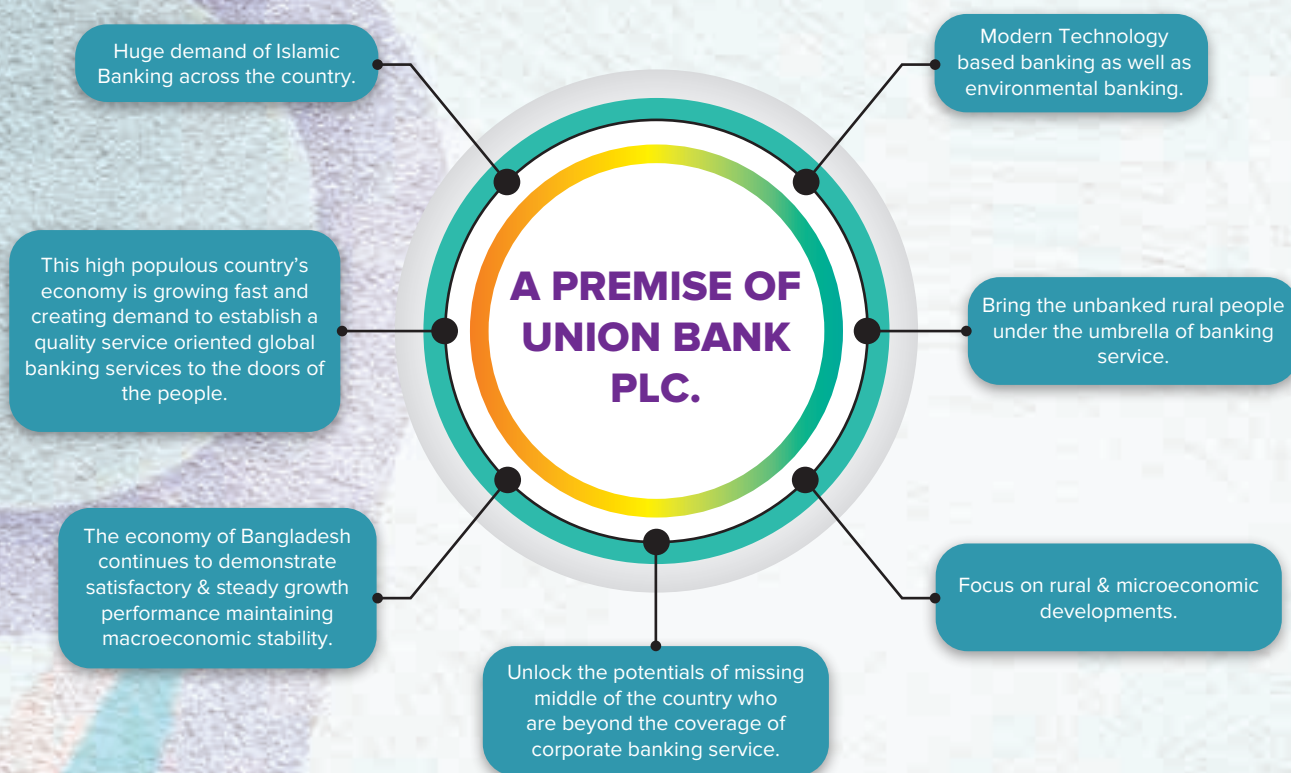
M M Rahman & Co., Chartered Accountants
Padma Life Tower, Level-10
115, Kazi Nazrul Islam Avenue, Bangla Motor
Dhaka-1000, Bangladesh

TAX CONSULTANT

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

COMPLIANCE AUDITOR

Haruner Rashid & Associates
Chartered Secretaries & Management Consultants
Chand Mansion (6th Floor), 66, Dilkusha, Dhaka-1000, Bangladesh



Union Bank PLC. was incorporated (No.C-107837/13) in Bangladesh on 07th 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 10th March 2013 to commence its business (Ref: BRPD (P-3)/745(60)/2013-1153). Presently the Bank carries banking activities under Islamic Shariah prevailing in the country.

Our Vision

To become socially committed world class shariah based financial institution unblocking the covert potentials specially for the missing middle who are beyond the coverage of corporate banking services.

Our Mission

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



FOCAL POINTS OF FIVE (05) YEARS' STRATEGIC PLAN

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

Union Bank PLC.
Financial Information at a Glance

For the year ended 31 December 2023

(Tk. In million)			
SL No.	Particulars	2023	2022
1	Authorized Capital	20,000.00	20,000.00
2	Paid-up Capital	10,362.80	9,869.34
3	Shareholder's Equity	16,337.89	15,280.30
4	Total Capital (Tier - 1 + Tier - 2)	21,635.96	21,437.97
5	Statutory Reserve	3,675.52	3,028.78
6	Total Assets	295,347.56	272,908.82
7	Total Liabilities	279,009.68	257,628.52
8	Deposits	225,585.37	213,375.30
9	Total Investment and Advance	255,691.91	222,275.44
10	Total Contingent Liabilities	6,016.84	6,424.12
11	Total Risk Weighted Asset	194,684.74	187,564.46
12	Total Fixed Assets	5,009.23	4,953.13
13	Operating Income	8,435.07	7,495.51
14	Operating Expenditure	4,030.18	3,346.93
15	Profit before provision & Tax	4,404.89	4,148.58
16	Profit before Tax	3,233.69	3,070.79
17	Net profit after Tax	1,607.89	1,513.50
18	Foreign Exchange Business:		
	a) Import Business	6,205.00	9,247.60
	b) Export Business	4,204.00	4,801.90
	c) Remittance	4,168.00	6,515.00
19	No. of Foreign Correspondent	153	153
20	Profit Earning Assets	271,307.22	237,643.29
21	Non-profit Earning Assets	24,040.35	35,265.53
22	Investment Deposit Ratio (in %)	108.50%	99.64%
23	Capital to Risk Weighted Assets Ratio (CRAR)	11.11%	11.43%
24	Dividend:		
	a) Cash	5% (Recommended)	5%
	b) Bonus	-	-
	c) Right Share	-	-
25	Cost of Fund	9.23%	8.48%
26	Net Asset Value (NAV) per share	16.03	15.82
27	Earnings Per Share (EPS)	1.58	1.57
28	Return on Assets (ROA)	0.57%	0.59%
29	Number of Employees	2,073	2,125
30	Number of Branches	114	112
31	Number of Sub-Branches	54	46

SHAREHOLDERS' INFORMATION

Union Bank PLC.
 Details of Capital Fund
 As on 31 December 2023

Tk. In Crore

Regulatory Capital Requirement in line with Basel-III	2023	2022
I. Tier - 1 Capital		
a. Common Equity Tier-1 Capital (CET-1)		
Paid up Capital	1,036.28	986.93
Statutory Reserve	367.55	302.88
Other Reserve	14.57	14.57
Retained Earnings	215.38	223.64
Adjustment for Deferred Tax Assets	(9.99)	(10.57)
	1,623.80	1,517.46
b. Additional Tier –1 Capital (AT-1)		
	-	-
Total Tier 1 Capital (a + b)	1,623.80	1,517.46
II. Tier –2 Capital		
General Provision	299.80	306.34
Mudaraba Subordinated Bond	240.00	320.00
Excess Amount over Maximum Limit of T-2	-	-
	539.80	626.34
A. Total Regulatory Capital (I+II)	2,163.60	2,143.80
B. Total Risk Weighted Assets	19,468.47	18,756.45
C. Minimum Capital Requirement	1,946.85	1,875.64
D. Capital Surplus/(Shortfall); (A - C)	216.75	268.15
Capital to Risk Weighted Assets Ratio (CRAR)	11.11%	11.43%
Capital to Risk Weighted Assets Ratio (CRAR):		
	Held	Held
a. Common Equity Tier-1 Capital to Risk Weighted Assets	8.34%	8.09%
b. Tier - 1 Capital to Risk Weighted Assets	8.34%	8.09%
c. Tier - 2 Capital to Risk Weighted Assets	2.77%	3.34%
Total (b+c)	11.11%	11.43%



**DIRECTORS
AND
MANAGEMENT
INFORMATION**

Board of Directors

(As on 30 June 2024)

The Board of Directors consists of 11 Directors including 1 Independent Director and Managing Director. The Independent director was appointed and their tenure was fixed in compliance with Corporate Governance Code, 2018 of Bangladesh Securities and Exchange Commission (BSEC) and the Bank Company Act, 1991. The Board Members of Union Bank PLC. are highly motivated and committed to achieve the bank's objectives.

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

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

Chairman

Professor Dr. Md. Salim Uddin FCA FCMA

Vice-Chairman

Lt Gen Mollah Fazle Akbar PhD ndc psc (Retd)

Directors

Ms. Marzina Sharmin

Mr. Rashedul Alam

Mr. Mohammad Fazlay Morshed

Ms. Halima Begum

Mr. Osman Goni

Mr. Mohammed Delwar Hossain FCA

Mr. Mohammad Mostan Billah Adil

Independent Director

Mr. Md. Abdus Salam FCA

Ex-Officio Director

Mr. A.B.M Mokammel Hoque Chowdhury



Professor Dr. Md. Salim Uddin FCA FCMA
Chairman



Lt Gen Mollah Fazle Akbar PhD ndc psc (Retd)
Vice-Chairman



Ms. Marzina Sharmin
Director



Mr. Rashedul Alam
Director



**Mr. Mohammad
Fazlay Morshed**
Director



Ms. Halima Begum
Director



Mr. Osman Goni
Director



**Mr. Mohammed
Delwar Hossain FCA**
Director



**Mr. Mohammad
Mostan Billah Adil**
Director



Mr. Md. Abdus Salam FCA
Independent Director



**Mr. A.B.M Mokammel
Hoque Chowdhury**
Ex-Officio Director



Professor Dr. Md. Salim Uddin FCA FCMA

Chairman

(Representative of Unique Investment & Securities Ltd.)

A luminary in the field of Accounting and Finance, Professor Dr. Md. Salim Uddin's illustrious career is marked by academic excellence, professional expertise and a relentless pursuit of knowledge.

A triple Fellow of professional accounting bodies, Dr. Salim boasts a Fellow Chartered Accountant (FCA), Fellow Cost & Management Accountant (FCMA), and a Certified Public Finance Accountant (CPFA) among his array of qualifications. His memberships span the Institute of Chartered Accountants of Bangladesh (ICAB), the Institute of Cost and Management Accountants of Bangladesh (ICMAB) and The Chartered Institute of Public Finance & Accountancy (CIPFA), UK.

Dr. Salim's academic journey is nothing short of awe-inspiring. A holder of an Honours in Commerce and a Master in Accounting from the University of Chittagong, he bagged the coveted first place in his M.Com Final examination. His academia prowess was put to use when he joined Accounting Department, the University of Chittagong as a lecturer in 1994, climbing the ranks to Professor by 2010. His dedication to the field led him to pursue an MBA at the University of Brussels, Belgium, earning a degree with distinction. A passion for international accounting took him further to complete a PhD on the "Application of International Financial Reporting Standards (IFRS) in Bangladesh."

He juggles his academic commitments with an array of professional roles. These include directorships at esteemed institutions like Islami Bank Bangladesh PLC., Chittagong Stock Exchange PLC., Premier Bank PLC., Rupali Investment Ltd. and Rupali Bank PLC. His outstanding contributions led to his appointment as Vice President at ICAB, as well as the Chairman of the Executive Committee at IBBPLC. Furthermore, his expertise was recognized by the University of Chittagong, where he was named Chairman of the Bureau of Business Research, the Faculty of Business Administration. He also held the position as a member of the Finance Committee of the University of Chittagong. He currently holds the esteemed position of Chairman of the Bangladesh House Building Finance Corporation for an impressive third tenure. In addition, he also carries the prestigious role of President at the Institute of Cost and Management Accountants of Bangladesh (ICMAB).

A respected Financial Consultant/Advisor since 1993, Dr. Salim's experience spans across designing accounting systems, auditing, assurance practices, project management, business negotiation, regulatory compliance, and more. His academic interests lie in International Accounting, IAS/IFRS, Forensic Accounting, Creative Accounting, and Capital Market. A prolific researcher and writer, Dr. Salim has contributed to over eighty research articles in reputable journals and publications worldwide. His commitment to continuous learning is evident in his active participation in national and international seminars, training programs, workshops, and projects, such as his engagement with E-Brokerage in Belgium.

Dr. Salim's participation in seminars, training programs, and workshops, both national and international, have further enhanced his repertoire of knowledge and skills. Highlights include an extensive training program on IFRS and ISA held in London, UK funded by World Bank and a consultancy training program in Japan. Besides, he has visited the USA, Canada, UK, Japan, France, Germany, Belgium, Netherlands, Luxembourg, Turkey, Saudi Arabia, UAE, Singapore, Hong Kong, China, Malaysia, Thailand, India, Sri Lanka, and Nepal.

Throughout his illustrious career, Dr. Salim has personified excellence and commitment, inspiring countless individuals within and beyond the realm of accounting and finance. His remarkable achievements and vast knowledge continue to shape the landscape of financial academia and industry in Bangladesh and beyond.



Lt Gen Mollah Fazle Akbar PhD ndc psc (Retd)

Vice-Chairman

(Representative of Reliable Entrepreneurs Ltd.)

Lieutenant General Mollah Fazle Akbar PhD ndc psc (Retd) 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 PLC. At present he is the CEO of Fly Dhaka, an upcoming Bangladeshi Private Airlines.

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

Lieutenant General Akbar commanded an Air Defence Artillery Brigade (ADA) of Bangladesh Army and a Field Artillery Brigade. He was also the first Sector Commander of

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

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

Lieutenant General Akbar earned Bachelor of Science degree in War Studies from Baluchistan University, Pakistan and obtained Bachelor of Arts degree from University of Dhaka, Bangladesh. He completed Masters in Social Studies (MSS) in Political Science from University of Dhaka and Masters

of Business Administration (MBA) from Royal University, Dhaka. He earned his coveted Masters of Philosophy (M.Phil.) from National University of Bangladesh. He completed Ph. D on “Connectivity in South Asia: Impact on Bangladesh Economy and Development” from Bangladesh University of Professional (BUP), Dhaka.

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

- a. Shangri-La Dialogue, Singapore (2009).
- b. Shangri-La Dialogue, Singapore (2010)
- c. Asia Pacific Intelligence Chiefs Conference, Tokyo, Japan (2011).
- d. Shangri-La Dialogue, Singapore (2011).
- e. Oman Security Conference (2012).
- f. Oman Security Conference (2013).
- g. Attended Seminar and Program on Managing Defence in Wider Security Context, Dhaka (2013) – Organized jointly by Defence Academy, UK and Cranfield University, UK.
- h. Attended Conference on ‘Measures for Forging Indo-Pacific Security’ organised by USI, India on Nov, 2015.
- i. Attended conference on ‘Culture as a Tool for Regional Cooperation’ organised by IDSA, New Delhi, India on Nov 2015.
- j. Attended conference on “The Raisina Dialogue 2016 - India’s Global Conclave” jointly organised by the Observer Research Foundation, India, and the Ministry of External Affairs, Government of India on Mar 2016.

Some of the papers those presented in different conferences and seminars are:

- a. Presented paper on Disaster Management: Bangladesh Experience – Asia Pacific Intelligence Chiefs Conference, Singapore (2009).
- b. Presented paper on Importance of Information Sharing for Disaster Management - Asia Pacific Intelligence Chiefs Conference, Seoul, South Korea (2010).
- c. Presented Keynote paper at National Defence College, Tanzania (2012) on Role of National Defence College on Strategic Planning of National Security and Development.
- d. Presented paper on ‘Sri Lanka’s Post Conflict Successes: Implications and Gains in Security for Bangladesh in the Context of Regional Stability’ at Sri Lanka Defence Seminar 2013.
- e. Presented Keynote Speech on ‘Strategic Importance of the Indian Ocean to Asian and Global Security’ at Royal Brunei Armed Forces Command and Staff Course, Brunei 2014.
- f. Presented paper on ‘Indian Ocean Region: Emerging Strategic Cooperation, Competition and Conflict Scenarios’ at USI International Seminar, India 2014.
- g. Presented paper on, ‘Culture as a Tool for Regional Cooperation-Bangladesh Perspective’ at IDSA, New Delhi on Nov 2015.

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



Ms. Marzina Sharmin

Director

Ms. Marzina Sharmin is one of the Sponsor Shareholders and Directors of Union Bank PLC. and she was also the member of Executive Committee of the Board of Directors. She was born in a renowned Muslim family in Chattogram. She is a business graduate with expertise knowledge in the field of business. Ms. Marzina Sharmin started her business career as the proprietor of M/s. Marzina Trading which deals with general trading and wholesale business of different products. She is the Chairman of Kingston Flour Mills Limited. She is also an expert in Share Market, Security & Investment Sector and acting as the Managing Director of Times Securities Limited. She has more than 24 years of business experience.



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, tourism, agriculture, land development and steel manufacturing sector. He is the Partner of Rafi Enterprise and Khorshed Paribahan Sangstha. Mr. Alam is also the Director of Bangladesh Petro Chemical Limited, S. Alam Hatchery Limited, S. Alam Properties Limited and Fatehabad Farm Limited. He is the Managing Director of Ocean Resorts Ltd. & Global Trading Corporation Limited. For business purposes he 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 PLC.



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 PLC.



Ms. Halima Begum

Director

(Representative of Lion Securities & Investment Limited.)

Ms. Halima Begum was born in a reputed Muslim family in Chattogram. As a member of a business oriented family she has established herself as a woman entrepreneur in field of trading business. She is the proprietor of M/s Halima Trading Enterprise. She has the expertise of running business for the last 15 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 PLC.



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 PLC. He is a well-established and dynamic businessman who hails from a respectable Muslim family. He was born in Chattogram on April 05, 1967. He has a vast business knowledge in the area of trading, manufacturing, real estate, tourism.

He is the Managing Director of S. Alam Cold Rolled Steels Limited. He is also the Director of S. Alam Trading Company Limited, S. Alam Bag Manufacturing Mills Limited, Ocean Resorts Limited, Modern Properties Limited and Shah Amanat Praktitik Gas Co. Ltd.

In addition to his business, Mr. Goni is associated with many other philanthropic activities in the country. He has travelled many countries around the world for business purposes. Mr. Goni is a member of Risk Management Committee of Board of Directors of Union Bank PLC.



Mr. Mohammed Delwar Hossain FCA

Director

(Representative of Western Designer Ltd.)

Mr. Mohammed Delwar Hossain FCA is an esteemed individual, bringing a wealth of experience to the financial sector. As a proud Bangladeshi, Mr. Hossain has not only established himself as a seasoned professional but also emerged as a key figure in the business community. His proficiency extends to encompass accounting, finance, and compliance issues, further solidifying his reputation as a respected and knowledgeable professional.

Mr. Hossain, an esteemed Fellow Chartered Accountant (FCA) with a Master of Commerce (M.Com) degree, has charted a distinguished educational and professional course. With a career that extends beyond a decade, his professional odyssey commenced at Keri Limited in Dhaka, where he assumed the role of Chief Accounts Officer on September 1, 2000. Advancing through his career, Mr. Hossain later ascended to the pivotal position of Director of the Finance, a role he dedicatedly served until his resignation on November 30, 2010. Throughout this tenure, Mr. Hossain assumed a pivotal role in directorship, seamlessly managing accounting and finance responsibilities.

Mr. Hossain's illustrious career not only showcases his commendable tenure in pivotal roles but also highlights his international business acumen. Throughout his professional journey, he has embarked on business trips to several countries, including India, Saudi Arabia, and the United Arab Emirates, further enriching his experience and contributing to his global perspective in finance and accounting.

Currently associated with S. Alam Group in Chittagong, Mr. Hossain holds the position of GM (Accounts & Finance) since 2010. In this capacity, he continues to contribute to the financial landscape, showcasing his expertise in accounting and finance. His commitment to excellence and his significant contributions to the financial sector underscore his influential role in the business community of Bangladesh.



Mr. Mohammad Mostan Billah Adil

Director

Mr. Mohammad Mostan Billah Adil, a stalwart in the business realm of Chattogram, Bangladesh, was born on December 15, 1987. Holding Bangladeshi nationality, Mr. Adil has emerged as a significant contributor to the economic landscape of the region.

Educationally, Mr. Adil pursued his B.B.A. and embarked on his professional journey, notably in the trading sector. He is the Owner of M/s. Adil Corporation, located at Asadgonj, Chattogram, where he actively manages the business and oversees its operations.

In addition to owning his business, Mr. Mohammad Mostan Billah Adil takes on key roles in various companies. He's the Managing Director of Sparrow Spinning Limited, involved in the spinning mill. Also, he acts as a Director at Infinia Spinning Mills Limited. Expanding further, Mr. Adil is the Managing Director of Platinum Endeavors Limited, a trading company, and Priority Security & Other Services Limited. His diverse involvement reflects his significant influence and leadership in the business community of Chattogram, Bangladesh.

This seasoned entrepreneur's journey is marked by more than two decades of experience, showcasing his acumen in business management. Mr. Mohammad Mostan Billah Adil's strategic leadership and diverse business engagements mark his impactful presence in the business community of Chattogram, Bangladesh.



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.

Mr. Salam was the Independent Director in Agricultural Marketing Company Limited for a period of 3 years. He was a consultant in NRB Global Bank PLC and an Advisor in First Security Islami Bank PLC. 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 PLC for 3 years and as the Managing Director of Bangladesh Krishi Bank PLC for about 3 years. Before that, he also served successfully in Agrani Bank PLC, Karmasangsthan Bank and Sonali Bank PLC 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. Currently he is the Chairman of Audit Committee of the Board of Directors of Union Bank PLC.



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

Mr. A.B.M Mokammel Hoque Chowdhury is the Managing Director of Union Bank PLC. Prior to joining in the bank, He served First Security Islami Bank PLC in different capacities. He has about 23 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 PLC in the year 2001. He is an MBA, Major in HRM. Mr. Chowdhury visited United State of America, United Kingdom, Canada, 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.

DIRECTORS/SPONSORS/PLACEMENT SHAREHOLDERS

(As on June 30, 2024)

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

COMMITTEES

(As on June 30, 2024)

Executive Committee of the Board of Directors	
Professor Dr. Md. Salim Uddin FCA FCMA	Chairman
Lt Gen Mollah Fazle Akbar PhD ndc psc (Retd)	Member
Ms. Marzina Sharmin	Member
Mr. Rashedul Alam	Member
Audit Committee of the Board of Directors	
Mr. Md. Abdus Salam FCA	Chairman
Mr. Mohammad Fazlay Morshed	Member
Mr. Mohammed Delwar Hossain FCA	Member
Risk Management Committee of the Board of Directors	
Mr. Mohammed Delwar 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
Dr. H.M. Shahidul Islam Barakaty	Member
Professor Dr. A. M. Kazi Mohammad Harun ur Rashid	Member
Dr. Md. Ruhul Amin Rabbani	Member
Maulana Mohammed Shoaib Uddin	Member
Maulana Mohammad Harunar Rashid	Member
Nomination & Remuneration Committee (NRC)	
As per Bangladesh Bank circular (BRPD circular letter no. 21 dated 12 May 2024), NRC related functions (as per Corporate Governance Code-2018) will be governed by the Audit Committee of the Board of Directors.	

TOP MANAGEMENT



MR. A.B.M MOKAMMEL HOQUE CHOWDHURY
Managing Director



MR. SHAFIUDDIN AHMED
Deputy Managing Director



MR. MD. JAHANGIR ALAM
Deputy Managing Director

DIVISIONAL HEADS



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



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



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



Dr. Md. Sirajul Haque
EVP & Head of IC&CD, Head Office



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



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



Mr. Muhammed Didarul Alam
SVP & Head of Treasury Division
Head Office



Mr. Riyadh Mohammad Chowdhury
SVP & Head of IRMD, Head Office



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



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



Mr. Md. Rofiqul Islam
VP & In-Charge of SAMD, Head Office



Mr. Md. Ruhul Amin
VP, Head of FAD & CFO
Head Office



Mr. Abdul Kayum
VP & In-Charge of Project & Corporate Finance
Dept. under IRMD, Head Office



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



Mr. Md. Hedayet Ullah
SAVP & Principal (Acting) of Training Institute
Head Office



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



Mr. Mohammad Salah Uddin FCS
SAVP & Head of Risk Management
Division and Centralized MIS
Head Office



Ms. Rubyat Ara
SAVP & In-Charge of International Division
Head Office



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



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



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

MANAGEMENT TEAM

(As on June 30, 2024)



SL	Name of Executives	Designation	Present Place of Posting
1	Mr. A.B.M Mokammel Hoque Chowdhury	Managing Director	Head Office
2	Mr. Shafiuddin Ahmed	DMD	Head Office
3	Mr. Md. Jahangir Alam	DMD	Head Office
4	Mr. Md. Mainul Islam Chowdhury	EVP	HRD & GSD, Head Office (As Head)
5	Mr. Md. Azadur Rahman	EVP	IAD, Head Office (As Head)
6	Mr. Saiful Momin	EVP	ICT Division, Head Office (As Head)
7	Mr. A.K.M. Shahnur	EVP	Banani Branch, Dhaka (As Manager)
8	Dr. Md. Sirajul Haque	EVP	IC & CD, Head Office (As Head)
9	Mr. Md. Idris Ali	SVP	AML & CFT Division, Head Office (As Head)
10	Mr. Md. Kabirul Hasan	SVP	Dhanmondi Branch, Dhaka (As Manager)
11	Mr. Mustafa Zaved Bin Shaheed	SVP	RMG & TFD, Head Office (As Head)
12	Mr. Muhammed Didarul Alam	SVP	Treasury Division, Head Office (As Head)
13	Mr. Riyadh Mohammad Chowdhury	SVP	IRMD, Head Office (As Head)
14	Mr. Md. Modasser Hossain	SVP	Bijoy Sarani Branch, Dhaka (As Manager)
15	Mr. Md. Arfan Ali	SVP	Laldighi Branch, Chattogram (As Manager)
16	Mr. Md. M. Fardul Ahmed	SVP	IC & CD, Head Office

SL	Name of Executives	Designation	Present Place of Posting
17	Mr. Md. Faizur Rahman Mazumder	SVP	Hatkhola Branch, Dhaka (As Manager)
18	Mr. A.N.M. Sadan Jahan	SVP	Mirpur Branch, Dhaka (As Manager)
19	Mr. Enamul Elahi	SVP	Gulshan Branch, Dhaka (As Manager)
20	Mr. Khaled Mahmud	SVP	Nawabpur Road Branch, Dhaka (As Manager)
21	Mr. Chowdhury S M Atiqur Rahman Hyder	SVP	BOCD & BDD, Head Office (As Head)
22	Mr. Badiul Alam	VP	Audit Unit, IC & CD, Head Office (As Head)
23	Mr. Md. Rofiqul Islam	VP	In-Charge of SAMD, Head Office
24	Mr. Sajjad Karim	VP	Agrabad Branch, Chattogram (As Manager)
25	Mr. Mohammad Mafidul Haque	VP	HRD, Head Office
26	Mr. Md. Abul Kalam	VP	GSD, Head Office
27	Mr. Md. Ruhul Amin	VP & CFO	FAD, Head Office (As Head)
28	Mr. Abdul Kayum	VP	Project & Corporate Finance Dept. under IRMD, Head Office (As In-Charge)
29	Mr. Humayun Kabir	VP	Zindabazar Branch, Sylhet (As Manager)
30	Mr. M. Rezaul Karim	VP	Kumira Branch, Chattogram (As Manager)
31	Mr. Mohammad Moniruzzaman	VP	Dilkusha Branch, Dhaka (As Manager)
32	Mr. Mohammad Farhad	VP	MD's Secretariat, Head Office
33	Mr. Syed Fazle Elahi	VP	Cumilla Branch, Cumilla (As Manager)
34	Mr. Shah Md. Mustafizur Rahman	VP	BACH Unit, Treasury Division, Head Office (As In-Charge)
35	Major Md. Nizam Ibne Seraj SPP	VP	SAMD, Head Office
36	Mr.Kazi Abdul Kyum Khadem	SAVP	Brahmanbaria Branch, Brahmanbaria (As Manager)
37	Mr. Mizanur Rahman	SAVP	SME Finance Dept. & CFU under IRMD, Head Office (As In-Charge)
38	Mr. Md. Hedayet Ullah	SAVP	Training Institute, Head Office As Principal (Acting)
39	Mr. M.Q.M Obaidullah	SAVP	GSD, Head Office
40	Mr. Md. Shariful Alam Mondal	SAVP	IAD, Head Office
41	Mr. Mohammed Zahirul Alam	SAVP	Khatungonj Branch, Chattogram (As Manager)
42	Mr. Mohammad Abdul Aziz	SAVP	D.T Road Eidgah Branch, Chattogram (As Manager)
43	Mr. Mohammad Nurul Amin	SAVP	Feni Branch, Feni (As Manager)
44	Mr. Golam Sarwarul Hoque	SAVP	Agrabad Branch, Chattogram (As Manager Operation)
45	Mr. Maheenuul Aziz	SAVP	CTOU Under ID, Head Office (As In-Charge)
46	Mr. Mohammad Nazrul Islam Moonce	SAVP	Panthapath Branch, Dhaka (As Manager)
47	Mr. Mohammad Salah Uddin, FCS	SAVP	RMD & Centralised MIS, Head Office (As Head)
48	Ms. Rubyat Ara	SAVP	ID, Head Office (As In-Charge)
49	Mr. Md. Mizanur Rahman	SAVP	Tajmahal Road Branch, Mohammadpur, Dhaka (As Manager)
50	Mr. Md. Mamnur Rashid	SAVP	IC&CD, Head Office
51	Mr. Mofazzal Haider	SAVP	Agriculture & Retail Investment Dept. under IRMD, Head Office (As In-Charge)
52	Mr. Mohammad Salequr Rahman	SAVP	Barodighirpar Branch, Chattogram (As Manager)
53	Mr. Md. Nurul Islam	SAVP	Bogura Branch, Bogura (As Manager)
54	Mr. Muhammad Firoz Haidar	SAVP	Satkhira Branch, Satkhira (As Manager)
55	Mr. Tipu Sultan Munna	SAVP	Munshigonj Branch, Munshigonj (As Manager)
56	Mr. Md. Monsur Ahmed	SAVP	Islampur Branch, Dhaka (As Manager)

SL	Name of Executives	Designation	Present Place of Posting
57	Mr. Mohammad Shamim Ahmed Akan	SAVP	Narayanganj Branch, Narayanganj (As Manager)
58	Mr. Golam Sarowor	SAVP	Dhanmondi Branch, Dhaka (As Manager Operation)
59	Mr. Amiruzzaman	SAVP	Dinajpur Branch, Dinajpur (As Manager)
60	Mr. M M Mazharul Islam	SAVP	Bijoynagar Branch, Dhaka (As Manager)
61	Mr. Kayes Mahmud	AVP	Elephant Road Branch, Dhaka (As Manager)
62	Mr. Md. Golam Sarwar Jahan	AVP	Chapai Nawabganj Branch, Chapai Nawabganj (As Manager)
63	Mr. Anis Ahmed	AVP	Ashkona Bazar Branch, Dhaka (As Manager)
64	Mr. Mohammad Kalam Hossain	AVP	FAD, Head Office
65	Mr. Md. Bashir Uddin Sikder	AVP	Banani Branch, Dhaka
66	Mr. Md. Shahriar Rauf	AVP	PS to Managing Director & In-Charge, CABD, HO
67	Mr. Saiful Azam	AVP	Treasury Branch, Head Office
68	Mr. Syed Abdullah Al Masum	AVP	Raozan Branch, Chattogram (As Manager)
69	Mr. Mohammad Ali Hossain Bhuiyan, ACS	AVP & Company Secretary	BCS, Head Office
70	Ms. Azizun Nesa	AVP	HRD, Head Office
71	Mr. Md. Kamrul Islam	AVP	Bahaddarhat Branch, Chattogram (As Manager)
72	Mr. Chowdhury Md. Arfanul Hoque Hakkani	AVP	Cox's Bazar Branch, Cox's Bazar (As Manager)
73	Ms. Anupama Zaman	AVP	HRD, Head Office
74	Mr. Sumit Das	AVP	Agrabad Branch, Chattogram
75	Mr. Md. Rafiqul Islam Islamabadi	AVP	Sarkarhat Branch, Chattogram (As Manager)
76	Mr. Mohammad Hossain	AVP	Muradpur Branch, Chattogram (As Manager)
77	Mr. Mohammad Abdur Rahim	AVP	Panthapath Branch, Dhaka (Manager Operation)
78	Mr. Mohammed Yakub Ali	AVP	Bandartila Branch, Chattogram (As Manager)
79	Mr. Mohammed Abdul Kader Bhuyan	AVP	Jamuna Future Park Branch, Dhaka (As Manager)
80	Mr. A. K. M. Zahir Uddin Iqbal Chowdhury	AVP	PRD, HO (As In-Charge)
81	Mr. Mohammad Thohidul Mawla	AVP	Mirpur Branch, Dhaka (As Manager Operation)
82	Mr. Ahammad Bin Shahirul Ibna Riaz	AVP	ICT Division, Head Office
83	Mr. Feroz Mahmud	AVP	Jubilee Road Branch, Chattogram (As Manager)
84	Mr. Md. Shariful Islam	AVP	Banskhali(Chandpur) Branch, Chattogram (As Manager)
85	Mr. Mohammad Moynul Hasan	AVP	ICT Division, Head Office
86	Mr. Md. Abdul Mumin	AVP	ICT Division, Head Office
87	Mr. Kazi Reza Shahinoor Alam	AVP	Gulshan Branch, Dhaka
88	Mr. Jakir Hossen	AVP	Hatkhola Branch, Dhaka
89	Mr. Sohel Parvez Choudhury	AVP	Gulshan Branch, Dhaka
90	Mr. Mostafizur Rohman	AVP	RMG & TFD., Head Office
91	Mr. Md. Hossain Al Mamun	AVP	ICT Division, Head Office
92	Mr. Md. Rezaul Karim	AVP	Uttara Branch, Dhaka (As Manager)
93	Mr. Md. Rafiqul Islam	AVP	Bonpara Branch, Natore (As Manager)
94	Mr. Mohammed Rashid Shahid	AVP	Gulshan Branch, Dhaka (As Manager Operation)
95	Mr. Md. Abdul Mannan	AVP	Rajshahi Branch, Rajshahi (As Manager)

SL	Name of Executives	Designation	Present Place of Posting
96	Mr. Abu Kawser	AVP	Bazar Hasnabad Branch, Narsingdi (As Manager)
97	Mr. Syed Mizanur Rahman	AVP	Tangail Branch, Tangail (As Manager)
98	Mr. Md. Nizam Uddin	AVP	Madhabdi Branch, Narsingdi (As Manager)
99	Mr. Md. Alamgir Majumder	AVP	Khilpara Branch, Chatkhil, Noakhali (As Manager)
100	Mr. S. M. Fakhruddin Omar	AVP	Keranigonj Branch, Dhaka (As Manager)
101	Mr. Muhammad Didarul Islam	AVP	Patiya Branch, Chattogram
102	Mr. Md. Babor Ali	AVP	Jashore Branch, Jashore (As Manager)
103	Mr. Mohammad Solayman	AVP	Kanchan Branch, Narayangonj (As Manager)
104	Mr. Muhammad Golam Rahman Chowdhury	AVP	Laldighi Branch, Chattogram
105	Mr. A. B. M. Mokarram Mahmud	AVP	Rangpur Branch, Rangpur (As Manager)
106	Mr. Md. Hafigur Rahman	AVP	Pabna Branch, Pabna (As Manager)
107	Mr. Mohammed Mohshin	AVP	ID, Head Office
108	Mr. Md. Salim Ahmed	AVP	Moulvibazar Branch, Moulvibazar (As Manager)
109	Mr. Mohammad Akramul Hoque	AVP	Fatikchari Branch, Chattogram (As Manager)
110	Mr. Tanvir Ahmad Chowdhury	AVP	Kadamtali Branch, Chattogram (As Manager)
111	Mr. Mohammad Hashimuzzaman	AVP	ICT Division, Head Office
112	Ms. Sharfin Yesmin	AVP	Banani Branch, Dhaka (As Manager Operation)
113	Mr. Md. Mamunul Islam	FAVP	SAMD, Head Office
114	Mr. Md. Shah Alam	FAVP	Gazipur Chowrasta Branch, Gazipur (As Manager)
115	Mr. A. K. M. Mourshed Alam	FAVP	Treasury Division, Head Office
116	Mr. Md. Mizanur Rahman	FAVP	SAMD, Head Office
117	Mr. Shah Md. Golam Sarwar Chowdhury	FAVP	Banasree Sub Branch, Under Gulshan Branch, Dhaka (As In-Charge)
118	Mr. Shanker Kumar Roy	FAVP	IRMD, Head Office
119	Mr. Sheikh Firoj Ahmod	FAVP	Khulna Branch, Khulna (As Manager Opertion)
120	Mr. Mumin Ahmed	FAVP	Amberkhana Branch, Sylhet (As Manager)
121	Mr. Azmal Hossen	FAVP	Ramu Branch, Cox's Bazar (As Manager)
122	Mr. Shazzadul Islam	FAVP	GSD, Head Office
123	Mr. Shah Md. Rashid-Un-Nabi	FAVP	ICT Division, Head Office
124	Mr. Md. Amir Hossain	FAVP	ICT Division, Head Office
125	Mr. Chowdhury Mohammad Amjad Ali	FAVP	Tilpapara Sub Branch, Under Hatkhola Br., Dhaka (As In-Charge)
126	Mr. Moshfiqur Rahman Khan	FAVP	Barishal Branch, Barishal (As Manager)
127	Mr. Md. Sirajul Islam Khan	FAVP	Jhalokati Branch, Jhalokati (As Manager)
128	Mr. Mohammed Abul Kasem	FAVP	Nazumeah Hut Branch, Chattogram (As Manager)
129	Mr. Kaiserul Alam	FAVP	Khatungonj Branch, Chattogram
130	Mr. Mohammad Hasanur Rahman	FAVP	Hemayetpur Branch, Dhaka (As Manager)
131	Mr. Maminul Hoque	FAVP	HRD, Head Office
132	Mr. Md. Yousuf Ali	FAVP	Dewanbazar Branch, Chattogram (As Manager)
133	Mr. Mohammed Showkat Osman	FAVP	SAMD, Head Office
134	Ms. Shudhi Sultana	FAVP	Panthapath Branch, Dhaka
135	Mr. Mohammed Ali Nowshad Chowdhury	FAVP	O.R Nizam Road Branch, Chattogram (As Manager)

SL	Name of Executives	Designation	Present Place of Posting
136	Mr. Mohammad Abul Hossain	FAVP	Pahartoli Branch, Chattogram (As Manager)
137	Mr. Shoayeb Md. Muntasir Morshed	FAVP	Bijoyagar Branch, Dhaka (As Manager Operation)
138	Mr. Mohammad Azizul Islam	FAVP	Jamuna Future Park Branch, Dhaka (As Manager Operation)
139	Mr. Syed Reza E Rabbe	FAVP	SFU, IRMD, Head Office
140	Mr. Borhanul Azam Chowdhury	FAVP	Shakpura Chowmuhani Branch, Chattogram (As Manager Operation)
141	Mr. Md. Solaiman	FAVP	Merul Badda Sub Branch, Under Gulshan Branch, Dhaka (As In-Charge)
142	Mr. Moinuddin Ahmad	FAVP	Jotpukuria Bazar Branch, Chattogram (As Manager)
143	Mr. Md. Fuad Bin Hossain	FAVP	ICT Division, Head Office
144	Mr. Md. Azharul Islam	FAVP	Habigonj Branch, Habigonj (As Manager)
145	Ms. Tamanna Afroz	FAVP	Dilkusha Branch, Dhaka (As Manager Operation)
146	Ms. Shilpi Dutta	FAVP	Jubilee Road Branch, Chattogram
147	Mr. Md. Hasan Shahid Sarwar Uddin	FAVP	Badarkhali Branch, Cox's Bazar (As Manager)
148	Mr. Kazi Md. Yeakub	FAVP	Shariah Secretariat, Head Office
149	Mr. Md. Ohidur Rahman	FAVP	CTOU Under ID, Head Office
150	Mr. Md. Aminul Islam	FAVP	Dinajpur Branch, Dinajpur (As Manager Operation)
151	Ms. Sakina Parveen	FAVP	Banani Branch, Dhaka
152	Mr. Mohammad Kamal Hossen Khan	FAVP	ICT Division, Head Office
153	Mr. Mohammad Shakur Mia	FAVP	Shariah Secretariat, Head Office
154	Mr. Mohammad Salim Ullah	FAVP	Gulshan Branch, Dhaka
155	Mr. Md. Abdul Halim	FAVP	Jamuna Future Park Branch, Dhaka
156	Mr. Mohammad Mahamudun Nabi	FAVP	GSD, Head Office
157	Ms. Sabiha Sultana	FAVP	RMG & TFD., Head Office
158	Mr. Ridwanul Islam	FAVP	Centralised MIS Cell Under RMD, Head Office
159	Mr. Md. Enamul Islam	FAVP	Dewan Bazar Branch, Chattogram (As Manager Operation)
160	Mr. Zamshed Chowdhury	FAVP	Nawabpur Road Branch, Dhaka (As Manager Operation)
161	Mr. Mohammad Nasimul Hoque Chisty	FAVP	CABD, Head Office
162	Mr. Muhammad Salauddin	FAVP	Badartila Branch, Chattogram (As Manager Operation)
163	Mr. Mohammed Raihanuddin	FAVP	IRMD, Head Office
164	Mr. Seikh Mohammad Hossain	FAVP	Gulshan Branch, Dhaka
165	Mr. Md. Jahidul Alam	FAVP	Chambol Branch, Banskali, Chattogram
166	Mr. Abdullah Al Mamun	FAVP	Khulna Branch, Khulna (As Manager)



চেয়ারম্যান মহোদয়ের বাণী

বিস্মিল্লাহির রাহমানির রাহিম

সম্মানিত শেয়ারহোল্ডারবৃন্দ

আসসালামু আলাইকুম ওয়া রাহমাতুল্লাহ্,

পরম করুণাময় আল্লাহর নামে শুরু করছি। ইউনিয়ন ব্যাংক পিএলসি. এর ১১তম বার্ষিক সাধারণ সভায় (এজিএম) আপনাদের স্বাগতম। ইউনিয়ন ব্যাংকের প্রতি আস্থা ও বিশ্বাস রাখার জন্য সকল শেয়ারহোল্ডারবৃন্দ, গ্রাহক, শুভানুধ্যায়ী ও অন্যান্য স্টেকহোল্ডারবৃন্দকে ধন্যবাদ জ্ঞাপন করছি। চ্যালেঞ্জিং বৈশ্বিক পরিমন্ডলের মুখোমুখি হয়েও, ব্যাংকের পরিচালনা পর্ষদ, ব্যবস্থাপনা কর্তৃপক্ষ ও সকল কর্মকর্তা-কর্মচারীর একান্ত প্রচেষ্টায় ইউনিয়ন ব্যাংক পিএলসি. তার স্থিতিশীলতা, সক্ষমতা এবং প্রবৃদ্ধি অর্জন অব্যাহত রেখেছে। আজ আমরা আপনাদের সাথে ব্যাংকের সফলতাগুলো ভাগ করে নিতে পেরে আনন্দিত। অত্যন্ত গর্বের সাথে ৩১ ডিসেম্বর, ২০২৩ তারিখে সমাপ্ত বছরের আমাদের নিরীক্ষিত আর্থিক প্রতিবেদন এবং পরিচালকমন্ডলীর প্রতিবেদন উপস্থাপন করছি।

বিশ্ব অর্থনীতিঃ

২০২৩ সালে অন্যতম সমস্যা ছিল মূল্যস্ফীতি। তাই মূল্যস্ফীতি নিয়ন্ত্রণে বিভিন্ন দেশের কেন্দ্রীয় ব্যাংক নীতি সুদ হার বাড়িয়ে দেয়। এছাড়া ভূরাজনৈতিক সংঘাত, উৎপাদন ও পণ্যের সরবরাহে অব্যবস্থাপনার জন্য বিশ্ব অর্থনীতি কঠিন সময় পার করে। পণ্য সরবরাহের খরচ আগের যে কোন সময়ের তুলনায় বেড়ে যায় এবং সেই সাথে মানুষের মাঝে ব্যয় করার প্রবণতা কমে যায়। আবার মধ্যপ্রাচ্যের সংঘাত বেড়ে যাওয়া বিশ্ব অর্থনীতির সংকটে নতুন মাত্রা যোগ করে। এমন পরিস্থিতিতে অর্থনীতিবিদরা মন্দার আশঙ্কা করেছিল। কিন্তু তাদের এই ধারণা ভুল প্রমাণিত হয়। কারণ এ বছর বৈশ্বিক প্রবৃদ্ধি হয়েছে ৩%। পাশাপাশি উচ্চ মূল্যস্ফীতি বর্তমানে কমে শুরুর করেছে যা সকলের জন্য সুসংবাদ। এছাড়া আন্তর্জাতিক মুদ্রা তহবিল (আইএমএফ) পূর্বাভাস দিচ্ছে যে, ২০২৪ সালে বৈশ্বিক প্রবৃদ্ধি হবে ৩.১% এবং ২০২৫ সালে তা গিয়ে দাঁড়াবে ৩.২%। এই বৈশ্বিক প্রবৃদ্ধির অগ্রভাগে থাকবে চীন, যুক্তরাষ্ট্র, যুক্তরাজ্যসহ ভারত ও ব্রাজিলের মতো বড় উন্নত ও উন্নয়নশীল দেশগুলো।

আমরা ব্যাংকের নীতি সুদ হার পরিবর্তনের দিকে নজর রাখছি। ইউএস ফেডারেল রিজার্ভ, ইউরোপীয় কেন্দ্রীয় ব্যাংক ও ব্যাংক অব ইংল্যান্ড এর মতো বড় ব্যাংকগুলো ২০২৪ এর শেষ নাগাদ সুদের হার কিছুটা কমানোর পরিকল্পনা করেছে যা স্থানীয় বিনিয়োগকে সহজ করবে এবং বিভিন্ন উন্নয়নশীল দেশের অর্থনৈতিক প্রবৃদ্ধিকেও ত্বরান্বিত করবে। একইসাথে আমদানিকৃত পণ্য ও রপ্তানির ব্যয় কমিয়ে দিবে এবং কর্মসংস্থান সৃষ্টিতে সহায়তা করবে। উচ্চ মূল্যস্ফীতিকে নিয়ন্ত্রণ রাখা ২০২৪ সালে একটি বড় চ্যালেঞ্জ। মূল্যস্ফীতি কমলেই নীতি সুদহার কমানোর সুযোগ সৃষ্টি হবে।

বিভিন্ন সংকট মোকাবেলায় বড় বড় অর্থনীতির দেশগুলোকে এগিয়ে আসতে হবে। ভূরাজনৈতিক উত্তেজনা কমাতে অর্থনৈতিকভাবে ক্ষমতাধর দেশগুলোকে একসাথে কাজ করতে হবে যাতে সাধারণ মানুষের ক্রয় ক্ষমতা বৃদ্ধি, প্রযুক্তিগত শিক্ষা, টেকসই উন্নয়ন, কর্মসংস্থান এবং উন্নত স্বাস্থ্যসেবা নিশ্চিত হয়। তাই শিক্ষা, স্বাস্থ্য ও প্রযুক্তিতে বিনিয়োগ গুরুত্বপূর্ণ। তাছাড়া জলবায়ু পরিবর্তন মোকাবিলা ও পরিবেশের ভারসাম্য রক্ষায় কাজ করে যেতে হবে যা টেকসই অর্থনৈতিক উন্নয়নে সহায়ক হবে।

বাংলাদেশের অর্থনীতিঃ

২০২৩ সালে নিত্যপণ্যের দামে চরম অস্থিরতা দেখা দেয়, ব্যাংকে তারল্যসংকট, মার্কিন ডলারের বিপরীতে টাকার মূল্যহ্রাস এবং ডলার সংকটের মধ্য দিয়ে বাংলাদেশ কঠিন সময় পার করে। মূল্যস্ফীতি প্রায় ১০% পৌঁছে গেছে যা গত ১০ বছরের মধ্যে সর্বোচ্চ। মৌলিক খাদ্যপণ্যের অস্বাভাবিক মূল্য বৃদ্ধি জনজীবনে বিরূপ প্রভাব ফেলে। বৈশ্বিক ও দেশীয় নানা সংকটের কারণে অনেক ঋণগ্রহীতা তাদের ঋণ পরিশোধ করতে ব্যর্থ হয় যার ফলে খেলাপী ঋণ বৃদ্ধি অব্যাহত ছিল। দেশের বৈদেশিক মুদ্রার রিজার্ভ বিগত কয়েক বছরের তুলনায় অনেক কমে যায়। এছাড়াও বিদ্যায়ী বছরে দেশের শেয়ারবাজারও মন্দা গিয়েছে। অল্প কয়েকটি কোম্পানি আইপিওর মাধ্যমে পুঁজিবাজারে তালিকাভুক্ত হয়েছে যা ছিল প্রয়োজনের তুলনায় অপ্রতুল।

কোন সন্দেহ নেই যে ২০২৩ সালে বাংলাদেশের অর্থনীতি বিভিন্ন বৈশ্বিক ও অভ্যন্তরীণ চ্যালেঞ্জের মুখোমুখি হয়েছে। প্রধানমন্ত্রী শেখ হাসিনার অধীনে সরকারের সক্রিয় পদক্ষেপের জন্য আমাদের অর্থনীতি পুনরুদ্ধারের পথেই রয়েছে। ২০২২-২৩ অর্থবছরে দেশের জিডিপি বৃদ্ধি পেয়েছে ৫.৭৮% এবং মাথাপিছু আয় দাঁড়ায় ২,৭৬৫ মার্কিন ডলার। ২০২৩ সালে রপ্তানী বেড়েছে এবং বিভিন্ন আমদানি ব্যয় সতর্কতার সহিত পরিচালিত হয়েছে। ২০২৩ সালের ডিসেম্বর পর্যন্ত সর্বসাকুল্যে বৈদেশিক মুদ্রার রিজার্ভ ছিল ২৭.১৩ বিলিয়ন মার্কিন ডলার। আশা করা হচ্ছে ২০২৪ সালেই বাংলাদেশের অর্থনীতি দ্রুত তার উচ্চ প্রবৃদ্ধি ও স্থিতিশীল অবস্থায় ফিরে আসবে। এক্ষেত্রে রাজস্ব প্রবৃদ্ধি, রপ্তানি ও রেমিটেন্স বৃদ্ধি, নিয়ন্ত্রিত আমদানী নীতি, অভ্যন্তরীণ চাহিদা বৃদ্ধি, কোভিড-১৯ থেকে পুনরুদ্ধার, প্রণোদনা প্যাকেজের সফল বাস্তবায়নসহ বিভিন্ন বড় অবকাঠামো দেশের অর্থনৈতিক উন্নয়নে নিয়ামক ভূমিকা পালন করবে।

ডলার সংকট মোকাবেলায় বাংলাদেশ ভারতের সাথে রূপিতে বাণিজ্য শুরু করে এবং আরো কয়েকটি দেশের সাথে এধরনের প্রক্রিয়া নিয়ে আলোচনা চলছে যা মার্কিন ডলারের উপরে নির্ভরতা অনেকাংশে কমিয়ে দিবে। এছাড়া আমদানির ক্ষেত্রে ওভার ইনভয়েসিং এবং অপ্রাতিষ্ঠানিকভাবে রেমিটেন্স পাঠানো প্রতিরোধ করতে হবে। ইতিমধ্যে মেট্রোরেল, বঙ্গবন্ধু টানেল ও হজরত শাহজালাল আন্তর্জাতিক বিমানবন্দর ৩য় টার্মিনাল চালু করা হয়েছে যা যোগাযোগ এবং ব্যবসা-বাণিজ্যকে সহজতর করেছে। এছাড়া যমুনার বুক নতুন বঙ্গবন্ধু রেল সেতু

এবং ঢাকা এলিভেটেড এক্সপ্রেসওয়ে পরিপূর্ণভাবে চালু হলে যোগাযোগ ব্যবস্থায় নতুন মাত্রা যোগ হবে। ইউরোপীয় ইউনিয়নে নিটওয়্যার সরবরাহে বর্তমানে বাংলাদেশ শীর্ষে উঠে এসেছে যা পোশাক খাতের জন্য অত্যন্ত আশাব্যঞ্জক। এসবকিছুই দেশের অর্থনীতিকে সামনের দিকে এগিয়ে নিয়ে যাচ্ছে।

সরকার নানামুখী সংকট মোকাবেলায় স্বল্প, মধ্যম ও দীর্ঘমেয়াদী কর্মপরিকল্পনা গ্রহণ করছে। সবার জন্য খাদ্য নিরাপত্তা নিশ্চিত করতে কৃষি উৎপাদন বৃদ্ধির লক্ষ্যে সার, কিটনাশক, কৃষি সরঞ্জাম ইত্যাদির জন্য ভর্তুকি এবং মৎস্য ও পশুসম্পদ খাতে সহায়তা বৃদ্ধি করেছে। সর্বাঙ্গিক প্রচেষ্টার অংশ হিসেবে কারিগরি শিক্ষা, তথ্য প্রযুক্তি খাতে বিনিয়োগ, টিকাদান কর্মসূচী এবং আর্থিক খাতের সংস্কারের জন্য সরকার বিভিন্ন পদক্ষেপ গ্রহণ করেছে। তবে এ মুহূর্তে বাজেট ঘাটতি যাতে না বাড়ে সেদিকে বিশেষ নজর দিতে হবে। প্রয়োজনে কিছু জায়গা থেকে ভর্তুকি কমিয়ে এবং রাজস্ব বাড়িয়ে বর্তমান সংকটময় পরিস্থিতি মোকাবেলা করতে হবে।

বর্তমানে দেশের ব্যাংক ও আর্থিক প্রতিষ্ঠানগুলোতে তারল্য সংকট এবং শেয়ারবাজারে অস্থিতিশীলতা বিনিয়োগকারীদের মাঝে যে সংশয় তৈরী করেছে সেটি যাতে দীর্ঘমেয়াদী না হয় সেদিকেও নজর দিতে হবে। এজন্য বাংলাদেশ ব্যাংকসহ নিয়ন্ত্রক সংস্থাগুলোকে রাজনৈতিক প্রভাবমুক্ত করা ও স্বাধীনভাবে কাজ করার সংস্কৃতি গড়ে তুলতে হবে। বিভিন্ন কর্তৃপক্ষকে সরকারের পরিকল্পনা কার্যকর করতে সক্রিয়ভাবে কাজ করতে হবে যাতে বাংলাদেশ একটি স্থিতিশীল এবং সমৃদ্ধ ভবিষ্যতের দিকে এগিয়ে যেতে পারে।

সমৃদ্ধির পথে ইউনিয়ন ব্যাংকঃ

ইউনিয়ন ব্যাংক পিএলসি. গৌরবের সাথে তার পথ চলার ১২তম বছরে পদার্পণ করেছে। এ যাত্রায় ইউনিয়ন ব্যাংক নীতি, শিষ্টাচার, সততা এবং পেশাদারিত্ব বজায় রেখে শারিয়াহ্ ভিত্তিক ব্যাংকিং কার্যক্রম পরিচালনা করে যাচ্ছে। নিজস্ব ট্রেনিং ইন্সটিটিউট এর মাধ্যমে ব্যাংক তার কর্মীদের যথোপযুক্ত ও সময়োপযোগী প্রশিক্ষণ প্রদান করে তাদেরকে আরো দক্ষ মানব সম্পদে পরিণত করেছে। এসব দক্ষ কর্মীদের অক্লান্ত পরিশ্রমের জন্য ইউনিয়ন ব্যাংক পূর্বের বছরগুলোর মতোই ২০২০ সালেও তার প্রবৃদ্ধির ধারা বজায় রাখতে সক্ষম হয়েছে।

২০২০ সাল শেষে মোট আমানত ৫.৭২ শতাংশ বৃদ্ধি পেয়ে ২২৫,৫৮৫.৩৭ মিলিয়ন টাকা দাঁড়িয়েছে যা ২০২২ সালে ছিল ২১৩,৩৭৫.২৯ মিলিয়ন টাকা। মোট সম্পদ ৮.২২ শতাংশ বৃদ্ধি পেয়ে ২৯৫,৩৪৭.৫৬ মিলিয়ন টাকা হয়েছে যা পূর্ববর্তী বছরে ছিল ২৭২,৯০৮.৮১ মিলিয়ন টাকা। সেই সাথে বিগত বছরে বিনিয়োগের পরিমাণ দাঁড়ায় ২৫৫,৬৯১.৯১ মিলিয়ন টাকা যা ২০২২ সালে ছিল ২২২,২৭৫.৪৩ মিলিয়ন টাকা। ডলার সংকটের কারণে আমদানী ও রপ্তানি উভয় ক্ষেত্রে ব্যাংক তীব্র বাঁধার সম্মুখীন হয়েছে। ২০২০ সালে ব্যাংকের মোট আমদানি ব্যবসার পরিমাণ দাঁড়ায় ৬,২০৫.০০ মিলিয়ন টাকা (৫৬.৫৪ মিলিয়ন মার্কিন ডলার) এবং রপ্তানী হয় ৪,২০৪.২০ মিলিয়ন টাকা (৩৮.৩১ মিলিয়ন মার্কিন ডলার)। এ বছর ইউনিয়ন ব্যাংক পিএলসি. ৪,৪০৪.৮৮ মিলিয়ন টাকা প্রডিশন ও করপূর্ব ঘূণাফা অর্জন করেছে যা গত বছরের ৪,১৪৮.৫৭ মিলিয়ন টাকার তুলনায় ৬.১৭ শতাংশ বেশি।

ইউনিয়ন ব্যাংক পিএলসি. প্রযুক্তিগতভাবে বেশ এগিয়েছে। বিগত বছরে বিদ্যমান কোর ব্যাংকিং সলিউশন (সিবিএস) সিস্টেমটি সর্বশেষ Oracle DB সংস্করণে উন্নীতকরণের মাধ্যমে আমাদের ব্যাংক একটি শক্তিশালী ইসলামিক কোর ব্যাংকিং সলিউশন (সিবিএস) বাস্তবায়ন করেছে। এছাড়া ১টি ডিজাস্টার রিকভারি ডাটা সেন্টার স্থাপন করা হয়েছে যার মাধ্যমে ব্যাংকের কর্মীবৃন্দ নিরলসভাবে গ্রাহকদেরকে নিরবিচ্ছিন্ন সেবা প্রদান করে আসছে। লেনদেনজনিত সকল প্রকার নিরাপত্তা নিশ্চিত করত নিকাশ সেটেলমেন্ট সিস্টেমের মাধ্যমে বিদ্যমান UniON App টির ব্যবহার সহজতর করা হয়েছে।

প্রতিযোগিতামূলক বাজারে ইউনিয়ন ব্যাংক পিএলসি. তার ব্র্যান্ড ইমেজকে আরও শক্তিশালী করতে ২০২০ সালে ১২০ টি কর্পোরেট চুক্তি সফলভাবে সম্পন্ন করেছে। প্রান্তিক পর্যায়ের গ্রাহকদের আকৃষ্ট করতে মুদারাবা মাসিক পরিশোধযোগ্য এসএনডি হিসাব (ফায়িদা) চালু করেছে। জালালাবাদ গ্যাস ট্রান্সমিশন এন্ড ডিস্ট্রিবিউশন এর ইউটিলিটি বিল সংগ্রহের জন্য তাদের সাথে চুক্তি সম্পাদন করা হয়েছে যাতে গ্রাহকগণ ঘরে বসেই খুব সহজেই বিল পরিশোধ করতে পারেন। ইউনিয়ন ব্যাংক পিএলসি. ইসলামি শরিয়াহ্ ভিত্তিক ব্যাংকিং কার্যক্রম ও সামাজিক দায়বদ্ধতা কার্যক্রমের পাশাপাশি তার কর্মীদের খেলাধুলার পরিবেশও নিশ্চিত করে। এরই ধারাবাহিকতায় ইউনিয়ন ব্যাংক ফুটবল টিম ২০২০ সালে অবুষ্ঠিত শেখ

হাসিনা ইন্টারব্যাংক ফুটবল টুর্নামেন্ট-২০২৩ এ অংশগ্রহণ করে অপরাধিত চ্যাম্পিয়ন হওয়ার গৌরব অর্জন করে। এছাড়া ইউনিয়ন ব্যাংক ১১৪টি শাখা ও ৫৪টি উপশাখার মাধ্যমে সারাদেশব্যাপী সার্বক্ষণিক ব্যাংকিং সেবা প্রদান করে যাচ্ছে। এরই ধারাবাহিকতায় নতুন নতুন শাখা ও উপশাখার খোলার মাধ্যমে সারাদেশে ব্যাংকিং সুবিধা বঞ্চিত জনগকে ব্যাংকিং সেবার আওতায় আনার চেষ্টা অব্যাহত রেখেছে।

২০২৩ সালে ইউনিয়ন ব্যাংক পিএলসি. বাংলাদেশ ব্যাংকের সামাজিক দায়বদ্ধতা (সিএসআর) কার্যক্রমের নীতিমালা অনুসরণ করে। ব্যাংক তার প্রতিষ্ঠালগ্ন থেকে সুবিধাবঞ্চিত সমাজের অর্থনৈতিক ও সামাজিক সমস্যা দূরীকরণে কাজ করতে দৃঢ় প্রতিজ্ঞা। ভবিষ্যৎ প্রজন্মের বৃহত্তর স্বার্থে শিক্ষা সহায়তা, স্বাস্থ্য সেবা, দুর্যোগ ব্যবস্থাপনা, অবকাঠামো, ক্রীড়া এবং সংস্কৃতি খাতে ব্যাংক সামাজিক দায়বদ্ধতা কার্যক্রমের আওতায় ২৭.৫৪ কোটি টাকা ব্যয় করেছে।

পরিশেষে আমি সকল শেয়ারহোল্ডারবৃন্দ, গ্রাহক ও শুভানুধ্যায়ী এবং স্টেকহোল্ডারবৃন্দকে আন্তরিক ধন্যবাদ জানাই কারণ তারা আমাদের শক্তি ও সামর্থ্যের উপর আস্থা রেখেছে। আপনাদের আস্থাই আমাদের পথচলার অনুপ্রেরণা। আমি পরিচালনা পর্ষদ এবং শারী'আহ সুপারভাইজরি কমিটির প্রতি কৃতজ্ঞতা জ্ঞাপন করছি যে তারা মূল্যবান দিক নির্দেশনা দিয়ে ইউনিয়ন ব্যাংক পিএলসি. কে সঠিক পথে চালিত করেছে এবং ব্যাংক কর্মীদের সততা ও পেশাদারিত্বের উপর আস্থা রেখেছে।

বাংলাদেশ ব্যাংক, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, রেজিস্ট্রার অব জয়েন্ট স্টক কোম্পানীজ এন্ড ফার্মস, ঢাকা স্টক এক্সচেঞ্জ পিএলসি., চট্টগ্রাম স্টক এক্সচেঞ্জ পিএলসি., জাতীয় রাজস্ব বোর্ড এবং অন্যান্য সহযোগী রেগুলেটরী সংস্থাগুলোর প্রতি আমি আন্তরিক কৃতজ্ঞতা জ্ঞাপন করছি। আর সকল আমানতকারী ও গ্রাহকদেরকে আন্তরিক ধন্যবাদ জানাই কারণ তারা কঠিন সময়ে ইউনিয়ন ব্যাংক পিএলসি. এর উপর আস্থা ও বিশ্বাস বজায় রেখেছেন।

আমি বিশ্বাস করি যে, সর্বশক্তিমান মহান আল্লাহর অনুগ্রহে সাফল্যের মধ্য দিয়ে ইউনিয়ন ব্যাংক পিএলসি. আধুনিক ও প্রযুক্তি নির্ভর ইসলামি ব্যাংক হিসেবে তার অগ্রগতি আসন্ন বছরগুলোতে অব্যাহত থাকবে, ইনশাআল্লাহ।



প্রফেসর ড. মোঃ সেলিম উদ্দিন এফসিএ এফসিএমএ
চেয়ারম্যান

MESSAGE FROM THE CHAIRMAN

WE ARE EXCITED TO FORGE AHEAD, EMBRACING CHALLENGES AND OPPORTUNITIES THAT LIE IN OUR JOURNEY TOWARDS BECOMING A LEADING FINANCIAL INSTITUTION.

Bismillahir Rahmanir Rahim

Respected Shareholders,

Assalamu Alaikum Wa Rahmatullah,

With profound reverence for Allah, the Most Compassionate and Merciful, it is with great honor that we convene for the 11th Annual General Meeting (AGM) of Union Bank PLC. On behalf of our respected Board of Directors, Management team, and all our Employees, we come together to commend the remarkable accomplishments of our distinguished fourth-generation bank in Bangladesh. In the face of a challenging global landscape, Union Bank PLC. has demonstrated exceptional resilience, flexibility, and growth. Today, we are delighted to share with you the Bank's achievements, present an insightful report from our Directors and provide a detailed review of our Audited Financial Statements for the fiscal year concluding on December 31, 2023.

GLOBAL ECONOMY:

In 2023, one of the major problems was inflation. To control inflation, central banks in various countries increased interest rates. Additionally, geopolitical conflicts and disruptions in production and supply chains caused the global economy to face difficult times. The cost of goods supply increased compared to any previous time, and people's tendency to spend decreased. The intensification of conflicts in the Middle East added a new dimension to the global economic crisis. In such a situation, economists had feared a recession. However, their assumptions were proven wrong as global growth reached 3% this year. Additionally, high inflation is currently beginning to decrease, which is good news for everyone. The International Monetary Fund (IMF) forecasts that global growth will be 3.1% in 2024 and will reach 3.2% in 2025. Leading this global growth will be major developed and developing countries such as China, the United States, the United Kingdom, India, and Brazil.

We are monitoring changes in Policy Rates. Major banks like the US Federal Reserve, the European Central Bank and the Bank of England plan to slightly reduce interest rates by the end of 2024, which will facilitate local investment and accelerate economic growth in various developing countries. This will also reduce the costs of imported and exported goods and aid in job creation. Controlling inflation remains a major challenge in 2024. Lowering inflation will create opportunities to reduce policy interest rates also.

Major economies need to step up to address various crises. Economically powerful nations must work together to reduce geopolitical tensions, ensuring increased purchasing power for the general public, technological education, sustainable development, employment, and better healthcare. Therefore, investment in education, healthcare and technology is crucial. Additionally, efforts must continue to combat climate change and protect the environment, which also supports sustainable economic development.



BANGLADESH ECONOMY:

In 2023, Bangladesh faced significant challenges, including extreme volatility in the prices of essential goods, a liquidity crisis in banks, the fall of price of Taka against the US dollar, and a dollar shortage. Inflation rose by nearly 10%, the highest in the past decade. Basic food items were sold at much higher prices, significantly affecting daily life. Although garment workers' wages increased, it still fell short of their needs. Due to various global and domestic crises, many borrowers failed to repay their loans, leading to a continued increase in non-performing loans. The country's foreign currency reserves decreased significantly compared to previous years. Additionally, the IPO market experienced a major downturn, with few companies raising funds through IPOs, which was very disappointing.

There is no doubt that Bangladesh's economy faced various global and domestic challenges in 2023. Thanks to the active measures taken by the government under Prime Minister Sheikh Hasina, our economy is on the path to recovery. The GDP growth of the country increased by 5.78% in the fiscal year 2022-23, and per capita income stood at USD 2,765. In 2023, exports increased, and various import expenditures were managed cautiously. By December 2023, the total foreign reserves were USD 27.13 billion. It is expected that Bangladesh's economy will quickly return to its high and stable position in 2024. In this regard, the expansion of revenue growth, increase in exports and remittances, controlled import policies, increase in domestic demand, recovery from COVID-19, successful implementation of incentive packages, and

various major infrastructure projects will play a crucial role in the economic development of the country.

To address the dollar crisis, Bangladesh has started trading with India in Indian Rupees, and discussions are ongoing with several other countries for similar processes, which will significantly reduce dependence on the US dollar. Additionally, over-invoicing in imports and the informal sending of remittances must be prevented. Already, the Metro Rail, the Bangabandhu Tunnel and a new terminal at Hazrat Shahjalal International Airport have been opened, accelerating communication and global business. Moreover, once the new Bangabandhu Rail Bridge over the Jamuna river and Dhaka Elevated Expressway are fully operational, they will add a new dimension to the communication system. Currently, Bangladesh has become the top supplier of knitwear to the European Union, which is very promising for the garment sector. These will drive the country's economy forward.

The government is adopting short, medium and long-term action plans to address various crises. To ensure food security for all, agricultural production is being increased, subsidies for fertilizers and agricultural activities are being provided, and oversight in the fisheries and livestock sectors has been intensified. As part of overall efforts, the government has taken various steps to invest in technical education, the information technology sector, vaccination programs, and financial sector reforms. However, special attention needs to be given to preventing the budget deficit from increasing at this moment. If necessary, subsidies from some areas need to be reduced and revenue increased to manage the current crisis.

Currently, the liquidity crisis in the country's banks and financial institutions and instability in the stock market are creating uncertainty among investors, which must be addressed to prevent long-term issues. For this, the autonomous institutions, including Bangladesh Bank, need to be free from political influence and foster a culture of working independently. Various authorities must work actively to implement the government's plans to lead Bangladesh towards a stable and prosperous future.

UNION BANK PLC. TOWARDS PROSPERITY:

Union Bank PLC. has entered its 12th year journey. Throughout this journey, our bank has conducted banking operations while maintaining policies, etiquette, integrity, and professionalism. The bank ensures proper training for its employees through its own training institute, which has enabled us to maintain our growth trajectory in 2023, just like in previous years.

By the end of 2023, total deposits increased by 5.72%, reaching BDT 225,585.37 million, up from BDT 213,375.30 million in 2022. Total assets grew by 8.22%, amounting to BDT 295,347.56 million, compared to BDT 272,908.81 million in the previous year. Investments totaled BDT 255,691.91 million in 2023, up from BDT 222,275.44 million in 2022. In 2023, Union Bank PLC. faced heightened competition in both import and export sectors. The import business amounted to BDT 6,205.00 million (USD 56.54 million). Export activities saw a slight decline, with total exports reaching BDT 4,204.20 million (USD 38.31 million). Despite these challenges, the bank achieved an operating profit of BDT 4,404.88 million, marking a 6.17% increase from BDT 4,148.57 million in 2022.

In 2023, Union Bank PLC. took significant steps in technological advancement. During this time, Union Bank PLC. established a robust Islamic Core Banking Solution (CBS) by upgrading the existing Core Banking Solution (CBS) system to the latest Oracle DB version. Additionally, by setting up a Disaster Recovery Data Center, the bank's employees have been able to provide uninterrupted service to customers tirelessly. All types of transaction-related security have been ensured and the use of the existing 'UniON app' has been facilitated through the Nikash settlement system.

In the competitive market, Union Bank PLC. successfully completed 120 corporate agreements in 2023 to strengthen its brand image. To attract marginal customers, it has introduced the Mudaraba Monthly Payable SND Account (Fayida). An agreement was also signed with Jalalabad Gas Transmission & Distribution System for utility bill collection. Union Bank PLC. has maintained its contribution to sports by becoming the

champion of the Sheikh Hasina Interbank Football Tournament-2023. Additionally, Union Bank PLC. ensured its presence across the country by opening new branches and sub-branches. The total number of branches is now 114, and sub-branches are 54.

In 2023, Union Bank PLC. followed the Bangladesh Bank's Social Responsibility (CSR) activities policy. Since its inception, the bank has been committed to addressing the economic and social problems of the underprivileged society. For the greater interest of future generations, under its CSR activities, the bank has spent BDT 275.4 million on education assistance, healthcare, disaster management, infrastructure, sports and culture.

Finally, I extend my deepest gratitude to all shareholders and stakeholders for placing their unwavering faith in our strength and capabilities. Your trust is the cornerstone of our success. I am immensely grateful to the Board of Directors for their invaluable guidance, ensuring Union Bank PLC. remains on the right path, and for their confidence in the honesty and professionalism of our employees.

A heartfelt thanks to Bangladesh Bank, the Bangladesh Securities and Exchange Commission, the Registrar of Joint Stock Companies and Firms, Dhaka Stock Exchange PLC., Chittagong Stock Exchange PLC, the National Board of Revenue, and all other regulatory authorities for their support and cooperation. Special appreciation goes to our depositors and customers for their steadfast trust and confidence in Union Bank PLC. amidst numerous challenges.

With the grace of Almighty Allah, I am confident that our journey will continue to advance towards greater success in the coming years. Union Bank PLC. will steadfastly maintain its trajectory as a modern, technology-driven Islamic bank in Bangladesh, Insha'Allah.



Professor Dr. Md. Salim Uddin FCA FCMA
Chairman

ব্যবস্থাপনা পরিচালকের বক্তব্য



বিস্মিল্লাহির রাহমানির রাহিম

সম্মানিত শেয়ারহোল্ডারবৃন্দ,

আসসালামু আলাইকুম ওয়া রাহ্মাতুল্লাহ,

ইউনিয়ন ব্যাংক পিএলসি. এর ১১তম বার্ষিক সাধারণ সভায় আপনাদের সকলকে স্বাগত জানাচ্ছি। ২০২৩ সালের ব্যাংকের আর্থিক প্রতিবেদন আপনাদের সকলের সামনে উপস্থাপন করতে পেরে আমি আনন্দিত। বিগত বছরগুলোর মত এবারো আমরা সফল একটি বছর অতিক্রম করেছি। আর আমাদের এ অর্জন ধরে রাখা সম্ভব হয়েছে মূলতঃ ব্যাংকের সম্মানিত পরিচালনা পর্ষদের অবিরাম সহযোগিতা, ব্যাংক ব্যবস্থাপনা কর্তৃক কার্যকর কর্ম-কৌশল প্রণয়ন, কর্মকর্তা-কর্মচারীদের যথাযথ বাস্তবায়ন ও অক্লান্ত পরিশ্রম এবং শেয়ারহোল্ডার, গ্রাহক এবং শুভানুধ্যায়ীদের সার্বিক সমর্থনের মাধ্যমে।

বৈশ্বিক ও বাংলাদেশের অর্থনীতি

২০২২ সালের ফেব্রুয়ারিতে শুরু হওয়া চলমান রাশিয়া-ইউক্রেন যুদ্ধের মধ্যেই বিশ্বের অন্য প্রান্তে ইসরায়েল-ফিলিস্তিন সংকটের ফলে বৈশ্বিক অর্থনীতি একটি টালমাটাল অবস্থার মধ্য দিয়ে ২০২৩ সাল অতিক্রম করে। সংকটে আঘাত থাকা অর্থনীতিতে হ্র-হ্র করে বাড়তে থাকে দ্রব্যমূল্যের দাম। উৎপাদন হ্রাস ও সরবরাহ চেহানে দেখা দেয় বিপর্যয়। মূল্যস্ফীতি ক্রমান্বয়ে বাড়তে থাকে। কমে যায় রেমিট্যান্স প্রবাহ ও ব্যাংকিং খাতে দেখা দেয় ডলারের সংকট। আমদানি কমে যায়, রিজার্ভের ওপর আঘাত আসে। আবার আন্তর্জাতিক বাজারের দ্রব্যমূল্য বৃদ্ধির উত্তাপ ছড়িয়ে পড়ে দেশের বাজারেও। ফলশ্রুতিতে কমে যায় জনগণের সঞ্চয় সক্ষমতা ও অর্থনীতিতে দেখা দেয় তারল্য সংকট।

নির্বাচনী বছরের প্রভাব ও বিভিন্ন প্রতিকূল অবস্থার মধ্যেও আমাদের দেশ বড় ধরনের আর্থিক মন্দা থেকে সুরক্ষিত রয়েছে, যার ফলে ২০২২-২৩ অর্থবছরে দেশের জিডিপি প্রবৃদ্ধি দাঁড়িয়েছে ৫.৭৮ শতাংশ। গত অর্থবছরের চেয়ে এই হার ১.৩২% কম হলেও বাংলাদেশ জিডিপি প্রবৃদ্ধির ধারা বজায় রাখতে সক্ষম হয়েছে, যেখানে পৃথিবীর অনেক উন্নত দেশ ইতিমধ্যেই আর্থিক মন্দার কবলে জর্জরিত।

বর্তমান সমসাময়িক চ্যালেঞ্জ মোকাবেলা করতে দরকার ব্যাংকিং খাত তথা আর্থিক খাতে সুশৃংখলা আনয়ন, অনিয়ম, দুর্নীতি ও স্বচ্ছচারিতার বিরুদ্ধে কঠোর ব্যবস্থা গ্রহন, অবকাঠামো খাতে অধিক বিনিয়োগ, নিরবিচ্ছিন্ন জ্বালানি সরবরাহ নিশ্চিত করা, পণ্যের বহুমুখীকরণ ও বাজার অনুসন্ধানের মাধ্যমে রপ্তানি বাণিজ্য বাড়ানো, নতুন শ্রম বাজার অনুসন্ধানের মাধ্যমে রেমিট্যান্স আহরণ বৃদ্ধি করা।

ইউনিয়ন ব্যাংকের সফলতা

যথাযথ ব্যবস্থাপনা ও মানসম্মত ব্যাংকিং সেবা প্রদানের মাধ্যমে ২০২৩ সালে বেশীরভাগ ক্ষেত্রেই ইউনিয়ন ব্যাংক সফলতা ধরে রাখতে পেরেছে। নানা প্রতিকূলতা থাকা সত্ত্বেও আমাদের ব্যাংক উল্লেখযোগ্য হারে ব্যবসা সম্প্রসারণ করেছে। ২০২৩ সালে আমাদের ব্যাংকের উল্লেখযোগ্য অর্জন সমূহ আপনাদের সামনে উপস্থাপন করছি। দেশব্যাপি ১১৪ টি শাখা এবং ৫৪ 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 ২,৯৫,৩৪৮ মিলিয়ন টাকা, যা গত বছরের তুলনায় ৮.২২% বেশী এবং মূলধনের পরিমাণ ২১,৬৩৬ মিলিয়ন টাকা, যা গত বছরের তুলনায় ০.৯২% বেশী। দ্রুত ও সহজে গ্রাহককে রেমিট্যান্স সুবিধা প্রদানের জন্য আমাদের সাথে ১৪ (চৌদ্দ)টি মানি এক্সচেঞ্জ হাউজ অত্যন্ত আন্তরিকভাবে কাজ করেছে, যা ধারাবাহিকভাবে আমাদের ব্যাংকের রেমিট্যান্স প্রবাহ বৃদ্ধিতে সহায়ক ভূমিকা পালন করেছে।

অর্জিত মুনাফা

২০২৩ সালে ব্যাংকের পরিচালনগত মুনাফা দাঁড়িয়েছে ৪,৪০৫ মিলিয়ন টাকা এবং করপূর্ব মুনাফা দাঁড়িয়েছে ৩,২৩৪ মিলিয়ন টাকা। এই সফলতা অর্জন সম্ভব হয়েছে মূলত: কাঙ্ক্ষিত আমানত বৃদ্ধি, প্রত্যাশিত বিনিয়োগ, আদায় কার্যক্রমে গতিশীলতা, মূলধন ব্যবস্থাপনায় কার্যকর উদ্যোগ গ্রহন ইত্যাদি পদক্ষেপের মাধ্যমে।

আমানত সংগ্রহ

২০২৩ সালে ব্যাংকের আমানতের পরিমাণ ছিল ২,২৫,৫৮৫ মিলিয়ন টাকা, যা বিগত বছরের আমানত ২,১৩,৩৭৫ মিলিয়ন টাকার চেয়ে ৫.৭২% বেশী। অন্যদিকে, মোট আমানত গ্রাহক সংখ্যাও এ বছর বৃদ্ধি পেয়েছে। ২০২৩ সালে মোট আমানত গ্রাহকের সংখ্যা দাঁড়িয়েছে ৬৮৬,১৯৬, যা ২০২২ সালে ছিল ৫৯৫,৯২২। অর্থাৎ গত বছরের তুলনায় আমানত গ্রাহক ১৫.১৫% বৃদ্ধি পেয়েছে।

বিনিয়োগ

জাতীয় পর্যায়ে দেশে ঋণ বৃদ্ধির সাথে সাথে কৌশলগত ব্যবসার অংশ হিসেবে ব্যাংকের প্রত্যাশিত বিনিয়োগেরও প্রবৃদ্ধি ঘটেছে, যা দেশব্যাপী ব্যক্তিিক এবং সামষ্টিক অর্থনীতির উন্নয়নে গুরুত্বপূর্ণ ভূমিকা পালন করবে। ২০২৩ সালে ব্যাংকের বিনিয়োগের পরিমাণ ২,৫৫,৬৯১ মিলিয়ন টাকা, যা গত বছরের বিনিয়োগের (২,২২,২২৮ মিলিয়ন টাকা) তুলনায় ১৫.০৫% বেশী। বিনিয়োগ বহুমুখীকরণের জন্য ব্যাংক সমন্বয়যোগ্য কৌশলগত পদক্ষেপ নিয়েছে, যার মাধ্যমে এসএমই, নারী উদ্যোক্তা এবং উৎপাদনশীল খাতে বিনিয়োগকে সম্প্রসারিত করা হচ্ছে। এ প্রক্রিয়ার অংশ হিসেবে ২০২৩ সালে এসএমই খাতে ৩,৯৭৭ মিলিয়ন টাকা, কৃষি খাতে ১,৫৯৪ মিলিয়ন টাকা, টেকসই অর্থায়ন খাতে ২,৬৬০ মিলিয়ন টাকা বিনিয়োগ সহায়তা দেওয়া হয়েছে।

বৈদেশিক বাণিজ্য এবং রেমিট্যান্স

২০২৩ সালে রাশিয়া-ইউক্রেন যুদ্ধ, আন্তর্জাতিক বাজারে জ্বালানি তেলসহ যাবতীয় দ্রব্য সামগ্রীর মূল্য বৃদ্ধি, ডলার সংকট ইত্যাদির প্রভাবে বিশ্ব বাণিজ্য পুরোপুরি বিপর্যস্ত হয়ে পড়েছিল, যার ফলে ব্যাংকের বৈদেশিক বাণিজ্য খাতে কাঙ্ক্ষিত লক্ষ্যমাত্রা অর্জন সম্ভব হয়নি। এ বছরে ব্যাংকের রপ্তানীর পরিমাণ দাঁড়িয়েছে ৬,২০৫ মিলিয়ন টাকা এবং আমদানির পরিমাণ দাঁড়িয়েছে ৪,২০৪ মিলিয়ন টাকা। অন্যদিকে, ২০২৩ সালে ব্যাংক ৪,১৬৮ মিলিয়ন টাকা রেমিট্যান্স আহরণ করেছে। বর্তমানে ইউনিয়ন ব্যাংক এক্সপ্রেস মানি, ওয়েস্টার্ন ইউনিয়ন, রিয়া, ট্রান্সফাস্ট, মানিগ্রাম, আল-আনসারি, প্লাসিড এনকে কর্পোরেশন, মার্চেন্টেড, 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 ২০২৩ সালে ইউনিয়ন ব্যাংকের নতুন শাখা, উপশাখা ও এটিএম বুথ স্থাপন কার্যক্রম সম্প্রসারণ করা হয়েছে। বছর শেষে মোট শাখার সংখ্যা দাঁড়িয়েছে ১১৪টি, যার মধ্যে ৫৭টি শহর অঞ্চলে এবং ৫৭টি পল্লী অঞ্চলে। এছাড়াও ২০২৩ সাল শেষে আমাদের মোট উপশাখার সংখ্যা দাঁড়িয়েছে ৫৪টি, যার মধ্যে এই বছরে স্থাপন করেছি ৮টি উপশাখা। এ বছরে আমরা ৬টি এটিএম বুথ স্থাপন করেছি, যার ফলে ব্যাংকের মোট এটিএম বুথ এর সংখ্যা দাঁড়িয়েছে ১০০টি।

ঝুঁকি ব্যবস্থাপনা ও নিয়ন্ত্রন কার্যক্রম

ব্যাংকের টেকসই উন্নয়ন এবং সার্বিক সূচকসমূহ সন্তোষজনক পর্যায়ে রাখার জন্য ইউনিয়ন ব্যাংকের রয়েছে একটি সুদক্ষ ও কার্যকর ঝুঁকি ব্যবস্থাপনা কাঠামো। ব্যাংকের টেকসই উন্নয়ন নিশ্চিত করার জন্য সম্পদ-দায় ব্যবস্থাপনা, বিনিয়োগ ঝুঁকি ব্যবস্থাপনা, মূলধন ব্যবস্থাপনা সহ অন্যান্য মূখ্য ঝুঁকি ব্যবস্থাপনার উপর গুরুত্বারোপ করা হয়েছে। এখানে উল্লেখযোগ্য যে, ২০২৩ সালে ব্যাংকের রেটিং দীর্ঘমেয়াদে A+ এবং স্বল্প মেয়াদে ST-2, যা ব্যাংকের শক্তিশালী আর্থিক ভিত্তি, উত্তম তারল্য অবস্থা ও কাঠামোগত স্থিরতারই নির্দেশক। ঝুঁকি ব্যবস্থাপনা সক্ষমতা বৃদ্ধিতে ব্যাংকের পর্ষদ ঝুঁকি ব্যবস্থাপনা কমিটি, পরিচালনা পর্ষদ ও ব্যবস্থাপনা পর্যায়ে সজাগ দৃষ্টিভঙ্গি রয়েছে, যাতে করে চিহ্নিত এবং সম্ভাব্য ঝুঁকি সমূহ মোকাবেলা করা যায়।

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

সামাজিক দায়বদ্ধতা

সিএসআর বা সামাজিক দায়বদ্ধতার ব্যাপারে ইউনিয়ন ব্যাংক শুরু থেকেই আন্তরিক ভূমিকা পালন করে আসছে। সামাজিক দায়বদ্ধতার অংশ হিসেবে ইউনিয়ন ব্যাংক বিভিন্ন উন্নয়নমূলক কাজে অংশগ্রহণ করছে এবং সামাজিক কর্মকাণ্ডে আর্থিক ভাবে সহায়তা করে আসছে। সামাজিক দায়বদ্ধতার অংশ হিসেবে আমাদের ব্যাংক ২০২৩ সালে ২৭৫.৪৪ মিলিয়ন টাকা প্রদান করেছে। এ বছরে বরাদ্দকৃত অর্থের মধ্যে মাননীয় প্রধানমন্ত্রীর ত্রাণ তহবিলে অনুদান, দরিদ্র ও মেধাবী শিক্ষার্থীদের শিক্ষাবৃত্তি প্রদান, গরীব ও অসহায় মানুষের মাঝে শীত বস্ত্র বিতরণ ইত্যাদি কার্যক্রম উল্লেখযোগ্য। ব্যাংকের মোট অনুদানের ৮৪.৩৫% দুর্যোগ ব্যবস্থাপনা খাতে, ৫.৪৮% শিক্ষা খাতে, ৩.৮৪% স্বাস্থ্যখাতে ব্যয় করা হয়েছে।

তথ্য ও যোগাযোগ প্রযুক্তি

বর্তমান তথ্য প্রযুক্তির যুগে আর্থিক লেনদেনসহ যাবতীয় ব্যাংকিং কার্যক্রম যেমন স্বয়ংক্রিয়, আধুনিক এবং ডিজিটাল হচ্ছে, তেমনি আর্থিক খাতে সাইবার আক্রমণসহ অন্যান্য অপরাধমূলক কার্যক্রম এবং তথ্য-প্রযুক্তি সংক্রান্ত ঝুঁকিও দিন দিন বৃদ্ধি পাচ্ছে। এসব প্রেক্ষাপটে, আর্থিক প্রতিষ্ঠানসমূহ আন্তর্জাতিক ভাবে অনুসৃত তথ্য ও যোগাযোগ প্রযুক্তি সংক্রান্ত প্রতিরোধমূলক ব্যবস্থা গ্রহণ করে। এ লক্ষ্যে আমাদের ব্যাংক সাইবার নিরাপত্তা ঝুঁকি মূল্যায়ন, প্রযুক্তিগত দুর্বলতা মূল্যায়ন, আপদকালীন ব্যবস্থা কার্যক্রম প্রণয়ন, যে কোন সাইবার বা কারিগরি আক্রমণ মোকাবেলা, বহিরাগত প্রতিষ্ঠানের মাধ্যমে গৃহীত সেবা সমূহের ঝুঁকি বিশ্লেষণ, সকল কর্মকর্তা-কর্মচারীদের মধ্যে সাইবার নিরাপত্তা বিষয়ক সচেতনতা বৃদ্ধি এবং প্রশিক্ষণের ব্যবস্থা গ্রহণ ইত্যাদি কার্যক্রম জোরদার করা হয়েছে, যাতে করে আমরা সম্ভাব্য তথ্য প্রযুক্তি সংক্রান্ত ঝুঁকি সমূহ দক্ষতার সাথে মোকাবেলা করতে পারি। দৈনন্দিন আর্থিক কার্যক্রম সফলভাবে সম্পাদন করার জন্য ব্যাংক BACH, BEFTN, RTGS, ATM, POS, NPSB 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 অ্যাপসভিত্তিক সেবা প্রদানের মাধ্যমে ব্যাংক গ্রাহকগণ নগদ ও বিকাশ সুবিধাসহ ফান্ড ট্রান্সফার, চেক ব্যবস্থাপনা, ইউটিলিটি বিল প্রদান প্রভৃতি রিয়েল টাইম ট্রান্সজেকশন সপ্তাহের ৭ দিন ২৪ ঘণ্টা যে কোন জায়গা থেকেই খুব সহজেই সম্পাদন করতে পারছেন।

গ্রাহক সেবা ও প্রোডাক্ট উন্নয়ন

গ্রাহকের চাহিদা পূরণে ইউনিয়ন ব্যাংক বিভিন্ন ধরণের আকর্ষণীয় আমানত ও বিনিয়োগ স্কীম এবং উন্নত সেবা প্রদানে অঙ্গীকারবদ্ধ। গ্রাহক সেবায় আমাদের রয়েছে বিভিন্ন ধরণের আমানত ও বিনিয়োগ স্কীম, যা ইতিমধ্যেই প্রশংসিত হয়েছে। আমরা ইতিমধ্যেই সহায়ক আমানত সংমিশ্রণ নিশ্চিতকরণে এবং গ্রাহক চাহিদা পূরণকল্পে কিছু নতুন আমানত স্কীম চালু করেছি, যেমন নারীদের জন্য মুদারাবা ফেমিনা ডিপোজিট স্কীম (নিসা), ৫০ এর বেশি নারী ও পুরুষ গ্রাহকদের জন্য মুদারাবা সিনিয়র সিটিজেন ডিপোজিট স্কীম (এহসান), মায়েদের জন্য মুদারাবা ওয়ালিদা মাসিক মুনাফা স্কীম (মো), গ্রাহকদের বিভিন্ন জরুরী ব্যয় মেটানোর জন্য মুদারাবা লাইফ স্টাইল ডিপোজিট স্কীম (সহজ)। আশা করি, এসব আমানতসমূহ 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

২০২৩ সালে ব্যাংকের মোট কর্মকর্তা ও কর্মচারীর সংখ্যা দাঁড়িয়েছে ২১২৫ জন। শুধুমাত্র নিয়োগ নয় বরং 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। ২০২৩ সালে ব্যাংকের ট্রেনিং ইনস্টিটিউট ৬ টি ফাউন্ডেশন ট্রেনিং কোর্স ও ১৬ টি ওয়ার্কশপ ও ১টি ওরিয়েন্টেশন প্রোগ্রামের মাধ্যমে ৮১৩ জন কর্মকর্তা ও নির্বাহীর প্রশিক্ষণের ব্যবস্থা করা হয়েছে। অধিকন্তু, পেশাগত দক্ষতা ও যোগ্যতাসম্পন্ন মানব সম্পদ উন্নয়নে কর্মকর্তাদের প্রায়োগিক জ্ঞান প্রদানের জন্য ফাউন্ডেশন ও এ্যাডভান্সড কোর্সগুলো আরো হালনাগাদ হচ্ছে। এছাড়া BIBM, BBTA ও অন্যান্য দেশীয় ও আন্তর্জাতিক ইনস্টিটিউটের মাধ্যমে মানব সম্পদ উন্নয়ন প্রক্রিয়া অব্যাহত আছে।

শরীয়া'হ পরিপালন

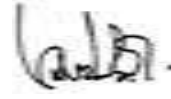
দৈনন্দিন ব্যাংকিং কার্যক্রমে ইসলামী শরীয়া'হ পরিপালনে ইউনিয়ন ব্যাংক সর্বদা সচেষ্ট রয়েছে। বাংলাদেশ ব্যাংকের গাইডলাইন এবং দেশবরণে উলামায়ে কেরামের সমন্বয়ে গঠিত শরীয়া'হ সুপারভাইজরী কমিটির পরামর্শ আমাদের ব্যাংকিং কার্যক্রমে শরীয়া'হ পরিপালনে উৎসাহ যোগাচ্ছে। শরীয়া'হ সুপারভাইজরী কমিটির অধীনে কর্মরত মুরাক্বিবগণ বিভিন্ন ধরনের নিরীক্ষা ও অনুসন্ধানের মাধ্যমে চিহ্নিত অপরিপালিত বিষয়সমূহ যথারীতি পরিপালন করা হচ্ছে।

২০২৪ সালের পরিকল্পনা

২০২৪ সাল ইউনিয়ন ব্যাংক সহ সকল বাণিজ্যিক ব্যাংকের জন্য একটি গুরুত্বপূর্ণ বছর। বৈদেশিক বাণিজ্যের স্থবিরতা, মুদ্রাস্ফীতি ও অর্থনৈতিক খাতের টানা পোড়েনকে আমলে নিয়েই ইউনিয়ন ব্যাংক এ বছরের জন্য কৌশলগত পরিকল্পনা গ্রহণ করেছে। পরিচালনগত দক্ষতার উন্নয়নের মাধ্যমে আয়ের সাথে ব্যয়ের সামঞ্জস্য বিধান, রিটেইল আমানত সংগ্রহ ও বাংলাদেশ ব্যাংক কর্তৃক অগ্রাধিকারপ্রাপ্ত খাতসমূহে বিনিয়োগ বৃদ্ধির মাধ্যমে বিনিয়োগ ভারসাম্য রক্ষা, মূলধন পর্যাপ্ততা বৃদ্ধি এবং খেলাপী বিনিয়োগ হতে অধিক পরিমাণে আদায় নিশ্চিতকরণে ব্যাংক এ বছর সর্বোচ্চ গুরুত্ব প্রদান করবে। এছাড়াও, বিশ্বের সাথে তাল মিলিয়ে টেকসই উন্নয়ন লক্ষ্যমাত্রা অর্জন, ব্যাংক সংক্রান্ত সকল বিধি-বিধান পরিপালন এবং সামাজিক, নৈতিক, পরিবেশবান্ধব, উৎপাদনশীল ও লাভজনক ব্যবসায় আরো অধিকতর বিনিয়োগের জন্য ব্যাংক বন্ধপরিচর। বরাবরের মত ইউনিয়ন ব্যাংক প্রতিষ্ঠার শুরু থেকেই গ্রাহক সেবা প্রদানকে সর্বোচ্চ গুরুত্ব দিয়ে আসছে। এরই ধারাবাহিকতায় গ্রাহক সেবার মান উন্নয়নে ইউনিয়ন ব্যাংক বিভিন্ন পদক্ষেপ গ্রহণ করেছে। এছাড়াও সুদক্ষ কর্মী নিয়োগ, মানব সম্পদ উন্নয়ন এবং সর্বোপরি কর্পোরেট সুশাসন নিশ্চিতকরণে ইউনিয়ন ব্যাংক সর্বদা সচেষ্ট।

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

আল্লাহ হাফেজ।



এ. বি. এম মোকাম্মেল হক চৌধুরী
ব্যবস্থাপনা পরিচালক

FROM THE DESK OF MANAGING DIRECTOR



This year bank will emphasize on maintaining basic spending and trim other expenditures through operational efficiency, retail deposit collection, diversification of investment portfolio, strengthen capital adequacy and recovery from overdue investments.

Bismillahir Rahmanir Rahim,

RESPECTED SHAREHOLDERS,

Assalamu-Alaikum Wa Rahmatullah,

It is a privilege for me to welcome you all to the 11th Annual General Meeting of Union Bank PLC. (UB) and present the financial statements, operational performance and achievement of our Bank. UB has completed another successful year with stable growth. In fact, this would not have been possible without continued support and co-operation of our Honorable Board of Directors & bank's stakeholders, strategic planning of management team and its proper implementation by bank's executives & officials and above all the confidence of our shareholders and customers.

GLOBAL AND BANGLADESH ECONOMY

Global economy passed the year 2023 with huge crises and immense pressure due to geopolitical conflict occurred in different parts of the world. Russia- Ukraine war began in February 2022; on the other part of the world Israel-Palestine conflict started in 2023 where mass people are suffering a lot. World is facing a huge negative impact due to these geopolitical conflicts. Goods and materials price has been increased, production has been reduced and disruption occurred in the supply chain. Inflation is increasing day by day. Foreign exchange reserve has declined and thus created dollar crisis. Apart, deteriorated export import business, declining remittance inflow, price hike are the bones in the throat of Bangladesh economy. As a result, tendency of saving has reduced and created liquidity crisis in the internal economy.

With the impact of election year and various critical scenarios, our internal economy has been affected comparatively less than the worldwide situation. We have maintained positive growth. In 2022-23 fiscal year, our GDP growth rate stood at 5.78%. The ratio is 1.32% lower than the previous fiscal year but we are fortunate that we have maintained the growth of GDP where most of the countries are suffering from maintaining positive economic growth.

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

SUCCESS OF UNION BANK

The Bank has achieved its successive growth in the year 2023 through efficient management and quality banking services. Despite various challenges, our bank has expanded business notably. Now, I would like to highlight some of the key achievements of our Bank. We have been maintaining leading position among the fourth generation banks in all financial indicators through wide network of 114 branches and 54 sub-branches all over the country. At present, our total asset size is Tk. 2,95,348 million which is 8.22% higher than previous year and total capital stood at Tk. 21,636 million which is 0.92% higher than previous year. To provide fast and easy remittance facilities to our valued customers, 14 (Fourteen) money exchange houses are working with us closely that ultimately plays an important role to increase the flow of remittance through our bank.

PROFITABILITY

Bank's Operating Profit stood at Tk. 4,405 million and Profit Before Tax (PBT) was Tk. 3,234 million in 2023. Increasing core deposit, expected investment, expediting recovery and control over the classified investment and effective capital management initiatives were the key to this success.

DEPOSIT

During the year 2023, Bank's deposit stood at Tk. 2,25,585 million which is 5.72 % higher than previous year's deposit amounting to Tk. 2,13,375 million. Meanwhile, the number of deposit accounts has increased during the year. In the year 2023, the number of deposit accounts were 6,86,196 whereas it was 5,95,922 in the year 2022, i.e. the growth of deposit was 15.15% 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. Union Bank's Investment stood at Tk. 255,691 million in the year 2023 which is 15.05% higher than previous year's Tk. 2,22,228 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, Union Bank financed Tk. 3,977 million in SME sector, Tk. 1,594 million in Agriculture sector, Tk. 2,654.34 million in Sustainable Finance sector during the last year.

FOREIGN TRADE AND REMITTANCE

World trade has been hampered due to Russia Ukraine war, price hike including fuel price, dollar crisis etc. For this reason, desired foreign trade business was not possible in last year. However, during the year 2023 bank's exposure in Export and Import business were Tk. 6,205 million and Tk. 4,204 million.

Our foreign remittance was Tk. 4,168 million during the year 2023. At present, Union Bank has agreement with 14 (fourteen) remittance houses like Express Money, Western Union, RIA, Transfast, Moneygram, Prabhu Money transfer, Al-Ansari, Placid NK Corporation, Aftab Currency and Small World for providing fast and easy customer service.

EXPANSION OF BRANCHES, SUB-BRANCHES AND ATM

In line with the rapid economic growth, Union Bank has expanded new branches and ATM booth's in 2023 for providing banking service to the door step of the people in both urban & rural areas. At the end of 2023, total number of branches stood at 114 (One hundred and Fourteen) out of which 57 (fifty-seven) situated in urban areas and 57 (fifty-seven) are in rural areas. Moreover, total number of sub-branch stands 54 (fifty four) at the end of 2023 out of which 08 (eight) were established in current year. During this period, we also have established 6 (six) ATM booth's and at the end of the year, total ATMs were 100 (hundred).

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 which indicates that the bank operates its business with strong financial base, better liquidity position and organizational stability. Risk Management Committees both at Management and Board level are vigilant to strengthen risk management capacity so as to manage the risks of the bank.

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

CORPORATE SOCIAL RESPONSIBILITY

Union Bank is always sincere about corporate social responsibility. The bank has rendered extensive financial support for benevolent purpose. To become a socially committed bank and attain social welfare, Union Bank donated Tk. 275.44 million in 2023. 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. Union Bank distributed 84.35% in disaster management sector, 5.48% in Education sector, 3.84% in Health sector from our total CSR Fund.

INFORMATION & COMMUNICATION TECHNOLOGY

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

SERVICE QUALITY AND PRODUCT DEVELOPMENT

Union Bank PLC. is always committed to fulfill customer needs through innovative products and quality banking services. We have introduced a number of customer-friendly deposit and investment products which has already been acclaimed by all. However, we have already introduced some new products for maintaining favorable deposit mix and fulfilling the customer demand like Mudaraba Femina Deposit Scheme (Nisa) for women, Mudaraba Senior Citizen Deposit Scheme (Ehsan) for men & women above 50 years of age, Mudaraba Waleda Monthly Profit Scheme (Maa) and Mudaraba Lifestyle Deposit Scheme (Sohoj). Hopefully, these products will attain

customer satisfaction and as well as increase our bank's deposit base. I would like to mention here that we emphasize on quality customer service since inception of our bank. Moreover, we have introduced separate policy for assessing customer service and evaluation whereby we have ensured accountability in customer service evaluation at branch level.

HUMAN RESOURCES DEVELOPMENT

Total number of employees stood at 2,125 in 2023. The bank is determined not only to recruit employees but also desired to turn them into human resources. Human resources development is a continuous process and human capital is the most valued capital as such there is no alternative of human resources development for sound banking operation and quality customer services. Hence, different types of training are arranged for all employees through the bank's own training institute. The training institute organized 6 (Six) Foundation training course and 16 (sixteen) workshops and 1 (one) orientation program which trained up 813 bank officials and executives. To provide more practical knowledge, the syllabus of foundation and advanced training are kept updating on regular basis towards developing competent and skilled professionals. Moreover, the effort of human resources development through BIBM, BBTA and other domestic & international institute are in place to enrich the bank's performance in different areas.

SHARI'AH COMPLIANCE

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

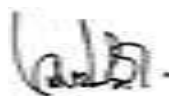
The year 2024 is a significant year for banking industry. Union Bank has taken Strategic plan considering downturn of foreign trade, inflation, crisis of national and global economy. This year bank will emphasize on maintaining basic spending and trim other expenditures through operational efficiency, retail deposit collection, diversification of investment portfolio, strengthen capital adequacy and recovery from overdue investments. Bank is committed to invest more in social & environment friendly sector, productive and profitable business, attain sustainable development and comply all rules & regulations of the country.

Union Bank always emphasizes on customer satisfaction from its inception. To keep the pace, we are trying to enhance our customer services and other banking facilities. Besides, our endeavor will be continued to recruit capable

and efficient employees, develop human resources, ensure good corporate governance, maintain better asset quality and trustworthiness of the customers in the year 2024 for retaining the bank's persistent growth in the days ahead.

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

Allah Hafez.



A. B. M Mokammel Hoque Chowdhury
Managing Director



REPORTS

DIRECTORS' REPORT

Bismillahir Rahmanir Rahim

Assalamu Alaikum

Dear Shareholders,

We are delighted to welcome everyone to our 11th Annual General Meeting. On behalf of the Board of Directors, it is our privilege to submit the Directors' Report, Auditors' Report, and the Audited Financial Statements for the year ended December 31, 2023 for your consideration, adoption, and approval. These documents have been meticulously prepared in accordance with the Companies Act, 1994, the Bank Company Act of 1991, guidelines and circulars issued by Bangladesh Bank, and the regulations set forth by the Bangladesh Securities and Exchange Commission and various regulatory bodies. Before we review the Bank's achievements and financial performance, allow us to give you a brief update on the prevailing macroeconomic conditions and the state of the banking sector.

GLOBAL ECONOMY

The global economy in 2024 presents a complex but cautiously optimistic picture, reflecting resilience in some sectors alongside persistent challenges in others. In the United States, the economy has shown remarkable strength, with GDP growth exceeding expectations at a rate of 3.1% year over year in the fourth quarter of 2023. This robust performance, spurred by consumer confidence and a buoyant stock market, stands in contrast to Europe, where growth has been more muted. The eurozone faced a slight contraction, but there are signs of recovery fueled by rising real incomes and improving foreign demand. Meanwhile, the UK grappled with unexpected inflation pressures, complicating its economic outlook.

Emerging economies are navigating their unique paths through the global economic landscape. China continues to grow, driven largely by consumer spending despite a slowdown in exports and ongoing challenges in the real estate sector. India aims for 7% growth, buoyed by a strong services sector, while Brazil's economy benefits from easing inflation and policy efforts to lower interest rates. Russia, on the other hand, faces a mix of external pressures and domestic challenges, with government spending expected to be a key growth driver amid monetary tightening and a focus on military expenditure.

Overall, the global economy is moving through a period of transition, marked by the interplay of recovery efforts, inflationary pressures, and geopolitical dynamics. While advanced economies like the US show signs of robust health, regions such as Europe and the UK navigate more uncertain waters. Emerging markets, with their diverse challenges and opportunities, contribute to a global economic picture that is both nuanced and dynamic. This blend of resilience and uncertainty underscores the importance of strategic planning and adaptability as nations and businesses look ahead.

Global growth is projected to decelerate in 2022 and 2023



World Economic Forum

BANGLADESH ECONOMY

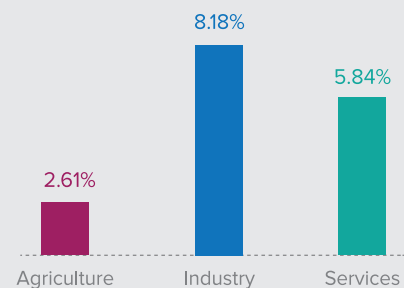
In 2023, Bangladesh faced major economic problems, including high inflation and lower growth in exports and remittance. People struggled with very high inflation, making everyday living more expensive. The value of Bangladesh's Taka fell a lot, and there was less foreign currency saved up than before. This situation happened partly because of a war between Ukraine and Russia that affected the whole world, but also because of long-standing issues in Bangladesh like not collecting enough taxes, a banking sector with many problems, not doing well in the stock market and not spending enough on important things like healthcare and education.

Despite some efforts to fix these problems, the solutions weren't enough. Looking ahead, fixing the economy will need good planning and action in areas like exports, banking, and collecting taxes better. It's also important to finish major projects that can help the country earn foreign currency and attract investment. Strong leadership and a clear focus on what needs to be done are essential for improving the situation.

Bangladesh made some big economic moves in 2023. The country started trading with India using Indian rupees to reduce dependence on the US dollar, which was a significant step. There were major projects like the Bangabandhu tunnel and new transportation links that aimed to improve travel and business. The government got a big loan from the IMF, started Universal Pension Scheme, and introduced digital banking to help the economy. Yet, with wages not keeping up with the cost of living, many people found it hard to afford basic needs, showing the mixed economic situation in Bangladesh.

Despite the challenges, the fundamental indicators of the economy have shown resilience. The per capita Gross Domestic Product (GDP) and Gross National Income (GNI) experienced slight fluctuations, standing at US\$ 2,657 and US\$ 2,765 respectively in FY 2022-23. Sector-wise, agriculture, industry, and services have all contributed to the economic tapestry, albeit with varied growth rates; agriculture grew by 2.61%, industry by 8.18%, and services by 5.84% in FY 2022-23. Notably, the industry sector has continued to play a significant role in the economy, despite a slight dip from the previous year.

Growth Rate of Different Sectors in FY 2022-23



BANKING SECTOR

In 2023, the banking sector in Bangladesh faced numerous challenges, including a sharp increase in bad loans, governance issues and a severe dollar crisis. The volume of non-performing loans (NPLs) surged dramatically, indicating that many borrowers were unable to repay their debts, which put a strain on the banks' finances. Additionally, the governance of many banks was questioned, leading to regulatory actions. These problems were compounded by a dollar crisis, which began in mid-2022 and worsened over the year. This crisis made it difficult for banks to finance imports, pushing the government to seek international aid.

Despite these obstacles, there have been significant strides toward innovation and digital transformation within the sector. A surge in digital banking users and the adoption of mobile financial services (MFS) showcased a shift towards more accessible and efficient financial services. Initiatives like the interoperable Bangla QR and Binimoy platform have made digital transactions more seamless, connecting banks, MFS providers, and payment service providers in a unified ecosystem. The central bank's push for digital banking

licenses and guidelines has set the stage for a modernized banking environment, focusing on improving customer service through technology, such as AI-powered chatbots and enhanced mobile banking apps.

Looking forward, the banking sector in Bangladesh has opportunities for diversification and growth, despite the hurdles. The introduction of venture capital financing and wealth management services opens up new avenues for economic development. The adoption of bancassurance and exploration into the derivatives market could further expand the sector's offerings, while open banking initiatives promise to foster innovation and competitive financial services. By embracing these opportunities and continuing to invest in digital infrastructure and regulatory improvements, Bangladesh's banking sector can overcome its current challenges and play a pivotal role in the country's economic growth.

An Overview of Union Bank PLC.

Celebrating its 11 year milestone, Union Bank PLC. remains focused on integrating the latest banking technologies, introducing customer-centric products, and ensuring high ethical standards among its employees. Through continuous innovation and a commitment to excellence, Union Bank is poised to meet the evolving needs of its customers while contributing to the broader financial landscape.

In 2023, Union Bank PLC. achieved significant milestones across various divisions, enhancing its banking services and expanding its customer base. The introduction of the Mudaraba Monthly Payable SND Account (Fayida) aimed at increasing low/no cost deposits and retail customers. The bank successfully partnered with Jalalabad Gas T & D System Ltd. for utility bill collection in Srimangal & Moulvibazar, Union Bank was the champion of the Sheikh Hasina Interbank Football Tournament-2023. Innovations in banking included new utility services, a revamped UniON app for improved customer experience, and active participation in Bangladesh Bank's Nikash settlement system. The establishment of a state-of-the-art Disaster Recovery Data Center ensured business continuity.

In 2023, Union Bank focused on technological advancements and service expansion. The Sub Branch Module extended banking services to underprivileged areas, while the upgrade to the latest Oracle DB version boosted database management. The bank also enhanced its Disaster Recovery capabilities with a new site at Bangabandhu Hi-Tech City, Kaliakoir, Gazipur. Service offerings expanded to include several utilities, making bill payments easier for customers. The UniON app was optimized for better digital banking experiences, and an in-house notification service was developed for timely communication with customers. The Ababil NG CBS implementation aimed at streamlining processes and improving customer service.

The International Division faced competitive pressure but managed a significant volume in international trade, with import business at BDT 6205.00 million and export business at BDT 4204.20 million. The bank maintained a strong correspondent banking network, with 153 correspondents worldwide and involvement in major currencies. The state-of-the-art remittance software facilitated efficient operations, partnering with 14 remittance houses and achieving a total remittance of BDT 4168.10 million. The Central Trade Operations Unit also contributed to the bank's performance with substantial import and export business volumes.

In 2023, Union Bank PLC. saw its total deposits increase by 5.72%, reaching BDT 225,585.37 million from the previous year's BDT 213,375.29 million. The bank's investments also saw a notable rise of 15.05%, climbing to BDT 255,691.91 million from BDT 222,275.43 million. In the international market, the bank handled imports worth BDT 6,205.00 million (USD 56.54 million) and exports valued at BDT 4,204.20 million (USD 38.31 million). The bank is optimistic about further growth in its trade business as the global economy recovers. The operating profit for the year increased by 6.17% to BDT 4404.88 million from the previous year's BDT 4,148.57million. Union Bank PLC. is partnered with 14 remittance houses and opened 2 new branches and 8 sub-branches across various regions, ending the year with a total of 114 branches and 54 sub-branches.

Future Outlook

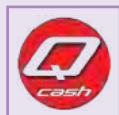
Looking towards 2024, we are optimistic about achieving significant growth, overcoming challenges from the past such as economic fluctuations and banking sector hurdles. Our focus will be on enhancing asset quality by adhering to strict regulatory standards and risk management practices. We aim to strengthen our brand and customer base by forging strategic partnerships and leveraging innovative technologies for better service. With a commitment to developing our team and maintaining prudent management, we are poised to secure our place as a leading bank in the new era.

Union Bank remains accessible
to every corner of Bangladesh with

114
Branches

54
Sub-Branches

100
ATMs



Deposit Products of the Bank are as follows:

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



Scheme Products of the Bank are as follows:

- 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

2023 has been marked by remarkable strides in technological innovation, positioning Union Bank PLC. as a trailblazer in the financial sector. Our commitment to excellence and customer-centric solutions has driven us to achieve significant milestones. We've embraced cutting-edge technologies, including the Robust Islamic Core Banking Solution (CBS) which seamlessly integrates processes and ensures a robust foundation for our services. The adoption of Oracle has empowered us with advanced database capabilities, safeguarding data integrity while enabling rapid access for critical transactions. Our sub-branches Module (Upo-shakha) provide personalized services, fostering stronger community connections.

Beyond traditional banking, we've introduced new utility services (Gas, Power, Wasa) simplifying bill payments. The revamped UniON app offers an intuitive user experience, empowering customers to manage their finances effortlessly. Our active participation in implementing Nikash, the settlement system of Bangladesh Bank, has strengthened the financial ecosystem. Our state-of-the-art Disaster Recovery Data Center ensures business continuity even in adverse situations.

With 114 branches, 54 sub-branches, and 100 ATMs spread across the country, Union Bank remains accessible to every corner of Bangladesh. In this report, we delve into the details of these achievements, share success stories, and outline our vision for the future. As we embrace technology, we remain steadfast in our mission to serve our customers with integrity, transparency, and unwavering dedication.



Bangladesh has transitioned from manual to becoming a Digital Bangladesh. The banking sector has served as a role model throughout this journey, with Union Bank leading the charge as a Shariah based digital bank from day one. Its unwavering commitment to national development remains steadfast as it continues to pave the way forward. Viewing Information and Communication Technology (ICT) from two angles, the bank recognizes it as both a tool for fostering communication, connectivity and a means to revamp business processes.

Embracing ICT has enabled the development of cutting-edge products, bolstered market infrastructure, implemented robust risk management practices, and expanded financial intermediaries' access to diverse markets, regardless of geographical constraints. The benefits of this technological leap are evident in improved customer service, enhanced branch productivity, innovative service delivery methods, and seamless, reliable transactions facilitated by channels like Internet Banking, SMS Banking, Mobile Banking, ATM Facilities, SWIFT Network, Electronic Clearing Service, and Chip-based Card Services. Furthermore, ICT serves as a vehicle for cost reduction and facilitates effective communication with stakeholders across the banking sector, underscoring its transformative potential beyond mere digitization.

Union Bank has consistently demonstrated its unwavering commitment to embracing enhanced services and efficiency. Recognizing that new technology is the linchpin for strengthening our competitive advantage, we have prioritized its integration into our operations. Our belief is simple: by harnessing cutting-edge solutions, we not only enhance profitability and productivity but also elevate the efficiency of our service delivery.

What We Achieved in 2023:

Union Bank PLC. has introduced several groundbreaking initiatives within the year 2023.

Sub-branch Module (Upo-shakha): The Sub Branch Module developed by Union Bank facilitates the extension of banking services to previously unbanked and underprivileged populations. This module aims to make banking more accessible by introducing sub-branches in remote areas, reducing the difficulties associated with accessing traditional banking services.

Latest Database: Union Bank's upgraded to latest Oracle DB version reflect a significant advancement in its database management system. This upgrade ensures improved performance, enhanced security features, and better support for modern applications, contributing to the bank's operational efficiency and data management capabilities.

Disaster Recovery Data Center Union Bank's establishment of a new Disaster Recovery Site underscores its commitment to business continuity and data protection. This site Flectcity IDE, located at Bangabandhu Hi-Tech City, Kaliakoir, Gazipur serves as a backup location equipped with modern infrastructure and security measures, ensuring the seamless continuation of critical operations in the event of a disaster or system failure.

New Service on Utility: We've expanded our service offerings to include utility-related transactions, simplifying bill payments and enhancing convenience for our customers. Within last year we added several utility to our pipeline those are: BREB, DPDC, KGDCL, DESCO, TITAS and WASA.

Optimised UniON App: Our revamped UniON app offers an intuitive user experience, empowering customers to manage their finances effortlessly. With enhanced features and real-time notifications, it serves as a gateway to seamless digital banking.

Active Participation in Nikash Implementation: As part of our commitment to the financial ecosystem, we actively participate in implementing Nikash—the settlement system of Bangladesh Bank. Real-time settlement ensures smoother interbank transactions, contributing to overall efficiency.

In-House Notification Service: Union Bank's development of an in-house SMS/mail notification service signifies its dedication to enhancing communication with customers. This service enables the bank to send timely alerts, notifications, and transaction updates via SMS, providing customers with convenient access to essential banking information and enhancing overall customer experience.

Updated CBS: By implementing the Ababil NG CBS, Union Bank aims to enhance its efficiency and streamline its processes. This updated CBS offers advanced features and capabilities that enable faster transaction processing, improved risk management, and enhanced customer service. This project is ongoing with MISL facilities.

As we continue this transformative journey, Union Bank PLC. remains steadfast in our pursuit of excellence through technology. Together, we shape the future of banking, one innovation at a time.

Our Legacy :

At the heart of our technological transformation lies the renowned shariah-based CORE banking software, Ababil. Developed by MISL. This robust CBS (Ababil) empowers us to provide a wide range of services to our valued customers, spanning general banking, investment, and trade finance. Moreover, it facilitates the generation of essential reports for our customers, management, and regulatory authorities.

Since our inception, Union Bank has actively participated in the Bangladesh Automated Clearing House (BACH) and the Bangladesh Electronic Fund Transfers Network (BEFTN). Seamlessly conducting RTGS operations with Bangladesh Bank, we've embraced the digital landscape. Recently, we initiated the new BACH-II infrastructure under the guidance of Bangladesh Bank. This upgrade enables our branches to transfer funds using BEFTN within the same day, thanks to the introduction of two sessions per day.

Furthermore, we've established network connectivity with the Election Commission (EC), EGP(e procurement), granting us access to the National ID (NID) Database. This integration serves as a vital tool for identity verification (KYC) during any account opening process.

Union Bank continually innovates to provide advanced digital services for customer convenience. Our ATM services offer round-the-clock cash withdrawal facilities, allowing Union Bank debit cardholders to access cash from ATMs of any bank. Moreover, Union Bank is soon launching e-commerce transaction capabilities for its debit cardholders, VISA and Credit Card facilities.

Furthermore, Union Bank initiated Real-Time Fund Transfer through Internet Banking via the NPSB Network, effective from July 21, 2022. Our SMS banking service, operated through a dedicated portal, facilitates registration, balance inquiries, and transaction alerts, ensuring seamless banking experiences.

Our internet banking facility offers real-time features such as balance inquiries, transaction searches, and statement downloads, enabling customers to manage their finances efficiently. Customers can also conduct real-time fund transfers between personal accounts, pay bills, recharge mobile phones, and perform credit card transactions.

Union Bank introduced the 'UniON' mobile application for Android and iOS devices, along with internet banking web services, providing convenient access to account balances, statements, fund transfers, bill payments, and more. Additionally, customers can utilize mobile financial services such as 'NAGAD' and 'bKash' through our internet banking platform and application.

Since its establishment in Bangladesh's financial sector, Union Bank has consistently improved its foreign exchange procedures. From the onset of operations, the bank has provided SWIFT services. Presently, seven AD branches along with the Head Office utilize this service for foreign exchange transactions. Union Bank has established connectivity with the SWIFT Network through 'Nelito,' facilitating secure

financial messaging, automated payment processes, and management of correspondents and nostro accounts.

Additionally, Union Bank has upgraded to SWIFT Alliance Access (SAA) version 7.6.52, enhancing the bank's security and reliability. Moreover, the bank has introduced a SWIFT module known as the 'KYC Security Attestation (KYC-SA)' application under the Customer Security Program (CSP). This application enables transparent exchange of security status information with counterparties, supporting cyber risk management and business due diligence.

To manage foreign remittance services efficiently, Union Bank employs remittance management software called 'RemitBook.' This software handles various remittance services such as RIA, Western Union, MoneyGram, and others. These services are meticulously maintained by the ICT Division to ensure the smooth flow of foreign remittances.

Union Bank's management and banking operations heavily rely on a range of in-house developed automation software, including eSupport, Inventory Management System, UBPLC Training Institute Module, Integrated Supervision System (ISS), SMS Notification Hub and Tahlil. These systems streamline various processes within the bank, from customer support to inventory management and training.

Furthermore, Union Bank incorporates a 'CIB Module' in its CBS for sorting, handling, and delivering credit information reports to Bangladesh Bank. Additionally, the bank has developed the Union AML Interface and Anti-Money Laundering Software, known as 'The Velocity AML Solution Suite,' to comply with regulations set by the Bangladesh Financial Intelligence Unit and Bangladesh Bank. This software enables monitoring, analysis, screening, and detection of potential money laundering and illegal financial activities.

Union Bank has also created a reporting system for Bangladesh Bank's ISS, facilitating supervision of the financial health of the bank's Head Office and branches. Additionally, 'Tahlil' was introduced for investment classification and provisioning reporting.

Moreover, the bank manages a Document Management System (DMS) through its ICT Division, enabling departments to archive necessary data and promote green banking practices. This system automates processes such as customer onboarding, KYC verification, and loan processing, leading to increased operational efficiency and improved customer experience.

Furthermore, Union Bank offers an 'INST@NT Account' facility, managed by the ICT Division's 'Cihno' software, allowing customers to open accounts instantly from home via the internet banking application.



Additionally, the bank utilizes a Card Management Portal, known as 'TWCMS,' for various debit card-related operations such as card and pin production, activation/deactivation, and transaction reporting and reconciliation.

Union Bank prioritizes data security and operational continuity. With a robust ICT infrastructure, including active data centres and disaster recovery sites, we ensure swift recovery in case of disruptions. Comprehensive policies for data backup and recovery are in place. We've implemented stringent security measures, such as secure intranet connectivity, password-protected access, and surveillance systems.

Our Cyber Security Policy aligns with regulatory guidelines, overseen by dedicated committees to mitigate risks effectively. The bank will prioritize strengthening cybersecurity measures by deploying advanced security technologies, conducting regular audits, and providing ongoing employee training to combat cyber threats prevalent worldwide.

Union Bank aims to revolutionize banking by harnessing ICT capabilities, transitioning from Traditional Banking to Smart Banking. By integrating ICT innovations into our existing systems and successfully implementing projects, we aim to meet the evolving expectations of customers, regulators, shareholders, and employees.

In the upcoming years, Union Bank plans to leverage ICT to gather and analyse customer data, enabling personalized banking solutions and enhancing customer satisfaction. Moreover, ICT will be utilized to automate internal processes and streamline operations, resulting in improved efficiency, cost savings, and enhanced customer services.

Union Bank's commitment to innovation, customer satisfaction, and prudent financial management has driven robust financial performance, increased market share, and established us as a prominent bank in Bangladesh. We remain dedicated to maintaining this reputation in the years to come.

MANAGEMENT INFORMATION SYSTEMS

A Management Information System (MIS) in the banking sector refers to a system that collects, organizes, processes, and presents data and information to support decision-making, planning, and control within a bank or financial institution.

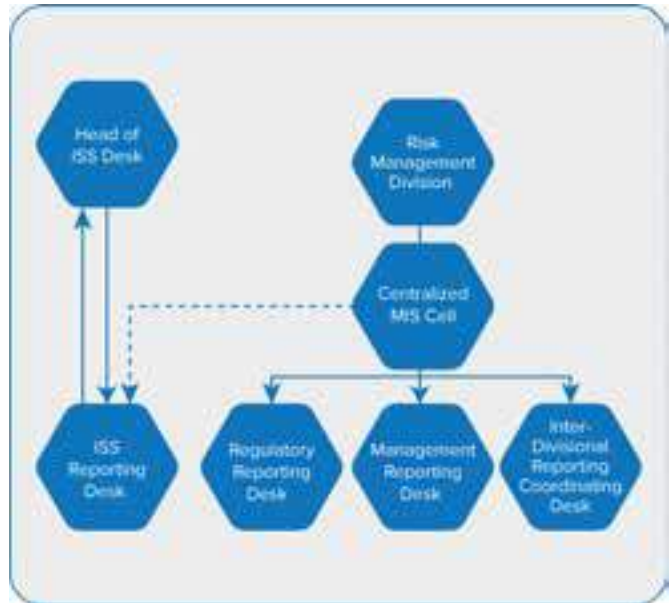
Responsibilities:

- Perform quality management and performance reporting to enhance Management insight in financial performance measurement and strategic business decision.
- Conduct financial performance/P&L analysis by business lines and products.
- Support KPI setting and monitoring.

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 primary 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.

Union Bank PLC. established a separate division named Management Information Systems (MIS) to provide improved banking service and support decision making process from its inception. Later the division has been reformed as "Centralized MIS Cell" under Risk Management Division (RMD). The cell provides financial and non-financial information to the Senior Management for decision making, coordination, control, analysis, and visualization of information of the Bank as well as submit various errorless statements to Bangladesh Bank. By ensuring data accuracy, security, and privacy, banks can build trust and confidence with their customers. Effective data governance enables banks to maintain up-to-date and complete customer profiles, which in turn allows for personalized and targeted services.

Organogram of Centralized MIS Cell under RMD, HO



ISS Desk:

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

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

Regulatory Reporting Desk:

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

Management Reporting Desk:

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

Inter-Divisional Reporting Coordinating Desk:

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

Key Achievements after reformation of CMIS Cell:

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

BRANCH EXPANSION

SL.	Branch Name	Opening Date	Urban/Rural
2013			
	Head Office	01.04.13	
01.	Gulshan Branch	20.05.13	Urban
02.	Dilkusha Branch	08.07.13	Urban
03.	Hatkhola Branch	04.08.13	Urban
04.	Lichubagan Branch	01.10.13	Rural
05.	Shathibari Branch	06.10.13	Rural
06.	Mouchak Branch	14.11.13	Rural
07.	Shantirhat Branch	16.11.13	Rural
08.	Khatungonj Branch	07.12.13	Urban
09.	Ashulia Branch	14.12.13	Rural
10.	Zindabazar Branch	21.12.13	Urban
11.	Ashkona Bazar Branch	28.12.13	Urban
2014			
12.	Panthapath Branch	10.03.14	Urban
13.	Sebarhat Branch	30.03.14	Rural
14.	Badarkhali Branch	26.05.14	Rural
15.	Islampur Branch	29.05.14	Urban
16.	Pahartoli Branch	10.06.14	Rural
17.	Bogura Branch	19.06.14	Urban
18.	Khulna Branch	26.06.14	Urban
19.	Sarkarhat Branch	09.07.14	Rural
20.	Agrabad Branch	10.07.14	Urban

SL.	Branch Name	Opening Date	Urban/Rural
21.	Lalmal Branch	18.10.14	Rural
22.	Cumilla Branch	19.10.14	Urban
23.	Talshahor Branch	21.10.14	Rural
24.	Cox's Bazar Branch	26.10.14	Urban
25.	Hnila Branch	27.10.14	Rural
26.	Uttara Branch	06.11.14	Urban
27.	Muradpur Branch	18.12.14	Urban
2015			
28.	Banani Branch	14.05.15	Urban
29.	Mawna Branch	18.05.15	Rural
30.	Rajshahi Branch	28.05.15	Urban
31.	DT Road Eidgah Branch	01.06.15	Urban
32.	Bahubal Branch	04.06.15	Rural
33.	Munshirhat Branch	08.06.15	Rural
34.	Patiya Branch	10.06.15	Urban
35.	Pabna Branch	14.06.15	Urban
36.	Joksin Bazar Branch	17.06.15	Rural
37.	Panchaboti Branch	12.08.15	Rural
38.	Narayangonj Branch	16.11.15	Urban
39.	Miar Bazar Branch	29.11.15	Rural
40.	Bazar Hasnabad Branch	06.12.15	Rural
41.	Nanupur Branch	13.12.15	Rural
42.	Mirpur Branch	17.12.15	Urban
43.	Feni Branch	23.12.15	Urban
44.	Bonpara Branch	26.12.15	Urban
2016			
45.	Dewan Bazar Branch	08.05.16	Urban
46.	Ataikula Branch	15.05.16	Rural
47.	Barishal Branch	19.05.16	Urban
48.	Keranihat Branch	02.06.16	Rural
49.	Mymensingh Branch	16.06.16	Urban
50.	Nawabpur Road Branch	20.07.16	Urban
51.	Ati Bazar Branch	28.07.16	Rural
52.	Khilpara Branch	17.08.16	Rural
53.	Eidgaon Branch	21.08.16	Rural
54.	Jashore Branch	01.09.16	Urban
55.	Kalukhali Bazar Branch	04.12.16	Rural
56.	Banskhali (Chandpur) Branch	08.12.16	Rural
57.	Jamuna Future Park Branch	27.12.16	Urban
2017			
58.	Kumira Branch	29.03.17	Rural
59.	Jotpukuria Bazar Branch	24.05.17	Rural
60.	Laldighi Branch	25.05.17	Urban
61.	Dhanmondi Branch	20.08.17	Urban
62.	Rangpur Branch	22.08.17	Urban
63.	Tangail Branch	05.10.17	Urban
64.	Shakpura Chowmuhony Branch	19.10.17	Rural
65.	Madhobdi Branch	26.10.17	Rural
66.	Lohagara Branch	07.12.17	Rural
67.	Keranigonj Branch	19.12.17	Rural
68.	Gazipur Chowrasta Branch	21.12.17	Urban

SL.	Branch Name	Opening Date	Urban/Rural
2018			
69.	Kushtia Branch	09.05.18	Urban
70.	Jubilee Road Branch	13.05.18	Urban
71.	Raozan Branch	14.05.18	Rural
72.	Dinajpur Branch	08.10.18	Urban
73.	Islampur Branch, Dhaka	24.10.18	Urban
74.	Moulvibazar Branch	18.11.18	Urban
75.	Bhulta Branch	20.11.18	Rural
76.	Jorargonj Branch	27.11.18	Rural
77.	Hemayatpur Branch	20.12.18	Rural
2019			
78.	Chapainawabganj Branch.	01.08.19	Urban
79.	Barlekha Branch	05.08.19	Rural
80.	Bandarila Branch	13.11.19	Urban
81.	Fatikchhari Branch	14.11.19	Rural
82.	Ukhiya Branch	24.11.19	Rural
83.	Link Road Branch	24.11.19	Rural
84.	Rajabari Bazar Branch	05.12.19	Rural
85.	Tajmahal Road Branch	12.12.19	Urban
86.	Ambarkhana Branch	19.12.19	Urban
87.	Kanchan Branch	24.12.19	Rural
2020			
88.	O R Nizam Road Branch	11.06.20	Urban
89.	Tongi Branch	07.07.20	Urban
90.	Borodighir Par Branch	29.07.20	Rural
91.	Chambal Branch	03.12.20	Rural
92.	Brahmanbaria Branch	10.12.20	Urban
93.	Elephant Road Branch	14.12.20	Urban
94.	Fenchuganj Branch	24.12.20	Rural
95.	Ramu Branch	29.12.20	Rural
2021			
96.	Goalabazar Branch	07.01.21	Rural
97.	Kadamtali Branch	17.06.21	Urban
98.	Habiganj Branch	07.09.21	Urban
99.	Dohazari Branch	17.11.21	Rural
100.	Bijoy nagar Branch	20.12.21	Urban
101.	Satkhira Branch	23.12.21	Urban
102.	Sapahar Branch	28.12.21	Rural
103.	Nazumeah Hat Branch	28.12.21	Rural
104.	Sagardighi Branch	29.12.21	Rural
2022			
105.	Bahaddarhat Branch	20.07.22	Urban
106.	Khajura Bazar Branch	02.10.22	Rural
107.	Jhalakathi Branch	27.11.22	Urban
108.	Nazirhat Branch	01.12.22	Rural
109.	Bijoy Sarani Branch	07.12.22	Urban
110.	Gouripur Branch	14.12.22	Rural
111.	Naria Branch	21.12.22	Rural
112.	Munshiganj Branch	29.12.22	Urban
2023			
113.	Shibchar Branch	19.12.23	Urban
114.	Nalitabari Branch	26.12.23	Rural

SUB-BRANCH EXPANSION

SL.	Sub-Branch Name	Controlling Branch	Opening Date	Urban/Rural
2020				
01.	Jaldi	Banshkhali (Chandpur)	29.07.20	Urban
02.	Bazalia	Keranihat	26.08.20	Rural
03.	Adhunagar	Lohagara	21.09.20	Rural
04.	Kadoir Bazar	Munshirhat	28.09.20	Rural
05.	Mirpur Bazar	Bahubal	28.09.20	Rural
06.	Nachol	Chapainawabganj	02.11.20	Rural
07.	Fazilpur	Feni	03.12.20	Rural
08.	Sitakunda	Kumira	10.12.20	Urban
09.	Merul Badda	Gulshan	14.12.20	Urban
10.	Rowshanhat	Patiya	21.12.20	Rural
11.	Matarbari	Badarkhali	21.12.20	Rural
12.	Gunagori	Banshkhali (Chandpur)	24.12.20	Rural
13.	Fakirhat	Fatikchhari	27.12.20	Rural
14.	Bangla Bazar	Jotpukuria Bazar	27.12.20	Rural
2021				
15.	Halishahar Bus Stand	D.T Road Eidgah	07.01.21	Urban
16.	Hathazari	Sarkarhat	28.01.21	Urban
17.	Ghatail	Tangail	28.01.21	Urban
18.	Palongkhali	Hnila	15.02.21	Rural
19.	Khuntakhali	Eidgaon	15.02.21	Rural
20.	Chatkhil	Khilpara	24.03.21	Urban
21.	Kachua	Miar Bazar	24.03.21	Urban
22.	Shibganj	Chapainawabganj	12.04.21	Urban
23.	Kutupalong	Ukhiya	12.04.21	Rural
24.	College Bazar	Shantirhat	19.07.21	Rural
25.	Khanhat	Keranihat	19.07.21	Urban
26.	Dakshinkhan	Ashkona Bazar	17.08.21	Urban
27.	Solingmoor	Mawna	17.08.21	Rural
28.	Tilpapara	Hatkhola	15.09.21	Urban
29.	Kamrangirchar	Dhanmondi	15.09.21	Urban
30.	College Gate	Tongi	29.11.21	Urban
31.	Gobindganj	Ambarkhana	29.11.21	Rural
2022				
32.	Gokarnoghat Bazar	Brahmanbaria	14.02.22	Urban
33.	Chatmohar	Pabna	09.03.22	Urban
34.	Puichhari	Chambal	27.03.22	Rural
35.	Mariumnagar	Lichu Bagan	20.06.22	Rural
36.	Peton Shah Mazar Gate	Shakpura Chowmuhony	20.06.22	Rural
37.	Gohira	Raozan	27.06.22	Urban
38.	Mahiganj	Rangpur	17.07.22	Urban
39.	Gopalganj Bazar	Dinajpur	17.07.22	Rural
40.	Zero Point	Khulina	17.07.22	Rural
41.	Rayer Bazar	Dhanmondi	17.07.22	Urban
42.	Roazarhat	Lichubagan	01.09.22	Rural
43.	Tokirhat	Nanupur	01.09.22	Rural
44.	Madhabdi Bazar	Madhabdi	01.09.22	Urban
45.	Tanbazar	Narayanganj	19.12.22	Urban
46.	Chhagalnaiya	Feni	19.12.22	Urban

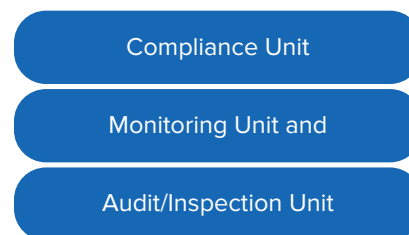
SL.	Sub-Branch Name	Controlling Branch	Opening Date	Urban/Rural
2023				
47.	Dakshin Banasree	Gulshan	23.01.23	Urban
48.	Khilkheth	Ashkona Bazar	27.02.23	Urban
49.	Bijoypur Bazar	Lalmal	27.02.23	Rural
50.	Madam Bibir Hat	Kumira	21.03.23	Rural
51.	Aganagar	Keranigonj	01.06.23	Rural
52.	Dewanhat	D.T Road Eidgah	05.07.23	Urban
53.	Ranavola	Uttara	05.07.23	Urban
54.	Nobodoy (Dncc)	Tajmahal Road	25.09.23	Urban

COLLECTION BOOTH

SL.	Palli Bidyut Collection Booth	Opening Date	Urban/Rural
01.	Barishal Palli Bidyut Samiti-1 (Barishal Branch)	03.03.19	Urban
02.	Chapinawabgonj Palli Bidyut Samiti (Chapinawabgonj Branch)	27.01.20	Urban
03.	Moharajpur Palli Bidyut Samiti (Chapinawabgonj Branch)	27.01.20	Rural
04.	Cox's Bazar Palli Bidyut Samiti (Ukhiya Branch)	18.10.20	Rural
05.	Chattogram Palli Bidyut Samiti-1 (Shakpura Branch)	01.11.20	Rural
06.	Chattogram Palli Bidyut Samiti-1 (Keranihat Branch)	05.11.20	Rural
07.	Narshingdi Palli Bidyut Samiti (Bazar Hasnabad Branch)	07.12.20	Rural
08.	Chattogram Palli Bidyut Samiti-1 (Shantirhat Branch)	10.01.21	Rural
09.	Chattogram Palli Bidyut Samiti-1 (Banshkhali Chandpur Branch)	16.03.21 08.12.22	Rural
10.	Chapinawabgonj Palli Bidyut Samiti, Nachol (Chapinawabgonj Branch)	06.06.21	Urban
11.	Sylhet Palli Bidyut Samiti-1 (Fenchugonj Branch)	15.06.21	Rural
12.	Chattogram Palli Bidyut Samiti-2 (Pahartoli Branch)	20.09.21	Rural
13.	Chattogram Palli Bidyut Samiti-2 (Fatikchhari Branch)	13.09.21	Rural
14.	Narshingdi Palli Bidyut Samiti, Karimpur-2 (Bazar Hasnabad Branch)	23.11.21	Rural
15.	Hobigonj Palli Bidyut Samiti-1 (Bahubal Branch)	27.09.21	Rural
16.	Sylhet Palli Bidyut Samiti-1, Osmani Nagar (Goalabazar Branch)	01.12.21	Rural
17.	Sylhet Palli Bidyut Samiti-1, Balagonj (Goalabazar Branch)	01.12.21	Rural
18.	Chattogram Palli Bidyut Samiti-2 (Lichubagan Branch)	16.01.22	Rural
19.	Chattogram Palli Bidyut Samiti-1 (Keranihat Branch)	25.05.22	Rural
20.	Cox's Bazar Palli Bidyut Samiti (Link Road Branch)	04.09.22	Rural

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:



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. UBPLC 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 ICC 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 2023, 06 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 2023, IC&C Division conducted Comprehensive Audit in 89 Branches and 45 sub branches, 06 Divisions at Head Office, Online Foreign Exchange Transaction Monitoring System Audit in 07 AD Branches and CTOU of Head Office of the Bank.

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

Internal Control & Compliance Division of UBPLC is an Integral part of Bank Management and a foundation for safe & sound operation. IC&C Division is thoroughly guided by the motto "Prevention is better than cure". The array of IC&C Division 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) is dedicated to orchestrating seamless banking operations at the branch level, elevating customer satisfaction as its paramount objective. This division acts as a pivotal bridge between branches and the head office, with its core functions streamlined into five pivotal categories:

Automated Annual Business Budget Module Formation:

BOCD spearheads the development of a comprehensive module tailored for crafting Annual Business Budgets. By meticulously analyzing factors like Deposit, Investment, Profit, and Market Trends, BOCD ensures the creation of realistic profit targets. Through a data-driven approach encompassing economic evaluations and industry trends, BOCD enables informed decision-making, thus fortifying the bank's financial position.

Business Conference Organization:

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

Customer Service Excellence and Complaint Management:

BOCD ensures customer satisfaction through proactive feedback collection and complaint resolution mechanisms. BOCD manages all complaints by providing solutions in accordance with the guidelines set forth by Bangladesh Bank. BOCD also ensures prompt and effective resolution of customer grievances, thereby bolstering trust and loyalty.

Core Banking Operation Solutions through ICTD:

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

Settlement and Approval of Operational Activities:

In this crucial function, BOCD ensures the smooth settlement and approval of various operational tasks. This includes handling deceased accounts and overseeing insurance formalities for vaults, ATMs, and lockers. Additionally, BOCD provides approval for re-issuance of various instruments such as MMPS, MTDR and Payment Orders. It also oversees charge waivers, prepares and submits regulatory reports to Bangladesh Bank, including daily cash position reports, weekly vault position reports, monthly coin reports, quarterly no-frill reports, monthly torn and dust reports, school banking reports and quarterly & monthly complaint reports.



Furthermore, BOCD assumes a pivotal role in advancing inclusive banking initiatives, catering to underserved demographics through “no-frills” accounts and school banking programs. By fostering financial literacy and expanding access to banking services, BOCD ensures financial inclusion, thereby driving socio-economic empowerment.

At BOCD, our unwavering commitment to superior customer service and operational excellence underpins every endeavor, propelling the bank towards sustained growth and prosperity.

INTERNATIONAL DIVISION

Banking industry of Bangladesh, especially Foreign Trade segment of this sector has experienced a bittersweet sustenance through the whole 2023. On the one hand the COVID situation has shown significant improvement, leading to the formal declaration by the WHO that the COVID pandemic has ended in 2023 and similarly, the effects of the Russia-Ukraine war have started to fade in recent times

and on the other hand Bangladesh started facing multiple challenges including high inflationary and exchange rate pressure, as well as substantial erosion of foreign exchange (Forex) reserves which headlined Bangladesh’s economy throughout 2023.

Bangladesh started to emerge from the shadow of the pandemic. Company order books began to fill up once more, and demand for energy, cars, travel and home improvements returned. But foreign trade stumbled again due to Dollar crisis, escalating exchange rate and Government’s conservative policy for import.

In spite of all the hurdles, International Division played a crucial role to keep the stability in pace of foreign trades i.e. Export, Import & Remittance. Indeed, International Division was the most active as well as the key role player in the market in 2023. The division explores Foreign Exchange business opportunities while maintaining associated risks. The wing is also responsible for maintaining the bank’s Net Open Position (NOP), in line with regulatory limits and forecasting exchange rates. The bank’s International division currently comprises four units: **(1) International Trade (2) the Financial Institution Unit/Correspondent Banking Relationship Unit (3) the Foreign Remittance Unit and (4) Central Trade Operation Unit.**

Key Responsibility:

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

Core Strengths

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

1) International Trade:

Global inflation has resulted in increased demand for the US dollars and, hence, the Bangladeshi taka, like many other currencies in the world, has recently began losing value. Meanwhile, the tremendous foreign currency crisis specially US dollar due to erosive trend in Forex reserve led foreign trade business to a huge shrinkage. During 2023, Union Bank experienced significant competitive pressure in both import and export business compared to previous year. Import Business stood **BDT 6205.00 million (Equivalent to USD 56.54 million)** in 2023. Import business of UBPLC covers areas like industrial raw materials, food items, chemicals, medicines, textiles, capital machineries etc. Export Business also experienced a slight shrinkage in the year 2023 compared to the previous year. Total Export was **BDT 4204.20 million (Equivalent to USD 38.31 million)** at the end of the year 2023. Export business was concentrated in frozen fish, readymade garments, knitwear and other indigenous products.

2) Correspondent Banking Relationship:

Correspondent Banking Relationship or Financial Institution Unit is the gateway between the local & global clients as well as it connects banks & financial institutions across the globe. 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. UBPLC 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 across the Globe. Total correspondents of UBPLC stand at 153 (Home and abroad) as on 31 December 2023.

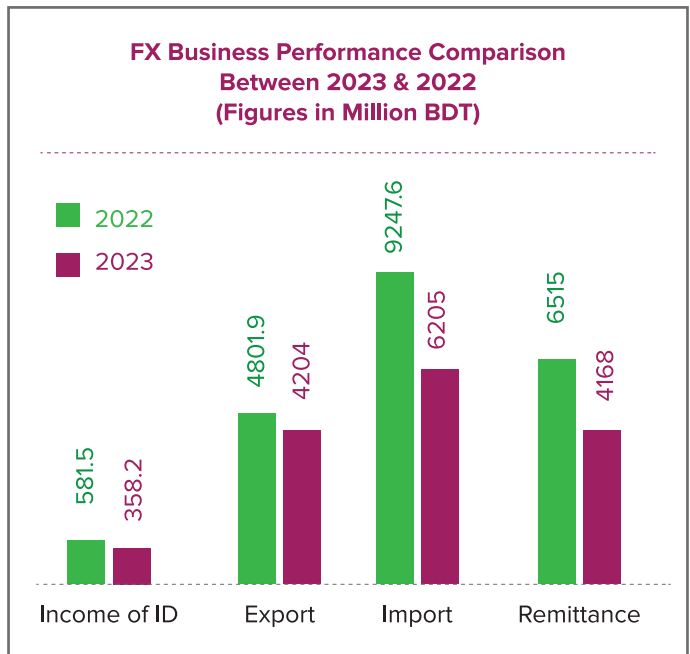
3) Remittance:

Union Bank has been using an excellent state-of-the-art remittance software for excellence in remittance operation of the Bank. We strengthened the remittance relationship with various renowned exchange houses in 2023. Now we are focusing on excellence in customer service through the existing Branch network and agents. A dedicated

“Remittance Hub” backed by advanced technology platform helps expanding the Bank’s service to the doorstep of the customers. Our corporate clients remained another major source of foreign currency. We are also trying to broaden its base through solicitation of indigenous export clients. UBPLC disbursing remittance being affiliated with 14 remittance houses and total remittance at the end of the year 2023 was BDT 4168.10 million (Equivalent to USD 37.98 million.)

4) Central Trade Operations Unit (CTOU):

In 1st March 2018 established Central Trade Operations Unit (CTOU) is a vital part of International Division with skilled workforce to boost up as well as to facilitate Trade Service Operations exclusively for the Non-AD branches effectively, smoothly and promptly under the purview of prioritized banking abilities. Moreover, a dedicated FX team was included as a wing under CTOU named Regional Trade Operations Unit, Chattogram (RTOU-CTG) working for developing foreign exchange business for Chattogram Region. In 2023 CTOU performed Import business amounting BDT 1112.50 million (Eqvt. \$10.26 million) and Export business amounting BDT 928.90 million (Eqvt. \$ 8.61 million).



CORPORATE AFFAIRS & BRANDING DIVISION

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

The core activities of Corporate Affairs & Branding Division are to formulate branding and business promotion policies.

Side by side, Corporate Affairs & Branding Division is also involved in performing several functions which are enlisted below:

Key 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 occasions for the bank. • Ensure proper arrangement of distributing gift items for valued clients. • Maintain the expenses of branches regarding School Banking Conference, Business Fair and any other business development purpose.
Product & Service Development	<ul style="list-style-type: none"> • Introduce new products & services. • Development of existing products under current product lines. • Identify new opportunities and take initiatives to develop customer service.
360 Degree Marketing	<ul style="list-style-type: none"> • Post information regarding several occasions in the LinkedIn, Youtube and Facebook Page of our bank. • Promoting products and services in online media. • Assist E-Mail Marketing & SMS Marketing.
Corporate Affairs and customer acquisition	<ul style="list-style-type: none"> • Take initiatives to procure corporate fund and enhance Low/No Cost Deposit of the bank. • Take proper initiatives for providing value added service to customers and new customer acquisition. • Arrange all necessary initiatives for making corporate agreement with prominent organizations with the aim of ensuring exclusive privileges for the employees and all the Cardholders of the bank. • Support to enhance the source of ancillary income (Such as, Collection of DPDC Bill, WASA Bill, DESCO Bill, BREB, Jalalabad Gas, Karnaphuli Gas Titas Gas Bill, Pre-registration and registration fees of Hajj Pilgrims)

Achievements in 2023

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 120 successful corporate agreements with renowned organizations of the country for ensuring the exclusive privileges for the Employees and Cardholders of the bank and as well as to build a strong brand image in the competitive marketplace. Corporate Affairs & Branding division has introduced Mudaraba Monthly Payable SND Account (Fayida) for enhancing low/no cost deposit and to increase retail customer of the bank. Apart from this, the successful agreement has been accomplished with Jalalabad Gas Transmission & Distribution System Ltd. for collecting utility bills of Srimangal & Moulvibazar Zone. It is glad to be mentioned here that, Union Bank PLC. titled champion in Sheikh Hasina Interbank Football Tournament-2023 and CABD arranged full fledge branding in final match held at Bangladesh Army Stadium.

Future Goals

An initiative has been taken to relaunch of logo and name of the bank in line with the direction of board of directors, higher management and necessary clearance from Bangladesh Bank. Apart from this, unique branch branding is continuing and new brand source will be identified to set strong brand image of the bank countrywide.

Corporate Affairs & Branding Division is always committed to do best for achieving the goals of the bank. Year-2024 will be the entrance of new arena of branding In-Sha- Allah.

RISK MANAGEMENT & CONTROL ENVIRONMENT

1.00: Introduction

Risk is an integral part of banking business in an ever dynamic environment, which is undergoing radical changes both on the technology front and product offerings whereas 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 that formed the basic framework of risk management that need to be followed by the banks in Bangladesh. Union Bank PLC. 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
- BRPD Circular No.03 regarding Recovery Plan for Banks
- DOS Circular No.03 regarding Introduction of new Input Template for Comprehensive Risk Management Report
- BRPD Circular No.07, dated 05 December, 2023 regarding Prompt Corrective Action Framework
- Other related instructions/circulars/letters as issued by regulators from time to time; etc.

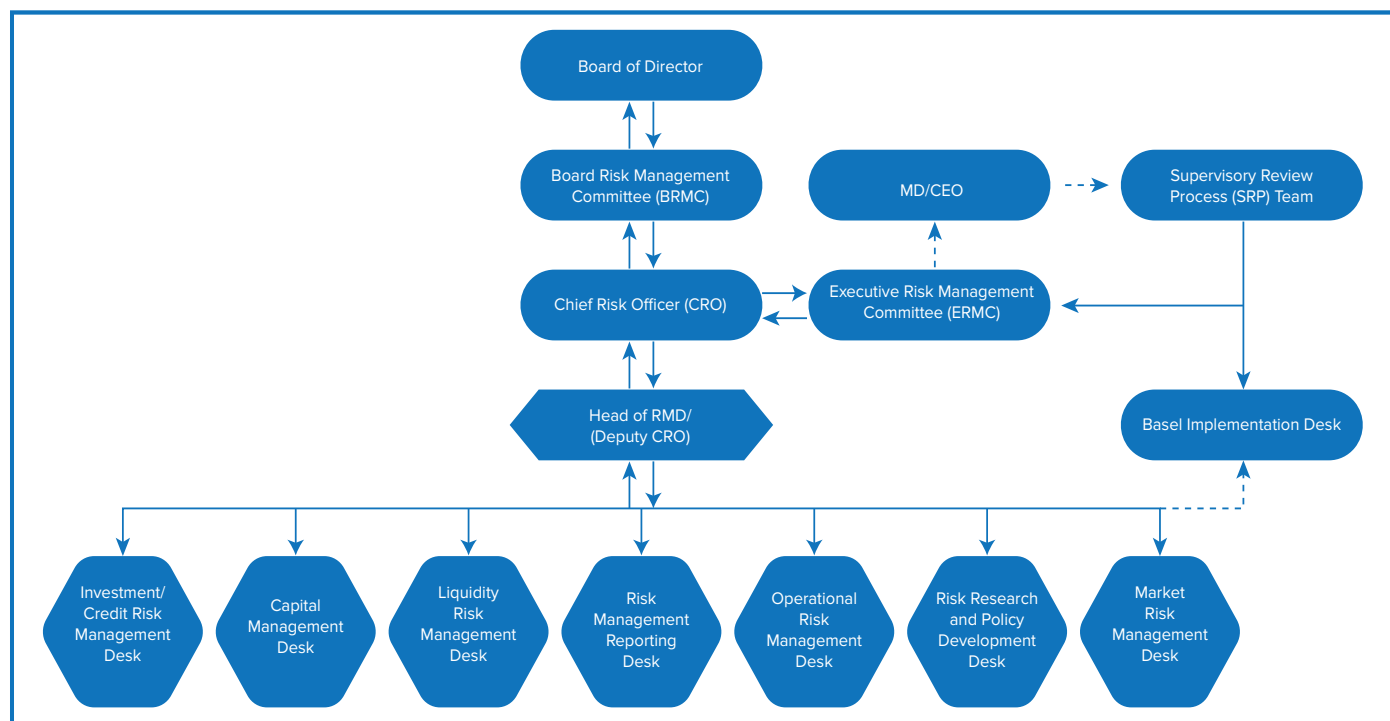
6.00: Risk Appetite Statement

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 Directors 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. 4 (four) meetings of the BRMC were held during the year 2023. Board Risk Management Committee (BRMC) of the bank will provide utmost importance on sound risk management practices. For this purpose the BRMC will play the following role:

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

UBPLC 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, UBPLC has established 8 (eight) separate desks and functions of particular desks. The responsibilities of RMD & 8 (eight) separate desks are ensured by the Head/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 (CRM)	2	Complied	Half yearly reporting to BB for determination of risk management rating.
5	Monthly Risk Management Report (MRM)	10	Complied	<ul style="list-style-type: none"> • Monthly reporting to ERM & BB. • Quarterly reporting to BB, BRMC & Board of Directors.
6	Statement of Market Discipline	1	Complied	Yearly reporting to BB & Board of Directors and disclose the same in the Bank's Website.
7	Statement of Risk Appetite	1	Complied	Yearly reporting to BB & Board of Directors for approval.
8	Review Report on Risk Management Policies and Effectiveness of Risk Management Functions	1	Complied	Yearly reporting to BB & Board of Directors for approval.
9	Bank's Credit Rating	1	Complied	Yearly reporting to BB, Board of directors, bank's website, daily newspapers.
10	Recovery Plan	1	Complied	Yearly reporting to BB, Board of directors.
11	Compliance Report	As and when required.	Complied	Reporting to the respective departments of BB from time to time.

10.00: Core Risk Management

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

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

11.00: Key initiatives in the year-2023

- Established and maintained prudent risk management framework.
- Prepared a Prompt Corrective Action (PCA) management committee and arrange meeting for future courses of action.
- 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.
- Convey national & global risk issues to the head office and branches.
- Arranged Annual Risk Management Conference with the participation of all the branch managers including officials related to risk issues.
- Expedite the process of issuing subordinated bond.
- Identified year end challenging issues and conveyed the courses of action to SRP and MANCOM.
- Prepared Strategical Recovery plan for identifying credible options of recovery against stressed scenario and subsequently submitted the board approved Recovery Plan to BRPD.
- Greater Reliance on Information Technology for efficient supervision.
- Expedited credit rating process to reduce risk weighted assets and thus improving bank's capital adequacy.

- 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 2023 and communicated the same to the Board of Directors and Senior Management for necessary guidance as against.
- Developed bank's risk profile considering the risks under Basel-III accord.
- Streamlining risk management reporting to the Regulator, Management, BRMC & Board.
- Developed a comprehensive "documentation checklist" for investment.
- Introducing robust employees' awareness programs on risk management.

12.00: Action Plan for the year-2024

- To develop risk profile of the bank and determining appropriate risk management strategies based on the periodic capital adequacy as well as identified and potential risks.
- Initiative for issuance of subordinated bond for strengthening capital base of the bank.
- Expediting Credit Rating of eligible client to reduce Risk Weighted Assets (RWA) of the bank.
- Taking strategic measures to tackle systemic risk arisen in banking sector.
- Ensuring all applicable regulatory compliances related to capital adequacy & risk management.
- Updated MIS guideline book of regulatory instructions, circulars, guidelines and other major information on regular basis.
- Review and update recovery plan for promptly and effectively acting in the event of a stress situation.
- Prepare a PCA policy to identify bank's risk status and required courses of action.
- Identify triggers and key vulnerabilities of the bank for adequate monitoring of the risk factors.
- Focus on digital and online banking and provide better customer services.
- Properly monitor stress situation and inform to the Board and senior management regularly for taking timely action.
- Initiated process of developing automated resources for calculating different risk indicators.
- Identifying, assessing and controlling the environmental risk.

- 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.
- Developed a mobile app based dashboard so that Senior Management can monitor branch and head office level performance report and take instant decision thereagainst.
- 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.
- Communicating the key risk issues to the Senior Management, BRMC and Board.
- Monitoring the national and global risk issues in line with bank's exposure.
- Ensuring the defined activities under Basel Unit.
- Reviewing the ICAAP Policy document ; etc.

14.00: Concluding Remarks

Bank aims to achieve an appropriate trade-off between risk and return to maximize shareholder value. Now-a-days, Banking business are struggling to recover with reducing scope of earnings and maintain regulatory requirements due to business devastation, dollar crunch, liquidity crisis, high inflation and price hikes. However, Union Bank PLC. managed the risk by taking proactive measures and good governance in its operational arena. Apart, the bank's 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 DIVISION

Treasury Operations and Fund Management

Treasury Division maintains liquidity, based on historical requirements, anticipated funding requirements from operation, current liquidity position and collection of financing available sources of funds, risks and returns. Treasury Division is fully concentrated on fund management and maintaining adequate cash to meet day-to-day requirements. It also responsible for maintaining Cash Reserve Ratio (CRR), Statutory Liquidity Ratio (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. The Division also ensures Balance Sheet Risk Management and oversees the asset-

liability mismatch position and implements appropriate measures to mitigate liquidity risks.

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 outlook, market status and liquidity position of the banks. 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 manner. The Committee also reviews transfer pricing, other liquidity ratios and sensitivity of asset-liabilities etc.

The ALCO 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 outlook, market status and liquidity risk related to balance sheet and profit rate structure etc. Special ALCO meeting is arranged as and when any contingent situation arises.

The Treasury Division essentially deals with liquidity management and as a service center through various desk, such as:

- Asset Liability Management (ALM) desk
- Inter Bank Money Market desk
- Non-Resident Business desk
- Treasury Investment desk
- Foreign Exchange desk
- Corporate Sales desk

Asset Liability Management (ALM) Desk

Asset Liability Management is one of the major functions of Treasury Division. Union Bank PLC. has a highly efficient ALM Desk, which is an independent unit within the division. Objective of the desk is to ensure efficient allocation of fund within an acceptable, measurable and defined risk structure. The desk monitor and analyzes various cash flows, cash positions, balance sheet gaps, daily Profit & Loss, economic trends, investment options, arbitrage opportunities, future business growth and place the facts & findings before the ALCO. Regular ALCO meeting is conducted once in month but in case of urgent situation, special meeting is arranged. The desk proposes balance sheet strategy to the management.

Inter Bank Money Market Desk

Money market dealers arrange short and medium term funds at most economical terms which are required by the bank aside from customer deposit mobilization efforts. Money market desk ensures that the bank remains sufficiently liquid for meeting all its financial commitments and obligations to its customers besides meeting the CRR & SLR requirement at minimum risk and cost to the bank. In stress liquidity condition the desk always manages sufficient fund to provide business needs.

Non Resident Business Desk

Inward remittances from Bangladeshi nationals working abroad is a major driver of economic activity in the country. Treasury Division has a dedicated NRB desk to procure inward remittance through Exchange Houses across the world.

Treasury Investment Desk

Investment desk in Treasury Front Office operates within the policy frame approved by the Board of Directors of the Bank. The philosophy is to manage and maximize income within certain parameters and limits. It also includes use of effective duration, rate shock analysis, as well as total return to analyze and manage the investment portfolio and to determine the effect of movements on the yield and value of the bank's portfolio. Investment desk operates within available investment opportunities in the country. The desk keeps an eye on the market movement to reap on every opportunity and to get the best of every penny invested and maximize profit as well as shareholder's value.

Foreign Exchange Desk

Forex Desk is one of the leading market maker in spot and forward transactions in inter-bank market. The Bank has good sources of Foreign Currency through its own export customers, Non-residence Remittances and local & multinational corporate houses remittances/exports. The Bank is also well equipped to price world major currency spot & forward prices. The Treasury is connected to the International Market through on-line dealing platforms of different international banks to quote very competitive prices on world major currency spot & forwards.

Corporate Sales Desk

Treasury has a dedicated corporate sales desk that assists clients in managing their risk exposure as to minimize the impact of market volatility on the companies. This desk has played pivotal role especially forward market and contributed significantly to the bottom line of the bank.

ANTI-MONEY LAUNDERING & COMBATING FINANCING OF TERRORISM DIVISION

Activities to Prevent Money Laundering and Terrorist Financing:

Money laundering and terrorist financing are critical global issues that erode the integrity of financial systems and pose severe threats to national security. Governments and regulatory authorities worldwide implement measures to prevent these illicit activities, safeguard economies and protect society from the harmful consequences associated with money laundering & terrorist financing through worldwide. This introduction provides an overview of the principles, regulations, and methods employed to combat money laundering and terrorist financing.

To prevent money laundering and terrorist financing, governments enact legislation and establish regulatory frameworks. Financial institutions, including banks, insurance companies, and money services businesses, must adhere to robust anti-money laundering (AML) and combating financing of terrorism (CFT) measures. These measures aim to detect, prevent, and report suspicious transactions which will ensure unlegitimized overall criminal funds within the financial system.

Key components of AML and CFT efforts include Know Your Customer (KYC) procedures, customer identification and verification, enhanced due diligence (EDD), transaction monitoring, and suspicious activity reporting. These activities require financial institutions to perceive their customers, assess risk profiles, monitor aggregated transactions, and report any suspicious activity to relevant authorities.

International co-operation is critical in strive against these illicit activities due to their transnational nature. Governments, law enforcement agencies, and financial intelligence units collaborate to share information, intelligence, and best practices. This collaboration is enhancing the effectiveness of AML and CFT efforts, facilitating the identification and disruption of international money laundering and terrorist financing networks.

Preventing against money laundering and terrorist financing requires proactive, comprehensive, and multi-faceted approach. Financial institutions, governments, and regulatory authorities are continuing to enhance their efforts by updating regulations, improving strategies, and leveraging technological innovations. Societies can safeguard their financial systems, protect national security, and contribute to a safer, more secure world by implementation of effective preventive measures.

To prevent money laundering and terrorist financing, financial institutions and other regulated entities implement a range of activities and measures as part of their Anti-Money

Laundering (AML) and Combating Financing of Terrorism (CFT) efforts. Some of these activities include:

1. **Know Your Customer (KYC) Procedures:** Conducting thorough customer due diligence to verify the identity of customers, understand the nature of their businesses, assess their risk profiles, and monitor their transactions for any suspicious activity.
2. **Customer Identification and Verification:** Establishing and verifying the identity of customers through reliable and independent documentation, data, or information, and ensuring ongoing monitoring of customer transactions and behaviors.
3. **Enhanced Due Diligence (EDD):** Applying enhanced scrutiny to higher-risk customers, business relationships, and transactions, including politically exposed persons (PEPs) and high-net-worth individuals, to mitigate the increased risk associated with these relationships.
4. **Transaction Monitoring:** Employing automated systems and processes to monitor and analyze customer transactions for patterns of unusual or suspicious activity that may indicate money laundering or terrorism financing.
5. **Suspicious Activity Reporting:** Establishing mechanisms for employees to report and escalate any suspicions of money laundering or terrorist financing to the appropriate authorities, such as financial intelligence units or law enforcement agencies.
6. **Risk-Based Approach:** Implementing a risk-based approach to AML and CFT, which involves assessing the risk associated with different customers, products, services, and geographies, and tailoring AML and CFT controls to address those specific risks.
7. **Compliance Training and Awareness:** Providing regular training and awareness programs for employees to ensure they understand their responsibilities in detecting and preventing money laundering and terrorist financing.
8. **Regulatory Compliance:** Ensuring compliance with AML and CFT laws, regulations, and guidelines issued by local and international regulatory authorities.
9. **Technology and Data Analytics:** Leveraging innovative technologies and data analytics to enhance AML and CFT capabilities, including the use of artificial intelligence, machine learning, and big data analysis to identify and mitigate financial crime risks.
10. **International Cooperation:** Collaborating with domestic and international law enforcement agencies, financial intelligence units, and regulatory authorities to share information and coordinate efforts to combat money laundering and terrorism financing across borders.

These activities, among others, form an integral part of a comprehensive AML and CFT program, and their effective implementation is essential in the fight against financial crime and illicit activities.

Moreover, The Honorable Managing Director of Union bank PLC. regularly circulates his yearly statement of commitment which is conveying the messages to the concerned officials to identify 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 is also arranging 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 PLC.'s image in the financial arena.

HUMAN RESOURCES DIVISION

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

Union Bank PLC. 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 UBPLC 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, seminars 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 PLC. as one of the employee responsive organizations always recognizes and responds to the necessity & prospects of its members and thus implements & embraces various policies to ensure their job security as well as social security even after retirement.

BUSINESS DEVELOPMENT DIVISION

Business Development Division (BDD) 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. Business Development Division has been felt by the Management of the Bank which will eventually ensure smooth & efficient accomplishment activities of the Division. BDD works on four essential aspects.

Business Planning: Business plan is the main tools to achieve Business Targets. BDD closely observed business and market trends, formulate action plan to survive in competitive market. BDD also acts as a connector between Branch and Head office in business expansion.

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

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 assistance and cooperation 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

Union Bank Training Institute provides training to the employees of UBPLC in several areas that include Islamic Shariah, Islamic Economics, Islamic Banking, General Banking, Green Banking, National Integrity Strategy, Investment Mechanism, Foreign Exchange & Foreign Trade, Modern Techniques of Project Appraisal & Evaluation, Selection of Clients, Supervision & Follow-up of Investment, Customer Service Policy & Business Development, ICT operation & Security, Prevention of Money Laundering & Terrorist Financing, Core Risks Management, Non-Performing Investment Management, Financial Reporting Act, Credit Information System and other areas of banking to the employees. A total of 813 employees of UBPLC were trained during the year 2023.

Training and Development

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

In UBPLC, Training is being provided to the employees round the year in the following manner:

- a. Foundation Training Course for newly recruited officer
- b. Advanced Training on Specialized Areas
- c. Workshop on Different compliances
- d. e-Workshop on Different Issues
- e. Virtual Conference

Union Bank Training Institute always strives for excellence in improving the ethical & professional standard of the officials of the bank & reviews the issue regularly.

Performance Report

In 2023, 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) Foundation Training Courses conducted during 2023:

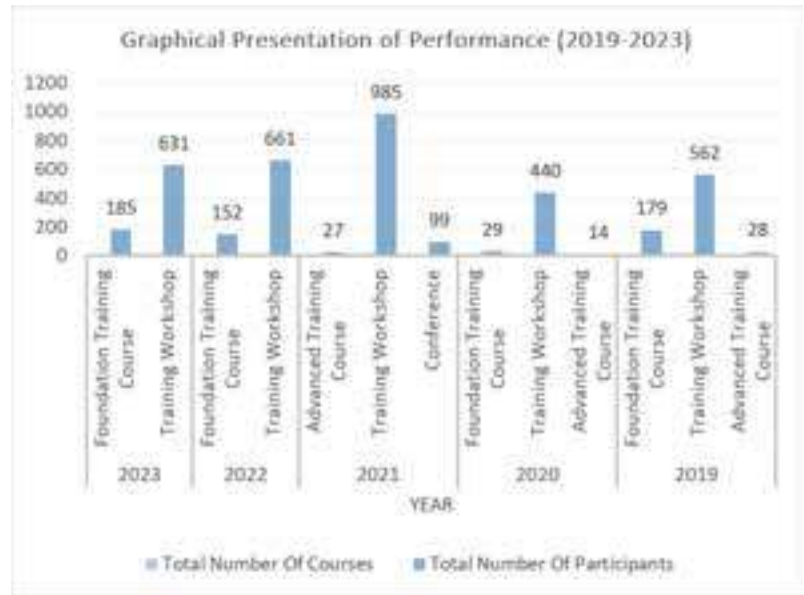
SL	Name of the Courses	Period	Duration	No. of Participants
01	Foundation Training Course for newly recruited officer	17.01.2023 to 31.01.2023	15 Days	30
		14.02.2023 to 28.02.2023	15 Days	30
		16.05.2023 to 30.05.2023	15 Days	32
		13.07.2023 to 27.07.2023	15 Days	32
		22.08.2023 to 05.08.2023	15 Days	28
		04.10.2023 to 18.10.2023	15 Days	30
Sub Total				182

b) Workshops conducted during 2023:

S.L	Name of the Courses	Date	Duration	No. of Participants
01	Workshop on: "Titas Fee Collection System"	12.01.2023	Day long	30
02	Workshop on "Gender Equality: Challenges"	21.06.2023	Day long	28
		23.09.2023	Day long	30
03	e-Workshop on "Smart Banking: Opportunities & Challenges"	29.03.2023	Day long	51
		12.04.2023	Day long	64
		12.12.2023	Day long	51
04	e-Workshop on "Prevention of Money Laundering & Combating Terrorist Financing"	17.07.2023	Day long	41
	Workshop on "Prevention of Money Laundering & Combating Terrorist Financing"	17.09.2023	Day long	28
05	e-Workshop on "Credit Information System (CIS)"	05.11.2023	Day long	56
		06.11.2023	Day long	56
		07.11.2023	Day long	56
		08.11.2023	Day long	56
06	Workshop on "Cyber Security Training"	17.01.2023	2 Day Long	5
		18.01.2023		
07	Workshop on "ফাইন্যান্সিয়াল রিপোর্টিং আইন, ২০১৫ এবং উচ্চ আইনান্বিত বিধি, প্রবিধি, কোড, গাইডলাইন, প্রজ্ঞাপন সমূহ অনুসরণ ও প্রশিক্ষণ"	07.10.2023	Day long	29
08	Workshop on "National Integrity Strategy Hilighting Compliance"	23.06.2023	Day long	30
09	Orientation Program of Sales Executives	17.08.2023	Day long	20
Sub Total				631
Grand Total (a+b)				813

Presentation of Performance (2019-2023)

Year	Title	Number of Programs	Total Participants
2023	Foundation Training Course	6	182
	Training Workshop	16	631
2022	Foundation Training Course	5	152
	Training Workshop	9	661
2021	Advanced Training Course	1	27
	Training Workshop	20	985
	Conference	1	99
2020	Foundation Training Course	1	29
	Training Workshop	8	440
	Advanced Training Course	1	14
2019	Foundation Training Course	6	179
	Training Workshop	20	562
	Advanced Training Course	2	28



INITIAL PUBLIC OFFERING (IPO)

Utilization of proceeds raised through public issue:

Union Bank Received the proceeds of Initial Public Offering (IPO) amounting Tk. 428,00,00,000/- (Four Hundred Twenty-Eight Crore only) in the mid of January 2022 followed by subscription from December 26, 2021 to December 30, 2021. As per condition number 3, Part C of the consent letter # BSEC/CI/IPO-319/2021/599 dated on 24 November 2021, our external Auditor K. M. Hasan & Co. Chartered Accountant conducted the audit of status report on Utilization of Initial Public offering (IPO) Proceeds. The status of Utilization of Initial Public Offering (IPO) Proceeds as on December 31, 2023 is as follows:

SL	Purpose Mentioned in Prospectus	Amount as per Prospectus	Amount mentioned after Modification	Total Utilized	Utilized %	Total Un-utilized	Un-utilized %
1	Investment in SME	100,00,00,000/-	100,50,69,150/-	100,00,00,000/-	100.00%	-	0.00%
2	Investment in Project Finance	146,50,00,000/-	146,50,00,000/-	146,50,00,000/-	100.00%	-	0.00%
3	Investment in Government Securities	100,00,00,000/-	100,00,00,000/-	100,00,00,000/-	100.00%	-	0.00%
4	Investment in Capital Market	75,00,00,000/-	75,00,00,000/-	14,10,20,658/-	18.80%	60,89,79,342/-	81.20%
5	IPO Expenses	6,50,00,000/-	5,99,30,850/-	5,99,30,850/-	100.00%	-	0.00%
Total		428,00,00,000/-	428,00,00,000/-	367,10,20,658/-		60,89,79,342/-	14.23%

The deadline of Utilization of Initial Public Offering (IPO) Proceeds was 12 months from the date of receiving fund. However, shareholders in the 10th Annual General Meeting has extended the deadline for full utilization till 30 June 2024.

DIVIDEND

The Board of Directors has recommended 5% Cash Dividend for the year ended December 31, 2023.

RETIREMENT & RE-ELECTION OF DIRECTORS

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

APPOINTMENT OF AUDITORS

The present Auditor M M Rahman & Co., Chartered Accounts was appointed as external Auditor for the year 2023 by the Shareholders in the 10th Annual General Meeting as per provision of Companies Act, 1994. They have completed their first tenure for the year 2023 as external Auditor. They are eligible for re-appointment. However, the Board of Directors has recommended M M Rahman & Co., Chartered Accounts for re-appointment as External Auditor for the year 2024.

APPOINTMENT OF COMPLIANCE AUDITORS

Haruner Rashid & Associates, Chartered Secretaries & Management Consultants was appointed as Compliance Auditor of the Bank for the year 2023 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. They are eligible for re-appointment for the year 2024. The Board of Directors has recommended the firm for re-appointment as Compliance Auditor for the year 2024.

APPRECIATION

Thanks to Almighty Allah for the Business success of the Bank in 2023. 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 PLC. 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 PLC. 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 PLC. 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



Professor Dr. Md. Salim Uddin FCA FCMA
Chairman

REPORT OF THE AUDIT COMMITTEE

For the period from January-2023 to December-2023



The Audit Committee of the Board of Directors of Union Bank PLC. 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 the Audit Committee
1	Mr. Md. Abdus Salam, FCA	Independent Director	Chairman
2	Mr. Mohammad Fazlay Morshed	Director	Member
3	Mr. Md. Delwar Hossain, FCA	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 roles and responsibilities of the committee includes:

1) 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 Six (06) meetings during the year 2023 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 2023 are:

Meeting	Date of Meeting Held
47 th Audit Committee Meeting	30-04-2023
48 th Audit Committee Meeting	12-06-2023
49 th Audit Committee Meeting	30-07-2023
50 th Audit Committee Meeting	30-10-2023
51 st Audit Committee Meeting	15-11-2023
52 nd Audit Committee Meeting	24-12-2023

Activities in 2023:

- Reviewed Financial Statements of 2022 prepared on 31-12-2022 and recommended those to place before the Board of Directors for consideration.
- Reviewed Financial Statements of 1st quarter of 2023 prepared on 31-03-2023 and recommended those to place before the Board of Directors for consideration.
- Reviewed and Approved “Report of the Audit Committee-2022”
- Reviewed surprise inspection report of Atibazar Branch conducted by Bangladesh Bank and advised to the Bank Management to regularize the irregularities.
- Reviewed summary of Comprehensive Report and report on non-complied vital issues of Compliance report of (78) Branches submitted by Internal Audit from 01-01-2022 to 30-09-2022 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 4th quarter submitted by Internal Audit from 01-09-2022 to 31-12-2022.
- Reviewed and approved proposal of hiring MM Rahman and Co., Chartered Accounts as an external auditor form 10th Annual General Meeting to 11th Annual General Meeting and recommended to submit it to the Board of Directors.
- Reviewed summary of Investment Documentation Checklist (IDCL) of all Branches in 1st quarter submitted by Internal Audit from 01-01-2023 to 31-03-2023.
- Reviewed summary of Comprehensive Report and report on non-complied vital issues of Compliance report of (98) Branches submitted by Internal Audit from 01-01-2022 to 31-12-2022 and recommended to Bank Management for taking proper initiative to regularize non-complied issues.
- Reviewed Financial Statements of 2nd quarter of 2023 prepared on 30-06-2023 and recommended those to place before the Board of Directors for consideration.
- Reviewed summary of Comprehensive Report and report on non-complied vital issues of Compliance report of (20) Branches submitted by Internal Audit from 01-01-2023 to 31-03-2023 and recommended to Bank Management for taking proper initiative to regularize non-complied issues.
- Reviewed Financial Statements of 3rd quarter of 2023 prepared on 30-09-2023 and recommended those to place before the Board of Directors for consideration.
- Reviewed summary of Comprehensive Report and report on non-complied vital issues of Compliance report of (41) Branches submitted by Internal Audit from 01-01-2023 to 30-06-2023 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 01-04-2023 to 30-06-2023.
- Reviewed surprise inspection report of Mirpur Branch conducted by Bangladesh Bank and advised to the Bank Management to regularize the irregularities.
- Reviewed and approved Annual Health Report-2022 and recommended to submit it to the Board of Directors.
- Reviewed overall activities of Internal control and compliance division in the year 2022 submitted by MANCOM, approved to provide certificate on efficiency of internal control system and recommended to submit it to the Board of Directors.
- Reviewed Internal Audit Plan-2024 prepared by Internal Control & Compliance Division, Head Office and recommended to submit it to the Board of Directors.

Acknowledgement

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



Mr. Md. Abdus Salam FCA
Chairman
Audit Committee

শারী'আহ সুপারভাইজরি কমিটির বার্ষিক প্রতিবেদন (৩১ ডিসেম্বর, ২০২৩ ঈসাযী তারিখে সমাপ্ত বছরের জন্য)

বিস্মিল্লাহির রাহমানির রাহীম

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

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

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

শারী'আহ সুপারভাইজরি কমিটি সভায় মিলিত হয়ে ২০২২ 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 যথায়ভাবে 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 the Shari'ah Supervisory Committee (For the year ended 31 December, 2023)

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.

Shari'ah Supervisory Committee approved the Balance Sheet, Profit and Loss accounts for the financial year 2022 after thorough discussion in the meeting. 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 tawfique 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

SUSTAINABILITY

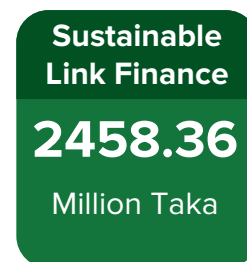


According to Bangladesh Bank guidelines, UBPLC has established a powerful Sustainable Finance Committee with 12 (twelve) members and a Sustainable Finance Unit with 8 (eight) members to oversee operations linked to sustainable finance and work toward creating its own ESRM guidelines. In addition, the bank has been adhering to Bangladesh Bank’s Environmental and Social Risk Management (ESRM) guidelines. Through the introduction of green financing options by Union Bank PLC., we are now able to fund a range of environmentally beneficial projects. For instance, as part of our sustainable financing efforts to protect the environment from industrial pollutants, we are financing in solar panels, ETP (Effluent Treatment Plant) at manufacturing unit, Auto Bricks and some other field.

Also, as part of the banking service, which is also a component of sustainable finance, we are endeavoring to open accounts for students and low-income individuals. In order to maintain growth, we also invest in SME (women entrepreneurs) since we think that without the advancement of half of the nation’s citizens on the whole, our ultimate objective will not be reached. We can generally assume that Union Bank PLC. is heavily focused on the government’s SDG goals in 2030.

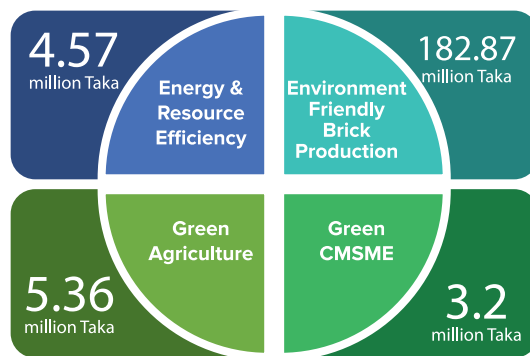
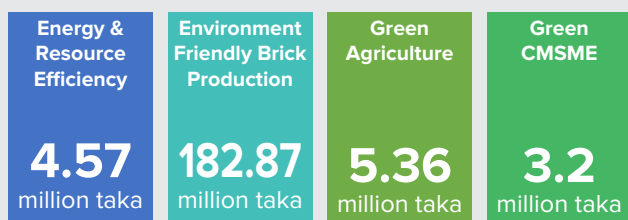
Investment in Sustainable Finance

With an aim to maintain sustainability and considering social welfare, Union Bank PLC. has kept investing in the different sectors in green finance about to BDT 196.00 million and in Sustainable Link Finance about to BDT 2458.36 million that comply environmental guidelines.



Green Finance in 2023:

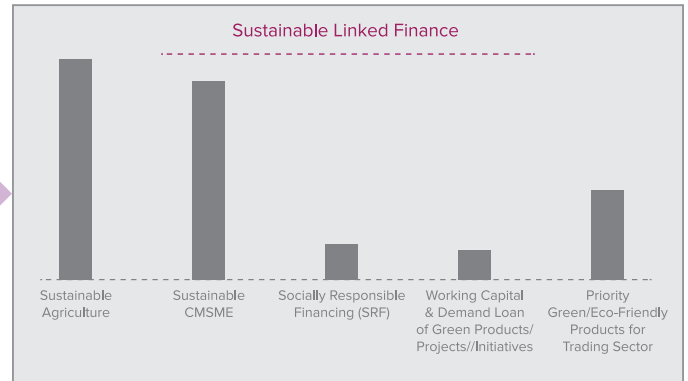
Major areas of green finance in 2023:



Sustainable Linked Finance in 2023:

(in million BDT)

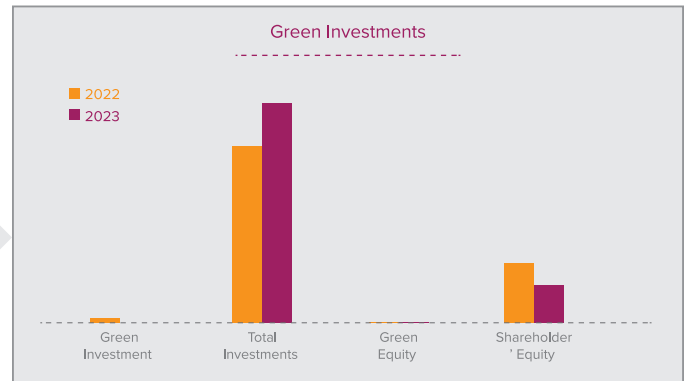
Sustainable Agriculture	944.35
Sustainable CMSME	857.23
Socially Responsible Financing (SRF)	149.52
Working Capital & Demand Loan of Green Products/Projects/Initiatives	133.22
Priority Green/Eco-Friendly Products for Trading Sector	374.04



Green Investments:

(in million BDT)

Investments	Year 2022	Year 2023
Green Investment	1,181.00	0.00
Total Investments	222,275.44	255,691.20
Green Equity	0.00	0.00
Shareholders' Equity	60,684.76	16,337.89

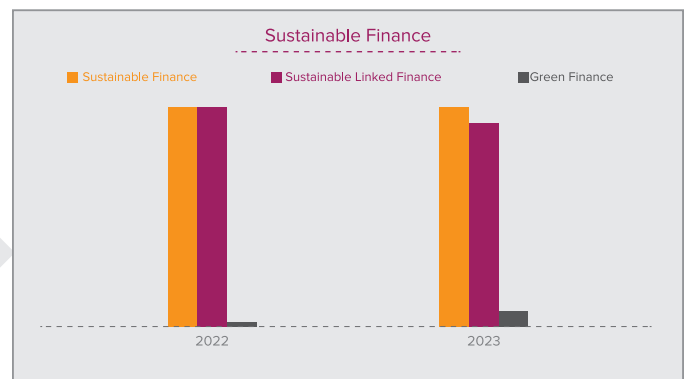


Growth in Sustainable Finance Investment at UBPLC:

Union Bank PLC., is dedicated to promoting sustainable finance investment growth through socially responsible investing, recognizing the importance of environmental, social, and governance (ESG) considerations. We strive to create value for our stakeholders while investing in sectors that align with our sustainability goals, including renewable energy, sustainable agriculture, and green infrastructure.

(in million BDT)

Category	2022	2023
Green Finance	1.50	196.00
Sustainable Linked Finance	2619.39	2458.34
Sustainable Finance	2620.89	2654.34



Sustainable Finance Investment in 2022 & 2023

(in million BDT)

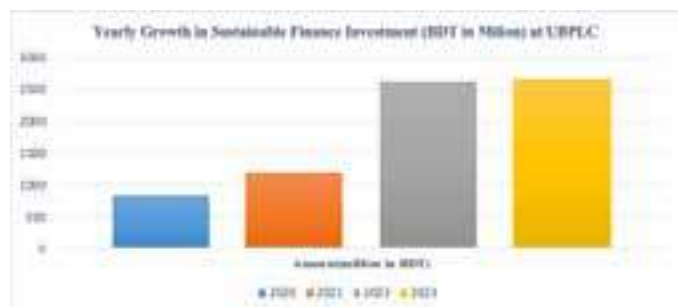
Year	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
2023	301.49	451.02	1185.35	716.48
2022	270	1416	600	334

2023 SUSTAINABILITY OF UNION BANK PLC



At Union Bank PLC. being Islamic Shariah Based bank, we're committed to promoting sustainable finance investment growth through responsible investing practices. Our goal is to support a better future for all, emphasizing the importance of sustainable finance investment growth in creating a more prosperous and sustainable society. Over the year the bank has been experiencing an enhancing investment in the sustainable way, following Bangladesh Bank guidelines. An overview of yearly growth in the investment of Sustainable Finance has been depicted below:

Yearly Growth in Sustainable Finance Investment (BDT in Millions) at UBPLC



In House Green Banking Practices

UBPLC values energy conservation. The majority of the bulbs used in this office are energy-efficient. By using daylight in our corporate office, we are able to save approximately 50 percent of the electricity that is used for lighting. Additionally, Electronic communication is also encouraged to reduce paper usage and deforestation. Moreover, we are planning to become plastic free Head Office premise. In addition to widespread digitization, UBPLC is working to reposition the

bank as inclusive and sustainable finance, which is a greener practice. Green banking tools offered by our banking services include electronic statements, SMS banking, SMS alerts, internet banking, EFT, digital time and attendance, as well as paperless board meetings, email correspondents, video conferencing and conference calls etc.



(in million BDT)

Consumption	Year 2022	Year 2023
Electricity Consumption in 2023 per employee.	0.0275	0.0320
Water Consumption in 2023 per employee.	0.0006	0.0006
Paper Usage in 2023 per employee.	0.0119	0.0127
Transport expenses for official purpose in 2023 per employee.	0.0097	0.0126

Dedicated Sustainable Finance Help Desk

The bank has been able to establish the 'Dedicated Sustainable Finance Help Desk' at its potential branches for rendering Sustainable Linked Finance and Green Investment as per SFD circular no. 05 dated September 09, 2020 of Bangladesh Bank. The duties and responsibilities of the officials concerned to the desk as well as some terms of references were furnished and circulated for smooth functioning of the desks. The submission of the quarterly report to Bangladesh Bank on the activities/ performances and progresses of the desk has also been initiated.

Energy Consumption:

(in million Taka)

Energy Type	2022	2023
Electricity	58.57	67.05
Water	1.37	1.22
Paper	25.42	26.65
Fuel	20.78	26.54

Social Commitments

The development of “Sustainable Banking” has been aided throughout time by banks’ growing corporate social responsibility (CSR) initiatives. Today, “CSR” refers to more than just charitable giving; it is closely related to the idea of “sustainable banking,” and the two terms may occasionally refer to the same set of financial practices. In 2023, the spent BDT 275.44 million on Education, Health, Disaster Management, Environment programs, Cultural welfare, Infrastructure improvement, and Income generating activities, allocated to underprivileged areas. This auspicious spend is ameliorating day by day.

(in million Taka)

Energy Type	2023
Education	15.09
Health	10.59
Disaster Management	232.33
Infrastructure Development	10.00
Sports & Culture	5.00
Others	2.42

CSR Investment in 2023



Guidelines We Follow:

Apart from below referential guidelines, Union Bank PLC. complies all the guidelines provided regularly by the concerning authority for maintaining our investment in a sustainable way so that the bank can contribute to the society as a part of social obligation.

- Union Bank PLC. Sustainable Finance Policy guidelines.
- SFD circular letter no-02, dated: 18.09.2022
- SFD circular letter no-03, dated: 26.05.2022
- GBCSRD circular letter no: 01, Dated: 11.04.2013: Reporting green banking, school banking and CSR activities.
- GBCSRD circular letter no: 02, Dated: 16.04.2013: Reporting on green banking, school banking and CSR activities
- GBCSRD Circular No- 04, Dated: 11.08.2013: Policy Guidelines for Green Banking.
- GBCSRD Circular No- 05, Dated: 11.09.2013: Policy Guidelines for Green Banking.
- GBCSRD Circular No- 08, Dated: 24.12.2013: Policy Guidelines for Green Banking.
- GBCSRD Circular No- 03/2014, Dated: 03.06.2014: Brick Kiln Efficiency Improvement.
- SFD Circular No: 06, Dated: 26.12.2023: Guideline on Sustainability and Climate-related Financial Disclosure.
- SFD Circular No: 03, Dated: 22.10.2023: Guideline on Sustainable Finance Policy.
- SFD Circular No: 2, Dated: 18.09.2023: Regarding Dedicated Sustainable Finance Desk.
- SFD Circular No: 03, Dated: 26.06.2022: Guideline on Environmental & Social Risk Management (ESRM).
- SFD Circular No: 03, Dated: 22.10.2023: Guideline on Sustainable Finance Policy.
- SFD Circular No: 01, Dated: 09.01.2022: Policy guidelines on CSR for Banks and FIs.



CORPORATE GOVERNANCE REPORT

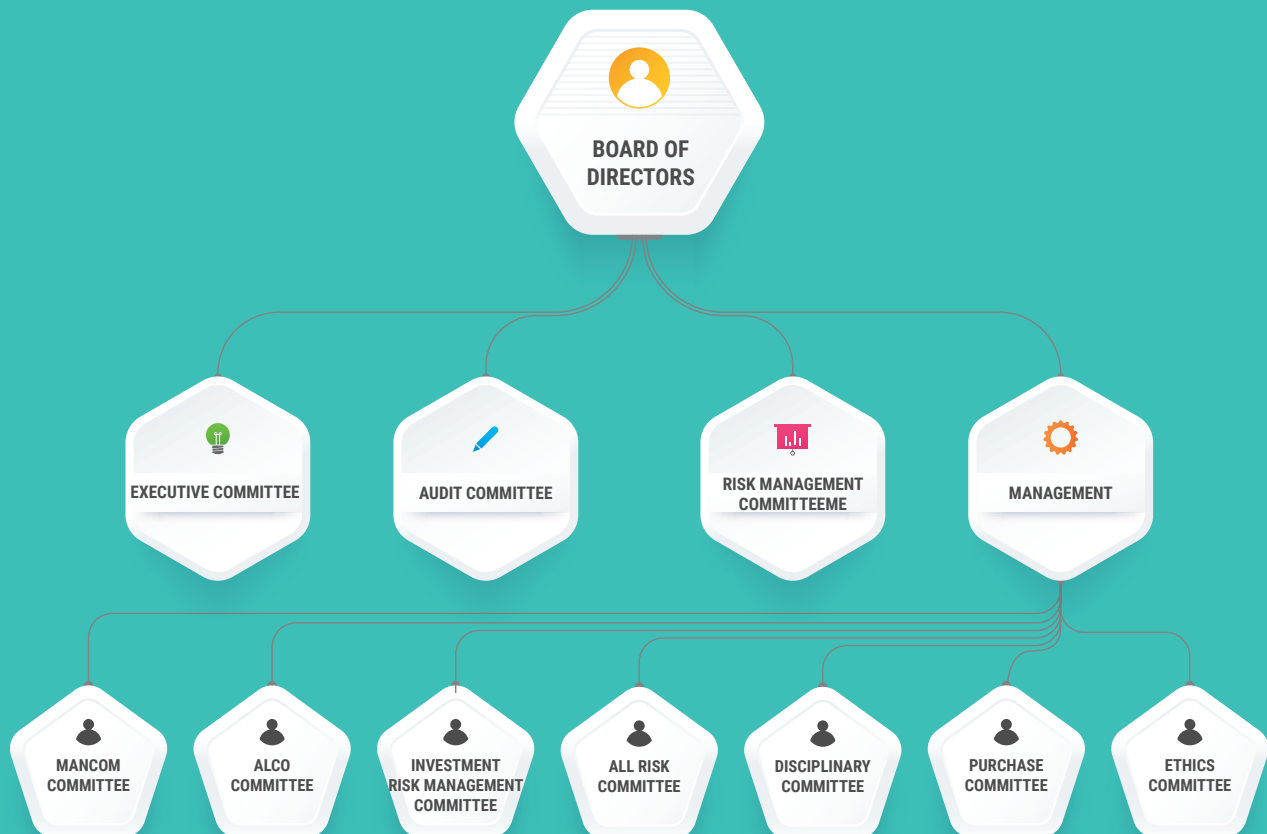
Corporate Governance is a set of relationships among a company's Management, its Board, its Shareholders and other Stakeholders which provides the structure through which the objectives of the company are set, and the means of attaining those objectives and monitoring performance. It helps to define the way of authority and responsibility are allocated and how corporate decisions are made. The primary objective of corporate governance should be safeguarding stakeholders' interest in conformity with public interest on a sustainable basis. Among stakeholders, particularly with respect to retail banks, shareholders' interest would be secondary to depositors' interest.

Corporate Governance determines the allocation of authority and responsibilities by which the business and affairs of a bank are carried out by its board and senior management, including how they:

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

Governance Structure of the Bank

In the Strategic Planning, Corporate Governance plays a vital role in stating an organization’s present outlook and in future planning. Union Bank PLC. 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 by Bank’s Higher Management. Bank’s Board of Directors and Bank’s Higher Management pay a great importance on 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 PLC. currently consists of 09 Directors excluding the Managing Director. The existing Board of Directors of the Bank includes one Independent Director as prescribed in the Bank Company Act 1991. The Board of Directors of the Bank has also formed three Sub-committees i.e.: Executive Committee, Audit Committee and Risk Management Committee complying with the relevant provisions of the Companies Act, 1994, the Bank Company Act 1991, the Corporate Governance Guidelines, Directives, Notification of the BSEC and Circulars of the Bangladesh Bank. List of details of the Committees as on December 31, 2023 are stated below:

List of Board of Directors		
SL No.	Name	Designation
1	Professor Dr. Md. Salim Uddin FCA FCMA	Chairman
2	Lt Gen Mollah Fazle Akbar PhD ndc psc (Retd)	Vice-Chairman
3	Ms. Halima Begum	Director
4	Mr. Rashedul Alam	Director
5	Mr. Osman Goni	Director
6	Mr. Mohammad Fazlay Morshed	Director
7	Mr. Mohammed Delwar Hossain FCA	Director
8	Mr. Mohammad Mostan Billah Adil	Director
9	Mr. Md. Abdus Salam FCA	Independent Director

Executive Committee of the Board of Directors		
SL No.	Name	Designation
1	Professor Dr. Md. Salim Uddin FCA FCMA	Chairman
2	Lt Gen Mollah Fazle Akbar PhD ndc psc (Retd)	Member
3	Mr. Rashedul Alam	Member

Audit Committee of the Board of Directors		
SL No.	Name	Designation
1	Mr. Md. Abdus Salam FCA	Chairman
2	Mr. Mohammad Fazlay Morshed	Member
3	Mr. Mohammed Delwar Hossain FCA	Member

Risk Management Committee of the Board of Directors		
SL No.	Name	Designation
1	Mr. Mohammed Delwar Hossain FCA	Chairman
2	Mr. Rashedul Alam	Member
3	Ms. Halima Begum	Member
4	Mr. Osman Goni	Member

Nomination & Remuneration Committee (NRC)		
As per Bangladesh Bank circular (BRPD circular letter no. 21 dated 12 May 2024), NRC related functions (as per Corporate Governance Code-2018) will be governed by the Audit Committee of the Board of Directors.		

Appointment, Rotation, Retirement and Removal of Directors

All the appointment, rotation, retirement and removal of Directors are done by following all the related provisions which are applicable for Banks. As per the Section 91 of the Companies Act 1994, Section 79-87 of Schedule I of the Act, and Articles of Association of the Bank, one-third of the Directors have to retire from office in every Annual General Meeting (AGM) and shall be eligible for re-election upon retirement immediately. List of the change of the Directors during 01-01-2023 to 31-12-2023 is given below:

SL.	Name	Designation	Retirement/ Re-appointment Date	Comments
01	Mr. Ahsanul Alam	Director	12-06-2023	Retired
02	Professor Dr. Md. Salim Uddin FCA FCMA	Director	-	Newly Appointed (effective from 21-06-2023)
03	Ms. Marzina Sharmin	Director	15-06-2023	Retired from Directorship
04	Mr. Showkat Hossain FCA	Director	26-06-2023	Retired due to withdrawal of Nomination on 26-06-2023
05	Mr. Md. Rashedul Alam	Director	15-06-2023	Retired and re-appointed (effective from 20-07-2023)
06	Mr. Osman Goni	Director	15-06-2023	Retired and re-appointed (effective from 20-07-2023)
07	Mr. Mohammed Delwar Hossain FCA	Director	-	Newly Appointed (effective from 31-07-2023)
08	Mr. Mohammad Mostan Billah Adil	Director	-	Newly Appointed (effective from 26-11-2023)

Directors' Shareholding

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

Sl	Name of the Shareholders	Position	Shareholding	Percentage
1	Professor Dr. Md. Salim Uddin FCA FCMA Representative of UNIQUE INVESTMENT & SECURITIES LTD.	Chairman	54848640	5.29%
2	Lt Gen Mollah Fazle Akbar PhD ndc psc (Retd) Representative of RELIABLE ENTREPRENEURS LTD.	Vice-Chairman	20845944	2.01%
3	Ms. Halima Begum Representative of LION SECURITIES & INVESTMENT LTD.	Director	46973640	4.53%
4	Mr. Rashedul Alam Representative of OCEAN RESORTS LTD.	Director	28795536	2.78%
5	Mr. Osman Goni Representative of C&A ACCESSORIES LTD.	Director	20896767	2.02%
6	Mr. Mohammad Fazlay Morshed Representative of C&A FABRICS LTD.	Director	20901552	2.02%
7	Mr. Mohammed Delwar Hossain FCA Representative of WESTERN DESIGNER LTD.	Director	21857183	2.11%
8	Mr. Mohammad Mostan Billah Adil	Director	27424320	2.65%
9	Mr. Md. Abdus Salam FCA	Independent Director	Nil	Nil

Shares held by Managing Director, Company Secretary, Chief Financial Officer & Head of Internal Audit & Compliance and their spouses & minor children:

Sl.	Name	Designation	Holding of share	Holding of share by their spouse and minor children
1	Mr. A.B.M Mokammel Hoque Chowdhury	Managing Director	Nil	Nil
2	Mr. Md. Ruhul Amin	Chief Financial Officer	Nil	Nil
3	Mr. Dr. Md. Sirajul Haque	Head of Internal Audit & Compliance	Nil	Nil
4	Mr. Ali Hossain Bhuiyan ACS	Company Secretary	Nil	Nil

Shares Held by Executives:

Sl	Name	Designation	Holding of share
1	Mr. Shafiuddin Ahmed	Deputy Managing Director	Nil
2	Mr. Md. Jahangir Alam	Deputy Managing Director	Nil
3	Mr. Md. Mainul Islam Chowdhury	Executive Vice President	Nil
4	Mr. Md. Azadur Rahman	Executive Vice President	Nil
5	Mr. Saiful Momin	Executive Vice President	Nil

Meeting Attendance and Remuneration

The meeting of the 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 2023 and the attendance of Directors from 01 January 2023 to 31 December 2023 are appended below:

Meeting of the Board of Directors							
SL	Name of Directors	Position	Meeting Held	Attended	Absent	Remuneration (Per meeting)	Remarks
01	Mr. Ahsanul Alam	Chairman	16	07	-	Tk. 8,000/=	Retired on 12-06-2023 (07 meetings held during his tenure)
02	Mr. Professor Dr. Salim Uddin FCA FCMA	Chairman		09	-		Appointed on 21-06-2023 (09 meetings held during his tenure)
03	Lt Gen Mollah Fazle Akbar PhD ndc psc (Retd)	Vice-Chairman		16	-		-
04	Ms. Marzina Sharmin	Director		08	-		Retired on 15-06-2023 (08 meetings held during her tenure)
05	Mr. Showkat Hossain FCA	Director		08	-		Retired on 21-06-2023 (08 meetings held during his tenure)
06	Mr. Md. Rashedul Alam	Director		16	-		-
07	Mr. Mohammad Fazlay Morshed	Director		15	01		-
08	Ms. Halima Begum	Director		16	-		-
09	Mr. Osman Goni	Director		15	01		-
10	Mr. Mohammed Delwar Hossain FCA	Director		07	-		Appointed on 31-07-2023 (07 meetings held during his tenure)
11	Mr. Mohammad Mostan Billah Adil	Director		03	-		Appointed on 25-11-2023 (03 meetings held during his tenure)
12	Mr. Md. Abdus Salam FCA	Independent Director		16	-		-

Meeting of the Executive Committee							
SL	Name of Directors	Position	Meeting Held	Attended	Absent	Remuneration (Per meeting)	Remarks
01	Mr. Professor Dr. Salim Uddin FCA FCMA	Chairman	02	02	-	Tk. 8,000/=	-
02	Lt Gen Mollah Fazle Akbar PhD ndc psc (Retd)	Member		02	-		-
03	Ms. Marzina Sharmin	Member		-	-		Retired on 15-06-2023 (no meeting held during her tenure)
04	Mr. Md. Rashedul Alam	Member		02	-		-

Meeting of the Audit Committee							
SL	Name of Directors	Position	Meeting Held	Attended	Absent	Remuneration (Per meeting)	Remarks
01	Mr. Md. Abdus Salam FCA	Chairman	06	06	-	Tk. 8,000/=	-
02	Mr. Mohammad Fazlay Morshed	Member		06	-		-
03	Mr. Showkat Hossain FCA	Member		02	-		Retired on 26-06-2023 (02 meetings held during his tenure)
04	Mr. Mohammed Delwar Hossain FCA	Member		03	-		Appointed on 31-07-2023 (03 meetings 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	01	-	Tk. 8,000/=	Retired from Chairman on 26-06-2023 (01 meetings held during his tenure)
02	Mr. Mohammed Delwar Hossain FCA	Chairman		03	-		Appointed on 31-07-2023 (03 meetings held during his tenure)
03	Mr. Md. Rashedul Alam	Member		04	-		-
04	Ms. Halima Begum	Member		04	-		-
05	Mr. Osman Goni	Member		04	-		-

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 regulations of 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/she may call for any information relating to bank's operation or ask for investigation into any such affairs; he/she may submit such information or investigation report to the meeting of the board of directors and if deemed necessary, with the approval of the board, he shall effect necessary action thereon through the Managing Director in accordance with the set rules.

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 the laws and regulatory authorities. The major responsibilities of Managing Director are:

In terms of the financial, business and administrative authorities vested upon him by the board, the MD shall remain accountable for achievement of financial and other business targets by means of business plan, efficient implementation thereof and prudent administrative and financial management.

The MD shall ensure compliance of the Bank Company Act, 1991 and other relevant laws and regulations in discharging routine functions of the bank.

At the time of presenting any memorandum in the Board Meeting or Board Committee Meeting, the Managing Director must point out if there is any deviation from Bank Company 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 Managing Director. 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 Managing Director, 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 will report his/her activities and findings to the Senior Management, Audit Committee of the Board of Directors and Board of Directors of the Bank as per necessity. However, the Head of IC&CD administratively, shall report directly to Audit Committee of the Board and will be responsible to the Audit Committee. Head of IC&CD helps the Bank to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk Management, control and governance processes.

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

Horizontal & Vertical Analysis

Figure in Million

Operating Performance (Income Statement)	2023	2022	2021	2020	2019
Net Investment Income	7305.84	6228.76	6049.84	5448.15	4423.26
Total Operating Income	8435.07	7495.51	6581.12	5959.11	5207.89
Total Operating Expense	4030.18	3346.93	2983.12	2740.70	2499.99
Profit before Tax	3233.69	3070.80	2232.36	2223.41	1479.47
Profit after Tax	1625.80	1513.50	872.36	988.41	594.47

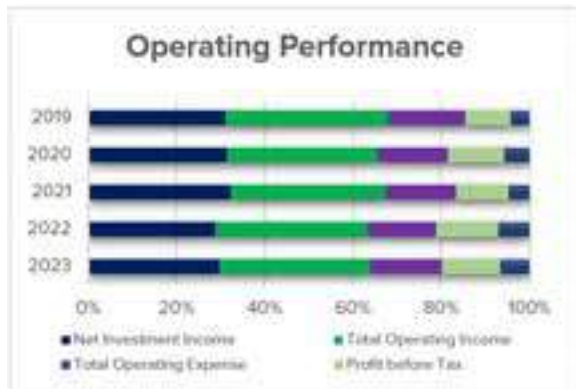
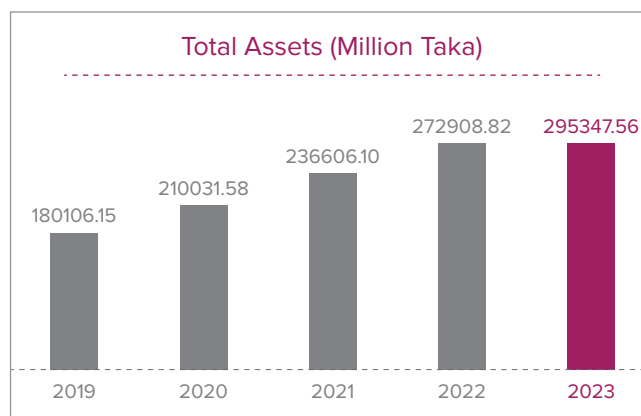
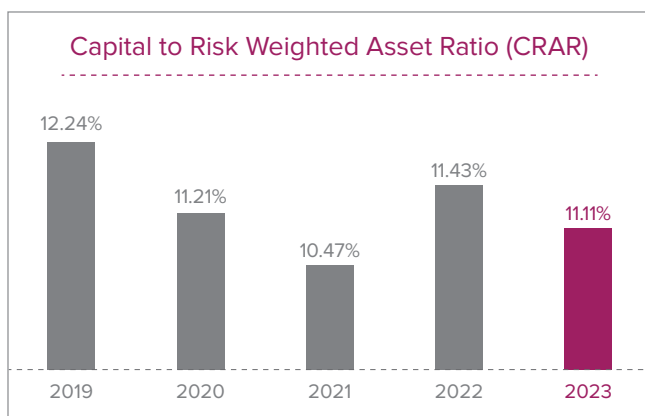
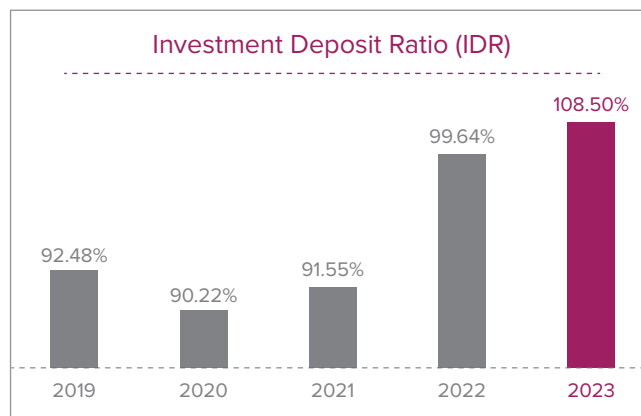
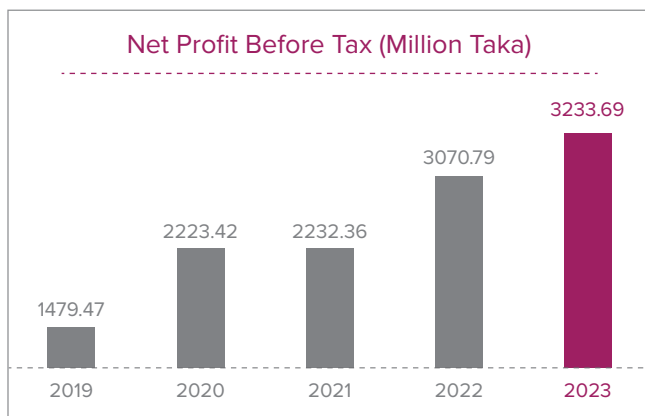


Figure in Million

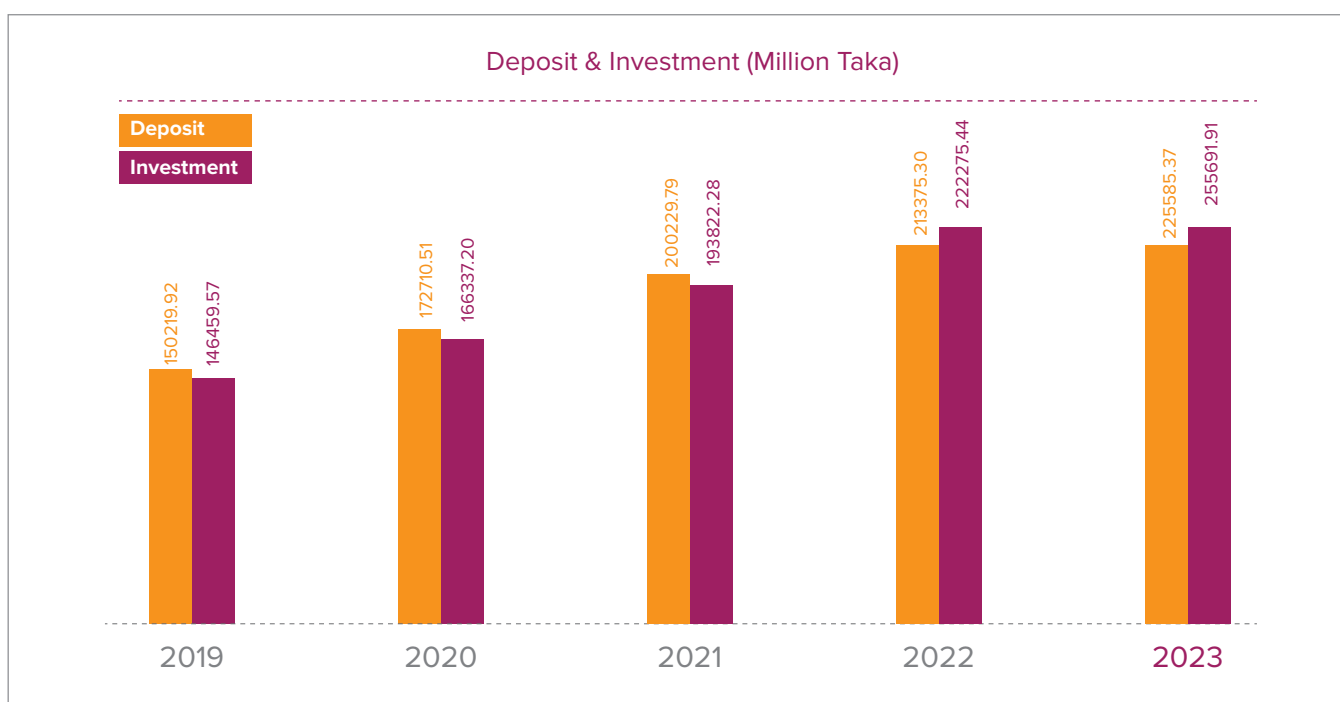
Statement of Financial Position (Balance Sheet)	2023	2022	2021	2020	2019
Shareholders' Equity	16337.89	15280.30	10010.54	9155.62	8450.62
Total Assets	295347.56	272908.82	236606.10	210031.58	180106.15
Total Liabilities	279009.68	257628.52	226595.57	200875.95	171655.53

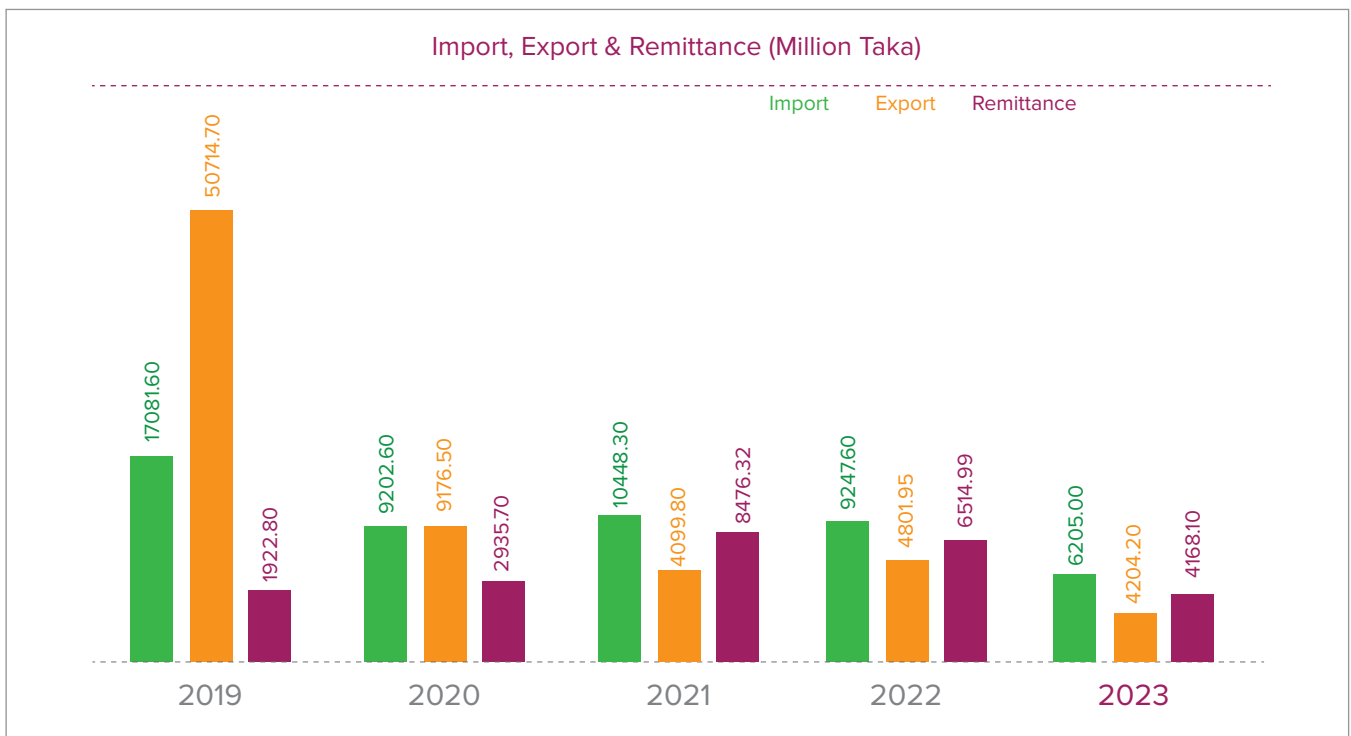
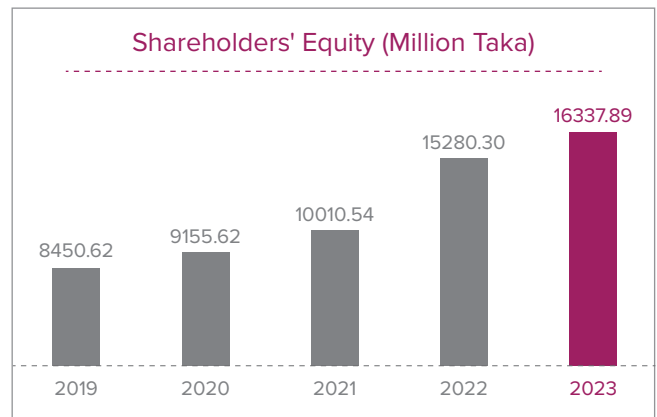
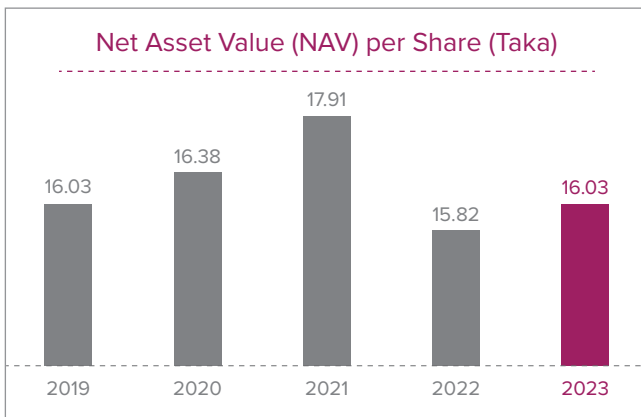
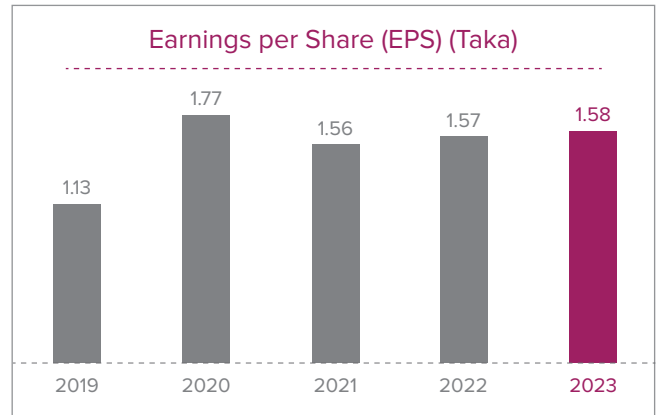
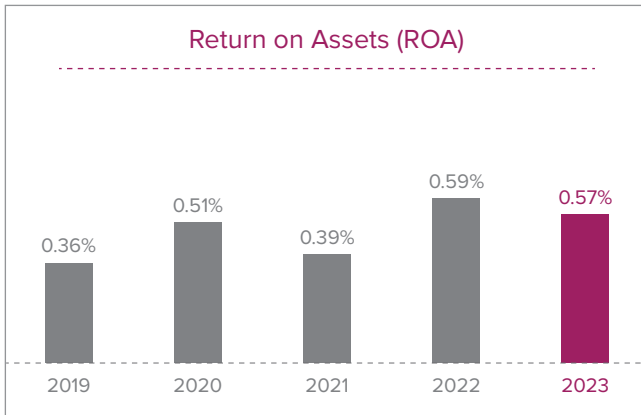


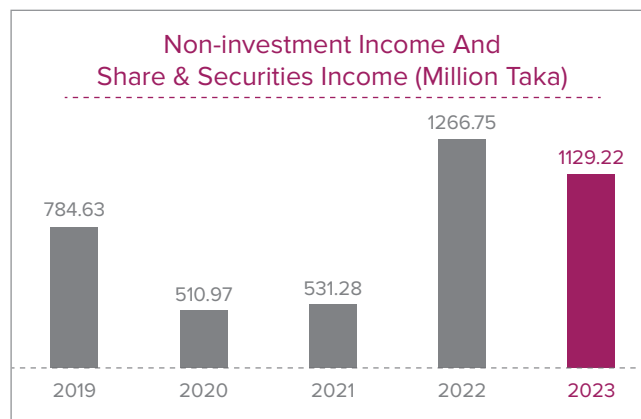
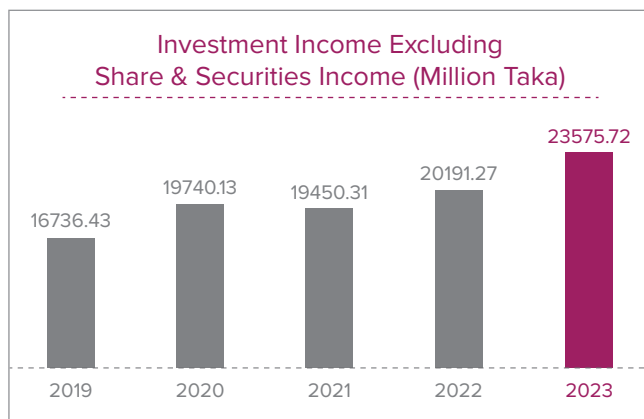
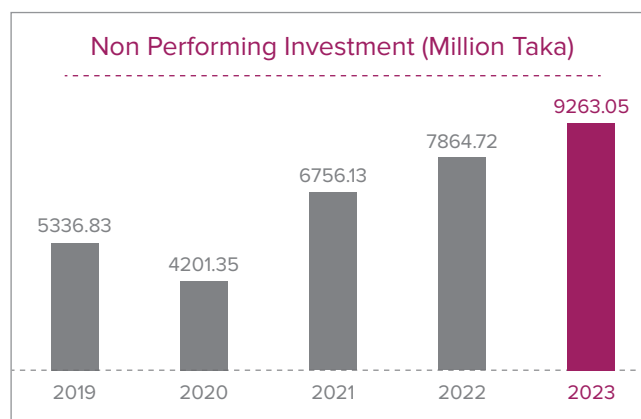
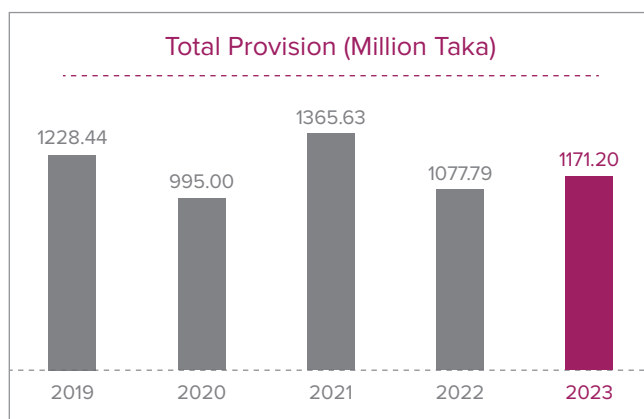
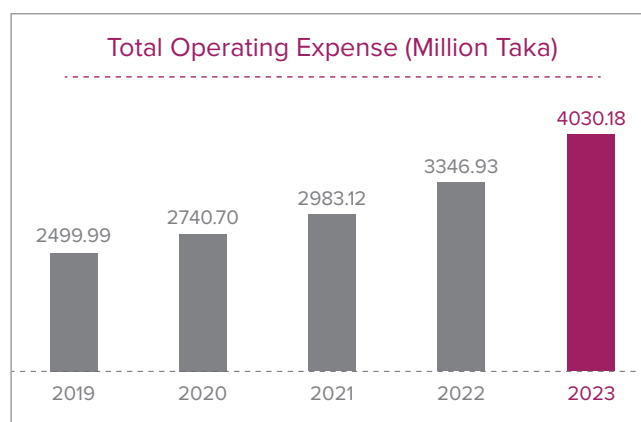
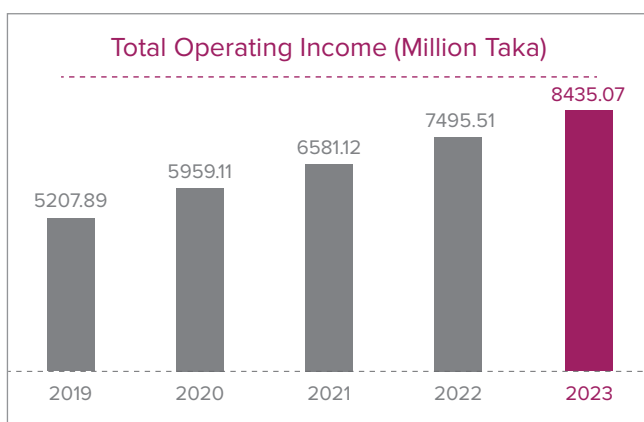
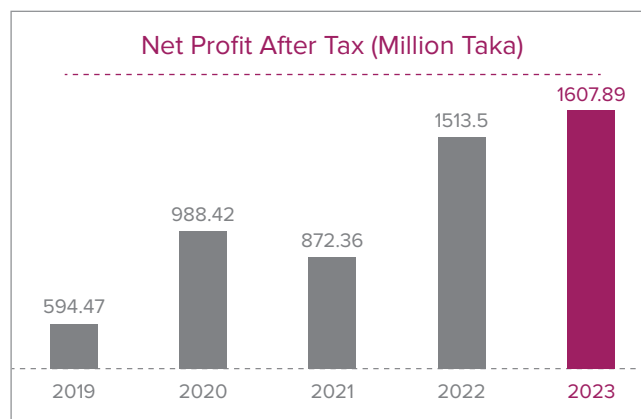
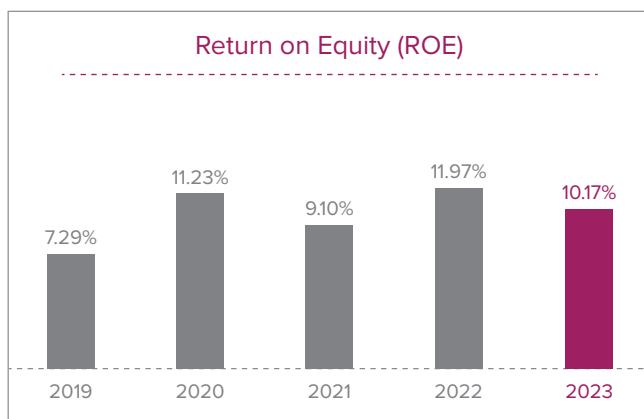
PROFITABILITY, DIVIDENDS, PERFORMANCE AND LIQUIDITY RATIOS



Corporate Governance







DECLARATION BY THE CEO AND THE CFO

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

Union Bank PLC.
Declaration by CEO and CFO
Dated: May 22, 2024

The Board of Directors
Union Bank PLC.
Bahela Tower, 72, Gulshan Avenue
Gulshan-1, Dhaka-1212, Bangladesh.

Subject: Declaration on Financial Statements for the year ended on December 31, 2023.

Dear Sirs,

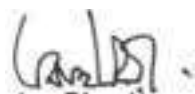
Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207Admin/80, Dated 3 June, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

1. The Financial Statements of Union Bank PLC. for the year ended on December 31, 2023 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure therefrom has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
6. The management's use of the going concerns 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, 2023 and that to the best of our knowledge and belief:
 - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- ii. There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



A.B.M Mokammel Hoque Chowdhury
Managing Director



Md. Ruhul Amin
Chief Financial Officer

CERTIFICATE AS PER CONDITION NO. 1(5) (XXVII)



Haruner Rashid & Associates
Chartered Secretaries & Management Consultants

**Report to the Shareholders of
Union Bank PLC.
on
Compliance on the Corporate Governance Code**

We have examined the compliance status to the Corporate Governance Code by Union Bank PLC. for the year ended 31st December 2023. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 it's latest amendments of the Bangladesh Securities and Exchange Commission.

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

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

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

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



Place: Dhaka
Dated: May 26, 2024.

Haruner Rashid & Associates
Chartered Secretaries

A.K.M. Haruner Rashid, LL.B, FCS
CEO & Consultant

Status of compliance with the conditions of Corporate Governance Code (CGC) [Union Bank PLC.] [As per condition No. 1(5) (xxvii)]

Status of compliance with the conditions imposed by BSEC vide Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 it's latest amendments issued under section 2CC of the Securities and Exchange Ordinance, 1969 are as follows:

(Report under Condition No. 9)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	Board of Directors			
1(1)	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).	✓		The Board of Directors of Union Bank PLC. is comprised of 9 (nine) Directors.
1(2)	Independent Directors			
1(2)(a)	At least 2 (two) directors or one-fifth (1/5) of the total number of directors in the company's Board, whichever is higher, shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);		✓	There are 1 (one) Independent Director in the board of the company.
1(2)(b)	Without contravention of any provision of any other laws, for the purpose of this clause, an "independent director" means a director –			
1(2)(b)(i)	Who either 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;	✓		As declared by the Independent Directors.
1(2)(b)(ii)	Who is not a sponsor of the Company or is not connected with the Company's any sponsor or director or nominated director or shareholder of the Company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the Company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the Company.	✓		Do
1(2)(b)(iii)	Who has not been an executive of the Company in immediately preceding 2 (two) financial years;	✓		Do

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the Company or its subsidiary or associated Companies;	✓		Do
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange.	✓		Do
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;	✓		Do
1(2)(b)(vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned Company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	✓		Do
1(2)(b)(viii)	Who is not independent director in more than 5 (five) listed companies;	✓		Do
1(2)(b)(ix)	who has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for nonpayment of any loan or advance or obligation to a bank or a financial institution; and"	✓		Do
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	✓		Do
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM); Provided that the Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of recommendation of the Nomination and Remuneration Committee (NRC) of the company;	✓		As a Bank company, there was no scope to constitute NRC as per Bangladesh Bank instruction.
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and		✓	
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only:	✓		Independent Directors appointed for a term of 3 years

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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, regularity requirements and corporate laws and can make meaningful contribution to the business;	✓		The Qualification and background of the ID's are commensurate to the requirements of the position and are stated in the Directors profile.
1(3)(b)	Independent Director shall have following qualifications :			
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk.100.00 million or any listed company or a member of any national or international chamber of commerce or registered business association; or	-		N/A
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted Company having minimum paid-up-capital of Tk. 100.00 million or of a listed Company; or	-		N/A
1(3)(b)(iii)	Former or existing official of government or statutory or autonomous or regulatory body in the position not below 5 th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law: Provided that in case of appointment of existing official as independent director, it requires clearance from the organization where he or she is in service; or	-		N/A
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	-		N/A
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	✓		
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	-		N/A
1(4)	Duality of Chairpersons of the Board of Directors and Managing Director or Chief Executive Officer:			
1(4)(a)	The positions of the Chairpersons of the Board and the Managing Director (MD) and /or Chief Executive Officer (CEO) of the Company shall be filled by different individuals;	✓		The Chairman of the Board and Managing Director are filled by Different Person.
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;	✓		The Managing Director does not hold the same position of any other 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 event occurred
1(5)	The Directors' Report to Shareholders:			
1(5)(i)	An industry outlook and possible future developments in the industry;	✓		Described in the annual report
1(5)(ii)	The segment-wise or product-wise performance;	✓		Do
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓		Do
1(5)(iv)	A discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin, where applicable;	-		N/A

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	-		N/A
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓		Described in the annual report
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and / or any other instruments;	-		N/A
1(5)(viii)	An explanation if the financial results deteriorate after the Company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;	-		N/A
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	-		N/A
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓		Disclosed in the Audit Report
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓		
1(5)(xii)	A statement that proper books of account of the issuer Company have been maintained;	✓		
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓		
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓		
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓		
1(5)(xvii)	A statement that there is no significant doubt upon the issuer Company's ability to continue as a going concern, if the issuer Company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓		
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer Company shall be highlighted and the reasons thereof shall be explained;	✓		
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		
1(5)(xx)	An explanation on the reasons if the issuer Company has not declared dividend (cash or stock) for the year;	-		N/A
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	-		N/A
1(5)(xxii)	The total number of Board meeting held during the year and attendance by each director;	✓		The Board conducted its 16 (sixteen) meeting during the year
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);	-		N/A
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; and [Executives means top salaries person other than Directors, CEO, CS, CFO & HIAC]	✓		
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the Company (name-wise details);	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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/her expertise in specific functional areas; and	✓		
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board;	✓		
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the Company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	✓		
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	✓		
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓		
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the Country and the globe;	✓		
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the Company; and	✓		
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 ; and	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C;	✓		
1(5)(xxviii)	The Directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality.	✓		
1(6)	Meetings of the Board of Directors :			
	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;	-		As a Bank company, there was no scope to constitute NRC as per Bangladesh Bank instruction.
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
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;	-		N/A
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;	-		N/A
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;	-		N/A

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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;	-		N/A
2(e)	The Audit Committee of the holding Company shall also review the financial statements, in particular the investments made by the subsidiary Company.	-		N/A
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary.-			
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 position 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: Provided that CFO or CS of any listed company may be appointed for the same position in any other listed or non-listed company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission: Provided further that the remuneration and perquisites of the said CFO or CS shall be shared by appointing companies proportionately;	✓		No such event occurred
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).	✓		No such event occurred
3(2)	Requirement to attend Board of Directors' Meetings:			
3(2)	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		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; and	✓		
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:			
4(i)	For ensuring good governance in the Company, The Board shall have at least following sub-committees: Audit Committee; and	✓		
4(ii)	Nomination and Remuneration Committee.	-		N/A
5	Audit Committee:			
5(1)	Responsibility to the Board of Directors			
5(1)(a)	The Company shall have an Audit Committee as a sub-committee of the Board;	✓		
5(1)(b)	The Audit committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company and in ensuring a good monitoring system within the business;	✓		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		
5(2)	Constitution of the Audit Committee (AC)			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		The Audit Committee comprised of 3 (three) members.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the Company excepting Chairpersons of the Board and shall include at least 1 (one) independent director;	✓		
5(2)(c)	All members of the audit committee should be “financially literate” and at least 1(one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓		
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 60 (sixty) days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	-		No such event occurred
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 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;	✓		Mr. Md. Abdus Salam FCA, Independent Director, is the Chairman of the Audit Committee.
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM);	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(4)	Meeting of the Audit Committee:			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year;	✓		The Audit Committee conducted 6 (six) meeting during the reporting year 2023
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 auditors;	✓		
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		
5(5)(f)	Review along with the management, the annual financial statements before submission to the Board for approval;	✓		
5(5)(g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	✓		
5(5)(h)	Review the adequacy of internal audit function;	✓		
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		
5(5)(j)	Review statement of all related party transactions submitted by the management;	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(5)(k)	Review Management Letters or Letter of Internal Control weakness issued by the statutory auditors;	✓		
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓		
5(5)(m)	Oversee whether the proceeds raised through Internal Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission.	-		N/A
5(6)	Reporting of the Audit Committee:			
5(6) (a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓		
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:			
5(6)(a)(ii)(a)	Report on conflicts of interests;	-		N/A
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;	-		N/A
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	-		N/A
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	-		N/A
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 unreasonable 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 6 (six) months from the date of first reporting to the Board, whichever is earlier.	-		N/A

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5.(7)	Reporting to the Shareholders and General Investors:			
	Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer Company.	✓		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;	-		As a Bank company, there was no scope to constitute NRC as per Bangladesh Bank instruction.
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	-		Do
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5) (b).	-		Do
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	-		Do
6(2)(b)	At least 02 (two) 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

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

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
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:			
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)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	-		Do
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflection short and long-term performance objectives appropriate to the working of the Company and its goal;	—		Do
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	-		N/A
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 recommended their appointment and removal to the Board;	-		N/A
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	-		N/A
6(5)(b)(v)	Identification the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	-		N/A

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(5)(b)(vi)	Developing, recommending and reviewing annually the Company's human resource and training policies;	-		N/A
6(5)(c)	The Company shall disclose the nomination and remuneration police and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	-		N/A
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 service 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 services that the Audit Committee determines;	✓		
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓		
7(1)(ix)	Any other service that creates conflicts of interest.	✓		
7(2)	No partner or employees of the external audit firms shall possess any share of the Company they audit at least during the tenure of their audit assignment of that Company; his or her family members also shall not hold any shares in the said Company;	✓		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
8	Maintaining a website by the Company:			
8(1)	The Company shall have an official website linked with the website of the stock exchange.	✓		The address of official website of the Bank is www.unionbank.com.bd & it's already linked with websites of DSE & CSE.
8(2)	The Company shall keep the website functional from the date of listing.	✓		
8(3)	The Company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
9	Reporting and Compliance of Corporation 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.	✓		

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 PLC. has formulated a policy known as “Dividend Distribution Policy”. The Board of Directors of Union Bank PLC. in its 78th Board Meeting held on 8th September 2021 has approved the Policy after its review. The highlight of said policy are given below:

DIVIDEND RECOMMENDATION AND APPROVAL PROCEDURE:

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

ENTITLEMENT OF DIVIDEND:

Only the shareholders of the Bank whose name 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;
- UBPLC 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);
- UBPLC 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;

- 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;
- UBPLC 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;
- UBPLC shall pay off cash dividend to non-resident sponsor, director, shareholder, unit holder or foreign portfolio investor (FPI) through the security custodian in compliance with the rules or regulations in this regard;
- UBPLC 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;
- UBPLC shall maintain detailed information of unpaid or unclaimed dividend and rationale thereof, as per BO accounts numberwise or name-wise or folio number-wise of the shareholder or unit holder; and shall also disclose the summary of aforesaid information in the Annual Report and shall also report in the statements of financial position (Quarterly/Annually) as separate line item 'Unclaimed Dividend Account'. UBPLC shall publish the year-wise summary of its unpaid or unclaimed dividend in the website;
- UBPLC 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:

UBPLC 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 PLC. 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;

UBPLC upon receiving application form the allottee and after proper verification of identity and his entitlement, credit the

bonus shares lying with the Suspense BO Account to the BO account of the allottee, or issue bonus shares to the allottee, as applicable, within 15 (fifteen) days of receiving application with an intimation to the Commission and the Exchange(s);

Any voting rights on such undistributed or unclaimed stock dividend or bonus shares shall remain suspended till the rightful ownership claim.

Issue the bonus share certificate of the entitled shareholder in case of paper mode;

Fractional Bonus Shares shall be transferred to a BO account operated by the nominated signatory of the Bank and shall be sold out through any registered DP House in Bangladesh. After receiving the amount of sale of Fractional Bonus Shares it shall be distributed to the Shareholders' Bank accounts through Bangladesh Electronic Fund Transfer Network (BEFTN), online (shareholders maintained bank account with UBPLC only) and Payment Warrants which shall be issued against the shareholders holding shares in Folio (Paper Shares).

TAX MATTERS:

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

UNPAID / UNCLAIMED / UNSETTLED DIVIDEND:

Union Bank PLC. maintains BO/Folio wise detailed information of Unpaid or Unclaimed Dividend and publishes it annually in the banks' website. As of 31 December 2023 the amount of Unclaimed Dividend for Year 2021 is BDT. 3,30,61,528.55 of 30618 no. of shareholders and for Year 2022 is BDT. 3,20,94,560.61 of 20503 no. of shareholders. Unpaid or unclaimed cash dividends shall be settled as per instructions set by Bangladesh Securities and 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:

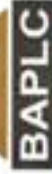
The Board may, subject to applicable law, amend, suspend or rescind this Policy at any time. Any difficulties or ambiguities in this policy will be resolved by the Board and/or management committee of the Board, in line with the broad intent of this Policy, as and when required.

DISCLOSURE:

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

BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: **CM-2024/143**



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

Renewed Certificate

This is to certify that

UNION BANK PLC.

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

This certificate remains current until 31st December 2024.




Secretary General



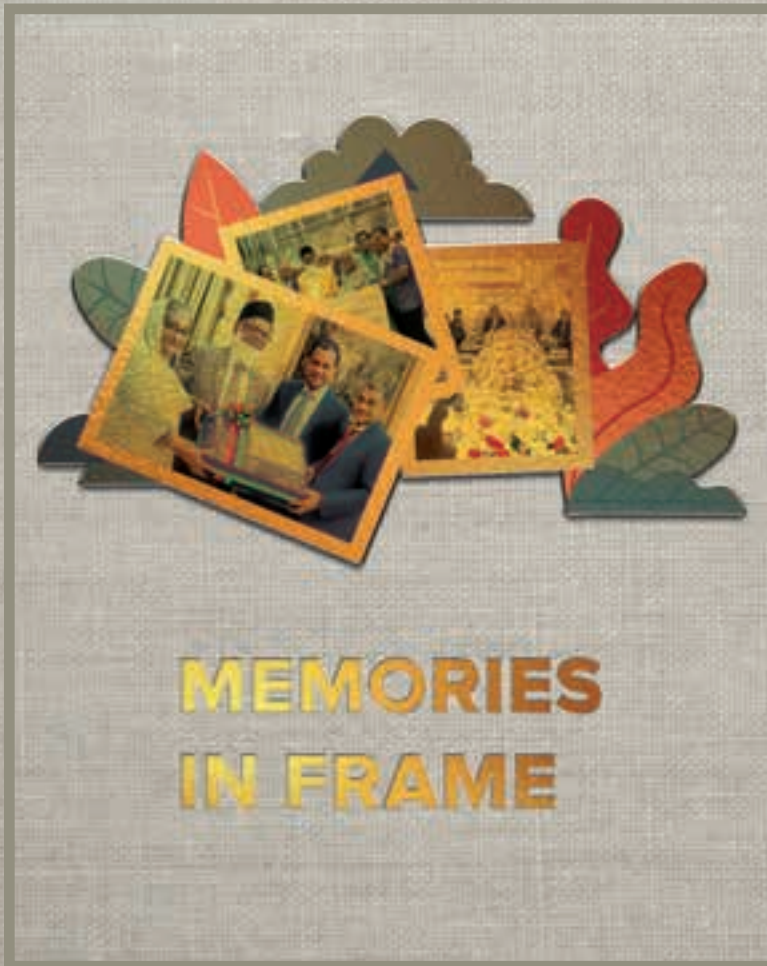
CREDIT RATING

Credit Rating	2023	2022	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 the rating is likely to remain unchanged.
Date of Rating	13 June, 2024	15 June, 2023	—
Validity of Rating	12 June, 2025	14 June, 2024	—

Rating by: Alpha Credit Rating Limited

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





**MEMORIES
IN FRAME**

Lt Gen Mollah Fazle Akbar PhD ndc psc (Retd), Vice-Chairman and **Mr. A. B. M Mokammel Hoque Chowdhury**, Managing Director of Union Bank PLC. receiving Champion Trophy and Prize money from Honorable Prime Minister **Sheikh Hasina** for being Champion in the “Sheikh Hasina Interbank Football Tournament 2023.”



10th Annual General Meeting





Annual Business Conference 2023



Half Yearly Business Conference 2023



1st Quarterly Business Review Meeting-2023 (Branches of Dhaka Zone).



1st Quarterly Business Review Meeting-2023 (Branches of Chattogram Zone).



1st Quarterly Business Review Meeting-2023 (Branches Rajshahi, Khulna, Barishal, Rangpur, Mymensingh Division and Noakhali, Feni, Laxmipur, Tangail, Rajbari, Shariatpur, Munshiganj District).

Memories In Frame



1st Quarterly Business Review Meeting-2023 (Branches of Sylhet Division & Cumilla, Brahmanbaria District).



3rd Quarterly Business Review Meeting-2023
(Dhaka Zone)



3rd Quarterly Business Review Meeting-2023
(Khulna, Barishal, Sylhet, Mymensingh Division)



3rd Quarterly Business Review Meeting-2023
(Chattogram Zone)



3rd Quarterly Business Review Meeting-2023
(Khulna, Barishal, Sylhet, Mymensingh Division)



Sub-Branches Business Review Meeting-2023



Sub-Branches Business Review Meeting-2023 (Chattogram Zone)



Mr. A. B. M Mokammel Hoque Chowdhury, Managing Director & CEO of Union Bank PLC. placed a floral wreath at the portrait of the Father of the Nation Bangabandhu Sheikh Mujibur Rahman in Bank's Head Office, Dhaka on 15th August, 2023.



Mr. A. B. M Mokammel Hoque Chowdhury, Managing Director & CEO of Union Bank PLC. distributing foods among the orphans on the eve of National Mourning Day-2023.



Mr. A. B. M Mokammel Hoque Chowdhury, Managing Director & CEO of Union Bank PLC. inaugurated the celebrating successfully stepping into 11th years of the bank by cutting ribbon in the Bank's Head Office, Dhaka.



Mr. A. B. M Mokammel Hoque Chowdhury, Managing Director & CEO of Union Bank PLC. distributed agriculture investment among the farmers in Chattogram.



Mr. Asaduzzaman Khan, MP, Honorable Home Minister, Government of the People's Republic of Bangladesh congratulated the football team of Union Bank for being the Champion in the "Sheikh Hasina Inter Bank Football Tournament 2023".



Union Bank PLC. organized Mezban at International Convention City Bashundhara (ICCB) on the eve of undefeated Champion of Sheikh Hasina Interbank Football Tournament 2023.



Union Bank PLC. signed an agreement with Bangladesh Bank to participate in the Export Facilitation Pre-Finance Fund (EFPF) of TK.100 billion formed by Bangladesh Bank.



Union Bank PLC. signed an agreement with Bangladesh Bank to disbursement loans at 4 percent profit rate under the Tk.50 billion Refinance Scheme aimed to ensuring food security of the country.



The inaugural ceremony of Shibchar Branch in Madaripur.



The inaugural ceremony of Dakshin Banasree Sub-Branch in Dhaka.



The inaugural ceremony of Khilkhet Sub Branch, Dhaka and Bijoypur Bazar Sub Branch, Cumilla.



The inaugural ceremony of Madam Bibir Hat Sub-Branch in Chattogram.



The inaugural ceremony of Ranavola Sub Branch, Dhaka and Dewanhat Sub Branch, Chattogram.



Union Bank Training Institute organized Concluding Ceremony of 15 Days long Foundation Training Course on 5th September 2023. Mr. A.B.M Mokammel Hoque Chowdhury, Managing Director of the Union Bank was present as Chief Guest while Executive Vice President Md. Mainul Islam Chowdhury was present as Special Guest.



Union Bank Training Institute organized Inaugural Ceremony of 15 Days long Foundation Training Course on 4th October 2023. Mr. A.B.M Mokammel Hoque Chowdhury, Managing Director of the Union Bank was present as Chief Guest. Vice President of Human Resources Division Mohammad Mafidul Haque also attended the ceremony.



Union Bank Training Institute organized Concluding Ceremony of 15 Days long Foundation Training Course on 27th July 2023. Mr. Shafiuddin Ahmed, Deputy Managing Director of the Union Bank was present as Chief Guest while SEVP Mr. Md. Golam Mostafa was present as Special Guest.



Union bank training institute organized concluding Ceremony of day long workshop on “Prevention of Money Laundering & Combating Terrorist Financing” on 17th September 2023. Mr. Shafiuddin Ahmed, Deputy Managing Director of the Union Bank was present as Chief Guest.



Union bank training institute organized concluding Ceremony of day long workshop on “Gender Equality: Challenges” on 21st June 2023. Mr. Shafiuddin Ahmed, Deputy Managing Director of the Union Bank was present as Chief Guest.



Union Bank Training Institute organized workshop on “Financial Reporting Act 2015” on 7th October 2023. Mr. Shafiuddin Ahmed, Deputy Managing Director of the Union Bank was present as Chief Guest. Mr. Md. Sayeed Ahmed Executive Director of Financial Reporting Council and Mr. Md. Jehad Uddin, Deputy Secretary of Ministry of Finance were present as Special Guest.

CSR ACTIVITIES OF UNION BANK PLC.-2023



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 2023 we have spent an amount of TK.27,54,38,000.00 (Taka Twenty Seven Crore Fifty Four Lac Thirty Eight Thousand) only in different sectors. CSR expenditure on different sectors is given below:

Sl.	Sectors	Amount in Taka
1	Education	1,50,90,000.00
2	Health	1,05,94,000.00
3	Other Sectors	
	3.1 Disaster Management	23,23,34,000.00
	3.2 Infrastructure Development	1,00,00,000.00
	3.3 Sports and Culture	50,00,000.00
	3.4 Other	24,20,000.00
	Total Amount of Taka	27,54,38,000.00



Professor Dr. Md. Salim Uddin FCA FCMA, Chairman and Mr. A. B. M Mokammel Hoque Chowdhury, Managing Director & CEO of Union Bank PLC. handed over the blankets specimen to the Honorable Prime Minister Sheikh Hasina for Prime Minister's Relief Fund for the helpless and cold affected people of the country at a gala program in the Ganabhaban, Dhaka.



Mr. A. B. M Mokammel Hoque Chowdhury, Managing Director & CEO of Union Bank PLC. handed over a cheque to the Honorable Prime Minister Sheikh Hasina for 'Home Construction Fund by Private Finance' Ashrayan Project-2, PMO, Dhaka for financial assistance by Honorable Prime Minister for gifting home along with land to the homeless people across the country at a gala program in the Prime Minister's Office, Dhaka.



Mr. A. B. M Mokammel Hoque Chowdhury, Managing Director & CEO of Union Bank PLC. distributed household goods and relief among the helpless, poor and homeless people of Chattogram affected by the devastating floods of the remembrance day.



Mr. A. B. M Mokammel Hoque Chowdhury, Managing Director & CEO of Union Bank PLC. distributed blankets at midnight in different places in the Dhaka city among the helpless, sick and cool affected people during winter.

DISCLOSURES ON RISK BASED CAPITAL (BASEL III)

for the year ended 31 December 2023

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 2023.

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 PLC.
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 PLC. 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. The Bank was renamed as "Union Bank PLC." Vide BRPD circular no.66, dated 29 November 2023. At present, the Bank has 114 (One Hundred Fourteen) branches and 54 (Fifty Four) 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 Capital, b) Statutory Reserve, c) General Reserve, d) Retained earnings <p>Tier-2 Capital:</p> <ol style="list-style-type: none"> a) General Provisions; b) Subordinated debt / Instruments issued by the banks that meet the qualifying criteria for Tier 2 capital;

Quantitative Disclosure: as on 31.12.2023			
b)	The amount of regulatory capital, with separate disclosure of:	BDT in Crore	
		Solo	Consolidated
CET-1 Capital			
	Paid up capital	1,036.28	-
	Statutory reserve	367.55	-
	General reserve	14.57	-
	Retained earnings	215.38	-
	Sub-Total:	1,633.79	-
	Less: Deferred Tax Assets (DTAs)	(9.99)	-
	Total CET-1 Capital	1,623.80	-
	Additional Tier 1 Capital	-	-
	Total Tier-1 Capital	1,623.80	-
Tier-2 Capital			
	General Provision	299.80	-
	Subordinated debt	240.00	-
	Sub-Total:	539.80	-
	Less: Excess amount over maximum Tier-2 Capital	-	-
	Total Tier-2 Capital	539.80	-
c)	Regulatory Adjustments/Deductions from capital	-	-
d)	Total eligible capital	2,163.60	-

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 PLC. has maintained 11.11% CRAR for the year ended December 2023 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 PLC. is maintaining Capital to Risk Weighted Assets Ratio (CRAR) at 11.11% on SOLO basis against the regulatory minimum level of 12.50%. Tier-I capital adequacy ratio under "Solo" basis is 8.34% against the minimum regulatory requirement of 6%.

Quantitative Disclosure			
	Particulars	BDT in Crore	
		Solo	Consolidated
b)	Capital requirement for credit risk	1,796.23	-
c)	Capital requirement for market risk	4.64	-
d)	Capital requirement for operational risk	145.98	-
e)	Total Capital	2,163.60	-
	CET-1 capital	1,623.80	-
	Tier-1 capital	1,623.80	-
	Tier-2 capital	539.80	-
	Total Risk Weighted Assets (RWA)	19,468.47	-
	Minimum Capital Requirement	1,946.85	-
	• CRAR	11.11%	-
	• Tier-1 Capital to RWA	8.34%	-
	• Tier-2 Capital to RWA	2.77%	-
f)	Capital Conservation Buffer (CCB-2.50%)	1.11%	-
g)	Available Capital under Pillar 2 Requirement	The statement of ICAAP under SRP for the year 2023 will be submitted by 31 May 2024 as per BB guideline.	N/A

D. INVESTMENT (CREDIT) RISK

Qualitative Disclosure	
a)	<p>The General Qualitative disclosure requirement with respect to investment (credit) risk, including:</p> <p>Definitions of past due and impaired (for accounting purposes):</p> <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> <p>FOR CMSME</p> <p>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)”.</p> <p>FOR OTHER THAN CMSME</p> <p>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)”.</p> <p>FOR CMSME</p> <p>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)”.</p> <p>FOR OTHER THAN CMSME</p> <p>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)”.</p> <p>FOR CMSME</p> <p>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)”.</p>
i)	

	<p>FOR OTHER THAN CMSME</p> <p>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)”.</p> <p>Short-term Agricultural and Micro Credit are classified as:</p> <p>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> <p>A continuous investment, demand investment or term investment which remains overdue for a period of 60 days or more is considered as a “Special Mention Account (SMA)”</p>
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Specific provisions for classified loans and general provisions for unclassified investment and contingent assets are measured following BB prescribed provisioning rates as mentioned below:

General Provision on		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%
•	Special General Provision - COVID - 19:	
	CMSME	1.50%
	Other than CMSME	2.00%
	COVID - 19	1.00%

Specific Provision on		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%

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%
Provision for Off-Balance Sheet Exposures:		
Contingent Liabilities		Provisioning requirement (% of the exposure amount)
A. Contingent Liabilities:		
i)	Acceptances and Endorsements	1.00%
ii)	Letters of Guarantee:	
	Provisioning requirement against letters of guarantee	1.00%
	Considering the risk mitigating effect of guarantees against which government has issued counter-guarantee: banks will not have to maintain any provision against such guarantees	NIL (0%)
The provisioning requirement for the bank guarantees, against which a counter guarantee has been issued, is stated as follows:		
BB rating grade equivalence of the Bank/financial institution/organization providing the counter-guarantee		
	1	NIL
	2	0.50%
	3 or 4	0.75%
iii)	Irrevocable Letters of Credit	
	Short-term self-liquidating trade L/C	0.50%
	Other LCs including L/C used as guarantee or confirmation	1.00%
iv)	Bills for Collection:	NIL
v)	Other Contingent Liabilities:	
	With an original maturity up to one year	0.50%
	With an original maturity over one year	1.00%
B. Other Commitments:		
	Unconditionally cancellable	NIL
	With certain drawdown	1.00%
	Others with an original maturity up to one year	0.50%
	Others with an original maturity over one year	1.00%
C. Additional provisioning:		
OBS exposures remaining overdue for	03 (three) months or beyond but less than 12 (twelve) months.	1%
	12 (twelve) or beyond but less than 24 (twenty four) months.	2%
	24 (twenty four) months or beyond.	5%
In case of OBS exposure under litigation, banks have to maintain additional provision over the provision requirement mentioned above		5%

ii)	Decision of the Bank's Investment (Credit) Risk Management Policy;	Risk is inherent in all aspects of a commercial operation; however, for Banks, investment (credit) risk is an essential factor that needs to be managed. Investment (credit) risk is the possibility that a borrower or counter party will fail to meet its obligations in accordance with agreed terms. Investment (Credit) risk, therefore, arises from the bank's dealings with or lending to corporate, individuals, and other banks or financial institutions. To manage investment (credit) risk Union Bank follows "Bangladesh Bank's Circulated Credit Risk Management guidelines". The Board approved the Investment Risk Management (IRM) policy keeping in view relevant Bangladesh Bank guidelines to ensure best practice in investment risk management and maintain quality of assets.
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Quantitative Disclosure:	
b. Total gross credit risk exposures broken down by major types of credit exposure:	
(BDT in Crore)	
Particulars	Amount
Continuous loan (CL-2)	
a) Small & Medium Enterprise Financing (SMEF)	388.37
b) Consumer Financing (CF)	-
c) Loans to BHs/MBs/SDs	49.83
d) Other than SMEF, CF, BHs/MBs/SDs	20,999.94
Sub-total	21,438.15
Demand loan (CL-3)	
a) Small & Medium Enterprise Financing (SMEF)	-
b) Consumer Financing (CF)	-
c) Loans to BHs/MBs/SDs	-
d) Other than SMEF, CF, BHs/MBs/SDs	1,126.76
Sub-total	1,126.76
Fixed Term loan (CL-4)	
a) Small & Medium Enterprise Financing (SMEF)	135.88
b) Consumer Financing (Other than HF & LP)	3.11
c) Housing Financing (HF)	26.24
d) Other than SMEF, CF, BHs/MBs/SDs	2,675.05
Sub-total	2,840.29
Short term Agri credit and microcredit (CL-5)	
a) Short term Agri credit	100.66
b) Microcredit	-
Sub-total	100.66
Staff Loan	63.34
Total	25,569.19

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

(BDT in Crore)

Sl.	Division-wise investment	Exposure
1	Dhaka	11,756.09
2	Chattogram	13,666.78
3	Barishal	12.55
4	Rajshahi	26.38
5	Khulna	25.93
6	Rangpur	40.95
7	Sylhet	31.27
8	Mymensingh	9.24
	Total	25,569.19

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	159.44
2	RMG	441.38
3	Textile	1,761.78
4	Ship Building	-
5	Other Manufacturing Industry	1,007.85
6	SME Investment	397.74
7	Construction	347.86
8	Power, Gas	184.76
9	Transport, Storage and Communication	31.54
10	Trade Service	18,044.83
11	Commercial real estate	1,211.04
12	Residential real estate	28.29
13	Consumer Investment	66.16
14	Capital Market	49.83
15	Others	1,836.69
	Total	25,569.19

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	5,190.29
2	Up to Three months	6,110.37
3	Three months to One year	12,461.42
4	One year to Five years	778.95
5	Above five years	1,028.16
	Total	25,569.19

f. By major industry or counterparty type:																
i. Amount of impaired investment (Investment s) and if available, past due investment/Investments, provided separately;	<p>The amount of classified investment of the bank is as under:</p> <p style="text-align: right;">(BDT in Crore)</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>SI. No.</th> <th>Particulars</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>SS</td> <td>194.51</td> </tr> <tr> <td>2</td> <td>DF</td> <td>81.80</td> </tr> <tr> <td>3</td> <td>B/L</td> <td>649.99</td> </tr> <tr> <td colspan="2" style="text-align: right;">Total</td> <td>926.30</td> </tr> </tbody> </table>	SI. No.	Particulars	Amount	1	SS	194.51	2	DF	81.80	3	B/L	649.99	Total		926.30
SI. No.	Particulars	Amount														
1	SS	194.51														
2	DF	81.80														
3	B/L	649.99														
Total		926.30														
ii. Specific and general provisions;	<p>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.</p> <p style="text-align: right;">(BDT in Crore)</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Provision maintained against requirement of provision:</th> <th>Provision as on 31.12.2023</th> </tr> </thead> <tbody> <tr> <td>Unclassified Investments</td> <td>371.80</td> </tr> <tr> <td>Classified Investment</td> <td>263.40</td> </tr> <tr> <td>Off-balance sheet</td> <td>4.80</td> </tr> <tr> <td>Special General Provision for Covid-19</td> <td>31.60</td> </tr> <tr> <td style="text-align: right;">Total</td> <td>671.60</td> </tr> </tbody> </table>	Provision maintained against requirement of provision:	Provision as on 31.12.2023	Unclassified Investments	371.80	Classified Investment	263.40	Off-balance sheet	4.80	Special General Provision for Covid-19	31.60	Total	671.60			
Provision maintained against requirement of provision:	Provision as on 31.12.2023															
Unclassified Investments	371.80															
Classified Investment	263.40															
Off-balance sheet	4.80															
Special General Provision for Covid-19	31.60															
Total	671.60															

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	786.47
Addition during the year	139.83
Reduction during the year	-
Closing Balance	926.30

► Movement of specific provisions for NPAs:	
(BDT in Crore)	
Particulars	Amount
Opening Balance	305.80
Provisions made during the period	66.00
Written off	-
Write-back of excess provisions	-
Closing Balance	371.80

E. EQUITIES: DISCLOSURES FOR BANKING BOOK POSITIONS

Qualitative Disclosures:	
a)	The general qualitative disclosures requirement with respect to equity risk, including
Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons;	Investment in equity securities are broadly categorized into two parts: i) Quoted Securities (common or preference share & mutual fund) that are traded in the secondary market; 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.
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>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.	14.10	12.96
c)	The cumulative realized gains (losses) arising from sales and liquidations in the reporting (31 December 2023) period.	0.87	
d)	Total unrealized gains (losses)	(1.15)	
• Total latent revaluation gains(losses)		Not applicable	
• Any amounts of the above included in Tier 2 capital.		Not applicable	
e)	Capital requirements broken down by appropriate equity groupings, consistent with the bank's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements	Not applicable	

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

Qualitative Disclosure:

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

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

(BDT in Crore)

Particulars	Up to 1 month	01-03 months	03-12 months	01-05 years	More than 05 years
Rate Sensitive Asset	14,036.61	1,384.47	8,637.60	2,197.24	874.80
Rate Sensitive liabilities	9,398.45	4,910.41	4,968.54	4,664.19	473.05
Net gap	4,638.16	(3,525.94)	3,669.06	(2,466.95)	401.75
Cumulative gap	4,638.16	1,112.22	4,781.28	2,314.33	2,716.08

(BDT in Crore)

Profit Rate Stress	Minor	Moderate	Major
Assumed change in Profit Rate	1%	2%	3%
Net investment income impact			
<12 months	47.73	95.45	143.18
Capital after-shock	2,211.33	2259.05	2306.78
CRAR after-shock (%)	11.36	11.60	11.85
Change in CRAR after-shock (%)	0.25	0.49	0.74

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	2.59	-
	Foreign exchange risk	2.05	-
	Commodity risk	0.00	-
	Total Capital Requirement	4.64	-

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 style="margin-left: 40px;">K = the capital charge under the Basic Indicate or Approach</p> <p style="margin-left: 40px;">GI = only positive annual gross income over the previous three years (i.e., negative or zero gross income if any shall be excluded)</p> <p style="margin-left: 40px;">α = 15 percent</p> <p style="margin-left: 40px;">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	145.98	
Capital Charge for Operational Risk-Basic Indicator Approach			
Year	Gross Income (GI)	Average Gross Income (AGI)	Capital Charge = 15% of AGI
2021	858.14	973.19	145.98
2022	975.18		
2023	1,086.24		

I. LIQUIDITY RATIO:

Qualitative Disclosure	
Views of Board of Directors (BOD) on system to reduce liquidity Risk	<p>The BOD should have the overall responsibility for management of liquidity risk. Generally, the responsibilities of the board include:</p> <ol style="list-style-type: none"> 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> <ol 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"> a. 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; b. Adhere to the lines of authority and responsibility that the Board has approved for managing liquidity risk; c. Oversee the implementation and maintenance of management information and other systems that identify, measure, monitor, and control the bank's liquidity risk; d. Develop and recommend liquidity and funding policies for approval by the Board and implement the liquidity and funding policies; e. 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; f. Ensure that liquidity is managed and controlled within the liquidity management and funding management programs; g. 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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Quantitative Disclosure

Components	BDT in Crore
Liquidity Coverage Ratio (LCR)	123.41%
Net Stable Funding Ratio (NSFR)	112.93%
Stocks of high quality liquid assets	1,937.36
Total net cash outflows over the next 30 calendar days	1,569.83
Available amount of stable funding	20,015.36
Required amount of stable funding	17,724.03

J) LEVERAGE RATIO:

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

(BDT in Crore)

Quantitative Disclosure	
Components	Amount
$\text{Leverage Ratio} = \frac{\text{Tier 1 Capital (after related deductions)}}{\text{Total Exposure (after related deductions)}}$	
Bangladesh Bank Requirement	>3.25%
Leverage Ratio	5.53%
Tier 1 Capital	1,623.80
On balance sheet exposure	29,163.67
Off balance sheet exposure	187.90
Deferred Tax Assets	9.99
Total exposure	29,341.57

K) REMUNERATION:

Qualitative Disclosures		
Sl.	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 PLC. Remuneration Committee oversees remuneration for Senior Managements and all other employees. For the purposes of this remuneration disclosure, a Senior Management includes:</p> <ol style="list-style-type: none"> Managing Director. Additional Managing Director. Deputy Managing Director. Senior Executive Vice President. Board Secretary. Head of HRD. Risk & Compliance Manager.
	External consultants whose advice has been sought, the body by which they were commissioned, and in what areas of the remuneration process.	At present there are no External consultants whose advice has been sought for the remuneration process.
	A description of the scope of the bank's remuneration policy (e.g. by regions, business lines), including the extent to which it is applicable to foreign subsidiaries and branches.	<p>Union Bank's remuneration policies are in place to provide assurance that remuneration decisions:</p> <ul style="list-style-type: none"> • Are aligned to the Bank's strategy. • Aid the attraction and retention of talent. • Are market-relevant and affordable. • Are internally equitable, consistent and transparent. • Encourage behavior that supports Bank's long term financial soundness and risk management objectives. • Ensure the independence of risk and control personnel in the performance of their functions is not compromised. • Are compliant with corporate governance requirements.
	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 08, the total no. of Divisional Heads are 17 and the total no. of Branch Managers are 114.

Qualitative Disclosures		
Sl.	Particulars	Information
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> <p>Attract and retain capable, motivated employees.</p> <p>Attract Senior Executives with appropriate knowledge and experience, with ability to drive growth while maintaining stability and financial soundness.</p> <p>Encourage behavior that supports long term financial soundness and the risk management framework.</p> <p>Ensure Remuneration arrangements are, and remain, compliant with Corporate Governance requirements.</p>
	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-2023.
	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.
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 investment, deposit and profit target with the threshold of NPL ratio, cost-income ratio, cost of fund, yield on investments, provision coverage ratio, capital to risk weighted asset ratio (CRAR), ROE, ROA, liquidity position (maintenance of CRR and SLR) etc.

Qualitative Disclosures		
Sl.	Particulars	Information
	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.	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 103 employees have received a variable remuneration award during the 2022/2023 Financial Year.
	Number and total amount of guaranteed bonuses awarded during the financial year.	Total no. & amount of 2045 guaranteed bonuses awarded during the 2022/2023 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 2022/2023 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: <ul style="list-style-type: none"> • 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:	Not Applicable.
	Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments.	
	Total amount of reductions during the financial year due to ex post explicit adjustments.	
	Total amount of reductions during the financial year due to ex post implicit adjustments.	



FINANCIAL INFORMATION

INDEPENDENT AUDITORS' REPORT

To the Shareholders of Union Bank PLC.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Union Bank PLC. (the "Bank") which comprises the Balance Sheets as at 31 December 2023 and the Profit and Loss Accounts, Statements of Changes in Equity and Cash Flow Statements for the period from January 01, 2023, to December 31, 2023, 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 as at 31 December 2023, and of its financial performance and its cash flows for the period from January 01, 2023, to December 31, 2023, in accordance with International Financial Reporting Standards (IFRSs) as explained in Note 2.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the 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 the most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below our description of how our audit addressed the matter is provided in that context.

The key audit matter	How the matter was addressed in our audit
<p>Measurement of provision for Investment</p> <p>The process for estimating the provision for investment associated with credit risk is significant and complex. For the individual analysis, these provisions consider the estimates of future business performance and the market value of collateral provided for credit transactions.</p> <p>For the collective analysis, these provisions are manually processed that deals with voluminous databases, assumptions and calculations for the provision estimates of complex design and implementation.</p> <p>At December 31, 2023, the Bank reported total gross investments of BDT 255,691,913,189 (2022: BDT 222,275,438,478) and the Bank reported provision for investments of BDT 6,716,000,000 (2022: BDT 6,121,400,000). Refer to note nos. 6 & 11.2 to the financial statements.</p>	<p>We tested the design and operating effectiveness of key controls focusing on the provisioning process and identification of loss events including early warning indicator.</p> <p>Our substantive procedures in relation to the provision for investment were reviewing the adequacy of the provision requirements as per circulars and instructions given by Bangladesh Bank from time to time and communicated the provision requirements with the management and those charged with governance and</p> <p>the representatives of Bangladesh Bank, assessing the methodology on which the provision amounts are based, recalculating the provisions and tested the completeness and accuracy of the underlying information and</p> <p>finally assessing the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank's guidelines.</p>

The key audit matter	How the matter was addressed in our audit
<p>Measurement of deferred tax assets</p> <p>The Bank have recognized deferred tax assets for deductible temporary difference that it believes are recoverable.</p> <p>We have determined this to be a key audit matter, due to the inherent uncertainty in forecasting the amount and timing of future taxable profits and the reversal of temporary differences where significant judgement is involved.</p> <p>The Bank reports net deferred tax assets totaling to BDT 99,931,145 (2022: 105,734,209) as at 31 December 2023.</p> <p>Significant judgment is required in relation to measurement of deferred tax assets as their recoverability is dependent on forecasts of future profitability over a number of years. Refer to the note no. 8.3 to the financial statements.</p>	<p>The Bank have recognized deferred tax assets for deductible temporary difference that it believes are recoverable.</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 deferred tax assets and assumptions used in estimating Bank's future taxable income.</p> <p>We assessed the completeness and accuracy of the data used for estimation of future taxable income. We also assessed the instruction given by Bangladesh Bank related to the deferred tax assets and checked it accordingly which was properly complied and reflected in the financial statements of the Bank.</p> <p>Finally, we assessed the appropriateness and presentation of disclosures against IAS 12 – Income Taxes and the instruction of Bangladesh Bank regarding DTA's.</p>

The key audit matter	How the matter was addressed in our audit
<p>Recognition of Investment Income</p> <p>Recognition of investment income has a significant and wide influence on financial statements. Recognition and measurement of investment income involve a complex IT environment as well as require critical estimates and judgement.</p> <p>We identify recognition of investment income from investments a key audit matter because investment income from investments one of the key performance indicators of the Bank there is an inherent risk of fraud and error in the recognition of investment income by management to meet specific targets or expectations.</p> <p>Moreover, as per Bangladesh Bank BRPD circular no. 53 dated 22 December 2022, considering future risk banks were allowed to recognize outstanding arrear investment income on loans where deferral facilities were given upon receiving at least the required percentage of cash from the borrowers.</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Reviewed transfer of investments to income account in line with the Bangladesh Bank's guideline. • Reviewed the grounds for approval for the transfer of investment to the income account. <p>We performed tests of operating effectiveness on automated control in place to measure and recognize profit income.</p> <p>We have also performed substantive procedures to check whether profit income is recognized completely and accurately.</p> <p>We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.</p>

The key audit matter	How the matter was addressed in our audit
<p>Legal and regulatory matters</p> <p>We focused on this area because the Bank operate 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 Bank’s financial position.</p>	<p>We obtained an understanding, evaluated the design, and tested the operational effectiveness of the Bank’s key controls over the legal provision and contingencies process.</p> <p>We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters. We enquired of the Bank’s internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports. We also received formal confirmations from external counsel.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Bank’s provisions and contingent liabilities disclosure.</p>

The key audit matter	How the matter was addressed in our audit
<p>IT systems and controls</p> <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.</p> <p>We tested IT general controls (logical access, changes management, and aspects of IT operational controls).</p> <p>This included testing that requests for access to systems were appropriately reviewed and authorized.</p> <p>We tested the Bank’s periodic review of access rights. We inspected requests of changes to systems for appropriate approval and authorization.</p> <p>We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.</p>

Other Information

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

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the board of directors of the Bank.

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 financial statements of the Bank that give a true and fair view in accordance with IFRSs as explained in note 2, and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 (as amended up to date) and the Bangladesh Bank's Regulations require the management to ensure effective internal audit, internal control and risk management functions of the Bank.

The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, 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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional 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, but not for the purpose of expressing an opinion on effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's and the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Bank to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the Bank audit. We remain solely responsible for our audit opinion.

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

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

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

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, (amended up to date), the Securities and Exchange Rules 2020, the Bank Company Act 1991 (amended up to date), the Financial Reporting Act 2015, the rules and regulations issued by Bangladesh Bank, we also report that:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof.
- ii. to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility for the audit of the Financial statements section in forming the above opinion on the financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's 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 accounts 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 expenditure incurred were for the purpose of the Bank's business for the year.
- vii. the financial statements of the financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations, and accounting standards as well as related guidance issued by Bangladesh Bank.
- viii. provisions have been made for investment, other assets and off balance sheet as per Bangladesh Bank's DBI Letter No: DBI-7/4(4)/2024-364 dated April 22, 2024, which are in our opinion, doubtful of recovery as explained in Note 6.6 and 6.7;
- 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 covering 14 branches as well as Head office and spent over 3,115 person hours; and
- xi. Capital to Risk-weighted Asset Ratio (CRAR) has been maintained as suggested by as per Bangladesh Bank's DBI Letter No: DBI-7/4(4)/2024-364 dated April 22, 2024, and as per DOS letter ref: DOS(CAMS)1157/41(Dividend)/2024-1713, dated April 25, 2024, which is explained in Note no. 12.4.

Name of Firm: **M M Rahman & Co.**
Chartered Accountants

Signature of the Auditor



Name of the Auditor: **Mohammed Forkan Uddin FCA**
Managing Partner

DVC : 2404270886AS452851
Dhaka, Date : 25-04-2024

Enrolment No.: 0886

Firm's FRC Enlistment No. CAF-001-144

UNION BANK PLC.
BALANCE SHEET

As at 31 December 2023

Particulars	Notes	2023 Taka	2022 Taka
PROPERTY AND ASSETS			
Cash	3	15,973,061,202	17,438,963,286
In hand (Including foreign currency)	3.1	1,589,598,131	1,516,455,312
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currency)	3.2	14,383,463,071	15,922,507,974
 Balance with other Banks and Financial Institutions	 4.1	 450,739,643	 152,118,089
In Bangladesh		185,634,792	82,864,911
Outside Bangladesh		265,104,851	69,253,178
 Placement with banks & Other Financial Institutions	 4.2	 4,942,053,359	 4,942,053,359
Investments in Shares & Securities	5	10,222,510,658	10,273,676,172
Government		8,521,490,000	8,521,490,000
Others		1,701,020,658	1,752,186,172
 Investments	 6	 255,691,913,189	 222,275,438,478
General Investments etc.	6.A	254,855,856,229	221,503,076,683
Bills Purchased and Discounted	6.B	836,056,960	772,361,795
 Fixed Assets Including Premises, Furniture and Fixtures	 7	 5,009,233,585	 4,953,125,042
Other Assets	8	3,058,052,892	12,873,442,357
Non Banking Assets		-	-
Total Assets		295,347,564,528	272,908,816,783
LIABILITIES AND CAPITAL			
Liabilities			
Placement from Banks & other Financial Institutions	9	27,725,119,843	27,183,042,310
Deposits and Other Accounts	10	225,585,372,764	213,375,297,519
Mudaraba Savings Deposits	10.1	9,900,330,085	9,572,233,722
Mudaraba Term Deposits	10.2	128,793,323,488	119,170,884,952
Other Mudaraba Term Deposits	10.3	48,605,195,389	47,351,317,059
Al-Wadia Current Accounts and Other Accounts	10.4	37,172,907,600	35,778,558,120
Bills Payable	10.5	1,113,616,202	1,502,303,666
 Mudaraba Subordinated Bond		 2,400,000,000	 3,200,000,000
Other Liabilities	11	23,299,182,588	13,870,175,941
Total Liabilities		279,009,675,195	257,628,515,770
Capital/Shareholders' Equity			
Paid-up Capital	12.1	10,362,804,480	9,869,337,600
Statutory Reserve	13	3,675,520,635	3,028,782,768
Other Reserve	14	145,749,665	145,749,665
Retained Earnings	15	2,153,814,553	2,236,430,980
Total Shareholders' Equity		16,337,889,333	15,280,301,013
Total Liabilities and Shareholders' equity		295,347,564,528	272,908,816,783

UNION BANK PLC.				
BALANCE SHEET				
As at 31 December 2023				
Particulars	Notes	2023 Taka	2022 Taka	
OFF- BALANCE SHEET ITEMS				
Contingent Liabilities				
Acceptances and Endorsements		1,039,342,650	1,907,268,760	
Letters of Guarantee	16	2,619,239,110	2,431,271,913	
Irrevocable Letters of Credit	17	1,577,806,499	1,273,884,947	
Bills for Collection	18	780,456,686	811,698,824	
Other Contingent Liabilities		-	-	
Total		6,016,844,945	6,424,124,444	
Other Commitments				
Documentary credits and short term trade related transactions		-	-	
Forward assets purchased and forward deposits placed		-	-	
Undrawn note issuance and revolving underwriting facilities		-	-	
Undrawn formal standby facilities, credit lines and other commitments		-	-	
Claims against the bank not acknowledged as debt		-	-	
Other Commitments		-	-	
Total		-	-	
Total Off -Balance Sheet Items Including				
Contingent Liabilities		6,016,844,945	6,424,124,444	

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


Managing Director



Director


Director


Chairman

See annexed auditor's report of even date

Firm's Name : **M M Rahman & Co.**
Chartered Accountants

Signature: : 

Auditor's Name : **Mohammed Forkan Uddin FCA**
Managing Partner

DVC : **2404270886AS452851**

Enrolment No. : 886
Firm's FRC Enlistment No : CAF-001-144

Dhaka, Date: 25-04-2024

UNION BANK PLC.
PROFIT AND LOSS STATEMENT
 For the year ended 31 December 2023

Particulars	Notes	2023 Taka	2022 Taka
OPERATING INCOME			
Investments Income	19	23,575,724,297	20,191,265,630
Profit Paid on Deposits	20	(16,269,879,630)	(13,962,509,942)
Net Investment Income		7,305,844,667	6,228,755,688
Income from Investment in Shares and Securities	21	526,614,574	414,689,799
Commission, Exchange and Brokerage	22	419,488,622	722,747,385
Other Operating Income	23	183,120,751	129,316,270
		1,129,223,947	1,266,753,454
Total Operating Income		8,435,068,614	7,495,509,142
Operating Expenses			
Salary and Allowances	24	2,000,356,444	1,893,706,683
Rent, Taxes, Insurances, Electricity etc.	25	659,494,738	400,469,741
Legal Expenses	26	5,521,826	4,837,460
Postage, Stamps, Telecommunication etc.	27	35,547,393	33,027,388
Stationery, Printings, Advertisements etc.	28	148,323,569	113,751,951
Chief Executives Salary and Fees	29	16,305,675	13,375,185
Auditors' Fees		345,000	345,000
Directors' Fees & Expenses	30	2,987,678	3,187,000
Shariah Supervisory Committee's Fees & Expenses	31	334,800	541,800
Depreciation and Repair of Bank's Assets	32	427,652,140	358,854,236
Zakat Expenses		82,000,000	66,100,000
Other Expenses	33	651,309,753	458,735,830
Total Operating Expenses		4,030,179,016	3,346,932,274
Profit/(Loss) before Provision and tax		4,404,889,598	4,148,576,868
Provisions for Classified Investments	11.2.a	660,000,000	703,946,000
Provisions for Unclassified Investments	11.2.a	14,541,340	203,000,000
Provisions for Off Balance Sheet items	11.2.a	-	80,000,000
Special General Provisions for Covid - 19	11.2.a	-	-
Other Provisions		478,058,924	50,439,005
Provisions for Other Assets		3,600,000	40,400,000
Provisions for diminution in value of investment in share	11.5	15,000,000	-
Total Provisions		1,171,200,264	1,077,785,005
Total Profit/(Loss) before Tax		3,233,689,334	3,070,791,863
Provision for Income Tax			
Current Tax expenses	11.1	1,620,000,000	1,565,120,365
Deferred Tax expenses / (Income)	8.3.1	5,803,064	(7,829,870)
		1,625,803,064	1,557,290,495
Net Profit/(Loss) after Tax		1,607,886,270	1,513,501,368
Retained Earnings from Previous Year		2,236,430,980	1,860,824,892
Add: Net Profit/(Loss) after Tax		1,607,886,270	1,513,501,368
Profit available for Appropriation		3,844,317,250	3,374,326,260
Appropriations:			
Statutory Reserve	13	646,737,867	614,158,373
Start-up Fund		16,078,863	15,135,014
CSR Fund		16,078,863	15,135,014
Stock Dividend		493,466,880	-
Cash Dividend		518,140,224	493,466,880
Retained earnings		2,153,814,553	2,236,430,980
		3,844,317,250	3,374,326,260
Earnings Per Share (EPS)	35	1.58	1.57

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


 Managing Director

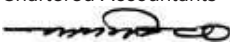

 Director


 Director


 Chairman

See annexed auditor's report of even date

Firm's Name : **M M Rahman & Co.** Enrolment No. 886
 Chartered Accountants

Signature:  **DVC** : **2404270886AS452851**

Auditor's Name : **Mohammed Forkan Uddin FCA** Dhaka, Date: 25-04-2024
 Managing Partner

Firm's FRC Enlistment No : CAF-001-144

UNION BANK PLC.				
CASH FLOW STATEMENT				
For the year ended 31 December 2023				
Particulars	Notes	2023 Taka	2022 Taka	
A. Cash Flow from Operating Activities				
Investments income receipts		23,724,869,067	20,262,389,080	
Profit paid on deposit		(15,442,164,120)	(13,962,989,215)	
Fee and Commission receipts		419,488,622	722,747,385	
Dividend receipts		3,407,496	180,000	
Payments to employees		(2,015,937,184)	(1,897,739,255)	
Payments to suppliers		(148,323,569)	(113,751,951)	
Income tax paid		(891,395,465)	(1,542,493,668)	
Receipts from other operating activities	38	183,120,751	129,316,270	
Payments for other operating activities	39	(1,500,836,028)	(1,117,715,417)	
Operating Profit before changes in Operating Assets & Liabilities		4,332,229,570	2,479,943,229	
Changes in Operating Assets & Liabilities				
(Increase)/ Decrease Investments to Customers		(33,416,474,711)	(28,453,157,997)	
(Increase)/ Decrease of Other Assets	40	10,183,648,710	(1,256,700)	
Increase/ (Decrease) Deposits from Customers		12,210,075,245	13,145,502,990	
Increase/ (Decrease) of Other Liabilities	41	6,410,718,873	(511,440,360)	
		(4,612,031,883)	(15,820,352,067)	
Net Cash Flow from Operating Activities		(279,802,313)	(13,340,408,838)	
B. Cash Flow from Investing Activities				
Payments to Investment in Shares and Securities		51,165,514	1,756,743,828	
Purchases of Property, Plant and Equipment		(162,581,040)	(230,548,119)	
Net Cash Used in Investing Activities		(111,415,526)	1,526,195,709	
C. Cash Flow from Financing Activities				
Receipts from issuance of Mudaraba Subordinated Bond		(800,000,000)	(800,000,000)	
Increase/(Decrease) in Share Capital		-	4,280,000,000	
Increase/(Decrease) in Other reserve		-	-	
Dividend Paid		(518,140,224)	(459,826,272)	
Increase/(Decrease) in Placement from Banks & other Financial Institutions		542,077,533	17,149,292,660	
Net Cash Flow from Financing Activities		(776,062,691)	20,169,466,388	
D. Net Increase/(Decrease) of Cash & Cash Equivalents (A+B+C)		(1,167,280,530)	8,355,253,259	
E. Add/(Less): Effect of Exchange Rate on Cash & Cash Equivalents		-	-	
F. Beginning Cash & Cash Equivalents		22,533,134,734	14,177,881,474	
G. Ending Cash & Cash Equivalents (D+E+F)		21,365,854,204	22,533,134,734	
The above closing Cash and Cash Equivalents include:				
In hand (Including foreign currency)	3.1	1,589,598,131	1,516,455,312	
Balance with Bangladesh Bank and its agent bank(s)	3.2	14,383,463,071	15,922,507,974	
Balance with other Banks and Financial Institutions	4.1	450,739,643	152,118,089	
Placement with banks & Other Financial Institutions	4.2	4,942,053,359	4,942,053,359	
		21,365,854,204	22,533,134,734	

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


Managing Director


Director


Director

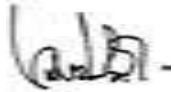

Chairman

Place: Dhaka, Bangladesh
Dated: 25 April 2024

UNION BANK PLC.
STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

Particulars	Paid-up Capital Taka	Statutory Reserve Taka	Other Reserve Taka	Retained Earnings Taka	Total Taka
Balance as on 01 January 2023	9,869,337,600	3,028,782,768	145,749,665	2,236,430,980	15,280,301,013
Surplus/Deficit on account of revaluation of properties	-	-	-	-	-
Surplus/Deficit on account of revaluation of investments	-	-	-	-	-
Currency Translation Differences	-	-	-	-	-
Net Gains and Losses not Recognized in the Profit and Loss Statement	-	-	-	-	-
Net Profit for the year	-	-	-	1,607,886,270	1,607,886,270
Dividends					
Stock	-	-	-	(493,466,880)	(493,466,880)
Cash	-	-	-	(518,140,224)	(518,140,224)
Transfer to Statutory Reserve	-	646,737,867	-	(646,737,867)	-
Transfer to Start-up Fund	-	-	-	(16,078,863)	(16,078,863)
Transfer to CSR Fund	-	-	-	(16,078,863)	(16,078,863)
Transfer to Retained Earnings	-	-	-	-	-
Issue of Share Capital during the year	493,466,880	-	-	-	493,466,880
Balance as on 31 December 2023	10,362,804,480	3,675,520,635	145,749,665	2,153,814,553	16,337,889,333
Balance as on 31 December 2022	9,869,337,600	3,028,782,768	145,749,665	2,236,430,980	15,280,301,013



Managing Director



Director



Director



Chairman

Place: Dhaka, Bangladesh

Dated: 25 April 2024

UNION BANK PLC.

LIQUIDITY STATEMENT (ASSETS AND LIABILITY MATURITY ANALYSIS)

As at 31 December 2023

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	Taka
Assets												
Cash	8,486,561,202	-	-	-	-	-	-	-	7,486,500,000	-	-	15,973,061,202
Balance with banks & Other Financial Institutions	450,739,643	-	-	-	-	-	-	-	-	-	-	450,739,643
Placement with banks & Other Financial Institutions	3,512,053,359	1,430,000,000	-	-	-	-	-	-	-	-	-	4,942,053,359
Investments in Shares and Securities	-	1,829,910,658	2,421,100,000	4,971,500,000	1,000,000,000	10,222,510,658	-	-	-	-	-	10,222,510,658
Investments	51,902,900,000	61,103,700,000	124,614,213,189	7,789,500,000	10,281,600,000	255,691,913,189	-	-	-	-	-	255,691,913,189
Fixed Assets including Premises, Furniture & Fixtures	-	-	-	445,837,061	4,563,396,524	5,009,233,585	-	-	-	-	-	5,009,233,585
Other Assets	1,327,300,000	1,340,000,000	390,752,892	-	-	3,058,052,892	-	-	-	-	-	3,058,052,892
Non-banking Assets	-	-	-	-	-	-	-	-	-	-	-	-
Total Assets	65,679,554,204	65,703,610,658	127,426,066,081	13,206,837,061	23,331,496,524	295,347,564,528						
Liabilities												
Placement from Banks & Other Financial Institutions	22,556,900,000	3,678,400,000	1,489,819,843	-	-	27,725,119,843	-	-	-	-	-	27,725,119,843
Deposits and Other Accounts	23,168,600,000	69,248,500,000	71,700,972,764	53,878,700,000	7,588,600,000	225,585,372,764	-	-	-	-	-	225,585,372,764
Mudaraba Subordinated Bond	-	200,000,000	600,000,000	1,600,000,000	-	2,400,000,000	-	-	-	-	-	2,400,000,000
Other Liabilities	7,379,000,000	1,769,200,000	4,727,300,000	2,271,482,588	7,152,200,000	23,299,182,588	-	-	-	-	-	23,299,182,588
Total Liabilities	53,104,500,000	74,896,100,000	78,518,092,607	57,750,182,588	14,740,800,000	279,009,675,195						
Net Liquidity Gap	12,575,054,204	(9,192,489,342)	48,907,973,474	(44,543,345,527)	8,590,696,524	16,337,889,333						



Managing Director

Place: Dhaka, Bangladesh
Dated: 25 April 2024


Director



Director



Chairman

UNION BANK PLC.
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2023
1.00 The Bank and its activities
1.01 Status of the Bank

Union Bank PLC. is one of the fourth generation private commercial bank in Bangladesh. The Bank has incorporated (Inc. no. C-107837) on March 07, 2013 as a Public Limited Company under the Companies Act, 1994 (Act No.18 of 1994) and also is governed by the Bank Company Act, 1991 (Amendment up to 2023). The Bank has raised paid-up capital through Initial Public Offering (IPO) under fixed price method and listed Dhaka Stock Exchange PLC. and Chittagong Stock Exchange PLC on January, 2022. Union Bank PLC. has started its debut trading with both Stock Exchange on January 26, 2022 as a listed company.

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

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

1.02 Nature of business/principal activities of the Bank

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

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

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

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

2.00 Significant accounting policies and basis for preparation of Financial Statements
2.01 Statements of Compliance

The financial statements of the Bank are made up to 31 December 2023 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 Act, 2023 (Act No. XII of 2023), the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) and other laws and rules applicable in Bangladesh.

2.01.1 Departures from IAS/IFRS

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

i. Provision on investments and off-balance sheet exposures

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

Bangladesh Bank: As per BRPD circular No.14 dated 23 September 2012, BRPD circular No. 19 dated 27 December 2012, BRPD circular No. 05 dated 29 May 2013 and BRPD circular No. 16 dated 18 November 2014 a general provision at 0.25% to 5% under different categories of unclassified investments (good/standard investments) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard, doubtful and bad & loss investments have to be provided at 20%, 50% and 100% respectively (except short-term agricultural and micro-credits where 5% for sub-standard and doubtful investments and 100% for bad & loss investments) depending on the duration of overdue. Again as per BRPD Circular No.14 dated 23 September 2012 and BRPD Circular No.19 dated 27 December 2012, a general provision at 1%, 0.50% 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, circular no 13 dated October 18, 2018 and circular no. 06 dated 25 April 2023. Such provision policies are not specifically in line with those prescribed by “IAS 39 “Financial Instruments: Recognition and Measurement”.

ii. Recognition of investment income in suspense

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

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

iii. Investment in shares and securities

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

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

iv. Revaluation gains/losses on Government securities

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

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

v. Other comprehensive income

IAS/IFRS: As per IAS 1 “Presentation of Financial Statements” Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single Other Comprehensive Income statement.

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

vi. Financial instruments - presentation and disclosure

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

vii. Financial guarantees

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

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

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

IAS/IFRS: Balance with Bangladesh Bank that are required to be kept as part of cash reserve requirement, should be treated as other asset as it is not available for use in day to day operations as per IAS 7 “Statement of Cash Flows”.

Bangladesh Bank: Balance with Bangladesh Bank is treated as cash and cash equivalents.

ix. Cash flow statement

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

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

x. Non-banking asset

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

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

xi. Presentation of intangible asset

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

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

xii. Recognition of Lease Rent of the Office premises

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

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

(f) Income Tax Act 2023: 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, BRPD 15 dated 09 November 2009, and BRPD Circular no. 06 dated 25 April 2023, off balance sheet items (e.g. Letter of credit, Letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.

xiv. Investments net of provision

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

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

xv. Revenue

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

2.01.2 Authorization of the financial statements for issue

The financial statements of the Bank have been authorized for issue by the Board of Directors on 25 April 2024.

2.01.3 Changes in accounting standards

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

2.01.4 Prior period adjustments

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

2.02 Basis of Preparation of Financial Statements

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

2.03 Use of estimates and Judgements

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

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

2.04 Going concern

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

2.05 Accruals and Deferrals

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

2.06 Revenue Recognition

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

2.06.1 Income from Investments

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

Income was calculated on daily product basis and charged periodically.

2.06.2 Income from Investments in Share and Securities

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

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

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

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

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

2.06.3 Commission Income

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

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

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

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

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

2.06.5 Profit paid and Other Expenses

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

2.06.6 Dividend Payments

Interim dividend is recognized when they are paid to shareholders. Final dividend is recognized when it is approved by the shareholders. The proposed dividend for the year ended 31 December 2023 has not been recognized as a liability in the balance sheet in accordance with the IAS # 10: Events After the Balance Sheet Date.

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

Statement of Unclaimed Cash Dividend	
Cash Dividend for the year 2021	33,061,528
Cash Dividend for the year 2022	32,094,560
Total	65,156,088

2.07 Foreign Currency Transactions**2.07.1 Foreign Currency**

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

2.07.2 Foreign Currency Translations

Foreign currency transactions are converted into equivalent Taka currency at the ruling exchange rates on the respective dates of such transactions as per IAS # 21. Assets and liabilities in foreign currencies as at 31 December 2023 have been converted into Taka currency at the average of the prevailing buying and selling rates of the concerned foreign currencies at that date except "balances with other banks and financial institutions" which have been converted as per directives of Bangladesh Bank vide its circular no BRPD(R) 717/2004-959 dated 21 November 2004.

2.07.3 Commitments

Commitments for outstanding forward foreign exchange contracts disclosed in these financial statements are translated at contracted rates. Contingent liabilities / commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in Taka terms at the rates of exchange ruling on the balance sheet date. The outstanding balances for the same as at 31 December 2023 have been shown in the Balance Sheet under Off-Balance Sheet items.

Exchange rates with major foreign currencies as on 31 December 2023 were as:

Currency Name	Exchange Rate (Taka)
USD	109.5000
Euro	130.9691
JPY	0.8365
ACU	109.7500
GBP	142.4296
CHF	130.5527
SGD	83.3155
AUD	75.2756
CAD	83.1635

2.07.4 Translation gains and losses

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

2.08 Assets and their basis of valuation

2.08.1 Cash and Cash Equivalents

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

2.08.2 Investments

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

As per instructions contained in Bangladesh Bank's BRPD circular no. 14, dated September 23, 2012, BRPD circular no. 05, dated May 29, 2013, BRPD circular no. 08, dated August 02, 2015, BRPD circular no. 12, dated August 20, 2017, BRPD circular no. 15, dated September 27, 2017, BRPD Circular no. 01, dated February 20, 2018, BRPD Circular no. 07, dated June 21, 2018, BRPD Circular no. 13, dated October 18, 2018, BRPD Circular no. 03, dated April 21, 2019, BRPD Circular no.16, dated July 21, 2020, BRPD Circular no. 52, dated October 20, 2020 BRPD Circular no. 14, dated June 22, 2022, BRPD Circular no. 51, dated December 18, 2022 and BRPD Circular no. 53, dated December 22, 2022, BRPD Circular no. 03 dated February 02, 2023, BRPD Circular no. 06 dated April 25, 2023 respectively specific provisions are made against non performing investments are at the following rates:

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

As per instructions of BRPD circular nos. 14, 05, 08, 12, 15, 07, 13, 03, 16, 52, 14, 03, 06 dated September 23, 2012, May 29, 2013, August 02, 2014, August 02, 2015, August 20, 2017, September 27, 2017, February 20, 2018, June 21, 2018, October 18, 2018, April 21, 2019, July 21, 2020, October 20, 2020, June 22, 2022, February 02, 2023 and April 25, 2023 respectively and BRPD Circular letter no. 51 & 53 dated December 18, 2022 & December 22, 2022 an amount has been set aside up of the total unclassified investments as on the balance sheet date at the following rates:

General Provision on:

Particulars	Rates
• All Unclassified Investments of Small and Medium Enterprise (SME)	0.25%
• All Unclassified Investments (Other than investments under Consumer Financing, SME Financing, Housing Finance, Investment to professionals to set up business, Investment to Brokerage Houses, Merchant Banks, Stock Dealers etc.)	1.00%
• Unclassified Consumer Financing (Other than Housing Finance and Investment for Professionals to set up business)	2.00%
• Unclassified Investment to Housing Finance	1.00%
• Unclassified Investment for Professionals to set up business under Consumer Financing Scheme	2.00%
• Unclassified Investment to Brokerage House, Merchant Banks, Stock dealers, etc.	2.00%
• 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%

Provision for Off-Balance Sheet Exposures

Contingent Liabilities	Provisioning requirement (% of the exposure amount)
A. Contingent Liabilities:	
i) Acceptances and Endorsements	1.00%
ii) Letters of Guarantee:	
Provisioning requirement against letters of guarantee	1.00%
Considering the risk mitigating effect of guarantees against which government has issued counter-guarantee: banks will not have to maintain any provision against such guarantees	NIL (0%)
The provisioning requirement for the bank guarantees, against which a counter guarantee has been issued, is stated as follows:	

Contingent Liabilities		Provisioning requirement (% of the exposure amount)
BB rating grade equivalence of the Bank/financial institution/organization providing the counter-guarantee		
1		NIL
2		0.50%
3 or 4		0.75%
iii) Irrevocable Letters of Credit:		
Short-term self-liquidating trade L/C:		0.50%
Other LCs including L/C used as guarantee or confirmation:		1.00%
iv) Bills for Collection:		
		NIL
v) Other Contingent Liabilities:		
With an original maturity up to one year:		0.50%
With an original maturity over one year:		1.00%
B. Other Commitments:		
Unconditionally cancellable		NIL
With certain drawdown		1.00%
Others with an original maturity up to one year		0.50%
Others with an original maturity over one year		1.00%
C. Additional provisioning:		
OBS exposures remaining overdue for	03 (three) months or beyond but less than 12 (twelve) months.	1%
	12 (twelve) or beyond but less than 24 (twenty four) months.	2%
	24 (twenty four) months or beyond.	5%
In case of OBS exposure under litigation, banks have to maintain additional provision over the provision requirement mentioned above		5%

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

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

2.08.3 Investment in shares and securities

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

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

2.08.3.1 Valuation Method

Considerable value of Investments has been considered as follows:

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

2.08.4 Off setting Financial Instruments

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

2.08.5 Property, Plant and Equipment

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

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

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

Depreciation on Property, Plant and Equipment

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

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

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

2.08.6 Leases

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

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

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

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

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

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

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

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

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

2.09 Statutory Reserve

As per section 24 of Bank Company Act 1991 (amended up to 2023), at least 20% of the profit before tax is transferred to the statutory reserve each year until the balance of the reserve equates with the paid-up capital.

2.10 Liabilities and Provisions

2.10.1 Taxation

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

2.10.1.1 Current Tax

Provision for corporate current income tax has been made @ 37.50% as prescribed in the Finance Act 2023 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 PLC. in accordance with the locally registered Provident Fund Rules. The employees' provident fund is administered by a Board of Trustees and is funded by contributions of employees and the Bank at predetermined rates in equal proportion. These contributions are invested separately from the assets of UBL and the profit on such contributions credited to the members' account. The Fund is recognized by the National Board of Revenue (NBR) vide their letter # PFR(UBL)/LTU/2013-2014/1057(1-3) dated 30/04/2014.

2.10.2.2 Gratuity

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

2.10.2.3 Employees' Social Security & Benevolent Fund (ESSBF)

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

2.10.2.4 Employees Group Life Insurance Fund

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

2.10.2.5 Death Risk Coverage Scheme (DRCS)

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

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

2.10.2.6 Workers' Profit Participation Fund (WPPF)

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

2.10.3 Deposits and Other Accounts

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

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

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

2.10.5 Sharing of Investment Income

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

2.10.6 Zakat

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

2.11 Others

2.11.1 Cash Flow Statement

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

2.11.2 Liquidity Statement

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

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

2.11.3 Comparative Information

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

2.11.4 Earnings Per Share (EPS)

2.11.4.1 Basic Earnings Per Share

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

2.11.4.2 Diluted Earnings Per Share

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

2.11.5 Functional and Presentation Currency

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

2.12 Risk Management

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

Key risk management areas of the bank are described below:

2.12.1 Investments Risk

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

2.12.2 Foreign Exchange Risk

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

2.12.3 Asset Liability Management Risk

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

2.12.4 Money Laundering and Terrorist Financing Risk

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

2.12.5 Internal Control and Compliance Risk

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

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

2.12.6 Information & Communication Technology Risk

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

Information assets are critical to the services provided by the Bank to its customers. Protection and maintenance of these assets are vital to its sustainability. In order to ensure protection of critical IT assets from unauthorized access modification, disclosure and destruction, the Bank has already taken initiatives, which safeguard the interest of customers. The basic functions regarding ICT risk management is safeguarding the interest of the bank, establishing, implementing, operating, monitoring, reviewing, exercising, maintaining and improving a documented Information and Communication Technology Assets within the context of managing the overall business risks. ICT Risk covers business disruption and system failures, execution, delivery and process management, data entry errors, vendor disputes, data security, physical security, network security and other potential risks; etc.

The Bank has already developed its own ICT policies for various operation and services which are closely in line with the ICT guidelines of Bangladesh Bank and continuously conducting training sessions on sensitive IT tasks (i.e. operational procedure, Business Continuity Planning, Disaster Recovery Planning etc.) for relevant employees. The Bank is strictly following the Information Security Standard of Bangladesh Bank covering Password Control, User ID Maintenance, Input Control, Network Security, Data Encryption, Virus Protection and Access Control to Internet and Emailing. The bank is regularly conducting internal ICT audit to all its' branches and divisions at Head Office to ensure proper implementation of the ICT policies.

2.13 Internal audit

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

During the year 2023, 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 2023, 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 2023 is from 01 January 2023 to 31 December 2023.

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 Act, 2023
- f) Value Added Tax and Supplementary Duty Act, 2012 as passed 13 June 2019,
- g) Standards issued by AAOIFI
- h) The Stamp Act, 1899
- i) The Customs Act, 1969
- j) The Money Laundering Prevention Act, 2012
- k) The Anti-Terrorism (Amendment) Act, 2012 etc.

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

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

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

2.19 General

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

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

		2023	2022
		Taka	Taka
3	CASH		
3.1	Cash in Hand		
	In Local Currency	1,589,554,231	1,516,413,312
	In Foreign Currencies	43,900	42,000
	Sub-total	1,589,598,131	1,516,455,312
3.2	Balance with Bangladesh Bank and its Agent Bank		
	In Local Currency	14,185,039,729	15,762,968,464
	In Foreign Currencies	198,423,342	159,539,510
	Sub-total	14,383,463,071	15,922,507,974
	Total	15,973,061,202	17,438,963,286
3.3	Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR)		
	Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with the Section 25 & 33 of the Bank Companies Act, 1991 (amended upto 2018), and subsequent BCD Circular No.13 dated May 24, 1992; BRPD Circular No. 12 dated September 06, 1998, BRPD Circular No.12, dated September 20, 1999, BRPD Circular No. 22 dated November 06, 2003, BRPD Circular No. 03 dated 17 February 2005 and BRPD Circular No. 11 & 12 dated 25 August 2005, Bangladesh Bank Letter # DOS (SR) 1153/120-A/2009-46 dated 22 March 2009, MPD circular # 01 dated 04 May 2010, DOS Circular # 01 dated 19 January 2014, MPD circular # 04 & 05 dated 01 December 2010, MPD circular # 01 dated 23 June 2014, MPD circular # 01 dated 03 April 2018, DOS Circular # 26 dated 19 August 2019 and MPD Circular # 03 dated 09 April 2020. The statutory Cash Reserve Ratio on the Bank's time and demand liabilities at the rate 4.0% (conventional and Islamic) has been calculated and maintained with Bangladesh Bank in local currency 5.5% Statutory Liquidity Ratio for Islamic Banking, on the same liabilities has also been maintained in the form of cash in hand, balance with Bangladesh Bank, treasury bills, and bonds. CRR and SLR maintained by the Bank are shown below:		
3.4	Cash Reserve Ratio (CRR): 4.00 % (Bi-Weekly) of Average Demand and Time Liabilities		
	Required Reserve	7,484,515,655	6,684,642,664
	Actual Reserve maintained	14,032,537,243	15,637,004,798
	Surplus/(Shortfall)	6,548,021,588	8,952,362,134
3.5	Statutory Liquidity Ratio (SLR): 5.50% of Average Demand and Time Liabilities:		
	Required Reserve	10,291,209,026	9,191,383,663
	Actual Reserve	12,042,197,967	14,276,864,486
	Surplus/(Shortfall)	1,750,988,941	5,085,480,823
4	BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS AND PLACEMENT		
4.1	Balance with other banks and financial institutions		
A.	Inside Bangladesh		
	Al-Wadiah Current Accounts		
	Janata Bank PLC.	2,015,471	14,671
	Others Accounts:		
	Mudaraba Short Notice Deposits		
	First Security Islami Bank PLC.	147,511,396	17,304,614
	Global Islami Bank PLC.	196,800	10,621,612
	AB Bank PLC.	741,060	730,995
	Trust Bank PLC.	14,655,080	16,000,793
	Agrani Bank PLC.	7,150	8,121
	Exim Bank PLC.	875,000	-
	Islami Bank Bangladesh PLC.	19,632,835	38,184,105
	Sub-total	183,619,321	82,850,240
		185,634,792	82,864,911

B. Outside Bangladesh

Particulars	Currency	Amount	Rate	2023	2022
				Taka	Taka
Current Account					
Banco De Sabadell S.A., Spain	EURO	370,828.90	130.9691	48,567,127	3,234,381
Sonali Bank (UK) Limited, UK	GBP	114.00	142.4246	16,236	14,238
Sonali Bank (UK) Limited, UK	ACU	3,750.17	109.7500	411,581	9,926,346
Habib American Bank, New York, USA	USD	1,477,191.57	109.7500	162,121,775	38,947,905
Kookmin Bank, Seoul	USD	261,747.95	109.7500	28,726,838	3,662,380
Axis Bank Limited, Kolkata	ACU	1,460.72	109.7500	160,314	2,513,612
Meezan Bank Limited, Karachi	ACU	22,004.50	109.7500	2,414,994	1,490,948
AB Bank Ltd., Mumbai, India	ACU	13,056.91	109.7500	1,432,996	9,063,646
United Bank of India, Kolkata, India	ACU	193,060.15	109.7500	21,188,351	339,359
National Bank of Pakistan, Tokyo, Japan	JPY	77,878.00	0.8300	64,639	60,363
			Sub-Total	265,104,851	69,253,178
			Total (A+B)	450,739,643	152,118,089

	2023	2022
	Taka	Taka
4.1.1 Maturity-wise Grouping (Inside and Outside Bangladesh)		
Payable on Demand	450,739,643	152,118,089
Up to Three Months	-	-
Three Months to One Year	-	-
One Year to Five Years	-	-
Above Five Years	-	-
Total	450,739,643	152,118,089
4.2 Placement with banks & Other Financial Institutions		
Aviva Finance Limited	4,732,618,099	4,732,618,099
Phoenix Finance and Investments Ltd.	80,000,000	80,000,000
International Leasing and Financial Services Ltd.	129,435,260	129,435,260
Total	4,942,053,359	4,942,053,359
4.2.1 Maturity-wise Grouping (Placement with banks & other FI)		
Payable on Demand	3,512,053,359	3,512,053,359
Up to Three Months	1,430,000,000	1,430,000,000
Three Months to One Year	-	-
One Year to Five Years	-	-
Above Five Years	-	-
Total	4,942,053,359	4,942,053,359

	2023	2022
	Taka	Taka
5 INVESTMENTS IN SHARES AND SECURITIES		
Government Securities		
Bangladesh Govt. Islamic Investment Bonds	3,550,000,000	3,550,000,000
Bangladesh Govt. Investment Sukuk (Ijarah Sukuk)	4,971,490,000	4,971,490,000
Sub-total	8,521,490,000	8,521,490,000
Others		
Subordinated Bond	60,000,000	60,000,000
Beximco Green SUKUK	500,000,000	500,000,000
Mudaraba Perpetual Bond (standard Bank)	1,000,000,000	1,000,000,000
Quoted Shares (Note - 5.1)	141,020,658	192,186,172
Sub-total	1,701,020,658	1,752,186,172
Total	10,222,510,658	10,273,676,172

5.1 Quoted Shares

Name of Companies	Acquisition cost	Acquisition cost
Aamra Networks Limited	-	4,793,635
Aamra Tevhnnologies Limited	158,876	-
ACI Formulations Limited	8,653,358	8,653,358
ADN Telecom Limited	1,245,606	5,597,994
Anwar Galvanizing Ltd.	13,798,251	9,521,586
Baraka Power Limited	1,362,899	1,362,899
BDCOM Online Ltd.	-	3,403,204
Beacon Pharmaceuticals Limited	8,922,850	6,466,725
Bangladesh Export Import Company Ltd.	12,534,845	12,534,845
Baraka Patenga Power Limited	1,577,935	1,577,935
Bangladesh Shipping Corporation	3,397,636	15,614,880
Beximco Pharmaceuticals Ltd.	3,081,808	3,081,808
Dhaka Electric Supply Company Ltd.	1,863,869	1,863,869
Doreen Power Generations and Systems Limited	2,722,090	2,722,090
Dragon Sweater and Spinning Limited	882,200	882,200
eGeneration Limited	-	2,791,058
Eastern Housing Limited	1,229,566	1,541,043
Energypac Power Generation Limited	2,939,831	2,939,831
Fortune Shoes Limited	1,593,975	1,593,975
Genex Infosys Limited	4,423,632	7,497,634
Grameenphone Ltd.	15,911,713	15,911,713
Intraco Refueling Station Limited	3,884,748	2,109,289
Islami Bank Bangladesh Limited	-	3,685,220

	2023	2022
	Taka	Taka
Name of Companies	Acquisition cost	Acquisition cost
Islamic Finance & Investment Ltd.	2,119,285	2,119,285
Islami Insurance Bangladesh Limited	-	4,213,176
Jamuna Oil Company Limited	-	851,387
Kohinoor Chemicals Company (Bangladesh) PLC.	3,446,120	1,971,968
LafargeHolcim Bangladesh Limited	2,320,779	725,610
Linde Bangladesh Limited	2,512,137	2,512,137
MJL Bangladesh Limited	1,025,270	1,025,270
Meghna Petroleum Limited	-	1,001,999
Olympic Industries Ltd.	-	17,068,157
Orion Infusion Ltd.	914,879	1,568,363
Orion Pharma Ltd.	10,459,886	10,459,886
Padma Oil Co. Ltd.	957,833	957,833
Pharma Aids	1,197,029	1,197,029
Paramount Textile Limited	2,446,501	1,944,750
Quasem Industries Ltd.	428,741	428,741
SAIF Powertec Limited	787,333	787,333
Summit Alliance Port Limited	-	3,478,216
Sinobangla Industries Ltd.	-	3,800,278
Square Pharmaceuticals Ltd.	8,511,640	8,511,640
Summit Power Limited	521,483	521,483
Titas Gas Transmission & Dist. Co. Ltd.	2,037,973	2,037,973
Unique Hotel & Resorts Ltd.	2,291,214	-
United Power Generation & Distribution Company PLC.	3,600,251	3,600,251
Walton Hi-Tech Industries Ltd.	5,256,616	5,256,616
Total	141,020,658	192,186,172

5.2 Market Value of Quoted Shares
129,551,139
181,329,544
5.3 Maturity Grouping of Investments in Shares and Securities

On Demand

-

-

One Month to three Months

1,829,910,658

1,957,876,172

Three Months to One Year

2,421,100,000

2,344,300,000

One Year to Five Years

4,971,500,000

4,971,500,000

More than Five Years

1,000,000,000

1,000,000,000

Total
10,222,510,658
10,273,676,172
6 INVESTMENTS (All Inside Bangladesh)

General Investments etc. (Note-6.A)

254,855,856,229

221,503,076,683

Bills Purchased and Discounted (Note - 6.B)

836,056,960

772,361,795

Total
255,691,913,189
222,275,438,478

		2023	2022
		Taka	Taka
6.A	General Investment etc.		
	Inside Bangladesh		
	Bai Murabaha (Hypo)	632,932,879	632,848,879
	Bai Murabaha against MTDR	24,455,717,660	16,093,250,903
	Bai Murabaha TR (Non INST)	184,031,204,394	163,171,769,562
	Bai Murabaha TR (INST)	3,673,548,593	3,250,136,322
	Bai Murabaha (Post Import) TR	3,148,198,522	3,118,344,038
	Bai Murabaha Real Estate Material	2,417,748,611	2,221,262,500
	Bai Murabaha (TR) SME	4,031,178,157	4,934,286,351
	Bai Murabaha Agriculture	1,010,129,733	1,053,838,602
	Bai Murabaha (TR) Agriculture	536,500,630	241,486,593
	Bai Murabaha (TR) Women Entrepreneur	17,005,723	20,274,697
	Bai Murabaha Import Bill (MIB)	7,458,863	7,045,102
	Bai Murabaha under Stimulus Package	2,032,879,510	2,027,520,024
	Bai Murabaha (TR) under Credit Guarantee Scheme	470,645	823,900
	Bai Murabaha (TR) under CMSME	22,113,425	35,269,080
	Bai Murabaha (TR) under Line of Finance	66,154,176	33,663,241
	Bai Muazzal Real Estate (Short Term)	768,140,548	765,785,195
	Bai Muazzal (Guarantee)	69,575,906	72,740,106
	Bai Muazzal TR	1,089,154,672	1,091,680,000
	Bai Muazzal against BG (Bid Bond)	218,029,589	69,240,947
	Bai Muazzal against Import Bill	8,514,510,086	7,150,789,293
	Bai Muazzal Back to Back Bill	1,532,282,296	1,566,761,252
	Mudaraba Investment	498,307,210	592,522,193
	HPSM (Real Estate)	3,002,693,459	3,012,015,052
	HPSM (Transport)	348,255,151	280,087,042
	HPSM (SME)	85,773,050	81,897,890
	HPSM House Building Staff	565,425,862	618,090,676
	HPSM Rural Housing	339,077	644,071
	HPSM House Building General	271,265,441	292,586,540
	HPSM Industrial Term	2,652,708,179	2,320,280,652
	HPSM Machinery	4,498,619,711	3,931,749,776
	HPSM Machinery Women Entrepreneur	1,976,058	2,136,035
	HPSM Machinery and Industrial under CMSME	274,937,696	-
	Quard Investment	2,683,248,539	1,265,585,032
	Car Leasing Scheme Staff	47,159,351	32,114,313
	Murabaha EDF Investment General	125,653	125,653
	Murabaha EDF Investment	1,495,681,789	1,365,339,810
	Bai Istisna	118,625,717	113,342,850
	HPSM Consumer Durables (Scheme)	35,779,668	35,742,511
		254,855,856,229	221,503,076,683
	Outside Bangladesh	-	-
	Sub-Total	254,855,856,229	221,503,076,683

	2023	2022
	Taka	Taka
6.B Bills Purchased and Discounted		
Payable in Bangladesh	836,056,960	772,361,795
Payable outside Bangladesh	-	-
Sub-total	836,056,960	772,361,795
Total (A+B)	255,691,913,189	222,275,438,478

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

Particulars	Total Files	Compiled Files	% of Compliance
BRPD Circular Letter no. 04	290	47	16
BRPD Circular Letter no. 35	290	29	10

6.1 Maturity Grouping of Investments		
Payable on Demand	51,902,900,000	45,141,900,000
Up to Three Months	61,103,700,000	53,118,800,000
Three Months to One Year	124,614,213,189	108,188,238,478
One Year to Five Years	7,789,500,000	6,770,100,000
Above Five Years	10,281,600,000	9,056,400,000
Total	255,691,913,189	222,275,438,478

6.2 Analysis to disclose the following Significant Concentration including Bills Purchased & Discounted		
Investments to Directors of other Banks	12,703,507,946	12,718,548,635
Investments to Chief Executive and Other high Officials	-	-
Investments to Customers Group	184,347,886,049	156,753,369,699
Investments to Industry	58,007,096,191	52,131,691,275
Investment to staff	633,423,003	671,828,869
Total	255,691,913,189	222,275,438,478

6.3 Investments to Customers amounting to 10% or more of UBL's Total Regulatory Capital		
Number of Clients	18	14
Amount of Outstanding Investments:		
Funded	21,307,100,000	18,543,400,000
Non-funded	1,434,300,000	783,700,000
Total	22,741,400,000	19,327,100,000

	2023	2022
	Taka	Taka
6.4 Sector wise Investments		
Agriculture	1,594,435,484	1,407,399,322
Ready Made Garments (RMG)	4,413,786,691	4,060,955,438
Textile	17,617,775,435	15,171,916,578
Ship Building	-	7,279,577
Other Manufacturing industry	10,078,529,188	15,110,008,831
SME Investment	3,977,352,470	5,338,308,735
Construction	3,478,624,156	6,461,203,277
Power, Gas	1,847,605,727	1,913,618,227
Transport, Storage and Communication	315,394,033	287,094,026
Trade Service	180,448,311,157	153,444,664,781
Commercial real estate financing	12,110,430,009	11,407,054,343
Residential real estate financing	282,885,810	928,871,285
Consumer investment	661,558,679	69,458,104
Capital market	498,307,210	1,332,076,893
Others	18,366,917,140	5,335,529,061
Total	255,691,913,189	222,275,438,478
6.5 Geographical Location-wise Investments		
Urban		
Dhaka	117,074,149,090	110,631,598,344
Chattogram	108,753,031,965	88,488,036,516
Barishal	125,532,195	78,376,930
Rajshahi	224,136,575	206,756,003
Khulna	251,960,563	189,232,472
Rangpur	341,017,352	194,505,086
Sylhet	215,116,474	101,767,757
Mymensingh	92,414,709	16,109,027
	227,077,358,923	199,906,382,135
Rural		
Dhaka	486,702,386	553,724,043
Chattogram	27,914,734,913	21,599,387,226
Barishal	-	-
Rajshahi	39,667,728	31,197,926
Khulna	7,349,529	440,802
Rangpur	68,493,361	90,596,423
Sylhet	97,606,349	93,709,923
Mymensingh	-	-
	28,614,554,266	22,369,056,343
Total	255,691,913,189	222,275,438,478

		2023	2022
		Taka	Taka
6.6	Classification of Investments as per Bangladesh Bank (BRPD) Circular		
	Unclassified		
	Standard	244,326,319,215	212,175,103,243
	Special Mention Account	2,102,543,616	2,235,618,809
		246,428,862,831	214,410,722,052
	Classified		
	Sub-standard	1,945,139,993	1,499,478,472
	Doubtful	818,047,039	726,563,309
	Bad & Loss	6,499,863,327	5,638,674,645
		9,263,050,359	7,864,716,426
	Total	255,691,913,189	222,275,438,478

6.7 Particulars of Required Provision for Investments and Off Balance Items

Classification status	Rate	Base for Provision	31.12.2023	31.12.2022
			Taka	Taka
Unclassified (a)				
Standard :				
Unclassified investment (excluding Staff Investments)	1% (Ex. RSDL BB NOC)	226,822,007,080	2,332,520,071	1,964,219,615
Staff Investments	0%	620,848,251	-	-
Small & Medium Enterprise Financing (SMEF)	0.25%	3,030,675,936	7,576,690	32,592,745
Consumer Financing (Other than HF & LP)	2%	28,066,893	561,338	389,461
Housing Finance (HF)	1%	245,448,271	2,454,482	2,751,021
Investment to BHs/MBs/SDs	2%	498,307,210	4,983,072	10,236,538
Short Term Agriculture Credit	1%	898,703,872	8,987,039	9,701,646
Reschedule BB NOC		12,182,261,703	254,918,784	563,483,300
Special Mention Account (SMA)		2,081,336,697	13,886,038	19,171,263
			2,625,887,514	2,602,545,590
Classified (b)				
Sub-Standard	20% & 50% (Agi, Cottage & Micro Credit) 50%; 20%	877,541,851	165,082,873	94,264,991
Doubtful	(Cottage & Micro Credit) & 5% (Agri)	578,081,612	280,512,089	132,584,343
Bad & Loss	100%	3,445,550,080	3,265,290,380	2,829,959,274
			3,710,885,342	3,056,808,608

			2023	2022
			Taka	Taka
	Off-Balance Sheet Exposure (c)		48,000,000	136,124,263
	SPECIAL GENERAL PROVISION COVID-19 (d)		316,000,000	315,148,593
	Required Provision for Investment (a+b+c+d)		6,700,772,855	6,110,627,054
	Total Provision Maintained		6,716,000,000	6,121,400,000
	Provision Excess/(Shortfall)		15,227,145	10,772,946
	Particulars of Provision for Off-Balance Sheet Items :			
	Acceptance and Endorsements	1.00%	1,039,342,650	10,393,427
	Letter of Guarantee	1.00%	3,251,832,396	32,880,507
	Irrevocable Letters of Credit	0.50%	945,213,213	4,726,066
	Bills for Collection	0.00%	780,456,687	-
	Others		-	80,000,000
			48,000,000	136,124,263
	* Details of provision is shown in note 2.8.2			
6.8	Particulars of Investments			
i)	Investments considered good in respect of which the Bank Company is fully secured		172,236,004,013	205,252,507,487
ii)	Investments considered good for which the bank holds no Security other than the debtors personal security		83,455,909,176	17,022,930,991
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		255,691,913,189	222,275,438,478
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		7,864,716,426	6,756,128,599
	Increase/ (Decrease) during the year		1,398,333,933	1,108,587,827
			9,263,050,359	7,864,716,426
b.	Amount of provision kept against investment classified as 'bad/loss' on the reporting date of Balance Sheet		3,718,000,000	3,058,000,000
c.	Profit credited to the profit/Rent/Compensation Suspense		2,427,548,281	2,256,320,294

		2023	2022
		Taka	Taka
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	709,092	669,092
e.	Amount of investment written- off against which suit has been filled to recover the same.	-	-
6.9	Security against Investments including bills purchased and discounted		
	Collateral of movable/immovable assets	144,923,871,329	197,021,428,549
	Local banks & financial institutions guarantee	-	-
	Government Guarantee	-	-
	Foreign Banks guarantee	-	-
	Export documents	139,916,362	1,077,602,836
	Fixed deposits receipts:		
	Own MTDR	25,508,015,324	8,231,078,938
	MTDR of other Banks	-	-
	Government Bonds	-	-
	Personal guarantee	83,455,909,177	-
	Other security	1,664,200,997	15,945,328,155
	Unsecured	-	-
	Total	255,691,913,189	222,275,438,478
6.10	Maturity Grouping of Bills Purchased and Discounted		
	Payable within one month	572,456,960	528,861,795
	Over one month but less than three months	183,400,000	169,400,000
	Over three months but less than six months	80,200,000	74,100,000
	Six Months and Above	-	-
	Total	836,056,960	772,361,795
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	1,299,972,044	1,218,427,738
	Office Equipment	1,222,466,035	1,148,135,640
	Vehicles	130,455,767	123,769,259
	Books	532,445	512,614
		5,320,176,631	5,157,595,591
	Less: Accumulated Depreciation	1,458,418,269	1,273,204,128
		3,861,758,362	3,884,391,463
	Lease Assets-Premises		
	Right-of-use assets	1,506,945,203	1,249,060,400
	Less: Accumulated Depreciation	359,469,980	180,326,821
		1,147,475,223	1,068,733,579
	Total	5,009,233,585	4,953,125,042

	2023	2022
	Taka	Taka

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)	1,124,497,424	11,237,330,520
Accrued Income on MTDR	1,005,895,697	631,833,389
Advances, Deposits and Prepayment (Note - 8.1)	357,583,042	332,071,490
Stock of Stationery	21,499,382	26,826,728
Suspense Account (Note - 8.2)	445,671,467	536,534,912
Deferred tax asset (Note - 8.3)	99,931,145	105,734,209
Stamps on Hand	2,974,735	3,111,109
Total	3,058,052,892	12,873,442,357

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	23,486,945	58,049,648
Prepayment	334,096,097	274,021,842
Total	357,583,042	332,071,490

8.2 Suspense Account

Sundry Debtors	445,671,467	536,534,912
Advance against New Branch	-	-
Total	445,671,467	536,534,912

8.3 Deferred Tax Assets

Opening Balance	105,734,209	97,904,339
Add: Addition during the year	(5,803,064)	7,829,870
	99,931,145	105,734,209
Less: Adjustment during the year	-	-
Closing Balance	99,931,145	105,734,209

8.3.1 Deferred tax income Recognized in Profit and Loss Account:

	Accounting base	Tax base	Deductible temporary difference
As on 31 December 2023			
Property, plant and equipment	3,861,758,362	4,073,236,616	211,478,254
Deferred liability - Gratuity	55,004,799	-	55,004,799
			266,483,053
Current tax rate			37.50%
Deferred tax Asset at closing			99,931,145
Deferred tax Asset at beginning			105,734,209
Deferred tax expense Recognized during the year			(5,803,064)

		2023	2022
		Taka	Taka
9	PLACEMENT FROM BANK AND OTHER FINANCIAL INSTITUTIONS		
	Inside Bangladesh		
	Bangladesh Bank (Refinance Scheme)	128,473,430	47,385,000
	Bangladesh Govt. Islami Investment Bond Funds	6,500,000,000	6,500,000,000
	Bangladesh Bank Cover Fund against QSF	808,216,000	808,216,000
	Bangladesh Bank Export Development Fund (EDF)	435,272,570	453,441,310
	Islamic Banks Liquidity Facility Fund (IBLF)	4,720,000,000	4,620,000,000
	Line of Finance to Support SME Project	55,000,000	104,000,000
	Banagladech Bank CMSME Pre-Finance Scheme	719,800,000	-
	Export Facilitation Pre-Finance Fund	358,357,843	-
	Overnight Overdraft Facility	14,000,000,000	14,650,000,000
		27,725,119,843	27,183,042,310
	Outside Bangladesh	-	-
	Total	27,725,119,843	27,183,042,310
A.	Security- wise grouping		
	Secured Placement	-	-
	Unsecured Placement	27,725,119,843	27,183,042,310
	Total	27,725,119,843	27,183,042,310
B.	Repayment Nature wise Grouping		
	Repayable on demand	-	-
	Others	27,725,119,843	27,183,042,310
	Total	27,725,119,843	27,183,042,310
C.	Maturity Analysis		
	Repayable on Demand	-	-
	Repayable within One Month	22,556,900,000	23,068,500,000
	One Month to Six Months	3,678,400,000	3,670,200,000
	Six Month to One Year	1,489,819,843	444,342,310
	One Year to Five Years	-	-
	Five Years to Ten Years	-	-
	Unclaimed Deposits Ten Years and Over	-	-
	Total	27,725,119,843	27,183,042,310
10	DEPOSITS AND OTHER ACCOUNTS		
	Mudaraba Savings Deposits (Note-10.1)	9,900,330,085	9,572,233,722
	Mudaraba Term Deposits (Note-10.2)	128,793,323,488	119,170,884,952
	Other Mudaraba Term Deposits (Note-10.3)	48,605,195,389	47,351,317,059
	Al-Wadia Current Accounts and Other Accounts (Note-10.4)	37,172,907,600	35,778,558,120
	Bills Payable (Note-10.5)	1,113,616,202	1,502,303,666
	Total	225,585,372,764	213,375,297,519

	2023	2022
	Taka	Taka
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	891,029,708	861,501,035
91% of total Mudaraba Savings Deposits	9,009,300,377	8,710,732,687
Total	9,900,330,085	9,572,233,722
10.2 Mudaraba Term Deposits- Maturity wise Grouping		
Payable on Demand	4,321,549,826	2,729,227,272
Up to Three Months	44,440,002,628	37,326,494,166
From Three Months to Six Months	22,444,159,646	21,072,598,480
Above Six Months to One Year	35,194,151,037	36,167,937,856
Above One Year to Two Years	46,772,545	65,368,550
Above Two Years	22,346,687,806	21,809,258,628
Total	128,793,323,488	119,170,884,952
10.3 Other Mudaraba term Deposits		
Mudaraba Monthly Savings Scheme	7,428,586,827	7,182,985,979
Mudaraba Double Benefit Deposits Scheme	9,861,928,725	8,583,581,853
Mudaraba Monthly Profit Scheme	26,731,054,661	26,812,645,847
Mudaraba Millionaire Savings Scheme	1,471,778,679	1,570,413,187
Mudaraba Kotipoti Deposit Scheme	82,258,627	103,950,010
Mudaraba Marriage Scheme	211,504,920	191,337,812
Mudaraba Probashi Sanchay Prokolpo	44,147,979	22,722,769
Mudaraba Hajj Deposit Scheme	46,727,844	44,558,767
Mudaraba Union Pension Prokolpa	46,722,456	65,199,980
Mudaraba Muhor Savings Scheme	101,749,291	89,474,027
Mudaraba Corepoty Sanchaya Scheme	917,357,635	759,466,429
Mudaraba Privileged Deposit Scheme	183,335,650	155,119,156
Mudaraba Barakah Deposit Scheme	22,805,282	37,891,216
Mudaraba Femina Deposit Scheme	340,141,858	94,994,000
Mudaraba Senior Citizen Deposit Scheme	81,406,149	18,419,000
Mudaraba Waleda Monthly Profit Scheme	973,168,676	1,572,749,027
Mudaraba Lifestyle Deposit Scheme	60,520,130	45,808,000
Total	48,605,195,389	47,351,317,059
10.4 Al-Wadiah Current Accounts & Other Deposit Accounts		
Al-wadiah Current Deposits	5,387,434,680	6,091,082,278
Unclaimed Cash Dividend	65,156,088	33,640,608
Mudaraba Short Notice Deposits	29,122,439,638	27,557,205,999
Sundry Deposits (Note-10.4.1)	2,597,877,194	2,096,629,235
Total	37,172,907,600	35,778,558,120

	2023	2022
	Taka	Taka
10.4.1 Sundry Deposits		
Security Deposit	560,972,749	624,620,062
Sundry Creditors	1,086,729,015	505,438,269
Income Tax Deduction at Source -Profit on Deposits	314,810,983	300,511,216
Income Tax on Profit Paid on Mudaraba Subordinated Bond	2,538,528	3,062,200
Income Tax on Export bill (Foreign)	1,794,349	2,929,446
Income Tax on Export bill (Local)	1,349,202	1,246,972
Income Tax on Local/Buying Agents Commission & Others	779,828	1,277,611
Excise Duty on Deposits & Investments	293,887,169	299,718,223
Tax on Payment to Foreign Person	741,995	447,850
VAT on Online Charge	84,871	104,867
VAT on Commission TT/DD/PO/LG	39,256	38,236
VAT on Service Charge and Others	8,578,254	5,494,854
VAT Deduction Bills Paid	8,672,439	3,783,142
VAT Deduction from advertisement Bill	148,774	666,568
VAT on Rent	2,876,979	2,556,345
VAT on Director's Fee	20,000	24,000
VAT on Indenting Commission	1,628	14,230
VAT on L/C Commission	130,408	113,360
VAT on Postage	25,666	58,260
VAT on Security Service	716,226	626,342
VAT on Swift Charge	47,910	17,100
VAT on L/C Advising Charge	350,234	322,752
VAT on Pally Bidyut bill	1,954,200	1,745,455
VAT on Acceptance Commission	22,127	20,338
VAT on Bank Guarantee Commission	258,562	231,704
VAT on PO/DD/FDD Collection charge	114,559	104,169
VAT on commission on export bill	11,047	15,399
VAT on income from ATM	232,232	64,709
VAT on Processing Fee on Investment	211,156	231,750
VAT in Misc. Earnings	44,108	18,087
Income Tax Deduction at Source - Office rent	957,624	846,208
Income Tax Deduction at Source - Bills	7,386,968	4,480,917
Income Tax Deduction at Source - Advertising Bill	86,331	178,032
Income Tax Deduction at Source-Employee's	5,034,836	5,672,130
Income Tax on Directors' Fee	20,000	24,000
Income Tax on Indenting Commission	414,557	173,776
Marginal Deposit Export	21,432,397	16,173,484
F.C. Held against B.B L/C	208,894,463	269,229,063
Sundry Deposit - Swift charge	21,946,725	19,928,683
Sundry Deposit LAC (Export)	5,632,577	4,616,112
S/D/A/C ATM Charge collection Account	8,259	7,906
Credit report collection fee	433,554	22,743
ATM Charge Collection (NPSB)	18,276	20,389
S/D/A/C VAT on Polli Bidyut Samity	15,780,843	8,136,012
Central Fund (RMG Sector)	51,830	70,723
NR. Taka A/C Small World Finance	1,511,852	222,978
Security Deposit A/C Small World Finance	1,097,500	1,050,000
NR. Taka A/C Xpress Money Services	841,539	841,539
Security Deposit A/C Xpress Money Services	1,097,500	1,050,000
S/D Cash incentive against export	337,954	82,205
NR. Tk. A/C Transfast Remittance	8,991,185	3,054,348
Settlement A/C Cash Incentive on Foreign Remittance	4,166	58,655
Mobile Top up Settlement Account	689,962	717,004
Nagad Adjustment Account	1,062,382	352,535
Bkash Adjustment Account	3,794,888	3,066,277
Pre-Registration Fee-PVT/GVT MGT. Pilgrim	1,107,072	-
SD. A/C Transfast Remittance, LLC	1,097,500	1,050,000
Total	2,597,877,194	2,096,629,235

		2023	2022
		Taka	Taka
10.5	Bills Payable		
	Pay Order Issued	1,113,616,202	1,502,303,666
	Demand Draft Issued	-	-
	Total	1,113,616,202	1,502,303,666
10.6	Maturity wise Grouping of Deposits and Other Accounts		
	Repayable within One Month	23,168,600,000	18,468,700,000
	One Month to Three Months	69,248,500,000	67,568,500,000
	Three Months to One Year	71,700,972,764	68,859,897,519
	One Year to Five Years	53,878,700,000	51,210,000,000
	Repayable over Five Years	7,588,600,000	7,268,200,000
	Total	225,585,372,764	213,375,297,519
10. A	Deposits received from Banks (Note A-1)	46,824,121,310	40,405,272,225
10.B	Deposits received from other than Bank		
	Payable on Demand (Note B-1)	10,055,113,872	10,585,156,822
	Other Deposits (Note B-2)	168,706,137,582	162,384,868,472
	Total	178,761,251,454	172,970,025,294
10. A.1	Deposits Received from Banks		
	AB Bank PLC.	213,264	214,794
	Bangladesh Commerce Bank PLC.	1,405,026,336	27,809
	Janata Bank PLC.	1,500,000,000	1,300,000,000
	Islami Bank Bangladesh PLC.	29,112,853,573	27,344,909,367
	BRAC Bank PLC.	502,990	503,490
	Al-arafah Islami Bank PLC.	2,500,000,000	2,000,000,000
	Agrani Bank PLC.	2,720,000,000	3,495,000,000
	Sonali Bank PLC.	798,726,472	977,289,343
	Social Islami Bank PLC.	5,824,565,562	3,146,068,434
	Rajshahi Krishi Unnayan Bank PLC.	-	50,000,000
	Rupali Bank PLC.	2,000,000,000	1,500,000,000
	Trust Bank PLC.	3,579	1,211,082
	NRB Commercial Bank PLC.	9,389,352	45,111,364
	South Bangla Agriculture and Commerce Bank PLC.	3,038	4,318
	First Security Islami Bank PLC.	42,053,054	21,689,638
	Exim Bank PLC.	60,754,708	207,183,420
	Global Islami Bank PLC.	850,029,382	316,059,166
	Total	46,824,121,310	40,405,272,225
	Maturity wise Grouping of Deposits Received from Banks		
	Repayable on Demand	-	-
	Repayable within One Month	23,885,394,838	20,582,982,881
	Repayable over One Month but within Six Months	22,938,726,472	19,822,289,344
	Repayable over Six Months but within one Year	-	-
	Repayable over One Year but within Five Years	-	-
	Repayable over Five Years but within Ten Years	-	-
	Unclaimed Deposits for Ten Years and above	-	-
	Total	46,824,121,310	40,405,272,225

		2023	2022
		Taka	Taka
B-1	Payable on Demand		
	Al-wadiah Current Deposits	5,452,590,768	6,124,722,886
	Mudaraba Saving Deposits (9%) (Note-10.1)	891,029,708	861,501,035
	Bills Payable (Note-10.5)	1,113,616,202	1,502,303,666
	Sundry Deposits (Note-10.4.1)	2,597,877,194	2,096,629,235
	Total	10,055,113,872	10,585,156,822
B- 2	Other Deposits		
	Mudaraba Saving Deposits (91%) (Note-10.1)	9,009,300,377	8,710,732,687
	Mudaraba Term Deposits	103,204,597,016	98,048,595,608
	Mudaraba Short Notice Deposits	7,887,044,800	8,274,223,118
	Other Mudaraba Term Deposits (Note-10.3)	48,605,195,389	47,351,317,059
	Total	168,706,137,582	162,384,868,472
11	OTHER LIABILITIES		
	Inter - branch Transaction Account	-	-
	Current Tax Liabilities (Note-11.1)	1,195,350,962	466,746,427
	Accumulated Provision against Investments (Note-11.2)	6,716,000,000	6,121,400,000
	Accrued Profit and Expenses Payable (Note-11.3)	3,914,908,378	3,087,192,868
	Provision for Gratuity (Note-11.4)	71,004,799	78,028,547
	Provisions for diminution in value of Investments in share (Note-11.5)	36,800,000	21,800,000
	Provision for Expenses on Borrowing from Bangladesh Bank	11,000,000	-
	Provision for Zakat	82,000,000	66,100,000
	Provision for Expenses on Mudaraba Subordinated Bond	73,870,363	90,453,589
	Other provisions (Note - 11.2.5)	542,837,121	108,474,434
	Lease Liabilities	926,978,823	900,463,955
	Provident Fund	6,101,776	16,382,494
	Benevolent Fund	626,987	1,232,987
	Provision for Incentive Bonus	71,098,326	163,068,925
	Provision for Audit fee	345,000	345,000
	Clearing adjustment account	6,864,061,378	3,378,797
	Compensation Realized	64,225,189	60,870,234
	NPSB Transaction Adjustment Account	15,628,869	13,980,863
	Profit Rent Suspense	2,427,548,281	2,256,320,294
	Compensation Receivable	71,591,521	219,937,593
	Unclaimed Dividend	24,640,000	24,640,000
	Start-up Fund	49,824,964	33,742,651
	CSR Fund	39,940,964	23,858,651
	Others	92,798,887	111,757,632
	Total	23,299,182,588	13,870,175,941

	2023	2022
	Taka	Taka
11.1 Current Tax Liabilities		
Provision for Taxation		
Opening balance	7,821,346,523	6,256,226,158
Add : Provision made during the year	1,620,000,000	1,565,120,365
Less : Adjustment during the year	1,045,674,045	-
	8,395,672,478	7,821,346,523
Advance Income Tax		
Opening balance	7,354,600,096	5,812,106,428
Add : Paid during the year	1,210,079,491	1,542,493,668
Less : Adjustment during the year	1,364,358,071	-
	7,200,321,516	7,354,600,096
Net Tax Liabilities	1,195,350,962	466,746,427

Assessment for the year 2013, 2014, 2015, 2016 & 2018 has been settled. Assessment for the year 2017, 2019 & 2020 are pending with the Taxes Appellate Tribunal. Assessment for the year 2021 & 2022 are pending with the Commissioner of Taxes (Appeal). The submission of return for the year 2023 is not yet due. The Bank is confident that once these appeals are finally disposed of, there should not be any additional tax demand against the Bank and hence no further provision is required.

11.1.a Provision for current tax made during the period			
Income Tax @ 37.5% on estimated taxable Business Profit		1,618,447,640	1,564,652,260
Income Tax @ 20% on Divident Income		681,499	36,000
Income Tax @ 10% on Capital Gain on Sale of Share		870,861	432,106
Estimated Total Provision Required		1,620,000,000	1,565,120,365
Computation of Taxable Business Profit			
Profit before Taxes & provision		4,404,889,598	4,148,576,868
Add: Inadmissible expenditure		433,872,810	265,572,839
		4,838,762,408	4,414,149,707
Less: Allowable Expenditure & Separate consideration		421,201,209	241,743,681
Estimated Taxable Business Profit for the year		4,417,561,199	4,172,406,026
11.1.b Reconciliation of effective tax rate			
	Particulars	Effective rate	
			31.12.2023
			31.12.2022
Profit before incomes taxes and provision as per profit and loss account			4,404,889,598
Income taxes as per applicable tax rate	37.50%	1,613,695,790	1,555,716,326
Factors affecting the tax charge for current year:			
Inadmissible expenses	3.69%	162,702,304	99,589,815
Admissible expenses in the current year	-3.48%	(153,406,913)	(88,965,983)
Tax saving from reduce tax rates for dividend	-0.01%	(596,312)	(31,500)
Tax loss/(saving) from reduce tax rates for capital gain	-0.05%	(2,394,868)	(1,188,291)
Total income Tax Expenses	37.64%	1,620,000,000	1,565,120,365

	2023	2022
	Taka	Taka
11.2 Accumulated Provision against Investments		
Specific Provision for Classified Investments (Note -11.2.1)	3,718,000,000	3,058,000,000
General Provision for Unclassified Investment (Note -11.2.2)	2,634,000,000	2,610,400,000
General Provision for off- balance sheet exposure (Note -11.2.3)	48,000,000	137,000,000
Special General Provisions for Covid - 19 (Note -11.2.4)	316,000,000	316,000,000
Total	6,716,000,000	6,121,400,000
11.2.1 Movement in Specific Provision for Classified Investments		
Provision held at the beginning of the year	3,058,000,000	2,317,654,000
Fully Provided Debts written off	-	-
Recoveries of amounts previously written off	-	-
Transfer to Unclassified Investments	-	36,400,000
Specific Provision for the year	660,000,000	703,946,000
Recoveries and Provisions no longer required	-	-
Net Charge to Profit and Loss Account	-	-
Provision held at the end of the year	3,718,000,000	3,058,000,000
11.2.2 General Provision for Unclassified Investments		
Provision held at the beginning of the year	2,610,400,000	2,390,000,000
Addition during the year	14,541,340	203,000,000
Transfer from Special General Provision for Covid - 19	-	33,800,000
Transfer to Classified Investments	-	(36,400,000)
Transfer from off-balance sheet exposure with others	9,058,660	20,000,000
Provision held at the end of the year	2,634,000,000	2,610,400,000
11.2.3 General Provision for off-balance sheet exposure		
Provision held at the beginning of the year	137,000,000	77,000,000
Addition during the year	-	80,000,000
Adjustment during the year	(79,941,340)	-
Transfer to Unclassified Investment	(9,058,660)	(20,000,000)
Provision held at the end of the year	48,000,000	137,000,000
11.2.4 Special General Provisions for Covid - 19		
Provision held at the beginning of the year	316,000,000	500,000,000
Addition during the year	-	-
Transfer to Unclassified Investment	-	(33,800,000)
Transfer during the year	-	(150,200,000)
Provision held at the end of the year	316,000,000	316,000,000

	2023	2022
	Taka	Taka
11.2.5 Other Provisions		
Provision held at the beginning of the year	108,474,434	17,567,214
Addition during the year	481,942,041	90,907,220
Adjustment/transfer during the year	47,579,354	-
Provision held at the end of the year	542,837,121	108,474,434
Other provisions consist of provision for Good Borrower, Climate Risk Fund and ICT Equipment Insurance Premium Fund.		
11.2.5.1 Provision for Good Borrower		
Provision held at the beginning of the year	11,500,000	10,500,000
Addition/transfer during the year	1,000,000	1,000,000
Provision held at the end of the year	12,500,000	11,500,000
To comply BRPD Circular no. 6 dated March 19 2015, BRPD letter no-16 dated 30 December 2015 and BRPD letter no-3 dated 16 February 2016 the Bank has been maintaining a provision of lump sum amount for incentive of good borrower.		
11.2.5.2 Provision for doubtful income		
Provision held at the beginning of the year	47,579,354	-
Addition during the year	50,000,000	47,579,354
Adjustment/transfer during the year	47,579,354	-
Provision held at the end of the year	50,000,000	47,579,354
11.2.5.3 Provision for Other Assets		
Provision held at the beginning of the year	40,400,000	-
Addition during the year	3,600,000	40,400,000
Adjustment/transfer during the year	-	-
Provision held at the end of the year	44,000,000	40,400,000
11.2.a Provision for Investments during the year		
Specific Provision for Classified Investments	660,000,000	703,946,000
General Provision for Unclassified Investments	14,541,340	213,000,000
General Provision for off- balance sheet exposure	-	80,000,000
Special General Provisions for Covid - 19	-	-
Provision held at the end of the year	674,541,340	996,946,000
11.3 Accrued Profit and Expenses Payable		
Mudaraba Term Deposit Receipt	2,837,999,867	2,078,384,342
Mudaraba Monthly Benefit Savings Scheme	323,101,747	317,938,157
Mudaraba Double Benefit Savings Scheme	454,354,349	433,949,463
Mudaraba Monthly Profit Scheme	123,921,403	95,619,358
Mudaraba Pension Prokolpa	1,972,721	2,682,499
Mudaraba Marriage Deposit Scheme	8,477,930	7,867,129
Mudaraba Hajj Deposit Scheme	1,842,775	1,811,457
Mudaraba Millionaire Savings Scheme	84,840,163	88,993,970
Mudaraba Kotipoti Deposit Scheme	4,042,078	5,104,349
Mudaraba Probashi Sanchay Prokolpo	1,547,882	824,077
Mudaraba Mohor Saving Scheme	4,023,231	3,716,162
Mudaraba Corepoty Sanchaya Prokalpa	43,463,928	35,101,322
Mudaraba Privileged Deposit Scheme	6,533,293	5,200,082
Mudaraba Femina Deposit Scheme	10,383,425	2,283,168
Mudaraba Senior Citizen Deposit Scheme	2,322,376	410,677
Mudaraba Waleda Monthly Profit Scheme	3,996,029	4,929,564
Mudaraba Lifestyle Deposit Scheme	1,271,525	927,086
Mudaraba Barakah Deposit Scheme	813,656	1,450,006
Total	3,914,908,378	3,087,192,868

		2023	2022
		Taka	Taka
11.4	Provision for Gratuity		
	Opening Balance	78,028,547	68,887,963
	Add: Provision made during the year	71,000,000	75,000,000
		149,028,547	143,887,963
	Less: Adjustment	78,023,748	(65,859,416)
	Closing Balance	71,004,799	78,028,547
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	15,000,000	-
		36,800,000	21,800,000
	Less: Adjustment	-	-
	Closing Balance	36,800,000	21,800,000
12	CAPITAL		
	AUTHORISED CAPITAL		
	2,000,000,000 Ordinary Shares of Taka 10 each.	20,000,000,000	20,000,000,000
12.1	Issued, Subscribed and Paid-Up Capital		
	428,000,000 nos. of ordinary shares @ Tk. 10 each issued for cash on 07.07.2013	4,280,000,000	4,280,000,000
	42,800,000 nos. of bonus shares @ Tk. 10 each issued on 20.06.2017	428,000,000	428,000,000
	56,496,000 nos. of bonus shares @ Tk. 10 each issued on 18.10.2018	564,960,000	564,960,000
	31,637,760 nos. of bonus shares @ Tk. 10 each issued on 29.12.2020	316,377,600	316,377,600
	428,000,000 nos. of shares @ Tk. 10 raised IPO on 18.01.2022	4,280,000,000	4,280,000,000
	49,346,688 nos. of bonus shares @ Tk. 10 issued 08.05.2023	493,466,880	-
	Total 1036,280,448 Ordinary Shares of Taka 10 each issued	10,362,804,480	9,869,337,600
12.2	Category of shareholding as at 31 December 2023		
	Name of Category	Percentage (%)	Percentage (%)
	Sponsors/Directors	56.50	56.50
	Institutes	10.70	10.55
	Non-Resident Bangladeshi	0.01	0.01
	General Public	32.79	32.94
		100.00	100.00
12.3	Classification of Shareholders by holding position as at 31 December 2023		
	Shareholding Range	No. of Shares	Percentage (%)
	Less than 500 Shares	1,424,303	0.14
	501 to 5000 Shares	140,215,852	13.53
	5001 to 10,000 Shares	27,181,794	2.62
	10,001 to 20,000 Shares	23,932,036	2.31
	20,001 to 30,000 Shares	16,586,677	1.60
	30,001 to 40,000 Shares	13,034,171	1.26
	40,001 to 50,000 Shares	8,770,182	0.85
	50,001 to 100,000 Shares	31,969,576	3.09
	100,001 to 1,000,000 Shares	102,629,948	9.90
	Over 1,000,001 Shares	670,535,909	64.71
		1,036,280,448	100.00

	2023	2022
	Taka	Taka
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	10,362,804,480	9,869,337,600
Statutory Reserve	3,675,520,635	3,028,782,768
Other Reserve	145,749,665	145,749,665
Retained Earnings	2,153,814,553	2,236,430,980
Adjustment for Deferred Tax Assets	(99,931,145)	(105,734,209)
	16,237,958,188	15,174,566,804
b. Additional Tier –1 Capital (AT-1)	-	-
Total Tier 1 Capital (a + b)	16,237,958,188	15,174,566,804
II. Tier –2 Capital		
General Provision	2,998,000,000	3,063,400,000
Mudaraba Subordinated Bond	2,400,000,000	3,200,000,000
Excess Amount over Maximum Limit of T-2	-	-
	5,398,000,000	6,263,400,000
A. Total Regulatory Capital (I+II)	21,635,958,187	21,437,966,804
B. Total Risk Weighted Assets	194,684,743,630	187,564,459,174
C. Minimum Capital Requirement	19,468,474,363	18,756,445,917
D. Capital Surplus/(Shortfall); (A - C)	2,167,483,824	2,681,520,887
Capital to Risk Weighted Assets Ratio (CRAR)	11.11%	11.43%
Capital to Risk Weighted Assets Ratio (CRAR):	Held	Held
a. Common Equity Tier-1 Capital to Risk Weighted Assets	8.34%	8.09%
b. Tier - 1 Capital to Risk Weighted Assets	8.34%	8.09%
c. Tier - 2 Capital to Risk Weighted Assets	2.77%	3.34%
Total (b+c)	11.11%	11.43%
At the end of 31 December 2023, Capital to Risk Weighted Assets Ratio (CRAR) stands at 11.11% where total regulatory Capital is BDT 2,163.60 crore and Risk Weighted Assets is BDT 19,468.47 crore.		
13 STATUTORY RESERVE		
Opening Balance	3,028,782,768	2,414,624,395
Transferred during the year from Profit & Loss A/C	646,737,867	614,158,373
Closing Balance	3,675,520,635	3,028,782,767
14 OTHER RESERVE	145,749,665	145,749,665

		2023	2022
		Taka	Taka
15	RETAINED EARNINGS		
	Opening Balance	2,236,430,980	1,860,824,892
	Add: Net Profit after tax for the year	1,607,886,270	1,513,501,368
	Transferred to Statutory Reserve	(646,737,867)	(614,158,373)
	Transferred to Start-up Fund	(16,078,863)	(15,135,014)
	Transferred to CSR Fund	(16,078,863)	(15,135,014)
	Cash Dividend Paid	(518,140,224)	(493,466,880)
	Transferred to Paid up Capital	(493,466,880)	-
	Closing Balance	2,153,814,553	2,236,430,980
16	LETTER OF GUARANTEES		
	Money for which the Bank is contingently liable in respect of guarantees are given favoring:		
	Letters of Guarantee - Local	2,619,239,110	2,431,271,913
	Letter of Guarantee - Foreign	-	-
	Total	2,619,239,110	2,431,271,913
16.1	Money for Which the Bank is Contingently Liable in respect of Guarantees:		
	Directors	-	-
	Government	-	-
	Banks and Other Financial Institutions	-	-
	Others	2,619,239,110	2,431,271,913
	Total	2,619,239,110	2,431,271,913
17	IRREVOCABLE LETTERS OF CREDIT		
	Letters of Credit - Cash	1,419,570,041	1,048,135,728
	Letter of Credit - Cash Inland	-	-
	Back to Back Letters of Credit - Local	89,586,890	143,019,334
	Back to Back Letters of Credit - Foreign	68,649,568	82,729,885
	Total	1,577,806,499	1,273,884,947
18	BILLS FOR COLLECTION ISSUED BY THE BANK		
	Foreign Documentary Bills	189,118,785	221,621,457
	Outward Bills	-	-
	Inland Documentary Bills	591,337,901	590,077,367
	Total	780,456,686	811,698,824

		2023	2022
		Taka	Taka
19	INVESTMENT INCOME		
	Profit Received from:		
	Deposit with Other Banks	402,156,949	416,270,641
	Bai Murabaha - General	11,730	3,902,500
	Bai Murabaha Hypothecation	-	3,204,682
	Bai Murabaha against MTDR	2,858,681,594	4,457,008,619
	Bai Murabaha - TR	17,803,492,768	12,895,012,382
	Bai Murabaha Real Estate	188,425,992	167,897,500
	Bai Murabaha - Agriculture	96,319,535	76,050,494
	Bai Murabaha - Stimulus Package	197,132,502	152,661,907
	Musharaka - MDB	16,005,443	418,015,774
	Bai Muajjal Guarantee	14,888,327	4,940,643
	Bai Muajjal Real Estate	4,498,388	1,669,239
	Bai Muajjal General	32,675	-
	Mudaraba Investment	33,170,440	47,336,658
	Bai Murabaha Post Import Bill - TR	185,156,130	241,871,580
	HPSM Transport	23,756,680	22,733,095
	HPSM Industry	203,202,769	148,692,039
	HPSM Real Estate	119,183,131	377,714,088
	HPSM Employees House Building	19,190,449	23,038,714
	HPSM Machinery	204,958,054	166,822,764
	HPSM Consumer Durables	3,255,044	3,398,604
	HPSM SME	7,144,630	6,429,546
	HPSM Rural House Building	45,871	70,502
	Quard against MTDR	23,590,147	4,804,753
	Credit Guarantee Scheme	48,725	89,375
	Bill Purchased - Foreign	82,656,106	13,665,622
	Bai Murabaha Import Bill (MIB)	681,847	523,195
	Bai Murabaha EDF Investments	28,700,854	40,891,625
	Back to Back Bill	109,243,862	75,342,660
	Bai Muajjal against Import Bill	939,854,472	416,822,575
	Bai Istisna	10,239,183	4,383,854
	Total	23,575,724,297	20,191,265,630

		2023	2022
		Taka	Taka
20	PROFIT PAID ON DEPOSITS		
	Profit Paid on:		
	Mudaraba Term Deposit	9,412,022,313	7,347,876,446
	Mudaraba Double Benefit Deposits Scheme	919,753,388	1,045,797,034
	Mudaraba Monthly Savings Scheme	579,444,144	573,353,877
	Mudaraba Monthly Benefit Savings Scheme	1,949,585,684	2,220,644,606
	Bangladesh Government Islami Bond	752,087,836	427,403,731
	Mudaraba Savings Deposits	203,958,735	201,773,972
	Mudaraba Short Notice Deposits	1,802,664,218	1,506,459,033
	Mudaraba no Frill Savings Deposits	795,257	756,137
	Mudaraba Marriage Scheme	15,366,844	14,358,683
	Mudaraba Union Pension Prokolpo	4,079,505	6,199,973
	Mudaraba Millionaire Deposit Scheme	131,331,749	138,339,045
	Mudaraba Hajj Deposit Scheme	3,387,161	3,267,152
	Mudaraba Mohor Savings Scheme	7,235,253	6,757,833
	Mudaraba Corepoty Savings Scheme	69,464,497	58,403,668
	Mudaraba Kotipoti Deposit Scheme	10,305,255	10,978,907
	Mudaraba Femina Deposit Scheme	14,879,887	2,330,421
	Mudaraba Senior Citizen Deposit Scheme	3,277,906	411,454
	Mudaraba Waleda Monthly Profit Scheme	91,903,486	83,520,465
	Mudaraba Lifestyle Deposit Scheme	3,160,850	985,055
	Mudaraba Barakah Deposit Scheme	2,321,826	3,217,521
	Mudaraba Probashi Sanchay Prokolpo	2,225,579	1,001,864
	Mudaraba Privileged Deposit Scheme	13,184,005	8,471,989
	Mudaraba GIFT Cheque	26,278	6,831
	Finance Cost for Lease Liabilities (IFRS - 16)	53,445,478	24,666,789
	Mudaraba Subordinated Bond	223,972,496	275,527,456
	Total	16,269,879,630	13,962,509,942
21	INCOME FROM INVESTMENT IN SHARES AND SECURITIES		
	Bangladesh Govt. Islamic Investment Bond	90,000,000	55,000,000
	Bangladesh Govt. Islamic Sukuk	273,998,463	216,479,285
	Other Bond	150,500,004	138,709,455
	Profit/(Loss) on sale of shares	8,708,611	4,321,059
	Dividend Income	3,407,496	180,000
	Total	526,614,574	414,689,799

		2023	2022
		Taka	Taka
22	COMMISSION, EXCHANGE AND BROKERAGE		
	Commission	105,852,556	164,883,180
	Exchange Gain	313,636,066	557,864,205
	Exchange Earning	313,707,190	557,869,916
	Less: Exchange Loss	(71,124)	(5,711)
	Total	419,488,622	722,747,385
23	OTHER OPERATING INCOME		
	Account maintenance charge	53,921,555	40,858,076
	Clearing cheque processing fee	180,735	216,733
	Investment processing fee	5,865,097	9,518,679
	Miscellaneous Earnings	123,153,364	78,722,782
	Total	183,120,751	129,316,270
24	SALARY AND ALLOWANCES		
	Basic Salary	828,063,146	828,292,402
	Bonus	184,094,574	214,996,722
	Bank's Contribution to Staff Provident Fund	78,003,480	65,858,211
	Gratuity	71,000,000	75,000,000
	House Rent Allowance	378,376,534	326,248,229
	Conveyance Allowance	33,592,239	30,534,968
	Leave Fare Allowance	949,066	7,512,832
	Entertainment Allowance	31,161,756	27,323,637
	Medical Allowance	120,176,802	101,727,532
	Utility Services	52,805,168	46,436,834
	House Maintenance Allowance	87,454,447	71,181,478
	Travelling Allowance	94,357,856	68,637,344
	Bengali New Year Allowance	14,642,045	13,747,301
	Other Allowances	25,679,331	16,209,193
	Total	2,000,356,444	1,893,706,683
25	RENT, TAXES, INSURANCE, ELECTRICITY etc.		
	Rent	152,714,729	256,061,821
	Insurance	112,479,942	73,180,773
	Rates and Taxes	329,926,061	17,885,479
	Water Charges	1,224,254	1,327,981
	Gas Charges	898,593	821,132
	Electric Bills	62,251,159	51,192,555
	Total	659,494,738	400,469,741

		2023	2022
		Taka	Taka
26	LEGAL EXPENSES		
	Law Charges	505,492	428,314
	Stamp	42,027	19,635
	Other Professional Charges	4,974,307	4,389,511
	Total	5,521,826	4,837,460
27	POSTAGE, STAMP AND TELECOMMUNICATION etc.		
	Telephone	5,390,142	4,688,347
	Telegram, Telex, Internet, Fax and Email charge	19,004,686	17,065,321
	Stamp	86,374	54,129
	Swift charge	5,855,590	4,796,277
	Postage	5,210,601	6,423,314
	Total	35,547,393	33,027,388
28	STATIONERY, PRINTING AND ADVERTISEMENT etc.		
	Publicity and Advertisement	118,808,500	85,638,189
	Printing and Stationery	29,515,069	28,113,762
	Total	148,323,569	113,751,951
29	CHIEF EXECUTIVE'S SALARY & FEES		
	Basic Pay	8,483,358	6,873,259
	House Rent Allowances	2,778,333	2,160,000
	Leave Fare Allowance	135,000	540,000
	Bonus	2,500,000	1,923,700
	Bengali New Year Allowance	150,000	106,700
	House Maintenance Allowance	1,925,000	600,000
	Other Allowance	333,984	1,171,526
	Total	16,305,675	13,375,185
30	DIRECTORS' FEES & EXPENSES		
	Fees	1,487,678	1,552,000
	Travel	1,500,000	1,635,000
	Total	2,987,678	3,187,000
31	SHARIA'H SUPERVISORY COMMITTEE'S FEES AND EXPENSES		
	Fees	184,800	346,800
	Travel	150,000	195,000
	Total	334,800	541,800

		2023	2022		
		Taka	Taka		
32	DEPRECIATION AND REPAIRS TO FIXED ASSETS				
	Depreciation on Fixed Assets (Annexure - A)	364,357,300	301,203,496		
	Repairs:	63,294,840	57,650,740		
	Office equipment	52,267,822	45,265,108		
	Renovation and Maintenance of Office Premises	8,620	98,780		
	Furniture and Fixtures	114,783	332,936		
	Repair & Maintenance of Vehicle	10,903,615	11,953,916		
	Total	427,652,140	358,854,236		
33	OTHER EXPENSES				
	Car Expense	45,139,500	45,764,481		
	Wages	210,929,183	196,177,850		
	Traveling	14,536,285	9,917,043		
	Donation and Subscription:				
	Donation	209,599,750	43,418,700		
	Subscription	8,512,773	5,342,243		
	Newspaper and Periodicals	599,479	474,165		
	Entertainment	32,106,472	29,446,141		
	Conveyance	10,335,392	9,113,272		
	Bank charges	14,643,412	12,866,528		
	Holiday Banking allowances	1,173,723	1,381,041		
	Medical Expense	12,288,474	10,581,717		
	Recruitment Expenses	-	700,450		
	Training, Seminar and Workshop	1,645,548	1,781,851		
	Photocopy, Photograph & Toner	3,026,570	2,845,319		
	Generator Expenses	14,448,279	11,667,107		
	Washing and Cleaning	383,590	415,874		
	Online Expenses	134,156	2,785,621		
	Office Maintenance	20,749,681	18,768,438		
	Crockery Expense	568,834	620,184		
	Meeting Expenses	12,637,853	14,777,881		
	IPO Expenses	-	6,678,255		
	ATM Expenses	30,576,420	27,761,231		
	Miscellaneous Expenses	7,274,379	5,450,438		
	Total	651,309,753	458,735,830		
34	NET ASSET VALUE PER SHARE (NAV)				
	A. Net Asset Value	16,337,889,333	15,280,301,013		
	B. Weighted Average Number of Shares Outstanding	1,019,110,505	965,826,911		
	Net Asset Value Per Share (A/B)*	16.03	15.82		
	Calculation of Weighted Average Nos. of Shares Outstanding				
	Particulars	Weight	Nos. of Shares	Weighted Nos. of Shares	Weighted Nos. of Shares
	Opening Balance	1	986,933,760	986,933,760	558,933,760
	Issue on 18.01.2022	0.95	428,000,000	-	406,893,151
	New Issue on 08.05.2023	0.65	49,346,688	32,176,745	-
			1,019,110,505	965,826,911	

		2023	2022
		Taka	Taka
35	EARNINGS PER SHARE (EPS)		
	A. Net Profit after Tax	1,607,886,270	1,513,501,368
	B. Weighted Average Number of Ordinary Shares	1,019,110,505	965,826,911
	Earnings Per Share (A/B)*	1.58	1.57
36	NET OPERATING CASH FLOWS PER SHARE (NOCFPS)***		
	A. Net Cash Inflow/ (Outflow) From Operating Activities	(279,802,313)	(13,340,408,838)
	B. Weighted Average Number of Shares Outstanding	1,019,110,505	965,826,911
	Net Cash flow Per Share (A/B)	(0.27)	(13.81)
<p>***There is a decrease in non-payment of other assets and increase in non-payment of other Liabilities. As a result, net operating cash flow (NOCFPS) has been increased to Tk.(0.27) per share for the period ended 31 December 2023 compared to the previous year.</p>			
37	Reconciliation of net profit with cash flows from operating activities		
	Cash Flow From Operating activities:		
	Net Profit After Taxation	1,607,886,270	1,513,501,368
	Provision for tax	1,620,000,000	1,557,290,495
	Provision for Investment Share & OBS	1,171,200,264	1,087,785,005
	(Increase)/ Decrease Profit Receivable	(374,062,308)	(343,386,349)
	Increase/ (Decrease) Profit Payable on Deposit	834,243,509	(93,957,118)
	Depreciation & amortization of fixed assets	364,357,300	301,203,496
	Income tax Paid	(891,395,465)	(1,542,493,668)
	Operating Profit before changes in Operating Assets & Liabilities	4,332,229,570	2,479,943,229
38	RECEIPTS FROM OTHER OPERATING ACTIVITIES		
	Account maintenance charge	53,921,555	40,858,076
	Clearing cheque processing fee	180,735	216,733
	Investment processing fee	5,865,097	9,518,679
	Miscellaneous Earnings	123,153,364	78,722,782
	Total	183,120,751	129,316,270
39	PAYMENTS FOR OTHER OPERATING ACTIVITIES		
	Rent, Taxes, Insurances, Electricity etc.	659,494,738	493,290,199
	Legal Expenses	5,521,826	4,837,460
	Postage, Stamps, Telecommunications etc.	35,547,393	33,027,388
	Directors' fees	2,987,678	3,187,000
	Sharia'h Supervisory Committee's fees and expenses	334,800	541,800
	Auditor's Fee	345,000	345,000
	Repair of Fixed Assets	63,294,840	57,650,740
	Zakat Expenses	82,000,000	66,100,000
	Other Expenses	651,309,753	458,735,830
	Total	1,500,836,028	1,117,715,417

		2023	2022
		Taka	Taka
40	INCREASE / DECREASE OF OTHER ASSETS		
	Inter - branch Transaction Account	1,124,497,424	11,237,330,520
	Advances, Deposits and Prepayment	357,583,042	332,071,490
	Stock of Stationery	21,499,382	26,826,728
	Suspense Account	445,671,467	536,534,912
	Stamps on Hand	2,974,734	3,111,109
	Total	1,952,226,049	12,135,874,759
	(Increase)/Decrease during the year	10,183,648,710	(1,256,700)
41	INCREASE / DECREASE OF OTHER LIABILITIES		
	Provision for Zakat	82,000,000	66,100,000
	Benevolent Fund	626,987	1,232,987
	Clearing Adjustment Account	6,864,061,378	3,378,797
	Others	1,580,892,277	2,046,149,985
		8,527,580,642	2,116,861,769
	Increase /(Decrease) during the year	6,410,718,873	(511,440,360)
42	NUMBER OF EMPLOYEES		
	Executives and Officers	1,735	1,776
	Members of Staff (Contractual)	338	349
		2,073	2,125
43	RELATED PARTY TRANSACTIONS		

During the year, the Bank carried out some transaction with related party in the normal course of business and on an arm's length basis. The name of this related party, nature of this transaction and total value has been set out in accordance with provisions of International Accounting Standard # 24 (IAS# 24) Related Party disclosure and as defined in the BRPD Circular no. 14 issued by the Bangladesh Bank on June 25, 2003. The significant related party transactions during the year were as follows:

i) Significant Contracts where Bank is a Party and wherein Directors have Interest

Name of the Party	Nature of Transaction	Nature of Relationship	Total Value (in Taka)
Times Securities Ltd.	Trading of Share (Investment in Shares)	Common Director	141,132,685
ii) Related Party Transactions			Nil
iii) Shares issued to Directors and Executives without consideration or exercisable at discount			Nil
iv) Lending to Related Parties is effected as per requirements of Section 27 (1) of the Bank Companies Act, 1991.			Nil
v) Business other than banking business with any related concern of the Directors as per Section 18(2) of the Bank Companies Act, 1991			Nil
vi) Investment in the Securities of Directors and their related concern			Nil

44 DIRECTORS' INTEREST IN DIFFERENT BUSINESS 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	Professor Dr. Md. Salim Uddin, FCA, FCMA	Chairman	<p>Professor Department of Accounting University of Chittagong</p> <p>Chairman Bangladesh House Building Finance Corporation</p>
2	Mollah Fazle Akbar	Vice Chairman	<p>Lt. General (Retd) Bangladesh Army</p>
3	Mohammed Delwar Hossain, FCA	Director	<p>Chartered Accountant</p>
4	Rashedul Alam	Director	<p>Managing Director Ocean Resorts Ltd. Global Trading Corporation Ltd.</p> <p>Director Bangladesh Petro Chemical Ltd. S. Alam Hatchery Ltd. S. Alam Properties Ltd. Fatehabad Farm Ltd.</p> <p>Shareholder S.Alam Steels Ltd.</p> <p>Partner M/s. Rafi Enterprise M/s. Khorshed Paribahan Sangstha</p>
5	Mohammad Mostan Billah Adil	Director	<p>Proprietor M/s. Adil Corporation</p> <p>Managing Director Sparrow Spinning Limited Platinum Endeavors Limited Priority Security & Other Services Ltd</p> <p>Director Infinia Spinning Mills Limited</p>

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.
6	Osman Goni	Director	Managing Director S.Alam Cold Rolled Steels Ltd. Director S.Alam Trading Company Ltd. S.Alam Bag Manufacturing Mills Ltd. Ocean Resorts Ltd. Modern Properties Ltd Shah Amanat Prakritik Gas Co. Ltd. Shareholder S.Alam Cement 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. Abdus Salam, FCA	Independent Director	EX- Managing Director Bangladesh Krishi Bank EX- CEO & Managing Director Janata Bank Ltd.

45 AUDIT COMMITTEE

a) Constitution

Name	Status with the Bank	Status with the Committee	Educational Qualification
Md. Abdus Salam, FCA	Independent Director	Chairman	M. Com, Fellow Chartered Accountant
Mohammad Fazlay Morshed	Director	Member	B. Com.
Mohammed Delwar Hossain, FCA	Director	Member	M. Com, Fellow Chartered Accountant

b) During the year under review, the Audit Committee of the Board conducted 06 (Six) meeting.

c) The following steps have been taken for implementation of an effective Internal Control Procedure of the Bank:

A strong powerful division formed for internal audit and inspection as well as compliance thereof.

The division is divided into three separate units i.e. Audit & Inspection , Compliance and Monitoring to implement effective internal control and compliances headed by highly experienced bankers.

Audit and Inspection unit is established with a view to carrying out comprehensive internal audit in the branch level and ensure the transparency and accountability in the banking operations in light of the guidelines of the regulatory authorities and policies set by the bank with regular intervals.

Monitoring Unit is established with a view to implementing proper banking practices in the branches. Day to day operations is the focusing area to implement the rules and procedures of the regulatory bodies, bank's policies and other prudential guidelines.

Compliance unit is established to take effective measures for collection and timely submission of compliances of internal, external and Bangladesh Bank Inspection Reports.

The committee is placing its report regularly to the Board of Directors of the bank mentioning its review and recommendations on internal system, compliance of rules and regulations and establishment of good governance within the organization.

The board has given the responsibility to implement internal control system in the bank as per requirement of core risk management and framework provided by the Bangladesh Bank.

46 EVENTS AFTER BALANCE SHEET DATE

a) The Board of Directors of the Bank in its 116th Board meeting held on 25th April 2024 approved the financial statements of the Bank for the year ended 31 December 2023 and recommended 5% cash dividend for shareholders for the year 2023 to be approved in the next Annual General Meeting and authorized the same for issue.

b) 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: 25 April 2024

UNION BANK PLC.
SCHEDULE OF FIXED ASSETS
As on December 31, 2023

Figure in Taka

Particulars	C O S T			D E P R E C I A T I O N				Written down value as on 31 December'23	
	Balance as on 01 January'23	Additions During the Year	Sales/ Transfer during the period	Balance as on 31 December'23	Balance as on 01 January'23	Charged for the period	Adjustment on sale/ transfer during the period		Balance as on 31 December'23
Furniture & Fixtures	1,218,427,738	81,544,306	-	1,299,972,044	476,803,597	73,997,486	-	550,801,083	749,170,961
Office Equipment	1,148,135,640	74,330,395	-	1,222,466,035	708,405,631	99,248,580	-	807,654,211	414,811,824
Vehicles	123,769,259	6,686,508	-	130,455,767	87,746,290	11,911,687	-	99,657,977	30,797,790
Books	512,614	19,831	-	532,445	248,610	56,388	-	304,998	227,447
Land	2,666,750,340	-	-	2,666,750,340	-	-	-	-	2,666,750,340
Sub Total	5,157,595,591	162,581,040	-	5,320,176,631	1,273,204,128	185,214,141	-	1,458,418,269	3,861,758,362
Lease Assets - Premises									
Right-of-use assets	1,249,060,400	257,884,803	-	1,506,945,203	180,326,821	179,143,159	-	359,469,980	1,147,475,223
Total Dec' 2023	6,406,655,991	420,465,843	-	6,827,121,834	1,453,530,949	364,357,300	-	1,817,888,249	5,009,233,585
Total Dec' 2022	5,216,935,061	1,199,783,252	10,062,322	6,406,655,991	1,162,389,774	301,203,496	10,062,321	1,453,530,949	4,953,125,042

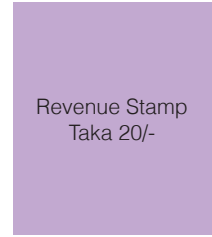
UNION BANK PLC.
FINANCIAL HIGHLIGHTS
For the year ended 31 December 2023

Figure in Taka

SL	Particulars	2023	2022
1	Paid-up Capital	10,362,804,480	9,869,337,600
2	Total Regulatory Capital	21,635,958,187	21,437,966,804
3	Total Regulatory Capital Surplus/(deficit)	2,167,483,824	2,681,520,886
4	Total Assets	295,347,564,528	272,908,816,783
5	Total Deposits	225,585,372,764	213,375,297,519
6	Total Investments	255,691,913,189	222,275,438,478
7	Total Contingent Liabilities and Commitments	6,016,844,945	6,424,124,444
8	Investment Deposit Ratio (in %)	108.50%	99.64%
9	Percentage of Classified Investments against total Investments (in %)	3.62%	3.54%
10	Profit after Provision and Tax	1,607,886,270	1,513,501,368
11	Amount of Classified Investments	9,263,050,359	7,864,716,426
12	Provision kept against Classified Investments	3,718,000,000	3,058,000,000
13	Investments Provision Surplus/(deficit)	15,227,145	10,772,946
14	Cost of Fund	9.23%	8.48%
15	Profit Earning Assets	271,307,216,849	237,643,286,098
16	Non-profit Earning Assets	24,040,347,679	35,265,530,686
17	Income from Investment in Shares & securities	526,614,574	414,689,799
18	Return on Investment in Shares & securities (ROI) (in %)	5.15%	4.04%
19	Return on Assets (ROA)(in %)	0.57%	0.59%
20	Earnings Per Share (Tk.)	1.58	1.57
21	Net Income Per Share (Tk.)	1.58	1.57
22	Price Earnings Ratio (Times)	5.63	5.92
23	Net Asset Value (NAV) per share (Taka)	16.03	15.82
24	Net Operating Cash Flow per shar (NOCEPS) (Taka)	(0.27)	(13.81)



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



Proxy Form

I/we

of (Address)

being a member of Union Bank PLC. entitled to vote hereby appoint Mr./Mrs./Miss..... as my proxy to attend and vote for me and on my behalf at the **11th Annual General Meeting (AGM)** of the Bank to be held on **Monday, the 12th August 2024 at 11.30 AM** by using Hybrid Platform through the link <https://unionbank.digitalagmbd.net> and at Banani DOHS Community Center, Road-03, Dhaka Cantonment, Dhaka-1206.

As witness my/our hand this day of, 2024.

(Signature of the Proxy)

Signature of the Member

Date: :

Folio Number :

BO ID No :

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No. of Share Held :

Notes:

This completed Proxy Form duly signed (as recorded with the bank) and stamped must be submitted to the Registered Office of the company at least 48 hours before. Proxy is invalid if not signed and stamped as explained above.



Head Office
 Bahela Tower, 72, Gulshan Avenue
 Gulshan-1, Dhaka-1212, Bangladesh
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 Telephone : +88-02-222297310

Attendance Slip

I/we hereby record my/our presence at the **11th Annual General Meeting (AGM)** of Union Bank PLC. will be held on **Monday, the 12th August 2024** at 11.30 AM by using Hybrid Platform through the link <https://unionbank.digitalagmbd.net> and at Banani DOHS Community Center, Road-03, Dhaka Cantonment, Dhaka-1206.

Name of the Member/Proxy :

Registered Folio/BO No. : Holding of Ordinary Shares of Union Bank PLC.

Signature of Member/Proxy and Date



UNION BANK PLC.
SHARIAH BASED BANK

UNION BANK PLC.

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