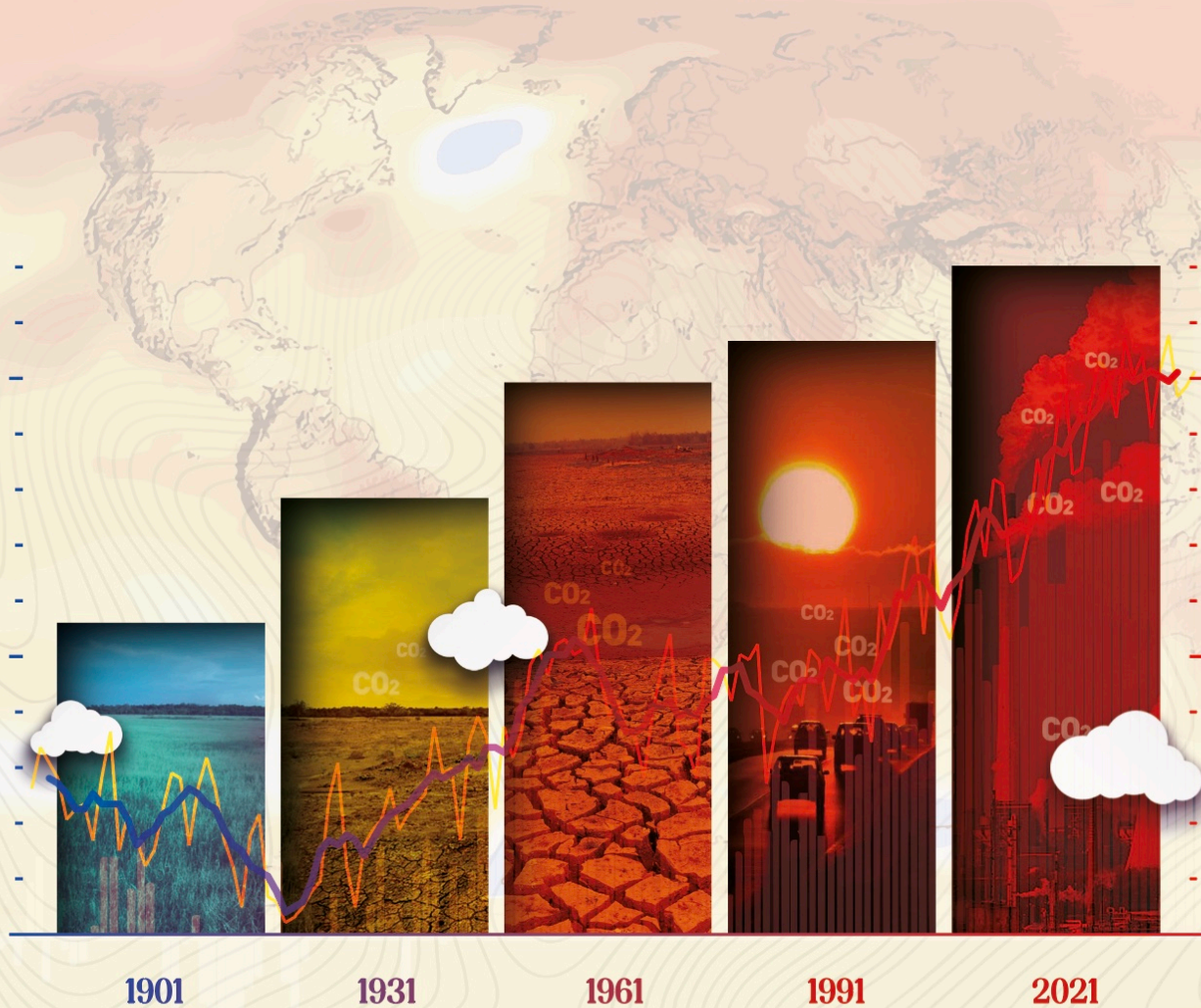


# sustainability

report 2021

It's time to cut carbon, to avoid **Temperature Rising**



**Bank Asia**



# Sustainability Report 2021

According to an ongoing temperature analysis led by scientists at NASA's Goddard Institute for Space Studies (GISS), the average global temperature on Earth has increased by at least 1.1° Celsius (1.9° Fahrenheit) since 1880. The majority of the warming has occurred since 1975, at a rate of roughly 0.15° to 0.20°C per decade.

The World Health Organization (WHO) reports that climate change is responsible for at least 150,000 deaths per year, a number that is expected to double by 2030. Most climate change experts agree that greenhouse gases, which trap heat and prevent it from leaving the Earth's atmosphere are mostly responsible for the temperature spike. Even with a worldwide emphasis on reduced greenhouse emissions, temperatures continue to climb. Temperature rising have a widespread impact on the labor productivity as well. In 2019, total 302.40 billion work hours were lost in comparison of 103 billion hours in 2000.

In Bangladesh, **temperature rising** is undoubtedly one of the reasons that trigger the early arrival of the monsoon season in Bangladesh. Climate change has contributed to a significant increase in mean temperature during the summer months. Rise in the temperature heating up the formation of thick clouds which is associated with heavy precipitation. In addition, rising temperature could affect living standards in diverse ways. Most severe effect of temperature rising are fall in agricultural and labor productivity and rise in spread of vector-borne and other infectious diseases which ultimately resulting in loss of productivity and income.

At Bank Asia, we believe energy conservation, reduction of greenhouse gas emissions and invest in sustainable green financing as the shared mission of everyone in the organization to control the increase of temperatures. We believe through our collective efforts temperature rising can be controlled so that we can ensure a sustainable future for our next generation.

The background of the entire page is a photograph of parched, cracked earth, symbolizing the effects of climate change. The cracks are deep and irregular, forming a mosaic of polygonal shapes across the dry, brown soil. A few small, green weeds are sprouting from the cracks in some areas. In the upper right corner, there is a blue rectangular box containing the Bank Asia logo and name.

 **Bank Asia**





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## Mission

To assist in bringing high quality service to our customers and to participate in the growth and expansion of our national economy.

To set high standards of integrity and bring total satisfaction to our clients, shareholders and employees.

To become the most sought after Bank in the country, rendering technology driven innovative services by our dedicated team of professionals.



## Vision

Bank Asia's vision is to have a poverty free Bangladesh in course of a generation in the new millennium, reflecting the national dream. Our vision is to build a society where human dignity and human rights receive the highest consideration along with reduction of poverty.



## Core Values

- Place customer interest and satisfaction as first priority and provide customized banking products and services.
- Value addition to the stakeholders through attaining excellence in banking operation.
- Maintain high ethical standard and transparency in dealings.
- Be a compliant institution through adhering to all regulatory requirements.
- Contribute significantly for the betterment of society.
- Ensure higher degree of motivation and dignified working environment for our human capital and respect optimal work-life balance.
- Committed to protect the environment and go green.





# CODE

## OF CONDUCT

- Employees must be open and loyal to the Bank and Bank's interest.
- Employees must keep confidentiality in all Bank's and other matters that could provide other third parties unauthorized access to confidential information.
- Employees must observe the Bank's security requirements concerning access to electronic resources and documents.
- All information and communication with the media, the public and financial markets shall be reliable and correct, maintain high professional and ethical standards and in accordance with established guidelines and regulations.
- Customers shall be met with insight, respect, and understanding. Employees must always try to fulfill the needs of the customer in the best possible manner, within the guidelines for corporate ethics that apply to business.
- Under no circumstances, employees shall or be a part of any activity that prohibits open and fair competition of Bank Asia in breach of relevant business laws.
- Employees shall never offer or accept illegal or inappropriate gifts or other remuneration in order to achieve business or personal advantages.
- Employee's engagement in external duties must not affect his/her working relationship with Bank Asia or come into conflict with Bank Asia's business interest.
- Should an employee become aware of an infringement of Bank Asia's rules and guidelines, he/she should blow whistle raising the issue to the line management or to People Management Division (PMD).



GRI 102-45, GRI 102-48, GRI 102-49, GRI 102-50, GRI 102-51, GRI 102-52, GRI 102-53, GRI 102-54

# REPORT PARAMETER

Bank Asia is the pioneer in the banking industry to publish Sustainability Report as per GRI framework. Our prior two reports were based on GRI reporting framework G3/ G3.1 guidelines. But from the year 2014 to 2017 we have prepared our sustainability report based on GRI reporting framework G4 guidelines. From 2018 we are reporting on GRI reporting framework GRI Standards with an effort to measure, disclose and be accountable to internal and external stakeholders in terms of governance, economic, environmental and social aspects including both positive and negative contribution. This report has been prepared in accordance with the GRI Standards: Core option.

## Reporting Scope

This report intends to touch upon all significant environmental, economic and social impacts resulting from Bank Asia's activities in the financial year 2021. This is our Ninth Sustainability Report and there is no significant changes regarding scope, boundary or measurement methods and explanation of the effect of any restatement of information comparing to the previous report. The Sustainability Report will be prepared once in a year describing activities and achievements through-out the year.

## Boundary of the Report

The report boundary of the year 2021 covers only banks operation run by corporate office, its branches, SME service centers and other direct networks in Bangladesh. Impacts of the activities of our subsidiaries, NGO networks or our suppliers in other countries are not within the scope of this report. Bank Asia has three subsidiary companies, one in Bangladesh and two others in UK and USA, but no joint venture. As owner, the Bank controls the activities of its subsidiaries. Bank Asia Securities Limited (BASL), a majority owned subsidiary is incorporated in Bangladesh and acts as a stock broker and stock dealer in capital market. The financial statements of the BASL are prepared on a going concern basis under historical cost convention in accordance with Bangladesh Financial Reporting Standards (BFRS). BA Exchange Company (UK) Ltd. in UK and BA Express USA Inc. at NY, USA are two wholly owned subsidiaries with a primary responsibility of remittance channeling to Bangladesh from UK and USA market. Financial statements of BA Exchange Company (UK) Ltd. and BA Express USA Inc. are prepared on a going concern basis under the historical cost convention and in accordance with the Financial Reporting Standards for smaller entities.

## Feedback

We welcome any feedback on our sustainability reporting. For further information and comments, please contact Sustainability Reporting Team of the Bank led by Mr. Mohammad Ibrahim Khalil, FCA, Chief Financial Officer, Mr. Md. Shamim Hasnat, CSRS, Assistant Vice President, Group Finance; Mr. Mahbub-Ul Anam Khan, CSRS, SEO, Group Finance and Ms. Nahid Tania Khan, CSRS, SEO, Group Finance. They may be reached through

**E-mail: [sustainability.ba@bankasia-bd.com](mailto:sustainability.ba@bankasia-bd.com)**

## Bank Asia Limited

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**Phone:** + 880-9617-001100, **Fax:** + 880-2-55013976

**Email:** [bankasia@bankasia-bd.com](mailto:bankasia@bankasia-bd.com), **Web:** [www.bankasia-bd.com](http://www.bankasia-bd.com)



# STRATEGIC FOCUS FOR SUSTAINABILITY

Bank Asia firmly promotes green banking to reach its long term strategic objective to be a green, triple bottom line bank where every decision will be taken with both financial and environmental considerations in mind. The Bank's green banking initiatives includes Online & paperless banking, reducing green house gas emission, mapping bank's carbon foot print, efficient energy use, environment friendly projects, plant nursery and horticulture projects etc.

## GOING GREEN IN THE FUTURE OF BANKING

One of the strategic priorities of Bank Asia is to promote financial inclusion for combating poverty which the Bank firmly believes to achieve by its deposit services, agricultural credit program, small enterprise financing for productive new off farm employment of 'missing middle', Solar home system projects with NGO-MFI partners, foreign remittance of poor migrant workers channeling through partner MFIs, Amar Bari Amar Khamar (ABAK) Project, Agent Banking channels, domestic remittance distribution through bank branches and agent banking outlets.

## PROMOTING FINANCIAL INCLUSION

## GIVING BACK

Bank Asia believes in giving back to the community and it will continue to promote education, fulfill its commitment to community health, disaster management, clean environment, sports, art and culture.

## CUSTOMER SATISFACTION

Bank Asia is sincere to create higher customer satisfaction and loyalty by its brand enhancement programs & creating brand ambassadors, personalized banking, online product innovation, measure and reduce customer efforts for greater value proposition.



# TRIPLE BOTTOM LINE

## Triple Bottom Line

### PEOPLE

Bank Asia always plays a very dynamic role in contributing to the society through its CSR program, which are thoroughly illustrated in CSR section. In the context of value creation model for its employees, the bank has made footprints by achieving: Operating profit and Net profit per employee was Tk. 3.61 million and Tk. 1.06 million respectively during 2021. 42,816 man-hours training (both physically & virtually) have been provided to 5,115 employees in 2021 in home and abroad. Bank Asia works with a wide range of suppliers, vendors, agents and others. To create value the Bank works with them through collaboration by applying its own policy and practice for selecting these suppliers and others.

### PLANET

As one of the strategic focuses of Bank Asia, 'going green' movement includes efficient energy consumption, paperless office, financing renewable energy etc. Bank Asia's achievements in green initiatives are detailed out in other parts of the report. As greening of mind, 85.5 man hours of training provided to 57 staffs regarding green banking under foundation and other trainings course in 2021

### PROFIT

During 2021, Bank Asia generated operating profit of Tk. 9,193 million.



# SUSTAINABLE BANKING OPERATIONS

KEY HIGHLIGHTS 2021

Disbursed **Tk. 22.30** million under Bank Asia Higher Studies Scholarship

**417** students received support under this program



Brought **1,200,000** unbanked villagers under Bank Asia's banking service network



**\$ 1,515** million supplied through our MFIs network business

**3** million households received remittance from rural and semi-urban areas



**96,331** rural farmers were financially supported



Disbursed **Tk. 6,053** million as Agriculture & Rural credit

**42,816** Man-hours of training for human capital development



Delivered E-Statements to **1,109,110** customers



**66%** done through ATMs



**15,36,564** transactions completed



Worth **Tk. 10,042** million (approx.)

**4,898** agent outlets covering 64 districts of Bangladesh



**Tk. 1,505.42** million in Renewable Energy under Green Finance





# CHAIRMAN'S MESSAGE

It is a great privilege to be elected as the Chairman of the Board of Directors of Bank Asia which is a bank with solid financial foundation and loyal customer base. I feel also fortunate to have a very knowledgeable and professional Board of Directors. As the newly elected Chairman of the bank, my aim would be to steer the bank further down the path of modernization in terms of application of state-of-the-art technology, inculcating a culture of transformation, introduction of more accountable organizational structure and development of human capital, so that the shareholders', customers' and employees' value is increased in the foreseeable future. With this brief prelude, I would like to transmit my following message for the Annual Integrated Report 2021.





In 2021, the world economy rebounded and the economic growth stood at 5.9% from -3.10% in 2020, however, there was a sharp rise in inflation worldwide. The country's overall GDP growth for FY21 stood at 5.47%, up from 3.51% in FY20. Foreign exchange reserve stood at USD 46.15 billion in 2021 having growth of 6.93%. Private sector credit growth during 2021 was not so much impressive throughout the year although it ended the year at 10.11% which was an increase compared to last year's growth of 8.37%.

Bank Asia has posted remarkable performance in 2021. Operating profit of the bank increased by Tk.3.12 billion or 51% over last year and stood at Tk.9.19 billion. After setting aside provision for loans and advances, tax, reserve and others, the bank attained net profit of Tk.2.71 billion which is higher than last year's by 33%. Bank Asia's capital base is fundamentally strong and is one of the highest in the banking industry. In 2021, total capital reached Tk.41.37 billion. The capital adequacy ratio of the bank was 15.72% against regulatory requirement of 12.50%. Total Assets of the bank increased to Tk. 438 billion from Tk. 409 billion with the growth of 7%.

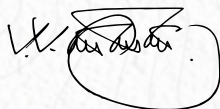
Bangladesh economy has been growing rapidly over the years. Bangladesh is on its way to become middle income country. The government has set a plan to reach upper-middle income country status in 2031 and a developed country by 2041. Financial inclusion is the pre-requisite to achieve this goal. "Poverty Free Bangladesh" being our bank's vision, is in line with the United Nations Sustainable Development Goal (SDG) framework. Bank Asia is the pioneer of the Agent Banking model which has gained tremendous popularity over the last few years as a means to provide banking services to the rural and grassroots level people. Bank Asia managed to bring in almost 4.92 million people under its Agent Banking network, which was a 36% increase from last year's 3.50 million. The agent centric asset business model has been further strengthened and spread across the country so that marginal people would be able to avail loan at a very low rate even at Bangladesh Bank's concessional rate. In 2021, the number of agent outlets stood at 4,898, spread across 530 Upazilas under 64 districts and total deposit mobilization grew by 20% to Tk. 33,830 million in 2021.

SME sector of the country has been developing rapidly that reinforces the economic expansion. Employment generation in this sector is remarkable and contribution to GDP growth is significant. Bank Asia has put emphasis on developing SME segment portfolio as a priority sector for encouraging financial inclusion and at the same time shifting the bank's focus from the corporate segment which has an inherent higher risk of loan concentration and default. Agricultural credit and rural credit to farmers are two other important segments that play a vital role towards ensuring proper financial inclusion. In 2021, Bank Asia disbursed agri credit of Tk. 6,053 million to 96,331 farmers. In the last couple of years, the bank superseded the target set by Bangladesh Bank for agri credit. Bank Asia also underscores sustainable financing and in recognition of that Central Bank of Bangladesh has ranked Bank Asia as one of the Top 10 Banks in Sustainability Rating 2020.

Corporate Social Responsibility (CSR) has always been an integral part of Bank Asia's business ideology. From the beginning, Bank Asia has focused on investing in the development of the underprivileged segment. Bank Asia Foundation has been established to give more focus on this social issue. Last year, Bank Asia-Ma Amiran Hospital served 14,862 patients. The proposed 50- bed Bank Asia-Ma Amiran Hospital and Diagnostic Centre is being set up in the first and second floors of the existing three storied building with a total area of 26,000 sft. For the development of Bank Asia-Ma Amiran Hospital and establishment of Azhar Fatema Medical College in Bhola, Tk. 53.49 million was donated. The Bank has spent a total of Tk. 247.45 million in 2021 for CSR activities, out of which Tk. 104.70 million was donated in various healthcare related activities. Higher education scholarship to unprivileged and meritorious students has been the focal point of our CSR activities. In 2021, the bank provided scholarship to 417 students worth Tk. 22.30 million to assist them in pursuing their educational endeavors towards a brighter future for themselves and their family. Bank Asia donated Tk. 50 million to the PM's Relief & Welfare Fund for prevention of Covid crisis, Tk. 48.85 million to purchase blankets for cold struck people and Tk. 10.86 million for purchase of desktop computers for Khulna Public College Digital Lab and braille and other training materials for BTDD & VTCB.

Every year, the bank works on a new theme to focus on the adverse impact of economic activities over environment. This year, the focus was on "rising temperature". Climate change has become a burning issue for our survival. Most climate change experts agree that greenhouse gases are mostly responsible for the temperature spike.

Last but not the least, I would like to express my heartfelt thanks to the members of management for their untiring efforts of making our institution a more socially responsible institution by way of extending extensive and inclusive banking services through alternate banking channels and helping the society extend various social services under active guidance of the Board. I would also like to extend my gratitude and congratulations to the respective team for its sincere effort for presenting the bank's activities under the framework of Sustainability Reporting.



**Romo Rouf Chowdhury**  
Chairman



REVIEW FROM THE  
**PRESIDENT AND  
MANAGING DIRECTOR**







The year 2021 was one of the most challenging years for the nation. The Covid-19 pandemic caused unimaginable suffering to hundreds of thousands of people across the country. While we are gradually recovering from the adversities of the pandemic, we realize that 'Sustainability' should be at the core of any economic development agenda. At Bank Asia, we are contributing towards creating a sustainable economy through our ethical business practices, prioritizing sustainable finance and adherence to green banking initiatives. With this spirit, I am pleased to present Bank Asia Sustainability Report 2021 to our stakeholders.

We have chosen the theme of "Rising Temperature" as the cover of this year's report with the objective to raise awareness towards global warming and the adverse impacts this is having on the planet and to remind that if we do not take actions towards a green, sustainable future now, the results would be catastrophic. Now, I would like to share some of the initiatives taken by Bank Asia towards the development of a sustainable future:

Bank Asia always put top priority whenever it finds any sustainable financing opportunities and as a result Bank disbursed total Loans & Advance for Tk. 37,301 million that includes Tk. 3,782 million in Green Finance and Tk. 33,519 million in Sustainable Linked Finance. Bank Asia has also partnered with Bangladesh Bank for extending low cost sustainable and green finances to our customer under different kinds of refinance scheme like TDF (Technology Development/Up-gradation of Export Oriented Industries), GTF (Green Transformation Fund), LTFF (Long Term Financing Facility) etc. In the financial year of 2021, Bank Asia disbursed small size agricultural credit for total Tk. 3,869 million to 72,519 rural farmers as part of our commitment towards sustainable growth. In the fiscal year (July 2020-June 2021), the bank achieved 102% of its agricultural credit target set by Bangladesh Bank. The bank also distributed loans for total Tk. 341 million to 8,354 number of Tk. 10 A/c holders.

Bank Asia aims to build a better future by growing responsibly and sustainably followed by eco-friendly measures across the organization. In line with the guidelines of Bangladesh Bank, we have adopted Environmental and Social Risk Management policy and exercises Environmental Risk Rating (EnvRR) while taking credit decision. The bank circulated Green Banking Policy guidelines to raise awareness and conserve energy and water as well as saving paper and fundamental resources. To step into paperless banking, we highly encourage customers to use E-Statement, SMS banking, SMS Alert, Net Banking, E-fund Transfer and E-mail Correspondences. More than 1,333,826 transactions worth of Tk. 10,543 million was completed through Bank Asia SMART APP which is an integrated internet and mobile banking solution.

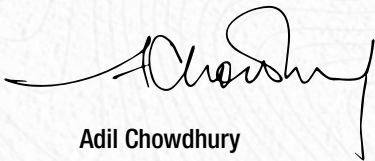
Bank Asia spent Tk. 247.45 million in several CSR activities. Some of those include investing Tk. 104.70 in various healthcare initiatives, providing higher education scholarship to students worth Tk. 22.30 million as well providing blankets to cold struck people worth Tk. 48.85 million under our disaster management program.



Bank Asia is the pioneer of Agent Banking operations in the country and has covered 64 districts with its 4,898 agent outlets and over 51,000+ micro merchants. One of our latest initiatives includes Digital Post Office Banking in collaboration with Bangladesh Post Office. Under this system, the customers can get access to banking services at the digital post offices spread across the country.

We are privileged to share that Bank Asia has been granted 'Gold Rank' in Asia Sustainability Reporting Rating 2021 by NCSR (National Centre for Sustainability Reporting) and ICSP (Institute of Certified Sustainability Practitioners) in Indonesia for Sustainability Report 2020. This is noteworthy that we are achieving sustainability award every year under different category by NCSR. In recognition of our commitment towards sustainability, Bangladesh Bank has ranked Bank Asia as one of the Top 10 Banks in Sustainability Rating 2020 and 2021.

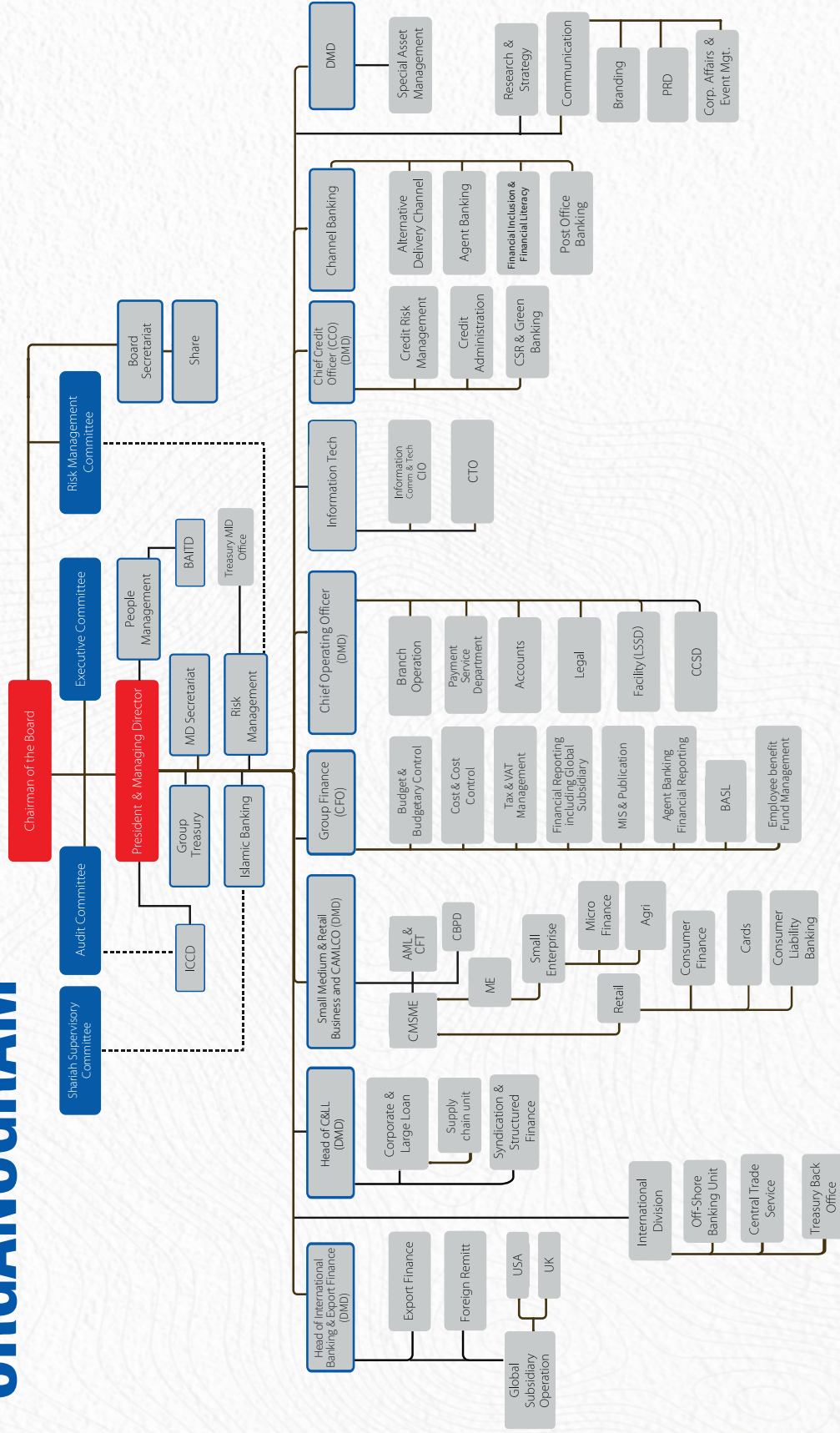
To conclude my statement, I wish to convey my sincere gratitude and appreciation to all of our stakeholders who have been imperative to our success and Bank Asia's vision towards making a sustainable future for Bangladesh.



**Adil Chowdhury**  
**President & Managing Director (CC)**



# GRI 102-45 CORPORATE ORGANOGRAM

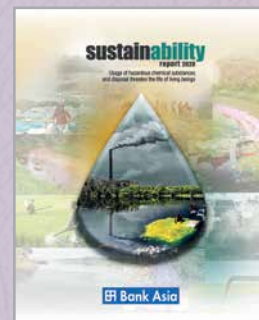
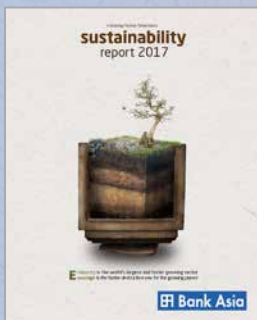




# AWARDS AND RECOGNITION



Bank Asia produces separate full scale *Sustainability Report* every year following GRI Standards including GRI Content Index and page reference.  
For more details visit : [www.bankasia-bd.com](http://www.bankasia-bd.com)





## Achievement for Sustainability Report

- Bank Asia has been granted “Gold Rank” in Asia Sustainability Reporting Rating 2021 by NCSR (National Centre for Sustainability Reporting) and ICSP (Institute of Certified Sustainability Practitioners) for Sustainability Report 2020
- Bank Asia has been granted ‘Gold Rank’ in ASRR 2020 by NCSR and ICSP for Sustainability Report 2019
- Bank Asia has been granted ‘Gold Rank’ in ASRR 2019 by NCSR and ICSP for Sustainability Report 2018
- Gold Rank- Best Sustainability Report in ASRR 2018 - 14<sup>th</sup> SRA 2018 for Sustainability Report 2017 by NCSR and ICSP
- ‘Winner-Best Sustainability Report in Overseas category’ - 13<sup>th</sup> SRA 2017 for Sustainability Report 2016
- Best Sustainability Report in Bangladesh - 12<sup>th</sup> SRA 2016 for Sustainability Report 2015
- Best Sustainability Reporting Award 2015, Runner up 1 in Overseas Category for Sustainability Report 2014
- Sustainability Reporting Award 2014 (SRA 14) for Most Impressive Report 2013 for Sustainability Report 2013
- Sustainability Reporting Award 2013 (SRA 13) for Most Progressive Report 2012 for Sustainability Report 2012
- Commendation for the first time - 9<sup>th</sup> SRA for Sustainability Report 2012

**Bank Asia is ranked one of the Top 10 Banks in Sustainability Rating 2021 by Central Bank of Bangladesh**

## Awareness creation through Sustainability Reporting over the years

Bank Asia always strives for building awareness among the people as a whole. Since 2012, Bank Asia publishes Sustainability Report focusing on different contemporary issues for awareness.

- 2012 | Create **Ripple Effect** by doing responsible business
- 2013 | Start from **Zero to infinity** to start with new dimension
- 2014 | Prevent **Water Pollution** by saving our rivers & coastal belt
- 2015 | Limit **Ozone Layer depletion** by reduce ozone depleting substances
- 2016 | Destructive effect of **Plastic Soup** on ocean
- 2017 | Electronic wastage or **E-Wastage**; fastest destructive one for growing planet
- 2018 | Build awareness about **Electromagnetic Radiation**
- 2019 | Improper management of **Medical Wastage**
- 2020 | Life threatening effect of **Hazardous Chemical Substance**



# CORPORATE PROFILE

Bank Asia Limited was incorporated on September 28, 1999 as a private commercial bank with the aim of contributing for the development of the economy by bringing superior quality, technology driven banking products and services.

In 2001, Bank Asia set a milestone by acquiring the Bangladesh operations of the Bank of Nova Scotia of Canada, first in the banking history of Bangladesh. At the beginning of the year 2002, the bank again acquired the Bangladesh operations of Muslim Commercial Bank Limited of Pakistan. Bank Asia has associated Islamic banking, Off-shore banking, Agent Banking, ABAK (Renamed EBK), Post Office Banking, Social Safety Net Program, Rural Finance, Digital banking program and many more specialized services with its core banking activities.

To excel in this new era of technological triumph, Bank Asia has successfully introduced internet banking, cutting edge ICT, state of the art network solution, 24/7 ATM service and many other e-products. Bank Asia maintains an environment of strong corporate governance that helps to maintain its excellent brand image; reflected by consistent financial performance for its stakeholders. To attain sustainability, we focus more on strategic priorities measured by quantitative and qualitative determinants. Besides maintaining a steady growth, Bank Asia always prioritized in the structural and moral development of the society. From the very beginning the bank has started its Corporate Social Responsibility (CSR) activities for the development of our country's unprivileged segments in the areas of education, health, environment, sports, arts & cultures and the likes.

## Nature of Ownership and Legal Form

Bank Asia Limited was formed as a public limited company under the Companies Act 1994, and governed by the Banking Companies Act 1991. The Bank obtained Certificate of Incorporation on September 28, 1999 and banking license on October 06, 1999. It went for public offering on September 23, 2003.

## Number of countries where the organization operates

Bank Asia runs its operation only in Bangladesh. However, the Bank has two fully owned subsidiaries in overseas. Among these subsidiaries, 'BA Exchange Company (UK) Limited' and 'BA Express USA Inc.' facilitate as speedy and dependable medium for remitting the hard-earned money of expatriates back home. 'BA Exchange Company (UK) Limited' started its operation in London on May 16, 2011. The 3rd subsidiary of Bank Asia 'BA Express USA Inc.' started its operation on June 1, 2014 in New York. It has also opened its 2 new overseas branches in Jamaica and Brooklyn for remittance channelling to Bangladesh.

## Banking Channel

Currently we have 129 branches, SME service centers & 7 sub-branches across the country spread over different zones that includes 121 branches, 4 SME agricultural branch and 4 SME service centers. Geographically 66 are placed in capital Dhaka, 39 in Chattogram, 7 in Sylhet zone, 6 in Khulna zone, 5 in Rajshahi, 3 in Rangpur, 2 in Barisal, and 1 in Mymensingh. All these branches and SME centers are efficiently supervised and monitored by Zonal heads who take care of their overall performance indicators on a regular basis. Due to the low operational cost as well as increasing popularity of agent banking operations, Bank Asia is emphasizing on adding new agent outlets. There are total 4,898 agent outlets in 64 districts. Agent banking network outreaches the customers through individuals, passport, institutions, UDC, Post office. Post Office Banking is new inclusion in the financial ecosystem. At present there are 920 where we have 3,895 on-boarded agents. Bank Asia has Automated Teller Machine (ATM) that provides banking services to its customers 24 hours a day, 7 days a week and 365 days a year. In our total 66% cash transactions of Bank Asia are done through its 198 own ATMs and more than 12,000+ shared ATMs all over the country. In terms of Internet banking, currently we have more than 229,526 active users.

## SCALE OF THE REPORTING ORGANIZATION

As of the end of 2021, our Bank's operating profit is Tk. 9,193 million and total assets are Tk. 438,293 million. The Bank's Capital to Risk Weighted Assets Ratio (CRAR) is 15.72%.

## MEMBERSHIP WITH ASSOCIATIONS

- Bangladesh Institute of Bank Management (BIBM)
- Bangladesh Associations of Banks (BAB)
- Association of Bankers Bangladesh (ABB)
- The Institute of Bankers Bangladesh (IBB)

Number of employees	2,547
Number of branches	129 (121 branches, 4 SME/Agri branches and 4 SME service centers), 7 sub-branches
Total operating income	Tk. 16,693 million
Total debt & equity	Tk. 410,937 million & Tk. 27,357 million
Number of ATMs	198 own ATMs and more than 12,000+ shared
Number of credit cards	121,869
Number of VISA debit cards	828,445

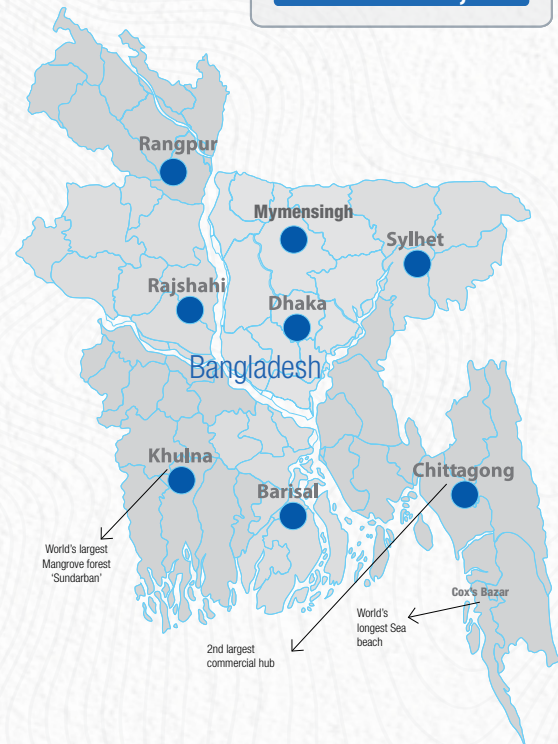


- The American Chamber of Commerce in Bangladesh (AMCHAM)
- Bangladesh Foreign Exchange Dealers Association (BAFEDA)
- Bangladesh Association of Publicly Listed Companies (BAPLC)
- Money Market Dealers Association
- Metropolitan Chamber of Commerce and Industry
- Baridhara Cosmopolitan Club
- Islamic Banks Consultative Forum (IBCF)
- Central Shariah Board for Islamic Banks of Bangladesh (CSBIB)
- The Accounting & Auditing Organization for Islamic Financial Institutions (AAOIFI), Bahrain



## Bank Asia's Service Network

Branch Banking	Branchless Banking
Branches <b>129</b>	Agent outlet <b>5,386</b>
Sub branches <b>11</b>	Individual & Institutions <b>879</b>
SME Centers <b>4</b>	Union Digital Center <b>3,188</b>
SME/Agri branches <b>4</b>	City Digital Center <b>43</b>
Islamic Windows <b>5</b>	Post Office <b>1,261</b>
	Micro merchant <b>55,794</b>



## Division wise Agent Outlet

Division	No. of Outlet
Barishal	300
Chattogram	970
Dhaka	968
Khulna	681
Mymensingh	417
Rajshahi	624
Rangpur	578
Sylhet	360
<b>Total</b>	<b>4,898</b>



GRI 102-40, 102-42, 102-43, 102-44, 102-46

# STAKEHOLDERS' ENGAGEMENT









Bank Asia believes in the proper stakeholders' engagement in every aspect of its banking activities. We identify our stakeholders through conducting impact analyses in respect of

- Responsibility: Bank Asia has direct legal responsibility to regulators, tax authority etc.
- Influence: Decision making of the bank is influenced to reach its intended goals by shareholders and employees etc.
- Proximity: The local community that influence heavily our daily operation.
- Dependency: Those who are dependent on their operational performance, e.g. business partners, and those whom we are dependent, e.g. customers.
- Representation: Those who represent Bank Asia to the outside world, e.g. employees, board and those whom we face for various decision making purposes, e.g. business association leaders, local community leaders .








As a value driven financial brand Bank Asia try to maintain transparency in providing both financial and non-financial data activities of the bank. Bank Asia prioritizes stakeholders' issues based on materiality mapping determining the level of relevance and significance on economic, environmental, social and financial impacts.





Stakeholders	Ways of inclusion	Their priorities	Our response
<b>Customers</b>   	<ul style="list-style-type: none"> <li>Market research and product innovation</li> <li>Customer Service Enhancement Program</li> <li>Customer Relationship Management</li> <li>Direct Customer feedback</li> <li>Different channels, Branches, Agent outlets, Call Centre, Priority Centre, ATM Booth, Internet Banking &amp; others</li> </ul>	<ul style="list-style-type: none"> <li>Quality service delivery</li> <li>Good returns from deposits</li> <li>Preferential pricing, charges and commission</li> <li>Privacy and Information</li> <li>Security Dispute Resolution</li> <li>Product Information, Affordability and Convenience</li> <li>Product variation according to market demand</li> <li>Strict Shariah compliance in Islamic products and services</li> </ul>	<ul style="list-style-type: none"> <li>Proper actions are taken of customers complaints if any service goes against the customer service policy of the Bank</li> <li>Front desks and relationship managers ensure fast and high quality service delivery following one to one relationship</li> <li>E-products like internet banking, mobile apps, SMS banking, EGP service, E- commerce, E- payment solution.</li> <li>ALCO sits every month to decide pricing and rates based on market analyses.</li> <li>All network nodes are run by online core banking system (CBS)</li> <li>First day in every month is being observed as 'Customer Service Day' where Corporate Office executives met with customers in branch premises</li> <li>Encourage clients to use cards as contactless modality in Covid19 pandemic</li> </ul>
<b>Employees</b>     	<ul style="list-style-type: none"> <li>Training, workshops and orientation program, Internal meeting, Group emails, Intranet Circulation</li> <li>Business conferences, teleconferences, video conference etc.</li> <li>Team building through cross-cutting working groups</li> </ul>	<ul style="list-style-type: none"> <li>Regular training &amp; Performance Development</li> <li>Social distancing maintain by ensuring Home office, rotation wise work</li> <li>Periodical salary review to adjust with cost of living index</li> <li>Proper job description setting as per individual skill with performance driven career progression</li> <li>Ensure hygienic and congenial Workplace</li> <li>Group health insurance policy &amp; Quarantine leave policy</li> <li>Transport facilities</li> </ul>	<ul style="list-style-type: none"> <li>42,816 man hours of training to 5,115 participants in 2021 also Virtual training with employees to raise their awareness on Covid-19 and prevention measures</li> <li>Tk. 13,225,548 received as insurance claim</li> <li>Salary package adjusted in line with market competitiveness and inflation</li> <li>Yearly performance Bonus and festival bonus for employee motivation</li> <li>All sorts of safety measures such as fire extinguishers, separate stairs are available and smoke free premise</li> <li>Well set KPIs for performance and inherent quality analysis</li> <li>Pick and drop facilities has been provided through 13 vehicles</li> <li>Formulation of 'Female anti-harassment policy' and 'Grievance handling policy' to resolve complaints in a fair manner</li> <li>Social Distancing maintained by ensuring home-office rotation wise work</li> <li>'First Saturday' of every alternate months has been observing as 'Cleaning Day' where all employees of the branches &amp; Corporate Office actively participate to clean the premises.</li> <li>Established COVID isolation centre to ensure healthcare facilities</li> </ul>
<b>Subsidiaries</b>   	<ul style="list-style-type: none"> <li>Policies formulation</li> <li>Agreed upon strategic goals</li> </ul>	<ul style="list-style-type: none"> <li>Goals and Strategic focuses are based on local environment analysis &amp; regulatory purview</li> </ul>	<ul style="list-style-type: none"> <li>Review local market and environment before setting its strategic priorities ensuring proper representation from subsidiaries</li> </ul>



Stakeholders	Ways of inclusion	Their priorities	Our response
<b>Shareholders/ investors</b>  	<ul style="list-style-type: none"> <li>AGM, EGM, Annual &amp; Semi annual report</li> <li>Corporate disclosures</li> <li>Price Sensitive Information (PSI)</li> <li>Quarterly financial report</li> </ul>	<ul style="list-style-type: none"> <li>Sustainable growth</li> <li>Sound governance and risk management performances</li> <li>Business ethics</li> <li>Assets quality</li> </ul>	<ul style="list-style-type: none"> <li>Maintained attractive plough back ratio</li> <li>Timely repayment of debt with stated return</li> <li>Each queries of the investors meet up through our share department efficiently and fairly</li> <li>Established risk management culture</li> <li>Transparency &amp; integrity in financial reporting</li> </ul>
<b>Board and Management</b> 	<ul style="list-style-type: none"> <li>Decisions based on financial and business delegation of different levels</li> <li>Major decisions must be placed to board for approval</li> </ul>	<ul style="list-style-type: none"> <li>Governance principles, policies &amp; procedures formulation</li> <li>Strategic focus &amp; value creation</li> <li>Strategic business planning</li> </ul>	<ul style="list-style-type: none"> <li>At least one board meeting in every month, frequent executive committee meeting, audit committee meeting</li> <li>Board members meet management on various occasions like annual &amp; semi-annual business conferences, different remarkable day celebration</li> </ul>
<b>Government &amp; regulatory Authority</b>  	<ul style="list-style-type: none"> <li>Surveillance by Bangladesh Bank</li> <li>Meetings</li> <li>Directives and circulars</li> <li>Strict ethics and compliance with applicable laws, rules and regulations</li> </ul>	<ul style="list-style-type: none"> <li>Proper compliance with laws &amp; regulations</li> <li>Timely reporting as per requirement</li> <li>Timely payment of right amount income tax and VAT</li> </ul>	<ul style="list-style-type: none"> <li>We ensure proper compliance and timely reporting to government bodies and regulators as per requirement</li> <li>Contributed Tk. 5,493 million to National Exchequer which significantly contributed to Government's revenue collection</li> <li>Regularly reports to the Central Bank, BSEC, tax and VAT authorities</li> </ul>
<b>Local Communities</b>          	<ul style="list-style-type: none"> <li>Promoting financial inclusion both banked and unbanked people</li> <li>CSR activities</li> <li>Financing in environmental friendly projects</li> </ul>	<ul style="list-style-type: none"> <li>Provide banking facility to geographically dispersed poor segment of the society</li> <li>Benefit economy by poverty reduction through banking services to rural poor people by ABAK Project</li> <li>Compensation for adverse direct or indirect impact for bank's activities</li> <li>Support to under privileged people through Social Safety Net Program</li> <li>Bank Asia Foundation (BAF) formation</li> </ul>	<ul style="list-style-type: none"> <li>Strongly consider environmental and social impact and restrain from adverse impact upon society</li> <li>Conducted large scale CSR activities of Tk. 247.45 million through the Foundation's operation</li> <li>Significant contribution to education, health, disaster management, Art &amp; culture, environmental and Sports sector</li> <li>Healthcare Aid of Tk. 104.70 million disbursed</li> <li>Tk. 22.30 Million provided as part of Bank Asia Scholarship program</li> <li>Tk. 48.85 Million worth of blankets distributed to cold struck people</li> </ul>
<b>Business Partners</b>  	Procurement management, training and communication	<ul style="list-style-type: none"> <li>Fair trade</li> <li>Fair enlistment</li> <li>Sustainable and stable growth of the bank</li> </ul>	<ul style="list-style-type: none"> <li>Free from any bias or coercion from influencing quarters</li> <li>Ensure fair play and competition to award work order</li> <li>Timely payment to vendors</li> </ul>



GRI 102-46

# MATERIAL TOPICS AND BOUNDARIES

Material Topics	Boundaries inside the organization	Boundaries outside the organization
<b>Safety of employees and clients</b>	Ensure smooth banking services to the clients during the pandemic	To excel the wheel of economy
<b>Technological advancement</b>	Technological advancement is on progress for reduction of lead time to provide banking services. Alternative delivery channels gained momentum during this pandemic.	The clients will have access to get efficient services without physical presence.
<b>Financial Inclusion</b>	Client base of the organization increases with diversity, tapping business opportunities, increase of revenue generation	The community including the overall economy benefitted from reduction of poverty through augmenting economic activities in the geographically dispersed areas
<b>Energy Consumption</b>	Efficient use of scarce resources	Sequestration of carbon emission and the national GHG inventory will be reduced
<b>Human capital &amp; Talent Management</b>	Enhancement of operational level efficiency. Attaining cost savings through reducing time requirement. Customer retention rate will be higher	The clients will be benefitted from customer friendly efficient services and will be more loyal to bank
<b>Agriculture Credit</b>	Product diversification and attachment to mainstream of the economic activity of the country	As an agricultural country, share croppers and marginal farmers will be benefitted by lower interest rate and their poverty level will be improved
<b>Environment Friendly Investment</b>	As a responsible corporate entity, the Bank believes in doing business without compromising with the eco system. It emphasizes conserving scarce resources for next generation	Public awareness as well as regulatory requirement enforced the organization to increase environment friendly investment gradually
<b>Building the Community</b>	Discharging our responsibility towards society to ensure sustainable balanced growth in economic, social and ecological arena	Overall betterment of the nation through CSR activities in different sectors like health, education, sports and culture etc.



GRI 102-40, 102-43, 102-44

## STAKEHOLDERS

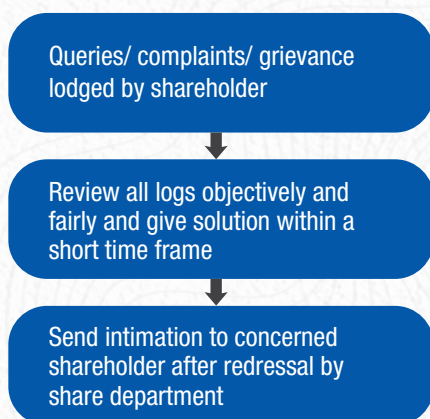
# RELATIONSHIP/ GRIEVANCE REDRESSAL

Bank Asia strongly believes in maintaining smooth and interactive relationship with the stakeholders. We pursue high quality stakeholder's redressal policy proactively to handle all types of grievance, complaints in an effective and fair manner.

Bank Asia strongly believes in equitable treatment to every

shareholder. We resolve any shareholders' complaint on a priority basis and have committed to serve the appropriate mechanism to address the shareholders' grievance within the time frame stipulated by the Bank.

### PROCESS • REDRESSAL



### • CHECKLIST

	Yes	No
Shareholders are properly communicated for collection warrants which have been refunded for non-delivery by the	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Dividend warrants revalidate the upon demand	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Bank account information are corrected while sending dividend through BEFTN system	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Dividend warrants are reissued in case of failure to send dividend through BEFTN system	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Issue shareholding certificate, dividend certificate as and when required	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e-TIN number is collected in case of cash dividend	<input checked="" type="checkbox"/>	<input type="checkbox"/>

### REDRESSAL PROCESS OF BANK ASIA LIMITED

- Complaints raised by the investors/ shareholders must be dealt with courtesy and in a timely manner
- Complaints are treated and solved efficiently and treated fairly
- Communicate to the shareholders for collection of the dividend warrants which have been refunded for non-delivery by the courier
- Revalidate the dividend warrants upon demand
- Correction of bank account information while sending dividend through BEFTN system
- Re issue of dividend warrants, in case of failure to send dividend through BEFTN system
- Issue shareholding certificate, dividend certificate as and when required

- E-mail or letter must be send to all the investor who have submitted written complaints
- Request for e-TIN number in case of cash dividend

### Redressal Statistics 2021

Requests received from shareholders	Ways of addressing mentioned requests
<ul style="list-style-type: none"> <li>Demat 499,920 shares;</li> <li>34,765,678 bonous shares credit among the shareholders from suspense account</li> <li>Re-issue 1,072 dividend warrants for the year 2020 (which were returned from BEFTN)</li> <li>Issuance of 60 shareholdings certificate for income tax purpose;</li> </ul>	<ul style="list-style-type: none"> <li>Demat confirmed all the shares timely;</li> <li>Credit all the shares as requested;</li> <li>1,072 duplicate fractional dividend warrants for the year 2020 issued</li> <li>60 shareholdings certificate were issued;</li> </ul>

The bank continues to have regular communication with the shareholders through periodic updates of performance and at any time when it believes it to be in the best interest of shareholders generally.



## REDRESSAL POLICY



### SHAREHOLDER'S PERSPECTIVE

Bank Asia redressal system covers the following issues

- Receiving the complaints for non-receipt of dividend warrant, dividend intimation letter, cash dividend;
- Transfer of shares from suspense account to the shareholders BO account;
- Clarification of any price sensitive information over telephone;
- Grievance for not receiving of Annual Integrated Report, half-yearly financial position timely;
- Concerns relating to share dematerialization (DEMAT);
- Queries about and clarification on recent or upcoming price sensitive information over telephone, etc.

Any Investors may lodge their complaint related to their investment in the company through formal letter, Bank's official e-mail ID i.e. [bankasia@bankasia-bd.com](mailto:bankasia@bankasia-bd.com) and phone call to the Company Secretary and/or Share Department. We focus in addressing those complaints within the shortest possible time.



### CUSTOMERS' PERSPECTIVE

Customers are one of the key stakeholders of the Bank. We are very much conscious about customers' demand and always ready to serve them our best as per our Customers Service Policy and Customers Acceptance Policy (CAP). Like investors we also address up our customers queries and complaints through our corresponding department, division or unit. All the complaints are centrally handled by BOD (Branch Operation Department). In 2021, the Bank received 94 complaints from customers of various branches and all the problems were solved successfully through proper investigation and remedial action. Those problems were solved within 5 days (approx.) in which some complaints were met up within 24 hours. We have already introduced Branch level customer service & complaint management desk (BLCS & CMB) introduced at all branches of the bank. Moreover the year 2021 declared as the Year of Employee Welfare



### EMPLOYEES' PERSPECTIVE

Employees are the main resource of the Bank, the human capital. We are committed to provide comfortable work environment to our employees for enriching their productivity. To resolve undesirable issues in the workplace and create a conducive and gender sensitive working environment we have separate Grievance Handling Policy and Female Anti- Harassment Policy. Our People Management Division takes necessary measures to redress if any adverse situation arises. In 2021, we didn't receive any significant complain related to our employees.

## Redressal point for Shareholders

Bank Asia Limited  
Corporate Office  
Bank Asia Tower, Level: 02  
32 & 34, Kazi Nazrul Islam Avenue  
Karwan Bazar, Dhaka  
Phone: +8809617001100 | EXT: 1213-1215



GRI 102-47

# MATERIALITY MAPPING



Sln.	Major Topics/ Indicators	Priorities					Bank Asia Response
		L 1	2	M 3	4	H 5	
1	Financial Inclusion						<ul style="list-style-type: none"> <li>■ Around 4.92 million unbanked people have already included through Agent Banking network in 64 districts through 4,898 agent outlets</li> <li>■ 51,237 Micro-merchant points are serving marginal people in easier &amp; faster manner</li> <li>■ More than 2.6 million poor, disadvantage and marginal people of Bangladesh are getting services under Social Safety Network program of Government</li> <li>■ Introduced Digital Post office based banking services for the mass people of the country</li> </ul>
2	Technological innovation						<ul style="list-style-type: none"> <li>■ About 23,500 number of account with Tk. 14,450 million loans processed through OCAS-Diganta project (Tab based version)</li> <li>■ For channeling remittance from abroad implemented Robotic Process Automation for real-time payments</li> <li>■ Develop e KYC APP through which customer can open savings account in 5 minutes from home</li> </ul>
3	Building the Community						<ul style="list-style-type: none"> <li>■ Bank Asia spent Tk. 247.45 million to Health, Education, disaster management, and other social sectors as CSR activities for fostering healthy communities towards enhancement of well being and productivity of the country <ul style="list-style-type: none"> <li>• Health: Tk. 104.70 Million</li> <li>• Education: Tk. 42 Million</li> <li>• Disaster Management: 48.85 Million</li> <li>• Art &amp; Culture: Tk. 1 Million</li> <li>• Others: Tk. 50.90 Million</li> </ul> </li> </ul>
4	Capital Planning & Liquidity Risk Management						<ul style="list-style-type: none"> <li>■ Total Capital Tk. 41,370 million   CRAR 15.72%</li> <li>■ LCR 217.27%   NSFR 107.93%   Leverage ratio 4.87%</li> <li>■ AD Ratio: 65.58% ROA:0.64% ROE:9.89%</li> </ul>
5	Human Capital and Talent Management						<ul style="list-style-type: none"> <li>■ 42,816 man hours of training to 5,115 participants</li> <li>■ Human capital is Tk. 23,043 million</li> </ul>
6	Environment Friendly Investment						<ul style="list-style-type: none"> <li>■ Liquid Waste Management: Tk. 7,164.05 million outstanding</li> <li>■ Renewable energy : Tk. 2,226 million disbursement</li> <li>■ Green establishments: Tk. 615 million &amp; Euro 4.60 million for Green Transformation fund</li> <li>■ We have saved Tk. 9.95 million by using E-Statement, SMS Banking SMS Alert, Net Banking, E Fund Transfer, Digital Attendance, E-Mail correspondence etc.</li> </ul>







# GOVERNANCE

## COMMITMENT AND STAKEHOLDERS

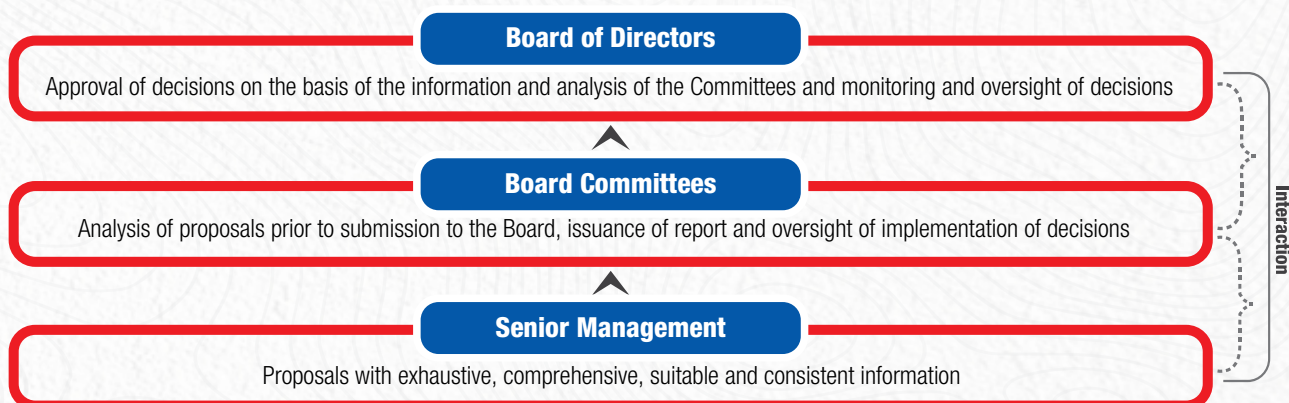
Bank Asia is strongly committed to ensuring that its systems, procedures and practices reflect a high standard of Corporate Governance. It has a well-defined and well-structured Corporate Governance framework in place to support the Board's aim of achieving long-term and sustainable value, as well as fostering a culture that values ethical behavior, integrity and respect to protect shareholders' and other stakeholders' interests at all times.

By following good governance practices Bank Asia has been able to create values for all stakeholders of the Bank.

	Build and maintain good governance framework for value creation and ensuring long-term growth	<p>Good Governance Practices result a solid growth in all aspect of business operations of the bank</p> <ul style="list-style-type: none"> <li>• Loans and Advances growth 7.34%</li> <li>• Deposit growth 5%</li> <li>• Strong capital base</li> <li>• Good credit rating (both short term and long term)</li> </ul>
	Follow openness & transparency in communication with stakeholders	<ul style="list-style-type: none"> <li>• Transparent communication</li> <li>• Providing both financial and non-financial data on regular basis</li> <li>• Best presented Annual Report in 2020</li> </ul>
	Focus on technologically advanced banking system	<ul style="list-style-type: none"> <li>• Introducing Agent Centric business model</li> <li>• Digital Account opening</li> <li>• Digital lending and robotic payment automation</li> </ul>
	Enhance operational risk management	<ul style="list-style-type: none"> <li>• Strong internal business process Platform</li> <li>• Meticulously follow SOP in all aspect of business operation.</li> </ul>

The Board meets on a monthly basis and meetings are scheduled well in advance (before the commencement of each financial year) to enable members to plan ahead. When required, the Board will meet on an adhoc basis to deliberate urgent matters.

During FY 2021, the Board met twenty five (25) times to deliberate and consider a variety of significant matters that required its guidance and approval. The Board also had separate sessions with the management to discuss the Bank's strategies particularly in pandemic period of COVID -19.





## Capital Structure

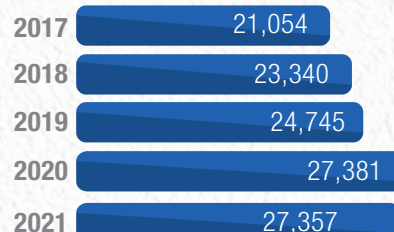
December 31, 2021

Figures in Million

Particulars	Taka	USD
Paid up Capital	11,659	137
Statutory Reserve	10,725	126
General Reserve	8	0.09
Retained Earnings	2,804	33
Total Shareholders' Equity	27,357	322

## Total Shareholders' Equity

Million Taka



## Board Committee

To ensure a better performance of its functions through a suitable decision-making process, the Bank Asia's Board of Directors as per the guidelines of regulators has established specific Committees that assist it in matters falling within their remit, with a coordinated working system among them. These Committees are essential to ensure the correct discharge of the management oversight and control functions of the Board, on the basis of a system that guarantees full independence from the executive level, and therefore strengthening the checks & balances structure of Bank Asia's Corporate Governance System. In 2021, 25 meetings held where 901 memos were presented.

### Meeting held by board of directors

#### Major agenda covered in 2021

- Exit Policy for the Customer of the Bank.
- Creation of Islamic Treasury Unit under Group Treasury.
- Approval for Post Office Banking Department.
- 2nd Revision on Policy paper for extending agri/rural credit through MFI.
- Dividend Distribution Policy of Bank Asia Limited.
- Appointment of Practicing Professional Body for Conducting Certification on Compliance of Corporate Governance Code of BSEC.
- Setting up Credit Monitoring Department (CMD).
- Raising Additional Tier-1 Capital BDT 5,000 million by issuing Unsecured Contingent-Conversion Floating Rate Perpetual Bond through private placement.
- Product policy of Government securities investment window for customer.
- Guideline on Internal Credit Risk Rating System.
- SWIFT Shareholding status of Bank Asia Limited in 2021
- Certification on the effectiveness of Internal Control Policy, Practice and Procedure to the Board of Directors by the Senior Management Team (SMT) for the year 2020.
- New Product Program Guideline (PPG) of Wage Earner's Support (WES) of Consumer Finance under Retail Banking Division.
- Sustainability Rating of Banks and Financial Institutions for 2020 by Bangladesh Bank.
- Strategic alliance with MicroSave Consulting (MSC) for Metlife Foundation's grant based financial inclusion project implementation towards expanding Bank Asia's Post Banking network
- OBD (Outbound Dialer) calls to be used for voice alert for awareness building of Agent Banking Customers
- Policy on Eligible Criteria to Finance proprietorship concern.
- Appointment of HR Consultancy Firm to review, amend and update Bank Asia Staff Service Rules and all relevant HR Policies
- Revision of
  - Bank Asia Internal Control & Compliance (ICC) Policy 2021
  - Bank Asia Compliance Policy 2021
  - Bank Asia ICC Manual 2021

## Executive Committee

The Executive Committee (EC) of the board of Bank Asia was first constituted in January 2010 to ensure efficient, competent, compliant and secured structure for approval of credit proposals and business decisions. The number of members in executive committee is 7(seven) nominated by the board from directors. The EC time to time reviews policies and guidelines issued by Bangladesh Bank regarding credit and other operations that are customized and adopted by the management after approval of the board of directors. EC approves credit proposals as per approved policy of the board. In 2021, 49 meetings held where 588 memos were presented.



Meeting held by executive committee			49
Loan approval in 2021			
	No. of Memo	Funded	Non-funded
New sanction	436	82,362.40	101,974.70
Enhancement	121	4,944.70	7,001.10
Rescheduling	6	710.60	
Total	563	88,017.70	108,975.80

## Audit Committee

The audit committee of the Board of Bank Asia was first constituted in January 2003 with the objectives of generating a platform for a compliant and secured banking. As per the BSEC notification no BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 Audit Committee must consists of at least 3 (three) members with 1(one) Independent Director. All the members of Audit Committee should be selected from Directors and the Chairman must be an Independent Director.

Bank Asia's Audit Committee consists of 5 (five) members. All of them are non-executive directors from whom 3 of them are Independent Directors and the Company Secretary of the bank is the secretary of the Audit Committee. Mr. Dilwar H Choudhury, the Chairman of the audit committee is an Independent Director and all the members are knowledgeable in financial industry and have long experience in banking industry. More information is available in the Director's Profile at pages 24 to 33 and the 'Report on the activities of the Audit Committee' at page 238 in the Annual Integrated Report 2021. 9 meetings held where 66 memos were presented in 2021.

Meeting held by Audit Committee	09
<b>Major agenda covered in 2021</b> <ul style="list-style-type: none"> <li>● Annual financial statements of the Bank for the year ended 31 December 2020 as certified by the External Auditors before submission to the Board for consideration.</li> <li>● Summary of Audit and Inspection reports on the Branches, Divisions and Departments of the Bank.</li> <li>● AML/CFT Issues of Audit and Inspection reports on the Branches.</li> <li>● Annual Risk Based Audit Plan.</li> <li>● Management Letter of the Bank submitted by the external auditor for the year ended 31 December 2020.</li> <li>● Un-audited quarterly and half-yearly financial statements of the Bank.</li> <li>● Bangladesh Bank comprehensive and Core risk inspection report and the recommendations made therein.</li> <li>● Actions taken by the management with regard to shortcomings raised in the Bangladesh Bank Inspection report and by the Internal Audit Team of the Bank.</li> <li>● The corrective measures taken by the management with regard to the lapses pointed out on the internal control and other issues raised by internal and external auditors and inspectors of the regulatory authority.</li> <li>● The compliance status of the audit objections and the recommendations made by the Bangladesh Bank Inspectors, External Auditors and the Internal Auditors in their reports.</li> <li>● Draft Annual Integrated Report of the Bank.</li> <li>● Annual Integrated Health Report of the Bank.</li> <li>● Implementation of Core Risk Management Guidelines including Internal Control and Compliance Risk and compliance thereof.</li> <li>● On-site &amp; Off-site Monitoring Reports.</li> <li>● Irregularities/Lapses in the Quarterly Loan Documentation Checklist (LDCL) including compliance status.</li> <li>● Shortcoming/Deviation in the Quarterly Operations Report (QOR) including compliance status.</li> <li>● Half-yearly Self-Assessment of Anti-Fraud Internal Controls including implementation status.</li> <li>● Status of recovery of classified loans and necessary guidelines provided to the management to reduce Non-Performing Loan (NPL).</li> <li>● Submission of Audit Committee's decision and implementation status on Audit Observations to the Board of Directors (BOD) of the Bank.</li> <li>● Appointment of Auditors.</li> <li>● The overall effectiveness of Internal Control Policy, Practice and Procedure of the Bank.</li> </ul>	



### Risk Management Committee

To minimize risk while implementing the policies and business plan of the Bank, the Board has formed a Risk Management Committee as per the guidelines of Bangladesh Bank. The Committee will supervise whether the risks arise from credit, foreign exchange, internal control and compliance, money laundering, information technology, operation, interest rate, liquidity and other sources are identified, and measured and adequate systems are in place to minimize such risks. Currently 6 (six) members are in the Risk Management Committee. In 2021, 11 meetings held where 37 memos were presented.

Meeting held by Risk Management Committee	11
<b>Major agenda covered in 2021</b>	
<ul style="list-style-type: none"> <li>● Portfolio of Risk Report</li> <li>● Sectoral Lending Cap for 2020</li> <li>● Capital Management Function on quarterly basis</li> <li>● Outcome of Stress Testing on quarterly basis</li> <li>● Risk Appetite for 2020</li> <li>● Outcome of Additional Capital Assessment for the year 2019</li> <li>● Sectoral risk management strategy <ul style="list-style-type: none"> <li>○ Ready Made Garment</li> <li>○ Pharmaceutical</li> <li>○ Cement sector</li> </ul> </li> <li>● Report on Top 20 Client(s) Analysis</li> <li>● Policy Paper for Extending Agri/Rural Credit through NGO/MFIs</li> <li>● Proposed Money Market Limit for Banks and NBFIs</li> <li>● Risk Management Activities 2020</li> <li>● Comprehensive Risk Management Rating</li> </ul>	

### Management Committee

Under the leadership of the President and Managing Director, management committee of the Bank has executive management responsibility for the steering of the Bank and its business. It assumes overall responsibility for developing the Bank and business division strategies and the implementation of approved strategies.

### Senior Management Team (SMT)

The highest committee of Management is the Senior Management Team (SMT), which is responsible for overall management of the Bank, internal control and core risk management as well as recommending strategy and monitoring business performance of the bank and its subsidiaries. The SMT operates under delegated authority from the board and membership of the management committee consists of the President and Managing Director, Deputy Managing Directors, c-level executives and the heads of major operational departments. The current number of SMT members is 14. In 2021, 9 meetings held where 30 decisions were implemented among 34 decisions. The name of the SMT members and their photos can be seen at pages 46 to 47 of the Annual Integrated Report 2021.

Meeting held by SMT	9
<b>Major agenda covered in 2021</b>	
<ul style="list-style-type: none"> <li>● Launching of Wage Earners Support Loan product by CFC</li> <li>● To hold meeting with IFC for finalization of scope of works for their Risk Management &amp; Credit Risk Advisory Services</li> <li>● Formation of six desks at Risk Management Division to strengthen the functions and activities of the department</li> <li>● Review, finalize and implementation of Proprietorship Concern financing policy</li> <li>● Review and finalization of Policy on Counterparty Limit</li> <li>● Research &amp; Strategy Division will arrange a meeting with the 13 branches to communicate the findings and recommendations of the survey.</li> <li>● Issuance of letter by CFO to all concerned Departments &amp; Branches for necessary compliance with the observation made in the Management Letter submitted by Hoda Vasi Chowdhury &amp; Co and to be more cautious and vigilant to avoid such lapses and non-compliances in future</li> <li>● Advised to start implementation of the PPG based CMSE Scoring model on piloting basis by CRM</li> <li>● The content of SOP and proposed organogram of the Accounts Department which was advised to incorporate the recommendations of the Policy Review Committee.</li> <li>● Meeting with ERA Infotech to discuss whether ERA can develop &amp; provide solution for SWIFT integration with CBS &amp; direct reporting to BB</li> <li>● Finalization of Regional and Cluster Framework for Bank Asia Ltd.</li> <li>● Placing the PIF policy in the Board meeting for approval</li> </ul>	



## SRP Committee

The Supervisory Review Process (SRP) Committee is formed under the second pillar of Basel III capital accord. Bank Asia Limited on year basis assesses the requirement of additional capital to address other material risks that have not been considered under minimum capital requirement (MCR) i.e. credit risk, market risk and operational risk of Pillar I of Basel III. The SRP Committee is comprised with senior management where President & Managing Director is the Chairman of the Committee, other members are AMD, DMD & CCO, Head of Treasury, Head of ICCD, Chief Finance Officer (CFO) and Head of RMD & CRO. The Committee is primary responsible for ensuring that the bank has maintained an adequate level of capital and addressing appropriately the level of risks arises.

### Meeting held by SRP Committee

1

#### Major agenda covered in 2021

- Assessment of Additional Capital Requirement for 2020
- Review of supplementary documents
- Calculation Methodology of ICAAP 2020

## ALCO

The Asset Liability Committee (ALCO) comprising the senior management, take strategic decisions on fixation of asset liability pricing, on liquidity management in the context of changing market scenarios. The Member-Secretary of the ALCO, i.e. Head of Group Treasury calls for a meeting of the committee based on a regular schedule. When needed special ALCO meetings are held to respond to the unusual or seasonal market behavior or other volatile market scenarios.

Proactive measures of ALCO kept the balance sheet mix as well as all vital ALM indicators, e.g ADR, IDR, LCR, NSFR, Commitment, leverage ratio within a comfortable range that helped the bank to earn revenue and simultaneously maintain a strong balance sheet structure. In 2021, there are 8 members in ALCO. The committee may be reconstituted as and when deemed necessary.

### Meeting held by ALCO

12

#### Major Agenda covered in 2021

- Market scenario & economic outlook
- Projections on Exchange Rate and Interest rate
- Peer group balance sheet and profitability analysis.
- Discussion on Risk appetite and budgeting for business targets.
- Discussion on Cost of doing business in relation to asset pricing and non-funded business earnings.

- Balance sheet expansion and funding strategies in pandemic situation.
- Review of key ALM indicators (LCR, NSFR, ADR, MCO, MCR, CRAR)
- Asset pricing and liability pricing.
- Transfer pricing.
- Commitment position analysis and strategies for sustainable earnings.
- Review of FTP Policy.
- Capital allocation calculation of business transactions
- Ratio trend analysis and future prospect projection
- Monthly trend and variance of Deposit- Advance and planning of strategies
- Balance Sheet Gap analysis as per time bucket & forecasting
- Bank's profitability analysis
- Re-pricing gap of Asset-Liability
- FC Inflow-outflow & commitments scenario
- Investment analysis and decision for Banking & Trading book
- Currency wise B/S position & gap analysis
- Deposit product analysis [Term, Rate, Other conditions]
- Business unit raise asset product analysis [Rate, Term, Cash flow, Classification]

## Credit Committee

Bank Asia's credit committee is formed with a group of highly knowledgeable senior management who are responsible for assessing the credit worthiness and ability to repay debt of prospective borrowers. As per complete and critical assessment, the committee recommends for approval or declines the credit proposal and put observations where necessary. Based on the recommendations, credit proposals are approved or declined by the Managing Director or executive committee of the board or the board as per delegation of authority.

### Type wise sanction during 2021 [Under recommendation of COCC]

Sanction Type	Number of Proposal	Funded Facility	Non Funded Facility	Total Facility
Fresh Approval	1352	39,907.09	28,617.47	59,512.89
Enhancement	88	3,144.90	3,514.93	6,450.58
Renewal	662	64,039.82	68,008.58	119,882.20
Renewal with Enhancement	320	53,478.54	83,294.05	122,577.97
Renewal with Reduction	56	5,531.73	4,140.34	8,017.17
One-time	1020	14,520.86	29,223.10	42,091.30
Reduction	15	959.66	67.53	1,009.19



Modification	767	-	-	-
Rescheduling & Restructuring	41	4,250.71	21.00	4,301.71
EOL	147	3.00	13,388.29	13,020.00
<b>Grand Total</b>	<b>4468</b>	<b>185,836.31</b>	<b>230,275.29</b>	<b>376,863.01</b>

### Policy Review Committee

Bank Asia Limited has formed Policy Review Committee (PRC) to review Bank's Policies, Product Program Guidelines (PPG), Manual and Standard Operating Procedure (SOP) in a timely interval. The Committee is also responsible to identify the Department/ Division/Unit specific required documentation (i.e. PPG/Policies/SOP). This Committee ensures the quality and substance to an acceptance level for the overall management of different category of risk.

### Independent Director

Bank Asia complied with relevant guidelines of Bangladesh Bank circulars, rules and regulations of the Bank Companies Act, 1991 (amended up to 2018) and guidelines of Bangladesh Securities and Exchange Commission regarding composition of its board of directors. While appointing new directors Bank Asia emphasizes the mix of knowledge, skills, experience and perception. The directors are elected by the shareholders in AGM. In case of nomination, removal, causal vacancy and alternate directors, Bank Asia follows all relevant rules and regulations. The Bank's non-executive directors are independent of management and free from day to day business of the bank.

### Position of the Chairman of the Board of Directors and the President and Managing Director

The functional responsibilities of the Chairman of the board and of the President and Managing Director are kept separate and independent of each other. The Chairman is responsible for leading the board and overseeing the entire functioning of the bank as per corporate governance framework. Mr. A Rouf Chowdhury is the current Chairman of the Board. Through his dynamic leadership, he is leading the Bank towards the success. The Managing Director leads the bank by developing, designing and implementing the business strategic plan of the Bank. The President and Managing director, Mr. Md. Arfan Ali is also responsible for developing long term business plans and the day-to-day operation. He is also accountable to the shareholders and the board of the bank. For attending the Board Meeting, Audit Committee Meeting, Executive Committee Meeting and Risk Management Committee Meeting, the Directors receive an honorarium of Tk. 8,000

each. But in management level no remuneration was given to any for any meeting regarding setting remuneration. During 2021, the expenditures incurred related to directors were Tk. 4,040,000 for Directors' honorarium purpose.

### Mechanism to Provide Advice to the Board

Bank Asia maintains transparency and close communication with its shareholders. With this view we publish annual report, publishing quarterly financials and price sensitive information (PSI) in newspapers for shareholders, investors, capital market experts, and other equity participants in a complete, fair, accurate, timely and understandable manner within the framework of generally accepted accounting principles and legislation provisions. Our bank's shareholders can also use their query rights or can provide any recommendations or direction to the Board of directors at the annual general meeting and the Board answers all questions of shareholders. Prior to AGM, the meeting date, venue and agenda are announced and also the annual report is submitted to the shareholders through our bank's website or through different channels. After getting feedback from shareholders at AGM, the Board then directs the management to implement the recommendations of the shareholders. If the Management requires making any change in policy or practice, the Board approves those changes; otherwise if this authority of approval is beyond the power of the Board, this can be approved by the shareholders of Bank Asia Ltd. at AGM through voting. In applicable cases extra ordinary general meeting (EGM) of general shareholders may be called. So far 22 AGMs and 11 EGMs have been successfully arranged.

### Avoiding Conflict of Interest

In financial intuitions there exists high possibility of arising conflicts of interest between Board of directors and the management of the company. To avoid such unwanted situation Bank Asia has separated the responsibility/authority of these two interest groups of the bank. To avoid conflict of interest and also to make accountable the bank has already taken the following measures:

- Loan to the directors is restricted subject to full filing certain terms and conditions of regulatory guidelines.
- If there is any related party transaction, the management discloses the matter in the Annual Integrated Report and it is also approved by the general shareholders in AGM.
- Executive committee of the Board can approve loan to anyone up to a limited portion.
- Board of directors' approval is needed for loan re-scheduling.



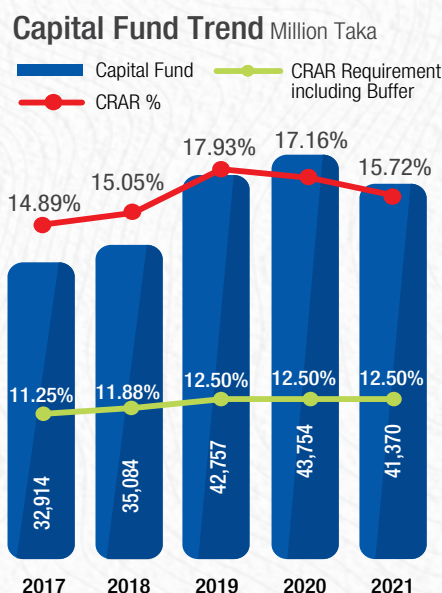
# CAPITAL MANAGEMENT

Bank Asia is very much keen about maintaining capital adequacy. The management continuously plans capital requirements considering risks and shocks of financial market movement and assess the sensitivity with regard to interest rate risk, FX risk, equity risk and liquidity risk. Currently Bangladesh banking industry is in the process of implementation of risk based capital adequacy (RBCA) in line with Basel III capital accord since January 2015 under the following three pillars:

- Pillar I – minimum capital requirement (MCR); Standardized approach for credit risk, Standardized (rule based) approach for market risk, and Basic indicator approach for operational risks;
- Pillar II- supervisory review process; and
- Pillar III – market discipline

Capital Fund of Bank Asia	2021		2020	
	Amount	%	Amount	%
Tier-1: Core Capital	25,153	61	23,558	54
Tier-2: Supplementary Capital	16,218	39	20,195	46
Capital Fund	41,370	100	43,753	100
Risk Weighted Asset	263,153		254,905	
Capital to Risk Weighted Asset Ratio (CRAR)		15.72		17.16

- Regulatory MCR is 10% on risk weighted assets (RWA), which was gradually increase up to 12.50% in the year 2020 including counter cyclical capital buffer of 2.5% and some regulatory adjustment of capital.
- The Leverage ratios will by 3%, liquidity coverage ratio will be  $\geq 100\%$  and net stable funding ratio will be  $> 100\%$ .
- Bank Asia is always committed to ensure sustainability in doing business including capital adequacy to support healthy growth of business. As on December 31, 2022 CRAR (Capital to Risk weighted Asset Ratio) reached at 15.72% against regulatory requirement of 12.50%. Moreover, for strengthening the capital base of the bank, we are under process to issue perpetual bond of Tk. 500 crore within third quarter of 2022 that will increase CRAR ratio as well. In this regard Bank has appointed City Bank Capital Resources Ltd. & IDLC Finance Ltd and UCB Investment Ltd. as Trustee.
- As per BASEL III guideline, Bangladesh Bank has set maximum limit for Tier – 2 capital. Accordingly, as on December 31, 2021 Bank Asia's Tier-2 capital was Tk.1,881 crore but to comply Basel III Guideline, Tk.1,621 crore was considered as Tier-2 capital. Therefore, Tk. 260 crore was deducted from bank's Tier-2 capital. Moreover, Tk. 160 crore was redeemed from bank's Tier-2 capital as per redemption schedule of Subordinated Bonds. As a result, capital of the bank reduced to 15.97% in December, 2021.





# FINANCIAL PERFORMANCE

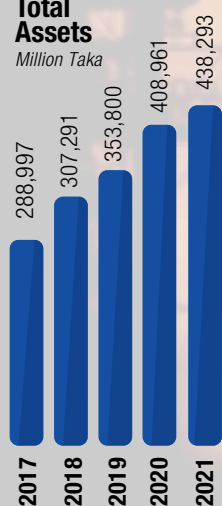
## Major Financial Highlights

Million Taka

	2021	2020	2019	2018	2017
Paid up Capital	11,659.07	11,659.07	11,659.07	11,103.87	9,870.11
Deposits	317,782.43	303,028.11	253,709.57	222,471.72	207,041.47
Loans and Advances	262,266.70	244,642.03	227,298.96	214,618.15	197,504.14
Import	225,789.00	141,289	158,115	165,203.00	181,468.00
Export	141,496.00	108,549	132,465	136,733.00	118,172.00
Inward Remittance	128,441.00	98,911	79,750	60,113.00	51,778.00
Total Income	29,394.30	28,105.56	30,536.30	27,130.56	22,808.95
Total Expenditure	20,201.77	22,034.72	21,213.84	19,070.18	16,121.39
Operating Profit	9,192.53	6,070.84	9,322.46	8,060.4	6,687.56
Net Profit After Tax	2,706.74	2,035.71	1,960.81	2,266.28	2,047.53

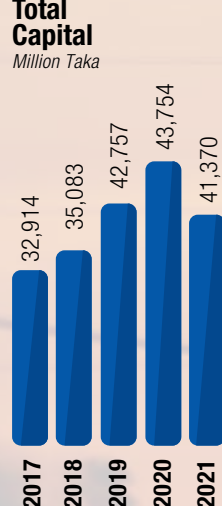
### Total Assets

Million Taka

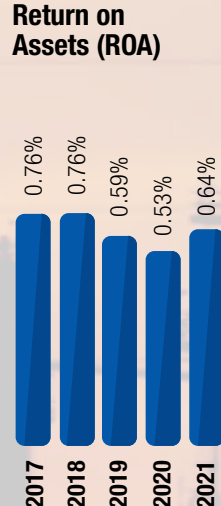


### Total Capital

Million Taka

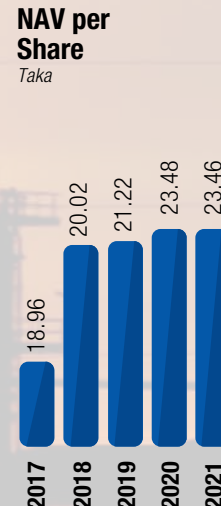


### Return on Assets (ROA)



### NAV per Share

Taka





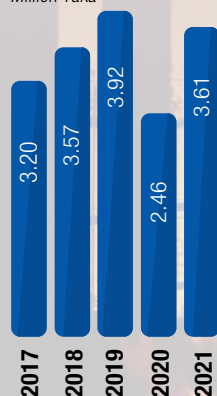
## Key Management Ratios

Million Taka unless otherwise specified

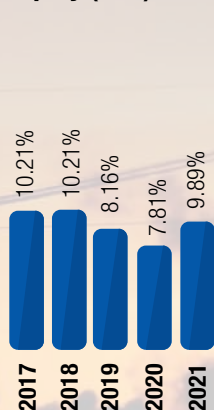
	2021	2020	2019	2018	2017
Credit Deposit Ratio	65.58%	69.42%	76.47%	81.75%	81.88%
Cost of Deposit	3.94%	4.95%	5.67%	5.65%	5.08%
Administrative Cost	2.09%	2.27%	2.59%	2.60%	2.50%
Yield on Loans and Advances	7.61%	7.68%	10.19%	9.99%	9.03%
Spread	3.67%	2.73%	4.52%	4.34%	3.95%
Burden Ratio	0.21%	0.62%	0.67%	0.70%	0.43%
Salary Exp. to total Overhead Exp.	51.87%	50.03%	48.63%	47.77%	47.99%
Cost to Income/Efficiency ratio	44.93%	54%	42%	42.93%	44.12%
Earnings Per Share (Taka)	2.32	1.75	1.68	1.94	1.84
Dividend Coverage ratio	1.55	1.75	1.68	2.04	1.66

### Profit per Employee

Million Taka



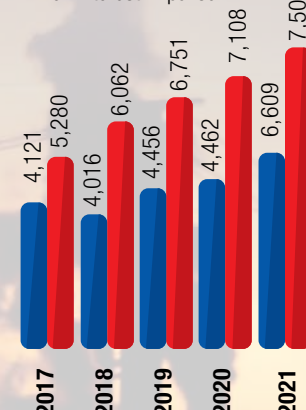
### Return on Equity (ROE)



### Non Interest Income & Non Interest Expense

Million Taka

■ Non-Interest Income  
■ Non Interest Expense





# Primary Brands

## Products & Services

Since its inception, Bank Asia Limited has been able to maintain a very sound corporate brand image amongst its peer group of new generation private commercial banks in Bangladesh. Over the years, the corporate brand identity was strengthened mainly due to the superior excellency in customer relationship management and also innovating various technology driven unique banking services that catered the need of people from all socio-economic background.

The brand identity of Bank Asia Ltd emerged from an outstanding corporate banking establishment and escalated towards a broad extended sphere of audiences ranging from semi-urban to deep rural, to the remotest possible landscapes where people need banking, to achieve the noble goal of financial inclusion. Bank Asia Limited has pioneered the idea of financial inclusion by providing banking to the un-banked with an intention of eradicating poverty by ensuring access to finance for all, which matches our brand slogan, "For A Better Tomorrow".

With this frame of mind, Bank Asia has championed brands like Agent Banking, Post-Office Banking, Micro Merchant etc. These strategic business units (SBU) are providing banking products and services almost identical with its corporate brand, however to an extended group of consumers who were completely untapped by the goodness of modern banking. To achieve both financial inclusion and customer satisfaction, the products & services portfolio of the bank consists of all of the banking needs of an individual, despite of their geographic, demographic or socio-economic class.



NEELIMA




*Launching program of NEELIMA on International Womens Day*



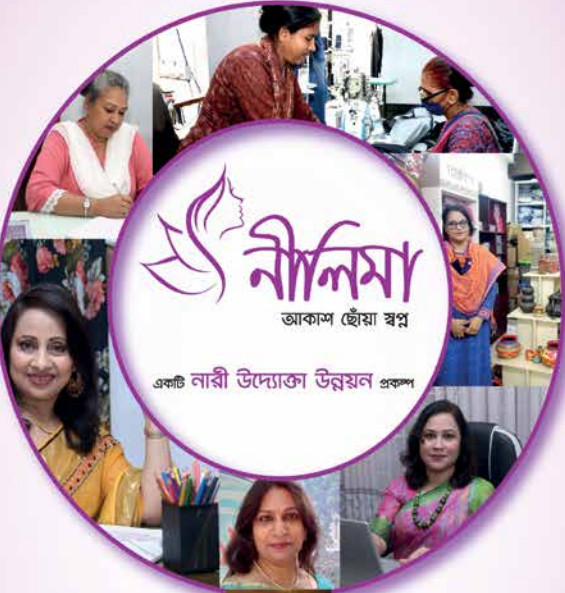
## Neelima – A Platform for Women Entrepreneurs' Development

অত বাধা পেরিয়ে  
নারী তুমি এগিয়ে



জালাশ হোয়া স্বপ্ন

একটি নারী উদ্যোক্তা উন্নয়ন প্রকল্প



**প্রসোদনাসহ**  
সর্বনিম্ন ৫% হারে ঋণ সুবিধা  
দেশের যে কোনো প্রান্তে

\*সর্ব প্রযোজ্য

কন্টাক্ট সেন্টার  
১৬২০৫ ২৪/৭

**বাংক এশিয়া**

Women entrepreneurs play a significant role in the holistic development of overall economic activities, yet they face a handful of obstacles on their way forward. Especially, managing the source of finance for their enterprises is a key demotivator. Keeping in mind this hurdle, Bank Asia has introduced its unique service 'Neelima' to cater the financing needs of women entrepreneurs all over the country. 'Neelima' is not limited to assist financing needs but also providing training and consultancy services to ignite the enthusiasm of their endeavors. Under this platform, women entrepreneurs will get working capital financing as well as business expansion loans. The facilities also include special stimulus for timely loan repayment. All these facilities under Neelima are intended to close the gap between success and risk amongst the women entrepreneurs and to play vital role in their entrepreneurial developments. In the coming phases of Neelima, there are plans to introduce diversified women loan products according to the emerging needs of women and to educate those new products for influencing them to take new entrepreneurial initiatives. Entrepreneurs can learn more about Neelima by contacting 129 branches of Bank Asia along with 5000+ agent outlets all over the country.

No. of Account  
**525**

Outstanding Amount  
**Tk. 1,261.60 million**



# AGENT BANKING



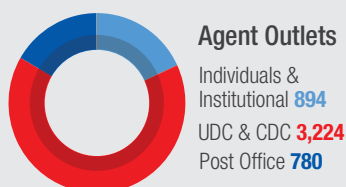
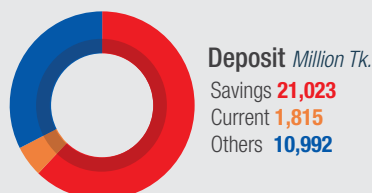
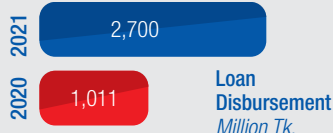
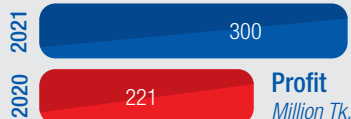
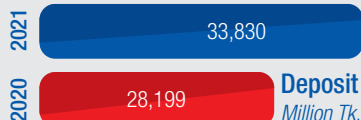
District **64**  
Upazila/ Thana **530**



Number of outlets  
**4,898**  
Growth **6%**



**4.92 Million**  
Growth **36%**



## Bank Asia's performance in the industry

- Represents 27% of total agent banking outlets across the country
- Disbursed more than 18% of total lending in Agent Banking.
- Owns more than 47% of total industry female customers in Agent Banking.

## Bank Asia has been crowned as Honorable Mention in Bangladesh Innovation Award 2021:

Bank Asia had been crowned the Honorable Mention in the competition of 'Bangladesh Innovation Award 2021' organized by Bangladesh Brand Forum, recognizing the bank's outstanding contribution for business model innovation to accelerate financial inclusion in Bangladesh. Bank Asia Participated in the competition with its new innovation Bank Asia Digital Payment Channel (Micro Merchant).

Agent Banking is now a name of pride for financial inclusion in Bangladesh under the directives and support from Bangladesh Bank. Bank Asia is the pioneer in introducing Agent Banking service in Bangladesh. Bank Asia made a unique tech-based Agent Banking model ensuring appropriate security with real-time banking for its customers. Within a span of only eight years of inception, we noticed a substantial headway in this specialized banking service in terms of the number of agents, accounts and deposits. Around 5 million unbanked people have already been included in Agent Banking network of 4,898 agent outlets in 64 districts. The bank already disbursed total loan of more than BDT 789 crore (USD 92 million) to rural customers through Agent Banking. Bank Asia, alone represents more than 47% of total female customers in Agent Banking. It serves more than 2.6 million social safety net (SSN) beneficiaries through its Agent Banking. Bank Asia partnered with a2i (Aspire to Innovate) to expand its agent network through Union Digital Centre (UDC) and with Bangladesh Post Office (BPO) to expand the channel through post e-centers across the country.



On-Boarding  
till Dec. 2021  
**51,000+**

It is providing customers with full-fledged banking services to their doorstep, and making convenient channeling of remittance, depositing and withdrawing of cash and supporting small loans for cottage, micro and small enterprises and also for agricultural farmers at an affordable cost. Receiving of social safety net payments is no longer the troublesome experience for the beneficiaries and turning it into a convenient experience through maximum availability of transaction points as more than 51,000 micro-merchants, even 167,000+ school students are availing financial services. We facilitated financial literacy for smallholder farmers, school children, social safety net beneficiaries and the RMG workers which is the way to make them financially literate aimed at enabling them to manage their finance adeptly and making their decisions judiciously.

## Bank Asia's competitive edge and key determinants of success







Tk. 33,830 Million

Growth 20%



Tk. 300 Million

Growth 36%



Tk. 30,975 Million

Growth 66%

### Agent Banking Empowering Women

For women living in rural areas, a number of barriers may hinder them from accessing services at financial institutions: the distance from the bank, having insufficient documents to open a bank account, family or work responsibilities, or the mindset and certain attitudes towards financial institutions. As such Agent Banking of Bank Asia brought more than 5 million people across the country under its banking network where 63% of the customer is women. Around 32% female has contributed into the entire deposit of Bank Asia Agent Banking and 9.65% of the lending volume has been provided to female customers under agent banking platform. By developing a network of women agents, Bank Asia hopes to grow Agent Banking reach to the female segment where they feel comfortable to avail the financial service. Around 10.5% of the total agents are female who have been performing well nationally. This specialized banking platform has facilitated opportunity for rural women to motivate women



entrepreneurship by offering loan facilities which can help grow their respective business in agriculture or SME sector. Cluster based financing for women entrepreneurs have also been catered through this banking channels. Bill & Melinda Gates Foundation selects Bank Asia to strengthen women empowerment through a 2-year digital financial inclusion project.

The key aspect of this project is to reduce the gender gap within Financial Inclusion space by onboarding female agents and female clients in agent banking and build a comprehensive digital banking ecosystem for women. Also we partnered with Swisscontact, WorldFish, Metlife Foundation, Microsave, i-social, BIID in different scale to strengthen women empowerment in Bangladesh through ensuring financial services. Thus Agent Banking is playing a significant role in empowering women by unveiling untapped potentials of this apparently

excluded segment and thus ensure their economic emancipation.

### Financial Inclusion of Aquaculture farmer in collaboration with WorldFish Bangladesh

Bank Asia has been providing inclusive digital finance to smallholder fish farmers towards their development and working on building market ecosystem to help farmer increasing fish production and maximizing income from farming.

### Agent Banking Wanes the suffering of availing loan

The initiative will clearly benefit the rural mass over the high interest rate as offered by informal lending channel while Bank Asia has formed a structured channel for direct financing to end mile customers. In parallel, Bank Asia has also been facilitating financial literacy to aware target group about the lending documentation and awareness to ensure the success of this model.

Leveraging used cases, a separate credit team has been dedicated for asset business decisions apart from 'brick and mortar ideas' to minimize the TAT (turn around time) for operation. Unlike existing asset operation, the model would have no dependencies on branch resources which would ultimately

Disbursed amount  
**49.31** Million (approx)

Number of  
Micro Merchant **145**

**6,963**  
Aquaculture farmer onboarded

Financial Literacy Event  
**341**

result in better accountability and transparency. Till the end of 2021, Bank Asia Agent Banking disbursed BDT 136 crore Agri loan to 26,000+ farmers and BDT 386 crore MSME loan to 10,000 entrepreneurs.

### Micro loan to farmers

Bank Asia has created value chain and promoted microloan to smallholder farmers and SME loan to retailers across the country to bring them under digital financial network in partnership with Syngenta Bangladesh.



# Social Safety Net Program

With the experience from ABAK operation and Agent Banking, Bank Asia has become capable enough to provide services to all Government Social Safety Net Programs. Over the time, we have made partnership with Social Welfare Department under Ministry of Social Welfare and providing services to Senior Citizen, Widow and Disabled beneficiaries.

## Services covered under this program:

- Old aged allowances
- Disable allowances
- Widow allowance
- Maternity & Lactating mother allowance
- Wages of road maintenance workers
- VGD allowances
- Food security allowances (Cash payments)
- Disable Education Stipend allowance
- UNDP safetynet payment
- Rohingya caregiver payment
- National Payment service with Ministry of Youth.

## At a Glance Report of Bank Asia Social Payment is given below:

Particulars	ABAK	Social Safety net	UDC (Digital Center) Agent Banking	Women's Affairs Programs	Jubo Unnayan Project	EGPP	ORPHAN ROHINGYA CHILD, UNICEF	UNICEF, ORPHAN ROHINGYA CHILD	UNDP
District	31	17	57	55	7	19	1	54	47
Upazilas	222	65	399	301	7	33	2	335	183
UDC	230	653	3,224	1949	37	128	-	2264	981
Beneficiaries	1,200,000	14,03,072	3,554,892	293,940	4,406	24,965	4,000	765,224	116,785
Deposit / Disburse (Million Tk.)	4,700.44	1,929	12,355	720	28.37	5.45	179	281.5	41.7

Over the time, we have made the relationship with beday & transgender Community through opening Bank Accounts with the help of Social Welfare Department under Ministry of Social Welfare and providing services where 10,38,072+ beneficiaries are getting banking service from their own union. We have another prestigious partnership with UNDP under LGED Ministry named SWAPNO where we have covered 2 districts and 76 unions for disbursing the daily woman worker wages payment for 3000+ beneficiaries from their union. Cash for work is another prestigious program for Bank Asia which is running by Ministry of Disaster, with around 14+ Unions covering around 4500+ beneficiaries.

Moreover, SHOUHARDOH -III is a project of CARE Bangladesh operating in 8 districts (Gaibandha, Kurigram, Sunamganj, Habiganj, Kishoreganj, Netrokona, Sirajganj, Jamalpur) of Bangladesh. Bank Asia is providing online cash management support in this project. Main objective of this project is financial inclusion in rural areas. There are about 168,000 beneficiaries in this project. Also providing service to 2,93,940 lactating mother beneficiary & 4,406 beneficiaries in National Payment Service which is increasing day by day.

So all over the country already 53,79,559+ beneficiaries are getting the banking services from Financial Inclusion Department of Bank Asia limited.



ABAK beneficiary backyard meeting with Village Development Association at Gazipur.





*Financial Inclusion Department providing Social Safety Net payment through Micro Merchant channel.*



*Beneficiary receiving services from Union Digital Center at Rajbari, Faridpur.*



*Customer withdraw money from Micro Merchant Point at Munshiganj, Dhaka.*



*Disable beneficiary of Social Safety Net Program taking Disability allowance from Union Digital Center*



## SCHOOL BANKING



স্কুল ব্যাংকিং  
আমার স্কুল আমার সঞ্চয়



With a view to partnering financial inclusion by ensuring participation of school students in the economic activities through creating savings attitude among students, Bank Asia is offering three School Banking deposit products for different segment of customer. The main objective of these products is to encourage children and student to the savings habit and familiarizing them with banking transaction. Among these Smart Junior Saver (SJS) is introduced in 2011 under Islamic Banking operations of the Bank as per instruction of Bangladesh Bank. Then a School Banking account started within Agent Banking framework in 2015. In 2021, another School Banking account named **Duronto** launched from conventional part of core banking the Bank.

Year	Conventional Agent Banking		Islamic Agent Banking	
	No. of A/C	Amount of Deposit	No. of A/C	Amount of Deposit
2021	142,302	135,572,700	42,621	78,446,820
2020	100,435	72,380,514	30,859	39,917,754

### Industry Position

#### Number of Accounts

**Dec. 2020: 26,20,334**

**Dec. 2021: 28,25,992**

#### School Banking Deposit

**Dec. 2020: 19,217 Mln**

**Dec. 2021: 22,000 Mln**

### Divisionwise no. of school under school banking operation



- Dhaka | **826**
- Chattogram | **611**
- Mymensingh | **198**
- Khulna | **492**
- Rangpur | **428**
- Rajshahi | **605**
- Barisha | **443**
- Sylhet | **358**



## Disclosure on Product portfolio

### Incorporation of Environment Risk in Core Risk Management

We incorporated environmental and climate change risk as part of the existing credit risk methodology prescribed to assess a prospective borrower. This includes integrating environmental risks in the checklists, audit guidelines and reporting formats. All of this help mainstream environmental risk that covers possible sources of environmental risk such as land use, climate change related events (cyclone, drought), animal diseases/pathogens such as avian influenza, solid waste including waste feed, animal waste, carcasses, sediments, wastewater discharges, hazardous materials, etc will be reviewed under environmental due diligence (EDD) checklists.

All the branches/ SME centers are obligated to incorporate environment risk management (ERM) component in their credit proposals as per guideline.

### Introducing Green Finance

Preferences are given in financing eco-friendly business activities and energy efficient industries. We encourage investment in establishing environmental infrastructure such as renewable energy project, clean water supply project, waste water treatment plant, solid & hazardous waste disposal plant, bio-gas plant, etc.

As Bank Asia has a participation agreement with Bangladesh Bank under the refinancing scheme for lending in solar energy, bio-gas, effluent treatment plant (ETP) and hybrid hoffman kiln (HHK); we periodically determine business ventures under these sectors where we can provide lending facilities.

Our corporate clients should have ETP set up in their respective factories and if they do not have it then we may provide financing for setting up ETP. Consumer loan programs may be applied for promoting environmental practices among clients. Bank Asia is continuously working for awareness building regarding environmental and social risks and opportunities for its borrowers as well as stakeholders. In 2021, we have disbursed an amount of Tk.1,505.42 million in Renewable Energy under Green Finance.

In 2021, Bank Asia has disbursed an amount of Tk. 278.37 million in Liquid Waste Management and as of December the outstanding was Tk.7,164.05 million. This includes Central ETP, Biological ETP, Combination of Chemical & Biological ETP etc., financed a total of Tk. 2,226 million for renewable energy, which will highly reduce operating cost of the business without any adverse effect on the environment. We have saved Tk. 9.95 million by using E-Statement, SMS Banking SMS Alert, Net Banking, E- Fund Transfer, Digital Attendance, E –Mail correspondence etc.



*Spectra Solar Park financed by Bank Asia Limited*



## Assessing and Screening Environmental and Social Risks

Bangladesh Bank through its SFD Circular No. 02 dated 08.02.2017 and SFD Circular No. 03 dated 16.03.2017 introduced “Guidelines for Environmental & Social Risk Management (ESRM)” for Banks and Financial Institution of Bangladesh.

Exclusion List	A number of sectors/activities where the Bank will not finance
ESDD Checklist	To measure risk whether LOW, Moderate or HIGH risk based on the perspective of environment, health and safety and social issues
3 <sup>rd</sup> Party EISA	Information to be verified by 3 <sup>rd</sup> party

For assessing environment risk EDD checklists, 1 general and 10 sector specific (additional), are provided along with a guidance matrix for using as minimum standard to process credit proposals. Ten specific sectors are agriculture, cement, chemicals, engineering & basic metal, housing, pulp & paper, sugar & distilleries, tannery, textile & apparels, and ship breaking.

EDD checklist Guideline Matrix:

General	Sector Specific	Overall
low	low	low
moderate/low	moderate/low	moderate
If any one or both the general & sector specific is 'high'		high

If environment risk is rated “high” the proposals are approved by the executive committee/ board and additional environmental and social covenants are incorporated.

Sl. NO	Transaction Type	Exclusion List	ESDD checklist	3rd party ESIA
1	Agriculture activities involving farming, crop production	√	√	
2	Other agricultural activities	√		
3	Retail, Trade (of regular goods), Microfinance	√		
4	Trade of hazardous substance	√	√	
5	Small sector falling in one of the categories listed above from sl, no a to h and / or exposure greater than Tk. 10.00 lac	√	√	
6	Small sector NOT falling in one of the categories above from sl, no a to h and exposure below Tk. 10.00 lac	√		

Sl. NO	Transaction Type	Exclusion List	ESDD checklist	3rd party ESIA
7	Medium sector	√	√	
8	Corporate Finance	√	√	
9	Project Finance	√	√	√

## Improving Staff Competency for Environmental and Social Responsibility

To achieve the business at the optimum level and to sustain with the changing nature of business environment, Bank Asia always puts enormous emphasis to improving staff competency even for environmental and social responsibility.

We frequently arrange training/workshops on ERM and green banking for our officers and executives. In 2021, Training Institute of Bank Asia has provided trainings on Green Banking under Foundation training course & other training related to Green banking to 57 employees of 85.5 man-hours. All of the trainings are held online for cost efficiency and COVID-19 purpose.



A day long training on “Service-Level Standard & Work Process Flow of CTPC (Central Trade Processing Centre)”

Moreover, our credit risk management (CRM) department has introduced e-sanction advice for the all approved credit facilities. And this archive system has been developed for 6 departments namely: CRM, CMSE, Islamic Window, SAMD, CFC & Agricultural wing.

In addition to this, during 2021 through OCAS (Online Credit Approval System) Diganta software 23,500 credit proposals of Tk. 14,450 million have been developed as a part of Technological improvement of the Bank. This system will reduce lead time, ensure accuracy, strengthen security and make accessibility easier and will provide a competitive edge over other banks on online banking. This system will reduce lead time, ensure accuracy, strengthen security and make accessibility easier. With successful implementation of OCAS, Bank Asia will make a great stride in online banking with an edge on its competitors.

## Transport

As part of environmental responsibility 13 vehicles used for pick & drop facility and majority of the pool vehicles have been converted into CNG driven. Moreover, executives of the Bank are provided with car facility and they are encouraged to convert their cars into CNG driven (dual fuel). More than 80% of those cars have already been converted into CNG driven.



# Business Portfolio

(As on December 31, 2021)

## Corporate & Large Loan

Loans & Advance portfolio of Bank Asia has always remained focused on Corporate and Large Loan Financing.



## Export Finance

Specialized division established for more focus on export finance.



## Off-Shore Banking Unit (OBU)

OBU acts as a unique solution for the banks around the globe to carry out international banking business in foreign currency denominated assets and liabilities, taking the advantages of low or non-existent taxes/levies and thereby higher return on investment.



## Agriculture

Through agriculture loan, Bank Asia finances marginalized farmers and contributes to rural development where Tk. 3,869 million was disbursed among 72,519 beneficiaries in 2021 under agriculture and rural wing.



## Islamic

For serving a major segment of business under religious framework, Bank Asia now operates five Islamic Banking Windows. In addition to that Salamah Online Banking Service is available to all branches of the Bank.



## CMSME

Bank Asia has been sincerely putting its efforts to amplify its CMSME related activities



## Retail

Bank Asia is trying hard to create a balanced portfolio through its retail business unit. Consumer finance and Credit cards are two important segments of Retail business. Consumer segment is expanding on continuous basis with House Loan, Auto Loan, Consumer Loan, Personal Loan, Professional and Freelancer Loan.



## Others





## Monitoring Clients' Environmental and Social Compliances

Bank Asia has introduced sector specific environmental policies in addition to environmental risk management policies and green banking policies for cement, brick manufacturing, ship breaking, sugar, leather/ tannery, food processing, hospital & clinic, pulp & paper, rubber & plastic light engineering, agriculture. We conduct monitoring through obtaining site and environmental clearance certificate and site visit to check compliance of environmental and social covenants. Our environmental due diligence process identifies potential risks, determines their impact and severity and suggests way to mitigate them.

### Region Wise portfolio

Million Taka

Division	Urban	Rural	Total	%
Dhaka	199,574	15,542	215,116	82.02
Chittagong	25,995	4,735	30,730	11.72
Khulna	3,907	170	4,077	1.55
Rajshahi	2,973	2,683	5,656	2.16
Barisal	1,384	5	1,389	0.53
Sylhet	2,725	344	3,069	1.17
Rangpur	1,679		1,679	0.64
Mymensingh	545		545	0.21
<b>Total</b>	<b>238,782</b>	<b>23,479</b>	<b>262,261</b>	<b>100</b>

## Economic Environmental and Social Value Generated through Various Products

### Cottage, Micro finance, Small and Medium Enterprise (CMSME)

CMSMEs have historically made significant contribution in economic advancement of different countries. Due to its manifold significance in economic development, Bank Asia has taken CMSME financing very seriously with a view to contribute to the poverty eradication and employment generation. At the end of year 2021, the CMSME portfolio stood at Tk. 36,622 million.

### Financing Effluent Treatment Plant (ETP)

As part of our commitment for our green economy we have signed

a participation agreement with Bangladesh Bank under refinance scheme in 2011 for lending in solar energy, bio- gas, and effluent treatment plant(ETP) & hybrid Hoffman kiln (HHK).

In 2021, Bank Asia has disbursed an amount of Tk. 278.37 million in Liquid Waste Management and as of December the outstanding was Tk.7,164.05 million. This includes Central ETP, Biological ETP, Combination of Chemical & Biological ETP etc.

### Financing Environment Friendly project

The Bank have financed for different Green Establishment/Green Building project, which helps to reduce environmental effect. The bank is actively involved in green financing activities worth Tk.128.86 million and during 2021, the bank disbursed Tk. 1,505.42 million as green finance, Tk. 2,226.18 million in renewable energy projects, Tk. 7,164.05 million for liquid waste management and Tk. 614.70 under various environmentally friendly establishments.

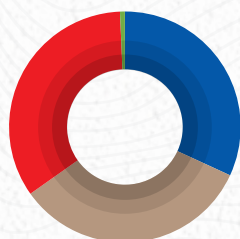
### Online Payment Gateway Services

Bank Asia is the first Bank to set-up arrangement with OPGSPs in Bangladesh like 'Payza' and 'Payoneer' to bring hard earned money which is earned by exporting services in nonphysical form e.g. data processing, off-shore IT service, software development, business process outsourcing (BPO) etc. In 2021, we have done 4,74,642 transactions of Tk. 155.6 million. In 2021, Bank Asia participated as Platinum Sponsor in the BASIS Outsourcing Award where IT exporters in different categories were awarded including District Wise, Female Category, Entrepreneurs, Start-up, etc.

### Audit of Environmental and Social Compliances

The internal audit team under internal control and compliance department (ICCD) carries out audit & inspection of all branches and credit risk management (CRM) department at least once in a year and examine compliances of environmental covenants in the credit sanction memos along with other general reviews. Implementation of environmental and social policies and risk assessment procedures were also audited by external as well as Bangladesh Bank audit team every year. External auditors must cover 80% of total loan portfolio.

As per approved Risk-based Audit Plan, the Audit & Inspection Department completed the audit and inspection tasks of 129 Branches, 05 Islamic Banking Windows, and 23 Corporate Office Divisions/Departments including subsidiaries and 70 Agent Point Outlets in 2021. Besides, ICT/IS Audits on 24 Branches & Corporate Office Divisions/Departments, Shariah Audit on 22 Branches and special Audit/Inspection on Anti-money Laundering issues of 16 Branches were also conducted.



**CMSME Portfolio in 2021**  
(Million Taka)

- Manufacturing **11,825**
- Service **10,677**
- Trading **13,574**
- WE **546**



*Cheque distribution Program under Stimulus Package of SME Foundation*



## SECTORAL DISTRIBUTION OF CREDIT

The Bank's loans and advances to Tk. 262,266.31 million achieving a growth of 7.20%.

Sectorwise distribution of loans and advances is as follows: :

Million Taka

SL. No	Sectors/Sub-Sectors	2021		2020	
		Million Taka	% of Loan	Million Taka	% of Loan
1	Agriculture	5,936.20	2.26%	9,523.20	3.63%
2	<b>Industries</b>				
	Food Manufacturing	12,275.80	4.68%	11,149.60	4.25%
	Beverage industry	227.10	0.09%	467.40	0.18%
	RMG industry	38,369.20	14.63%	27,559.50	10.51%
	Textile industry	29,541.50	11.26%	21,329.80	8.13%
	Wood cork and allied products	49.60	0.02%	40.20	0.02%
	Furniture and Fixture	383.40	0.15%	199.80	0.08%
	Paper and paper products	4,939.50	1.88%	6,734.30	2.57%
	Leather and leather products	2,036.10	0.78%	2,195.00	0.84%
	Rubber products	2,409.60	0.92%	2,206.50	0.84%
	Chemical and chemical products	1,122.40	0.43%	585.30	0.22%
	Basic metal products	8,583.40	3.27%	8,353.30	3.19%
	Electrical machinery and apparatus	3,519.80	1.34%	6,269.90	2.39%
	Other manufacturing industries	23,190.51	8.84%	21,787.10	8.31%
	Ship building	4,730.40	1.80%	4,614.90	1.76%
	Ship breaking	1,749.20	0.67%	1,386.60	0.53%
	Pharmaceutical	3,611.00	1.38%	2,290.20	0.87%
	<b>Subtotal Industries</b>	<b>136,738.51</b>	<b>52.14%</b>	<b>117,169.40</b>	<b>48.14%</b>
3	Constructions	9,489.20	3.62%	5,359.20	2.04%
4	Power, Gas, Water and Sanitary Services	9,459.50	3.61%	6,558.80	2.50%
5	Transport, Storage and Communication	1,964.10	0.75%	1,423.90	0.54%
6	Trade Services	46,140.10	17.59%	48,065.20	18.33%
7	Housing Services	19,312.40	7.36%	16,076.00	6.13%
8	Banking and Insurance	3,128.80	1.19%	4,427.40	1.69%
9	Professional and Misc. services	30,097.50	11.48%	34,609.40	13.20%
	<b>Total</b>	<b>262,266.31</b>	<b>100.00%</b>	<b>244,642.00</b>	<b>100.00%</b>



# PRODUCTS AND SERVICES



## Deposits

### Low Cost/No Cost Deposit Accounts

Current Deposit Account	Star Savings Account	Foreign Currency Account
Savings Bank Account	Short Notice Deposit Account	Account for Under-privileged Section (10 Taka, Street Urchin, Beneficiaries of National Service program, Cleaners, Garment Workers, Technicians of Small Industries, etc.)

### Term Deposit (s)

Fixed Deposit Regular

### Scheme Deposit (s)

Monthly Benefit Plus	Bhromon( Travellers)	Bank Asia Sanchay Plus
Anchol( Women)	Double Benefit Plus	Deposit Pension Scheme Plus
Nirvabona( Senior Citizens)	Triple Benefit Plus	Shonchoy E KotiPoti

### School Banking Account

Duranta

### Consumer Finance

Auto Loan	Consumer Durable Loan	Loan for Professionals
• Shapner Bahan		• Shabolombi
House Finance	Unsecured Personal Loan	Loan for Senior Citizens
• Shapner Abash	• Proyojon	• Purnata
• GrihaShaj	• RMG-Proyojon	
• Shapner Kuthir	• Chuti	
• Shapner Nirman	• Sheba	
• Nijer Bari		
Green Energy Loan	Bicycle loan	Water Supply and Sanitary loan (WSS)
Talent Learning and Earning	Motorcycle loan	



### Credit Card

VISA Credit Platinum Card (with Priority Pass)	VISA Credit Classic Card	Visa Signature Credit Card
VISA Classic Local Card	VISA Credit Butterfly Card	Hajj Card
VISA Classic Dual Card	VISA Gold Local Card	Virtual Card
VISA Ladies Card	VISA Gold Dual Card	Master Silver Card
VISA Credit Gold Card	VISA Prepaid Hajj Card	Master Gold Card
Master Credit Titanium Card (with Lounge Key)	LankaBangla Card Cheque	Shadhinforex card
SME Credit Card	Gift Card	Prepaid Travel Card

### Islamic Credit Card

Salamah Platinum Card	Salamah Gold Card	Salamah Silver Card
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## Islamic Banking Products

### Deposits

Al Wadiah Current Account (AWCA)	Mudaraba Savings Account (MSA)	Mudaraba Special Notice Deposit Account (MSNDA)
Mudaraba Corporate Privilege Savings Account (MCPSA)	Smart Junior Saver (School Banking) Account	Mudaraba Savings Account (MSA) - Smart
Mudaraba Term Deposit Account (MTDA) for different tenure	Corporate Term Deposit Account (CTDA) for different tenure	Mudaraba Monthly Profit Paying Deposit Scheme (MMPPDS)
Mudaraba Deposit Pension Scheme (MDPS) (3 to 12 Years tenure)	Mudaraba Hajj Savings Scheme (MHSS) (1 to 10 Years tenure)	Cash Waqf



### Investment Products

Bai Murabaha Muajjal (both Local and Post Import)	Hire Purchase Shirkatul Melk(HPSM)	Musharaka
Murabaha Import Bills	Quard against Accepted Bills	Quard against MTDR
Quard against Schemes		



## PRODUCTS AND SERVICES

### Islamic SME Financing Products

SALAMAH Srishti	SALAMAH Subidha	SALAMAH Sofol
SALAMAH Somriddhi	SALAMAH Sondhi	SALAMAH Seba
SALAMAH Bahon	SALAMAH Suborno	Uttaran–Islamic For MSE Finance

### Islamic Agri Financing Products

Islamic-Cropping Support	Islamic-Poultry Support	Islamic-Equipment Support
Islamic-Dairy & Fattening Support	Islamic-Fishery Support	



### Micro & Small Enterprise Finance Asset Product

<b>Shomadhan</b> - Over draft for Trading, Manufacturing, Service & Women Entrepreneur	<b>Utshob</b> -Collateral free Seasonal loan	<b>Shubidha</b> –Collateral free Term loan for Trading
<b>Shubidha</b> –Collateral free Term loan for Trading	<b>Sristi</b> –Collateral free Term loan for Manufacturing	<b>Shofol</b> - Collateral free Term loan for Service
<b>Shondhi</b> –Term loan for Trading	<b>Shombridhi</b> –Term loan for Manufacturing	<b>Sheba</b> –Term loan for Service
<b>Subarno</b> -Term loan for Women Entrepreneur	<b>Probaho</b> -Term loan for Electric Cluster	<b>Shombhabona</b> -Term loan for New Entrepreneur
<b>Bondhon</b> - For Handloom & Specialized cloth Cluster at Bogura	<b>Bahon</b> -Commercial Vehicle Finance	<b>Nilima</b> -Collateral free Term Loan for Women Entrepreneur (except Dhaka & Chittagong)
<b>Shopner Khamar</b> - For dairy sector value chain entrepreneurs (through selected Agent outlets)	<b>Uttaran</b> - For existing excellent CMSE loan borrowers.	<b>Shofol GP</b> -For Retailers of Grameen Phone
<b>Obiram</b> -For Micro merchants		



### Deposits

All conventional deposit products except savings bank deposit, scheme deposits and other deposits for only individual customers.

### Liability Product

Astha-SME Current Account



### Medium Enterprise Finance Funded Products

Secured Over Draft (SOD)	Demand Loan (Workorder)	Lease Finance
Over Draft A/C	Forced Demand Loan against L/C	Over Draft – SP
SOD (Earnest Money)	Term Loan Industrial	House Building Loan – Commercial
Payment against Document (PAD) Cash	Term Loan Others	
Documentary Bills Purchased – LCY	House Building Loan – General	
Payment against Document (PAD) Cash	Transport Loan	
Documentary Bills Purchased – LCY	House Building Loan - General	

### Non Funded Products

Letter of Guarantee	Back to back Letter of Credit (Local & Foreign)	Back to back Letter of Credit (Local & Foreign)
Letter of Credit (Sight/Deferred/UPAS/EDF)		Letter of Commitment

### Agricultural Finance

SOD (10 Taka Savings)	Dairy and Fattening Demand Loan	Equipment Term Loan
Demand Loan against 10 Taka Savings	Dairy and Fattening Term Loan	Poultry Demand Loan
Short Term against 10 Taka Savings	Fishery Demand Loan	Poultry Term Loan
Cropping Demand Loan	Fishery Term Loan	
Agriculture Term Loan against NGO	Demand Loan against NGO	



## PRODUCTS AND SERVICES



### CORPORATE BANKING

#### Cash Management Products

Bank Asia provides corporate customers a full range of cash management products and services. A wide range of solutions are offered to help them plan, monitor and manage their liquidity and meet payments, receivables, accounts and information requirements. Specific products and services are as follows:

Day-to-day cash control	Payments and items in the course of being paid	Short-term foreign exchange positions
Account Packages – Current, SND and Fixed Deposits	Cash Pick Up & Delivery	Electronic payments
Monitoring money at the bank, both active and non-active cash	Short-term investments	Booths
Receipts and items in the course of collection	Short-term borrowings	

#### Funded Products

Secured Over Draft (SOD)	Loan against Imported Merchandise	Loan General
Cash Credit Hypo	Loan against Cash Incentive	Transport Loan
Over Draft	Payment against Document (PAD) Cash	Loan against Packing Credit
SOD (Earnest Money)	Loan against Documentary Foreign Bill	Loan against Trust Receipt
Exporter's Cash Credit	FCY	House Building Loan - General
Documentary Bills Purchased – FCY	Forced Demand Loan against L/C	Lease Finance
Documentary Bills Purchased – LCY	Term Loan Industrial	PAD (Export Development Fund)
Demand Loan (Work order)	Term Loan Others	Export Development Fund (EDF) Loan (FCY)
Time Loan	Demand Loan (Work order)	

#### Non-Funded Products

Letter of Guarantee	Letter of Credit (Sight/Deferred/UPAS/EDF)	Back to back Letter of Credit (Local & Foreign)
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#### Structured Financing

LCY syndication arrangement	Advisory services	Customized financial solutions
FCY term Loan and syndication	Trustee and agency services	Special arrangements (IPFF/ Special fund of BB/ Agribusiness Loan etc)
Multilateral financing	Arranging Debt (Bonds/Commercial Paper)	



### OFF-SHORE BANKING UNIT (OBU) PRODUCTS

#### On-Shore Import & Export Bill Discounting

UPAS Loan	Bill Purchase
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#### Working Capital Finance

LTR	Packing Credit	Term Loan	Lease Finance
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#### Trade Finance

Import / Export
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#### Loans & Advances to wholly foreign owned entities

LTR	Demand Loan	Term loan
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Term loan to local entities

ECA loan to local entities

Nostro account services to other local banks



## PRODUCTS AND SERVICES

### AGENT BANKING Products

Current Deposit Account	Term Deposit Scheme (TDS)	SME Loan
Savings Bank Account	Remote Banking (ABAK)	Retail Loan
Short Notice Deposit Account	10 Tk. Account	Islamic Loan
School Banking Solution <ul style="list-style-type: none"> <li>• Smart Junior Saver</li> <li>• School Banking Account</li> <li>• School Fee Collection</li> <li>• Payroll Banking for Teachers</li> </ul>	Current Account (Astha)	Debit Card
Deposit Pension Scheme (DPS)	Agri Loan	Near Field Communicator Card

### Services

Account Opening	Passport Fee Collection	E-Commerce Service
Deposit and Withdrawal from Account	SME Loan Processing	E-Ticketing Service
Fund Transfer within Bank and to any Bank in Bangladesh	Agricultural Loan Processing	Digital Health Care Service
Inward Foreign Remittance Payment	Retail Loan Processing	Insurance Product Service in life and health category
Utility Bill Payment	Repayment of Loan Installment	Micro-Merchant Digital Payment Apps
Balance Inquiry	Disbursement and Payment of Social Safety Net	Cheque Book
Account Statement (Mini)	Salary Disbursement Solution	Bank POS
Insurance Premium Collection	A-Card for Farmers	RMG POS Service
Fund Transfer to MFS (bkash)	Fish Card for Farmers	



### TREASURY PRODUCTS

#### Money Market, Fixed Income & Capital Market

Call Money	Repo/ALS(Assured Liquidity Support)	Interest Rate Cap and Collar
Notice money	Reverse Repo	
LCY/FCY Term	Spot Foreign Exchange	
LCY/FCY Swap	Forward Foreign Exchange	
Fixed Income & Capital Market investment	Cross Currency Swaps	
Investment (GSEC) service for customers	Interest Rate Swaps	

### Foreign Exchange

Spot Foreign Exchange	Forex Swaps	Interest Rate Swaps
Forward Foreign Exchange	Cross Currency Swaps	Interest Rate Cap and Collar



### CAPITAL MARKET SERVICES

#### Money Market, Fixed Income & Capital Market

Brokerage Services	Research	Portfolio and Risk Management
Attractive Commission Rate	Daily Market Update and News Summary	Internet and Smartphone trading
Wide Branch Network	Institutional and Foreign Trade	Margin Loan
CDBL Services	Panel Broking	



# Bank Asia: A Story of Fulfilling Dreams

## Fulfillment of Noor Nahar's Dream

Noor Nahar, originally from Bhola District, is working as a housemaid in Chattagram. She had a very strained relationship with her husband, which caused her to feel unsecured regarding her financial situation. With her ultimate dream of owning a piece of land she could call her own, Noor Nahar would regularly send money to her mother which she would keep buried under her bed wrapped in a polythene bag. After her death, Noor Nahar discovered she had managed to save quite a significant amount of money over the years with her mother's help. However, she felt the necessity to save her money through alternative means. Monir, an officer of Bank Asia, assisted her in opening an FDR. He assured her that through opening of this financial instrument, Noor Nahar would be able to fulfill her lifelong cherished dream of buying her own piece of land.

Noor Nahar's story is one among thousands of other small savers who have been playing an important role in the national economy. Every agent banking customer have a unique story to tell of their own, and Bank Asia has been moving forward with a dream spread financial services to the rural mass with a promise to fulfill their dreams.

## Big Fish in small ponds: Selling Dreams

Nibedita Biswas, an input retailer, with the aid of Bank Asia Limited and its partner The Right Kind oversees the loan application fill-up process of her six farmer customers. Even though the pandemic caused business to temporarily halt, the project staff defied all those challenges and facilitated loans for struggling farmers at a time when they were in desperate need of money.

Usually, Nibedita has to sell a majority of her input products on a 30/90-day credit period because half of her customers generally do not have money at hand. This gives rise to a multitude of problems including having to chase the customers for repayment, not receiving the full credit amount, and being pressurized to find the funds to re-stock her shop. As part of the Bangladesh Aquaculture Activity (BAA) project implemented by Bank Asia Limited in collaboration with The Right Kind, she received financial product and guidance. The business model of the project relies on a 'retailer-referral' method where the likes of Nibedita recommend their best customers needing loan support based on which Bank Asia Limited provides collateral-free microloans up to BDT 40,000. This is a loan transferred straight to the farmers' accounts, which they can use for transactions while buying input (feed, medicine) from the retailers' shops. Although the loan is exclusively for farmers, because of Nibedita's referrals, this entire system works as a customer-loyalty scheme and helps her attract even more customers.

With grant support from Bangladesh Aquaculture Activity project, managed by WorldFish, Bank Asia could pay special attention to aquaculture farmers for the first time. Spanning over three districts in the Feed the Future Zone of Influence, more than 440 farmers have received microloans of up to Tk. 1.61 crores as of end of January 2021.

It has truly been a fulfilling and empowering initiative for fish farmers, especially women who are more likely to approach fellow peers like Nibedita in order to purchase inputs and apply for financing.

## Disbursed 500 Agri loan in a day

Bank Asia Agent Banking set an example by disbursing more than 500 Agriculture loan from an Agent Outlet in a day. The loan amounting BDT 2.57 crore was disbursed among smallholder maize cultivators of Hatibandha Upazila in Lalmonirhat district amid organizing a program at the premise of Ranigonj Model High School by Bank Asia Barakhata Agent Outlet on 17 December, 2021.

It is mentionable that the cultivators received the loan in only 4% annual interest under the stimulus loan program of Bangladesh Bank for cultivation of crops like dal, oil, spice and maize.





## AGRICULTURAL/RURAL CREDIT



**Total Disbursed Amount**  
Tk. **3,869** Million



**Beneficiaries**  
**72,519** farmers



**Bangladesh Bank Target Achievement**  
**102%** against total target of Tk. **3,790** Million

Bank Asia Ltd. is trying to bring the low income groups in financial inclusion by providing adequate Agricultural/ Rural credit since long and successfully contributing in this most driving sector of Bangladesh every year. In the FY 2020-2021, Bank Asia also has a good continuation in target achievement of Agri/rural credit disbursement.

Besides target achievement in Agricultural/Rural credit, Bank Asia emphasis to extend credit facilities with the following contemporary thoughts in 2021:  
Create Awareness & skill development:



### Improvement in livelihood of low income people

Total Account Holders  
**8,354** no. of Tk. **10** A/C holders  
Distributed Amount  
Tk. **341** million  
Refinance Amount from BB  
Tk. **341** million



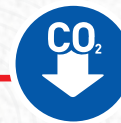
### Stimulate the cultivation of special crops

Disbursed Amount  
Tk. **50** million  
Distributed among  
**1,130** farmers  
Concessional rate **4%**



### Loan through Agent Outlets

Disbursed Amount  
Tk. **724** million  
Distributed among  
**14,673** farmers



### Carbon offsets projects

Disbursed Tk. **1,313** million  
Distributed among  
**17,713** farmers directly  
Among them Tk. **813** million was approved to **16,299** farmers by online Credit Approval System (OCAS)

### Status of Agricultural/rural Credit

Million Taka

Particulars	Direct Network	Indirect Network	Total
Disbursement (01.01.2021-31.12.2021)	1,313	4,740	6,053
Outstanding (As on 31.12.2021)	3,951	874	4,824
Number of Beneficiary	17,713	78,618	96,331

We have arranged total 25 no. of training program whole the year 2021 among the 500 no. of executives, Officers, AROs, Agents and CSOs to create awareness and development of their skills.

Penetrate to social outreach as financial partner

For sustainable growth and development of Agricultural & Rural sector and facilitate the same through easy and timely flow of credit by institutional sources in sustainable manners, Bank Asia's Agri/Rural credit is running with different programs through Syngenta, Heifer & World Fish.



Loan disbursement program at special rate of 4%



Crop field financed by Bank Asia Limited



## Policies for the Fair Design and Sale of Financial Products and Services

Our intentions to address the needs of our customers first require us to provide products and services in the way our customers want them delivered with exemplary service and convenience and at competitive pricing. Our customers also expect us to be accessible, to respond to their queries in efficient way, to be open and transparent about our products and services, and to provide knowledgeable, objective and professional advice. These expectations go beyond the need to comply with consumer protection and financial regulation; they come down to earning our customers trust by delivering suitable products and services via the right distribution channels and at fair pricing or returns.

We are also committed to enhancing consumer financial capability and invest in ways to help our customers improve their financial decision-making. All our financial products are delivered by using various methods like direct selling, cross selling by branches as well as corporate office employees'. There are divisions among corporate clients based on the loan portfolio just to ensure timely and effective services to our clients. In a way to keep pace with our objectives in mind, we have developed loan products policy. The policies are designed in a way that every rules can be well understood by the delivering channels i.e. branch as well as corporate office employees' to communicate to the customers in the most convenient way. Moreover, there are flexibility in the policies in a way so that our customers can get customized services according to their need as well as that can protect the interest of the bank.

There are loan product policies on commodity finance, export finance, work order finance, lease finance, earnest money finance etc. A few more loan product policies are under way to be developed based on our customers' expectations. Credit policy, sectoral allocation of the bank etc. are also reviewed periodically.

## Initiatives to Enhance Financial Literacy by Type of Beneficiary

In addition to integrating better customer suitability in our product and service offerings, we are also committed to enhance the financial capability of our customers. We do this by providing insights, tools, and advices to improve consumers' financial decision-making. By participating in various financial information fairs and formal/informal gathering with corporate customers, we try to support our customers in understanding the advantages and risks associated with financial products and services, as this can enable them to take decisions that are better adapted to their personal circumstances. Our financial experts are also taking part in various related seminars around the country where they are sharing their insights and recommendations.

We aim to offer our financial products and services to all segments of the society. Our branches have barrier-free access, ATMs are located at convenient and with easily usable interface. As a result, our customer retention rate is comparatively higher than competitors'.

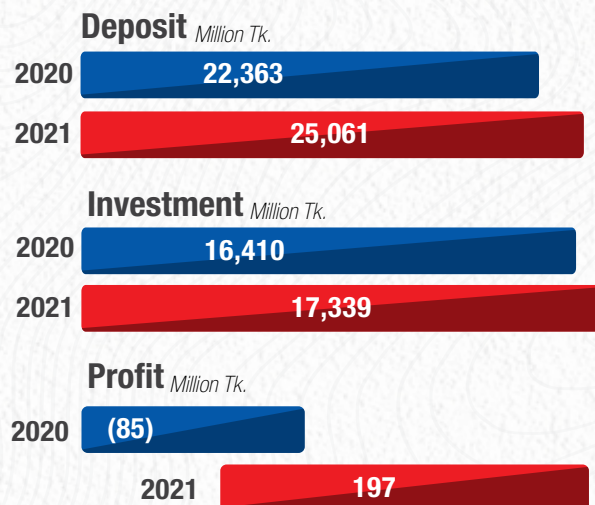
## Islamic Banking Services

Islamic Banking of Bank Asia Limited has been passing the 12<sup>th</sup> year of its operations starting from the Islamic Window concept. Now, Islamic banking is following virtual Window model. For Islamic deposit and investment business, the Bank is simultaneously using all of its distribution Channels, i.e. Conventional Branches, SME Centers, and Agent Banking outlets through online services beside the dedicated Islamic Banking Windows.

We provide this services by separate Islamic Banking software i-Hikmah and real time online Islamic Banking services from our entire network under the brand 'Salamah'. Income sharing ratio (ISR) based unique profit distribution system on Mudaraba deposit has given our Islamic banking services much acclaim and wide acceptance.

Launched with a commitment to maintain purity in Shariah compliance, Bank Asia's Islamic banking services are available from all distribution channels of the Bank, i.e. all Branches, SME Centers, SME/Agri Branches through online services. Besides, the Islamic agent banking services has been expanded to all districts across the country under the agent banking framework from 2017. Islamic investment facilities has been started this year through the agent outlets for unbanked people to achieve the country's goal of financial inclusion. All of these Islamic services and businesses are operated using completely separate software and accounting, investment and fund management systems.

During the year the bank approved new products for Export Finance Business and adopted new financing products for Agri and Poultry Sector under Islamic banking services. The bank also implemented separate Islamic banking ledger where Islamic Banking Operation can be done from all branches.





# ESG Approach and our priorities



**E**

## Environment

It is our firm belief that our success as an organisation is defined by the long-term wellbeing of the people we engage with, the places in which we operate and the planet that we leave to our future generations.

**Energy Savings**  
**Water Usages**  
**GH<sub>2</sub>G Emission**  
**Waste Management**  
**Reducing Carbon Footprint**



**S**

## Social

Bank Asia has always been conscientious about giving back to the community that keeps us going. For this we have always prioritised on our CSR activities and what we can do for the betterment of society.

**Education**  
**Health**  
**Disaster Management**  
**Art & Culture**



**G**

## Governance

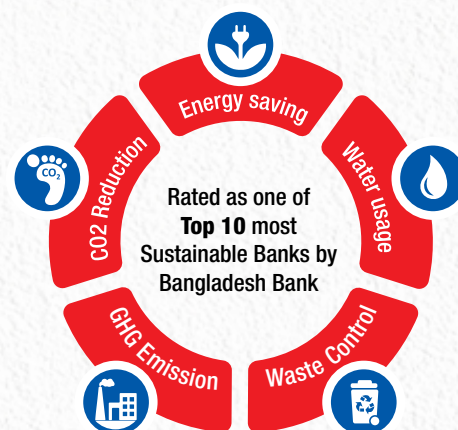
Our Corporate Governance framework is based on Integrity, transparency & accountability, effective internal controls, a strong risk culture and accountability to stakeholders where Bank Asia strives to perform at our very best.

**Good Governance**  
**Integrity**  
**Transparency & Accountability**  
**Ethics & Compliance**  
**Risk Management**  
**Internal Control**



# Environmental Performance

Bank Asia is very much aware regarding environmental protection, by minimizing environmental damages and by developing, promoting and utilizing environment friendly technology. Through adoption of various green banking practices such as online loan processing, virtual company meetings, reducing paper and water wastage, etc.



## ENERGY

### Energy Savings

To achieve long-term sustainable development, Bank Asia plays an active role for making 'low carbon economy'. Since 2011, Bank Asia has worked toward more energy efficient operations throughout its network of banking centers, reducing costs by millions of dollars and drastically reducing its emissions, consumption, and waste in the process.

- More than 30% electricity is saved every year using the day light inside corporate office;
- Energy savings bulbs being used in the office
- E-mail has been focused of both internal and external communications with an aim to reduce the paper consumption thereby reducing deforestation

### Direct Energy Consumption by Bank Asia

Source	Consumption		Megajoules
Electricity	12,101,778	kwh	43,566,401
Diesel	54,046	ltrs	1,945,642
Octane	13,511	ltrs	432,365
CNG	109,320	m3	3,498,240
Total			49,442,647

### Carbon offset projects

- We disbursed Tk. 6,052.88 million to 96,331 rural farmers where approving Tk.812.79 million to 16,299 farmers through Online Credit Approval System (OCAS).

### Reducing Energy & Resource Consumption

- New Issuing, Replacement, Activation and PIN request are automated which reduced Debit Card issuance time to 2-3 days from 7-9 days as well as paper saved 380,000 pages and 70,000 courier service delivery cost.
- The Green Banking initiatives taken by Cards Division such as E-Statement, SMS Banking, E-Mail Correspondence, etc. during 2021 amounted towards net savings worth Tk. 9.948 million

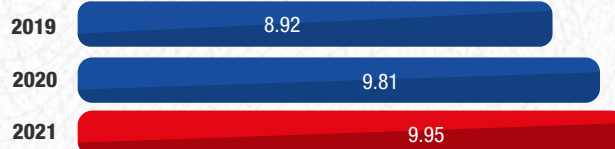


**Green Transformation Fund**  
Euro **4.60** Million in 2021

### Financing Renewable Energy

- In 2021, we have disbursed an amount of Tk.1,505.42 million in Renewable Energy under Green Finance. This will highly reduce operating cost of the concerned business entities through using renewable energy without any adverse effect on the environment.
- Solar panels already installed in 11 branches located at Patherhat, Madhobdi, Dohajari, Hajigonj, Faridpur, Elephant Road, Lalmatia, Sonaimuri, Bashabo SME Service Centre, Bank Asia Bhaban & Nimtola Branch.

### Net Savings million Taka



### GreenHouse Gas Emission Table

Source	Consumption		Co2 Emission	
Electricity	12,101,778	kwh	9,798.36	tons
Diesel	54,046	ltrs	75.96	tons
Octane	13,511	ltrs	19.90	tons
Air Travel	993,933	km	403.55	tons
Road Travel	1,490,899	km	110.76	tons
Paper	62,490	Reams	814.20	tons

Source: [www.carbonneutral.com.au](http://www.carbonneutral.com.au)

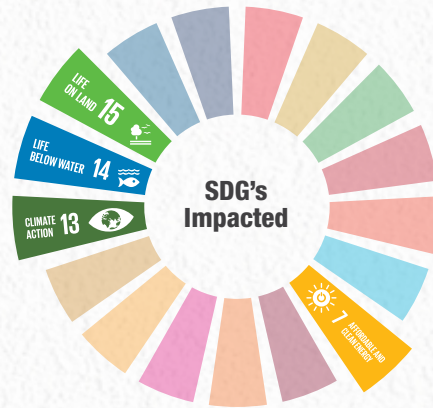


**7**  
Bank Asia's Corporate Office designed to utilize maximum usage of natural lights which reduces energy consumption substantially compared to other conventional building

**13**  
For a sustainable & green economy, Bank Asia's involvement in environment friendly investment

**14**  
Bank Asia's investment for liquid waste management project and waste water processing plant

**15**  
Conducting larger scale of CSR activities contributing towards quality of life of the society at large without compromising an ecological condition



## WATER USAGES

Bank Asia is very much conscious about efficient use of water. As a financial institution its use of water is already very much restricted. Major consumption of water is for drinking purpose. Our bank is also non-compromising about ensuring pure and safe drinking water for its employees and visitors. But normal supply water in Bangladesh is not safe for drinking. Therefore, to overcome the situation every branch and corporate office are supplied with specially procured filtered mineral water. The management of the bank takes special care so that wastage of water is minimum. Total consumption is controlled by monitoring per employee drinking water cost per month.

## WASTE MANAGEMENT

The process involved in dealing with the waste generated by day to day banking activities, food consumption, physical wear & tear of computer and office equipment, obsolete furniture & fixture and newspapers.

Being a financial institution Bank Asia does not deal with any hazardous waste.

- Both sides of papers are used and wasted papers are collected using bins after shredding
- Donate old equipment and furniture for charity or sold
- Food wastes are collected by community cleaners on daily basis
- Toner, cartridges and newspapers disposed of through community cleaners.

## Financing Liquid Waste Management

- In 2021, Bank Asia has disbursed an amount of Tk. 278.37 million in Liquid Waste Management and as of December the outstanding was Tk.7,164.05 million. This includes Central ETP, Biological ETP, Combination of Chemical & Biological ETP etc. We also financed various projects under Establishment/Green Building, which helps to reduce environmental effect.



*Effluent Treatment Plant of Space sweaters financed by Bank Asia Limited*

## GreenHouse GAS EMISSION

### Saving CO2 emission

- For saving money, time & CO2 Bank Asia implemented Video Conferencing System between Head Office and branches in order to attend meetings. BAITD (Bank Asia Institute of Training & Development) also provide 657 virtual training to the employees using ZOOM, Cisco Webex & True Conf. platforms to raise their awareness on Covid-19 and prevention measures.

## REDUCING CARBON FOOTPRINT

- The total outstanding amount of Renewable Energy, different liquid waste management project Environment Friendly Brick Production and Green/Environment Friendly Establishments were as follow as on December 31, 2021:

### Refinance Scheme

- Bank Asia has participated an agreement with Regulatory Bank as a participant in the refinance scheme for Green Product / Initiatives practicing with these appreciated initiatives in Bio- Gas and Green Industries projects.





*Spectra Solar Park financed by Bank Asia Limited*

### INITIATIVE TO REDUCE THE BANK'S ADVERSE IMPACT ON ENVIRONMENT

- Bank Asia does not finance any tobacco related business, weapons & munitions, Gambling, casinos, pornography (goods/stores/web-based), alcoholic beverage and all offices of the bank are declared smoking free zone. We incorporated environmental and climate change risk as part of the existing credit risk methodology prescribed to assess borrowers through Environmental & Social Due Diligence (ESDD) checklists.

### Sustainable Finance Unit and its initiatives

On view of making Bank Asia more green, Sustainable Finance Unit has been restructured and included more members to promote green initiatives within the bank.

### Initiatives to Green Banking

In 2021, Bank Asia approves retail & CMSE loan upto Tk.5 million through digital platforms without involvement of any paper based activities. Besides, Training Institute of Bank Asia has provided trainings on Green Banking under Foundation training course & other training related to Green banking to 57 employees of 85.5 man-hours. All of the trainings are held online for cost efficiency and COVID-19 purpose.

### Reinforcing and Strengthening ESRM guideline

- Bank Asia has been taking initiative to strengthen and fortify the current ESRM guideline and implement the proposed ESRM guideline of Bangladesh Bank. The functions of ESRM guidelines are:
- Provides a robust, auto generated, quantitative risk rating system to reduce the subjectivity of a qualitative risk assessment method;
- Bigger focus on social and climatic risks which are becoming relevant and crucial for Bangladesh;
- The organizational roles and responsibility defined in the ESRM Guidelines are built upon the principles of integration of E&S risks into the bank or FI's overall credit policy. It clearly delineates the

responsibility of different functions of the bank in terms of E&S risk assessment and the decision-making process based upon E&S risk rating.

### Sustainability Report & Rating

- Since 2012, Bank Asia has published Sustainability Report and achieved Gold Rank- Best Sustainability Report in Asia Sustainability Reporting Rating 2020 - 17<sup>th</sup> SRA 2021 by NCSR (National Center for Sustainability Reporting) & ICSP (Institute of Certified Sustainability Practitioners)
- In 2021, Bank Asia was rated among the Top 10 Banks in Sustainability Rating for 2020 conducted by Bangladesh Bank. It was a tremendous achievement for the organization.

### Online Banking

- Online banking system is a great way to reduce wastage of paper.
- Bank Asia account holder is facilitating e-commerce transaction such as e-ticket purchasing of bus, train, airways, cinemas & movies, mobile flexiload, hotel booking, bill payment such as hospital bill payment, advertisement bill payment, passport fees payment, WASA, DESA, qubee bill payment, computer accessories & service related payment, e-shopping etc. by the debit/ credit card of Bank Asia with less expense & in faster time from any time anywhere.
- We have also integrated Internet banking system to NPBS on first phase and through this connectivity our customers can transfer fund from their Account to Inter-Bank Accounts and Debit & Credit Cards real time and vice versa.
- In our banking system recently 'e-Commerce' has incorporated for its valued customer where Bank plays as payment partner & account holders can shop online through internet banking.

### COMPLIANCE

During 2021, Bank Asia has not faced any penalties for non-compliance with applicable laws and regulations concerning the impacts of its operations on communities.



# Competitive Edge



## OUR SCALE OF OPERATIONS

- ➔ **Tk. 438,293 Mln**  
+ total assets
- ➔ **Tk. 317,782 Mln**  
+ customer deposits
- ➔ **Tk. 262,266 Mln**  
+ loan book

Strong Asset & deposit Base with Quality Assets



## CUSTOMER BASE

- ➔ **6,385,078**  
+ Deposit A/C
- ➔ **73,367**  
+ Loan A/C

Above 7 mln customer under Bank Asia coverage



## NETWORK & DISTRIBUTION CHANNEL

- ➔ **129** branches
- ➔ **4,898** Agent Outlet
- ➔ **50,000+** Micro Marchant
- ➔ **198** Owned ATM Booth

Digital coverage of banking service across the country



## COMMUNITY DRIVEN DEVELOPMENT

- ➔ **19010** Number of loan ac through agent bank
- ➔ **4,516,832**  
Number of Rural Accounts
- ➔ **3,110,332**  
Number of Female Accounts

Pioneer in ensuring Financial inclusion



## EMPLOYEE BASE

- ➔ **50%**  
+ work force with over 10 years service and 22% Female
- ➔ **68%**  
of staff members are aged below 40 years signifying a young, dynamic and capable workforce

Young, Competent & dedicated human resource



## AWARD & RECOGNIZATION

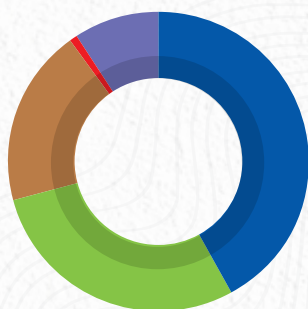
- ➔ **3** National Awards
- ➔ **4** International Awards (Under Publication)

Brand Image validated by reception of National & International award



# Economic Performance

Value Added Statement shows the depicts wealth created by an organization & how is that wealth distributed among different stakeholders. In the year 2021 bank's net value addition was Tk. 9,164 million; 42% was distributed to employees as salaries, 29% to shareholders as dividend & reserve, 19% to government as income tax and rest of the amount used for business expansion and growth.

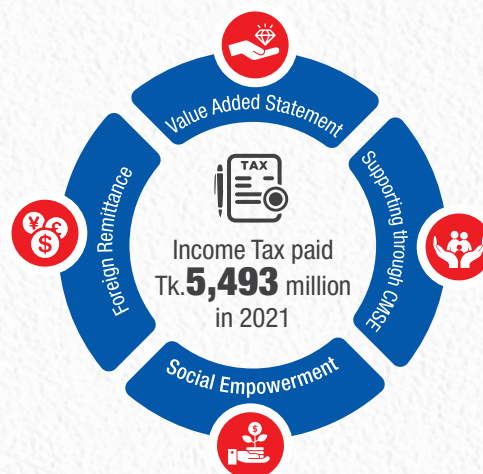
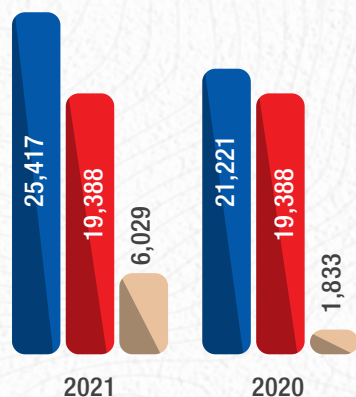


## Value Added Statement 2021

To employees as salaries **42%**  
To Government as Income Tax **29%**  
To providers of capital **19%**  
Retained profit **1%**  
Depreciation **9%**

## Market Value Added

■ Market Value of Equity  
■ Book Value of Equity  
■ Market Value Added



Million Taka

Items	2021	2020
Income from banking services	29,694	28,105
Less: Cost of services & supplies	15,445	(17,629)
Value added by banking service	13,949	10,476
Non-banking income		

Provision for loans & Off-balance sheet exposure & others	(4,786)	(2,113)
<b>Total</b>	<b>9,164</b>	<b>8,363</b>

Distribution of value addition	2021		2020	
	Amount	%	Amount	%
To employees as salaries	3,891	42	3,556	43
To providers of capital as dividend & reserve	2,630	29	1,957	23
To Government as income tax	1,700	19	1,922	23
<b>To expansion &amp; growth</b>				
Retained profit	77	1	78	1
Depreciation	868	9	850	10
Deferred Taxation	-	-	-	-
	<b>943</b>		<b>928</b>	
<b>Total Value Addition</b>	<b>9,164</b>	<b>100%</b>	<b>8,363</b>	<b>100%</b>

## Market Value Added Statement

Market value added statement shows the difference between the market value of the bank and the capital contributed by shareholders. During the year 2021, total market value of the bank was Tk. 25,417 million & total book value of equity is Tk. 19,387.72 million i.e. addition of market value was Tk. 6,029.28 million.

Particulars	No. of shares (in million)	Share price (in taka)	Taka (in million)
Market Value	1,166	21.8	25,417
Book Value	881.26	22	19,388
<b>Market Value Added</b>			<b>6,029</b>



1 8 10 12

By creating employment, Social Safety NetProgram, Agent banking & other supporting activities for rural credit empowerment Bank Asia tries to reduce poverty & inequalities for ensuring sustainable economic growth



### Economic Value Addition During The Year

Economic Value Added (EVA) indicates the true economic profit of the company. EVA is an estimate of the amount by which earnings exceed or fall short of required minimum return for shareholders at comparable risks. As a commercial banking company we are deeply concerned about delivery of value to all of our shareholders/equity providers.

Particulars	2021	2020	2019
<b>Invested fund by shareholders</b>			
Shareholders equity	27,357	27,381	24,745
Add: Cumulative Provision for loans/ investment/ off-balance sheet items, offshore banking units & others	17,482	14,790	13,616
Total invested fund by shareholders	44,838	42,171	38,361
<b>Average invested fund by the shareholders [A]</b>	43,505	40,266	36,139
<b>Earnings for the year</b>			
Profit after taxation	2,707	2,036	1,961
Add: Provision for loans/ investment, off-balance sheet items and Offshore banking units	4,786	2,113	5,402
Less: written off during the year	2,907	301	2,716
<b>Earnings for the year [B]</b>	4,586	3,848	4,646
Average cost of equity (based on Shanchay Patra rate issued by the Government of Bangladesh)plus 2% risk premium[C]	13%	13%	13%
<b>Cost of average equity [D= A x C]</b>	5,656	5,235	4,698
<b>Economic Value Added [B-D]</b>	(1,070)	(1,386.57)	(52)

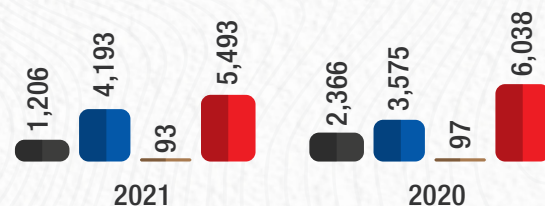
### Contribution to National Exchequer

As a corporate entity, Bank Asia pays tax and VAT on its own income according to prevailing laws of the country. Besides, the bank deducts income tax, VAT and excise duty at source from customers and suppliers and deposits the same to the national exchequer. During the year 2021, the Bank contributed Tk. 5,272 million to national exchequer.

Particulars	2021	2020
Income tax payment on bank's earnings	1,206	2,366
Income tax, VAT, and Excise duty deducted at source from various payment and services by the bank	4,193	3,575
Income tax payment by the employees	93	97
<b>Total Payment</b>	<b>5,493</b>	<b>6,038</b>

### Contribution to National Exchequer

- Income tax payment on bank's earnings
- Income tax, Vat, Excise duty deducted at source from various payment & services by the bank
- Income tax payment by the employees
- Total payment



### Supporting Activities Through CMSE

Bank Asia SME has stepped into the territories where no Bank or FIs of Bangladesh have reached so far.

In 2021, with 4 SME Service Centers & 129 branches in urban & rural areas Bank Asia strongly focused on cottage & micro enterprise financing, cluster financing, grooming-up new entrepreneurship development, promoting women entrepreneurship, creating business network for CMSE entrepreneurs and financing in untapped areas to underserved people. Besides, we have been organizing capacity development and awareness building programs especially for women entrepreneurs in collaboration with Bangladesh Bank, SME Foundation etc. in different districts in order to increase the loan portfolio and get more people under the reach of credit in manufacturing industries, service oriented business. This year, CMSME disbursement amount was Tk. 27,264.24 million & portfolio stood at Tk. 36,624.64 million compared to previous year's Tk. 10,533 million with a growth of 247.71%



## Initiatives in the year of 2021

- The SE & SPL Department of the Bank has launched 2 new products titled "Goti"- revolving demand loan to meet working capital requirement and "Nirontor"- Secured Overdraft facility against cash collateral to meet short term cash flow requirement for entrepreneurs under CMSE segment.
- Introduced Agent Centric Business Model for smooth CMSE loan disbursement through Channel Banking.
- Signed Agreement with SME Foundation regarding government's New Stimulus Package aiming to ensure credit facilities at low interest rate to the eligible and potential SME entrepreneurs affected due to COVID-19 around the country.
- Participated in Cheque distribution program among entrepreneurs of CMSMEs under New Stimulus Package of SME Foundation at Ministry of Industry.
- Organized 19 trainings for officials and entrepreneurs in 2021.
- Participated in "9th National SME Product Fair-2021" organized by SME Foundation.

## INVESTMENT FOR SOCIAL EMPOWERING

### Empowering communities through AGRI/Rural credit

In our drive to bring the low income group under our ever expanding financial inclusion umbrella, Bank Asia has always tried to focus on disbursing Agricultural/Rural credit which is one of the most influential macroeconomic driving sectors of our economy. In 2021, Bank Asia managed to distribute Tk. 6,052.88 million among 96,331 farmers as part of our agriculture/rural credit scheme.



National SME Fair 2021 organized by SME Foundation

## FINANCIAL INCLUSION

### Agent Banking

Bank Asia pioneering in Agent Banking service in Bangladesh has gained significant progress within eight years of inception in terms of number of agents, accounts and deposits. Around 4.92 million unbanked people have already been included under our Agent Banking platform. The Bank has implemented 4,898 Agent outlets in 64 districts in most geographically dispersed poor segment of the society.

After overcoming the unprecedented challenges caused by the pandemic, the Bank undertook several risk mitigation measures going into 2021. Some of these measures include online communication tools for business meetings, implementation of eKYC for account opening, alternative verification tool for different payments in conjunction to bio-metric systems, virtual training and virtually inaugurating outlets, arranging meetings and interview sessions with partner, etc. Based on these actions, in 2021 we successfully managed to increase our number of agent accounts by 36% compared to the previous year and the deposit amount stood at Tk. 33,875 million which was increase of 20% in comparison to 2020.

### Post Office Banking

With a vision to expand network and ensure service reach to grass root level bank has built up a strategic relationship with the Posts and Telecommunications Division of Bangladesh Government. From now on people will get Bank Asia service from Digital Post e-Centre across the country. The Post Office Banking division currently has 920 outlets with 3,895 agents onboarded. Currently there are 108,993 active accounts with deposits and advances standing at Tk. 1,376 million and Tk. 51.93 million, respectively.

### ABAK (Amar Bari Amar Khamar)

#### & Social Safety Net Program

Bank Asia Limited is the pioneer in digital financial inclusion in Bangladesh by implementing "Amar Bari Amar Khamar" (ABAK) previously EBK a government project for the poor, ultra-poor and



Fishery Project financed by Bank Asia

landless people of Bangladesh focusing on Poverty eradication and reducing poverty level to 10% within 2021. Bank Asia is now operating ABAK Banking services for Phase III to 31 districts having 222 Upazillas and 1,200,000 beneficiaries where the operation has spread over 2,200 unions. Bank Asia provides online banking services through this ABAK project to unbanked people with good reputation in the above districts in Bangladesh. Over the time we have made partnership with Social Welfare Department under Ministry of Social Welfare and providing services to Senior Citizen, Widow and Disabled beneficiaries.



Under our social safety net program, we have managed bring 1,403,072 beneficiaries in 2021 spread over 17 districts and 65 Upazilas.

### Micro Merchant

Micro Merchant is another forward milestone for Financial Inclusion of Bank Asia and 2021 has been a milestone year for us. We have newly onboarded 39,906 new micro merchants for a total of 51,237. Total number of transactions in our micro merchant channel stood at 3.33 million worth Tk. 5,501 million. Bank Asia has received “Bangladesh Innovation Award 2021” in the Banking category from Bangladesh Brand Forum (BBF) for outstanding efforts for digital payment through Micro Merchant channel.



Providing service from Micro Merchant

### Community Supportive Investment

Bank Asia is always conscious of its Corporate Social Responsibility (CSR) contributing towards quality of life of the society at large without compromising an ecological condition. In 2021, Bank Asia spent an amount of Tk. 247.45 million for the overall betterment of the nation. The Bank's stakeholders were immensely benefitted by way of its community based social programs; education support where total donation was Tk.42.00 million (16.98%), health support Tk.104.70 million (42.31%), disaster management Tk.48.85 million (19.74%), art & culture Tk. 1.00 million (0.40%) and others Tk.50.90 million (20.57%).

### Foreign Remittance

In 2021, the wage remittance inflow for the year ended at USD 1,515 million with a growth of 30% against country growth 2%.

Bank Asia is the pioneer and prominent in Financial Inclusion through introducing Agent Banking Model that helps us to grow in cross border remittance business. Despite the Covid-19 pandemic, we've registered 30% growth over 2020. We've ranked 5th position among banks of the country and contribute 7% of the country's wage remittance inflow.

### Online Payment Gateway Services(OPGS)

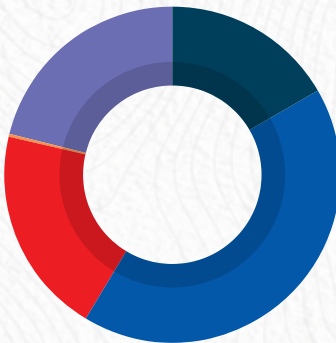
Bank Asia is the first Bank to set-up arrangement with OPGSPs in Bangladesh like 'Payza' and 'Payoneer' to bring hard earned money which is earned by exporting services in nonphysical form e.g. data processing, off-shore IT service, software development, business process outsourcing (BPO) etc. In 2021, we have done 4,74,642 transactions of Tk. 155.6 million. In 2021, Bank Asia participated as Platinum Sponsor in the BASIS Outsourcing Award where IT exporters in different categories were awarded including District Wise, Female Category, Entrepreneurs, Start-up, etc.

### Financial Assistance from Government

Bank Asia does not receive any financial assistance from the government and also does not contribute to any political organization. But we support all the public policy developed for the betterment of nation and we never lobby for making any policy in favor of us.

### Compliance

Bank Asia is very much conscious about legal and regulatory compliances. The bank reports regularly to the central bank, the Bangladesh Securities and Exchange Commission, tax & VAT authorities on required compliance issues. During 2021, the bank has not faced any significant penalties for non-compliance with applicable laws and regulations for running its economic activities in Bangladesh.



### Community Investment 2021

Million Taka

Education **42** | **17%**

Health **105** | **42%**

Disaster Management **49** | **20%**

Art & Culture **1** | **0.4%**

Others **51** | **21%**



## STRENGTHS

# S

- **Security Compliance and Protection against Cyber Threats:** Successfully implemented HCI (Hyper Convergence Infrastructure) for Visualisation Application Platform, conducted training on the ISO27001:2013 Lead Auditor program and achieved ISO 27001:2013 surveillance audit.
- **Maintained a strong capital base:** one of the highest CRAR (15.72%) in the banking industry
- **Stable entity credit rating over last 6 years:** Long Term: AA2, Short Term: ST-2
- **Brand image enhancement:** recipient of prestigious 4 National and 5 International awards
- **Financial inclusion:** Pioneer in inclusion of grassroots level people through Agent Banking, Post Office Banking, Social Safety Network, ABAK & others
- **Robust distribution channel to provide nationwide coverage:** 5 million+ customers under Bank Asia's network. 129 Branches, 4,898 Agent Banks, 51,000+ Micro Merchants, 180,993 Post Office Banking Accounts.
- **Inward Remittance Growth:** Wide distribution channel and network with exchange houses were able to attract inward remittance worth USD 1,494 million in 2021
- **Enrichment of Human Capital:** provided virtual training & workshop of 42,816 man-hours to 5,115 participants in pandemic situation
- **Awareness Creation:** sustainable business framework by creating value for stakeholders complying with environmental issues and published reports & articles in this regard.
- **Reduced cost to income ratio:** 2021: 45% from 2020: 54%
- **Remarkable growth in After Tax Profit:** 33% growth versus previous year

## WEAKNESSES

# W

- **Technological Innovation Awareness:** Put integrated vision, Technological Innovation awareness & behavior driven programs.
- **Alternative Income Avenues:** dependence on industry culture which requires a lot of time and R&D to introduce new income avenues
- **Asset Management:** Lacking of proper Loan & other Asset Management is one of the inherent weaknesses of the overall banking industry.
- **Business Growth:** (Deposit & Advances) Lagging behind from target



## OPPORTUNITIES

# O

- **Digital Transformation:** Adoption of digital banking solutions
- **Stimulus packages for smoothening of business operation:** Increase ADR and IDR to generate funds.
- **Financial Inclusion:** in the age of marginalized profit for banks, this might be a game changer where around 1/3 of Bangladeshi households are yet to have access to either banks or other financial institutions.
- **Incorporating unbanked people:** Integrate them under our ever increasing agent banking network, one of the largest in the country.
- **Rebounding of the economy:** picking up of the export and import sectors and inward foreign remittance, alongside resumption of business activities
- **Implementation of government mega projects:** such as the Expansion of Hazrat Shahjalal International Airport's third terminal, Karnaphuli Tunnel, Dhaka-Sylhet 4 lane highway, etc.
- **Increasing money supply in the market:** Bangladesh Bank lowered the Repo Rate and CRR which creates more investment opportunities

## THREATS

# T

- **Global Political Unrest:** Rising tension among countries worldwide likely to cause an adverse cascading impact on our country's economic activities
- **Credit Risk:** Arising due to the rising trend of NPL levels in the country
- **Rising Inflation:** Reached 6.05% in December 2021, a point-to-point increase of 0.79%. This will put strain on the Bank's bottom line.
- **Shrinking profitability:** Single digit interest rate decreases the bank's earning potential
- **Cyber security:** Kaspersky Labs rated Bangladesh as the 3rd most vulnerable country in terms of not being able to defend against potential cyber attacks
- **Exchange rate risk:** fluctuations cause risk in forex business especially in import and export operations
- **Competition:** Cost of switching very low for customers due to presence of large number of peer banks in the country



GRI-103-2, GRI-201, 202, 203, 204, 205, 206, GRI-302, 305, 307, GRI-401, 402, 403, GRI-405, 406, 407, 408, 409, 410, 411, 412, 413, GRI-417, 418, 419

## Approach to Sustainability



Bank Asia's vision is to have a "poverty free Bangladesh" by ensuring inclusive growth to every segment of people; every sector of the economy. Since its inception, Bank Asia has dedicated itself to meet the financial needs of the people through innovative customer service and diversified financial services, which in turn contributes to ensuring a sustainable economy and growth of its customers. Bank Asia is the pioneer of Agent Banking in Bangladesh. By providing technology based financial services to the marginalized people with a strong digital coverage and infrastructure facilities, Bank Asia has become a role model of financial inclusion in the country's banking industry. We think beyond profit and believe in building an inclusive community, hence we have undertaken many initiatives towards achieving Sustainable Development Goals. And through the combined endeavor of all stakeholders, we will gradually move towards a sustainable world and a sustainable future without leaving no one behind. We have already established 4,898 agent outlets across 530 upazilas of 64 districts. We have also a plan to establish 50 Sub-branches in phases by 2023. We have set up the first ever RMG digital banking booth at the premise of the garment factory to serve the readymade garments workers marking a new era in the country's banking history.

Bank Asia has also catered to the needs of the thrust industries: cottage, micro and small enterprises- to help them grow and flourish. To tackle the situation of COVID-19 pandemic, a new product titled "CGS (SP) Surakkha" has been designed to assist CMSEs with no/insufficient collateral to obtain credit facilities under Credit Guarantee Scheme (CGS) which will facilitate stimulus package for CMSE segment. As we are the first financial institution in the country to introduce TAB/ PC based digital SME & Agri proposal processing, we have disbursed 23,500 credit proposals amount to BDT 14,450 million through Diganta (BFP-B, UKAID funded project), an online credit approval system up to 31st December 2021. Bank Asia implemented a full-fledged digitized cluster-based approach for financing cottage, micro, small enterprises. Currently the bank is actively working on developing and financing in the clusters like Electric & Electronic cluster, Hosiery Cluster, Bamboo & Cane Cluster, Shitol Pati Cluster, RMG Cluster etc. At the end of year 2021, CMSME portfolio stood at Tk. 38,306 million.

Bank Asia, in principle, always averts financing in environmental hazardous business. The bank has decided not to finance any tobacco related business, weapons & munitions, gambling, casinos, pornography (goods/stores/web-based), alcoholic beverage and all offices of the bank are declared smoking free zone. We incorporated environmental and climate change risk as part of the existing credit risk methodology prescribed to assess borrowers through Environmental & Social Due Diligence (ESDD) checklists.

During 2021, Bank Asia has disbursed Tk. 6,053 million for short and long-term credit in agricultural/rural sectors. This financing helped to create enormous employment opportunities in farms, especially in the fields of crops & fisheries. For safeguarding biodiversity, our Bank is very much concerned and financed to different liquid waste management project for financing Biological & Chemical Technology Combined ETP, Biological ETP, Chemical ETP and Waste Water Processing Plant. In 2021, Bank Asia has disbursed an amount of Tk. 278.37 million in Liquid Waste Management and as of December the outstanding was Tk. 7,164.05 million.

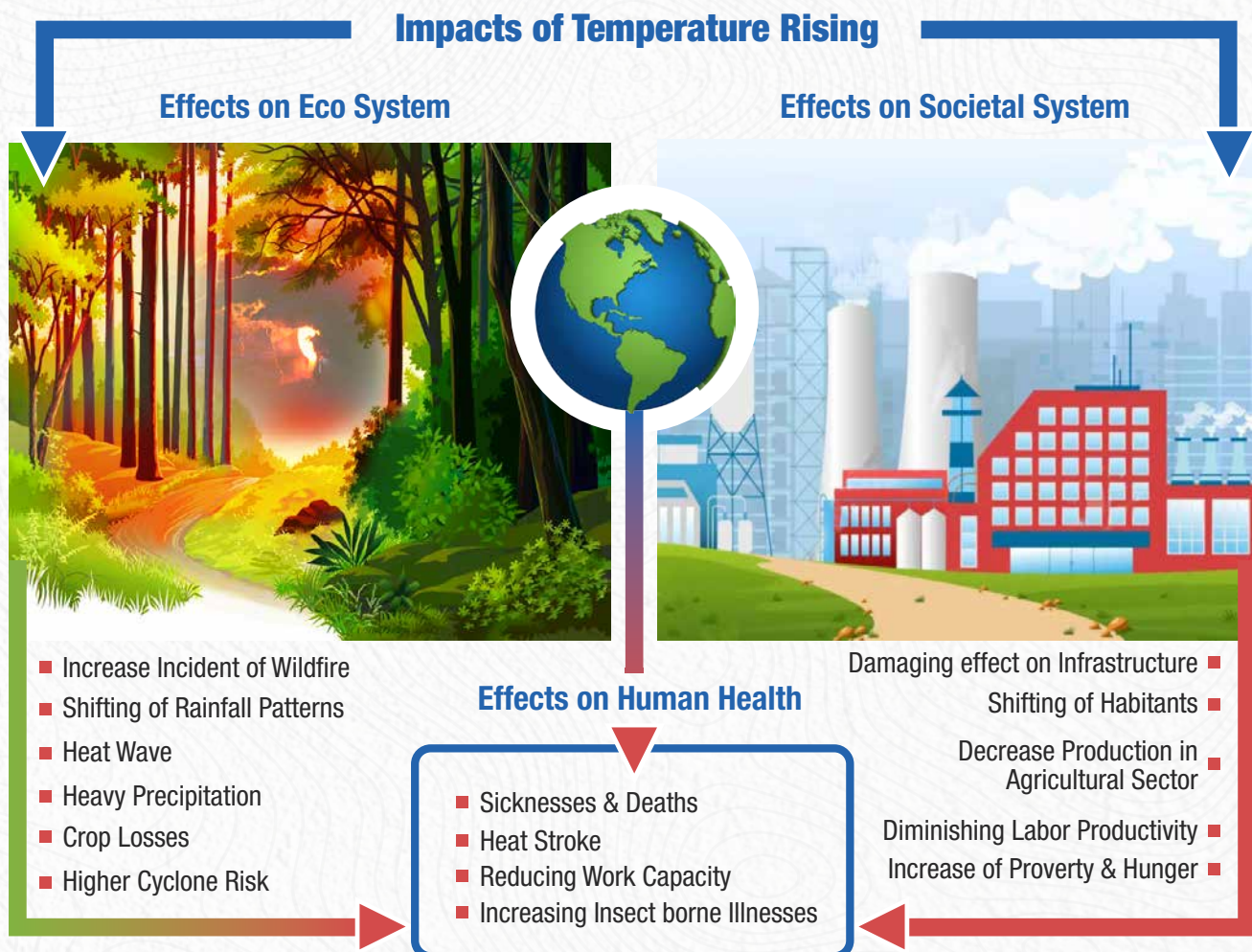
Bank Asia embedded the value of Corporate Social Responsibility (CSR) in its business philosophy. Since inception, the Bank has been contributing to the under privileged segment of the society so that they will be included in the mainstream. Bank Asia foundation established with the aim of strengthening CSR program and streamlining the



## Approach to Sustainability





activities in a more systematic, structured and sustainable manner. During the year 2021, Bank Asia spent an amount of Tk. 247 million on CSR which covers a vast area of education, health and other under privileged sectors for the overall betterment of the nation.

Bank Asia strongly believes safe & healthy work place is a precondition for sound mentality of employees to deliver desired services to valued customers. To improve our employees' work life balance, Bank Asia has established a combined day care center named "Pushpita" in collaboration with other private commercial banks by renting 5,666 square feet at Motijheel, Dhaka. To provide a greater peace of mind to working parents especially mothers and to encourage the inclusion of women in the job market, the child care center has established. For making the employees more effective and efficient, trainings provided to 4,907 participants of 39,256 MH in the year 2021.









# Approach to Sustainability

	Material Topics	Targets	Achievements
	Financial Inclusion	To reduce poverty by promoting financial inclusion	<ul style="list-style-type: none"> <li>42,816 man hours of training to 5,115 participants</li> <li>Human capital is Tk. 23,043 million</li> </ul>
	Technological Innovation	Reducing lead time by technological advances	<b>CSR activities: Tk. 247.45 million</b> <ul style="list-style-type: none"> <li>Health: Tk. 104.70 Million</li> <li>Education: Tk. 42 Million</li> <li>Disaster Management: Tk. 48.85 Million</li> <li>Art &amp; Culture: Tk. 1 Million</li> <li>Others: Tk. 50.90 Million</li> </ul>
	Operating efficiency through Core Business	To maintain consistency and focus on asset quality	<b>OCAS-Diganta project</b> <ul style="list-style-type: none"> <li>Number of Accounts: 23,500</li> <li>Loans processed: Tk. 14,450 Million</li> <li>Robotic Process Automation for Remittance Channeling</li> <li>Developed Artificial Intelligence Workforce (AIW)</li> </ul>
	Paying back	Expanding the horizon of community services	<b>Agent Banking</b> <ul style="list-style-type: none"> <li>64 districts</li> <li>4,898 Outlets</li> <li>4.92+ Million Customers</li> <li>Micro-merchant: On-Boarded 51,237</li> </ul> <b>Post office Banking</b> <ul style="list-style-type: none"> <li>Outlets 920</li> <li>Accounts 180,993</li> <li>Agents: 3,783</li> </ul>



	Material Topics	Targets	Achievements
	Human Capital	Improvement of employee productivity	<ul style="list-style-type: none"> <li>Cluster wise branch segments for faster loan processing</li> <li>NAV per share Tk. 23.46</li> <li>Cost to income ratio improved to 45% from 54%</li> <li>+5% Deposit   + 7% Advance</li> <li>+30% Export   +60% import</li> </ul>
	Capital Planning and Management	Ensure adequacy of capital as per Basel III Capital Accord to support healthy growth of business	<ul style="list-style-type: none"> <li>Total Capital Tk. 41,370 million   CRAR 15.72%</li> <li>LCR 217.27%   NSFR 107.93 %   Leverage ratio 4.87%</li> </ul>
	Liquidity Risk Management	To ensure smooth banking operation	<ul style="list-style-type: none"> <li>AD Ratio: 65.58%</li> <li>ROA: 0.64%</li> <li>ROE: 9.89%</li> </ul>
	Recovery of Classified Loan	Recovery of Classified Loan through proper monitoring & relationship management	<ul style="list-style-type: none"> <li>Non-performing loans stood at 5.14%</li> <li>Maintained provision amount is 7,290 million</li> <li>Cash Recovery from CL and Written of Loan was Tk. 287.43 million</li> </ul>



# Sustainable HR Development

## EMPLOYEE PROFILE

We strive to make Bank Asia a great workplace by creating a performance driven culture that rewards success and encourages employees to take control of their personal development. Through the process of learning and rewarding we intend to enable individuals to think, behave, take actions and make decision independently.

## SALARY POLICY

We target a fair human resources management by using a performance based system. Our salary policy is same in all branches and service points for the beginner level. In addition, to drive further development of individual skill, increment is given based on performance yardstick. There is no incident of discrimination in terms of remuneration provided to male and female employees.

## BENEFITS TO EMPLOYEES

Every employee is paid salary on monthly basis, which is a combination of basic salary, fringe benefits and other benefits disbursed on 25th of each month or previous working day if 25th is holiday. Considering the health safety of the employees due to the unprecedented outbreak of COVID-19 pandemic, PMD has amended Quarantine Leave Policy and introduced Sick Leave Policy for the employees of the Bank. Bank Asia's benefit schemes are as follows:

Fringe Benefit Schemes	Other Benefit Schemes
<ul style="list-style-type: none"> <li>House rent allowance</li> <li>Conveyance allowance</li> <li>Medical allowance</li> <li>Entertainment allowance</li> <li>House maintenance allowance</li> <li>Utilities allowance</li> <li>Car maintenance allowance charge</li> <li>Risk allowance</li> </ul>	<ul style="list-style-type: none"> <li>Group Health Insurance</li> <li>Benevolent</li> <li>Leave fare assistance</li> <li>Furniture allowance</li> <li>House Building Loan (HBL)</li> <li>Car loan</li> <li>Provident fund loan</li> <li>Mobile phone allowance (talk time)</li> <li>Mobile handset allowance</li> <li>Ex-gratia payment</li> </ul>
End Service Benefit Plans	Minimum Notice Period Regarding Operational Changes
Bank Asia provides the following benefit plans to its employees on retirement according to individuals' entitlement <ul style="list-style-type: none"> <li>Provident fund</li> <li>Gratuity</li> <li>Superannuation</li> <li>Leave encashment</li> </ul>	Minimum notice period before switching job is 3 months for regular employees and 1 month for contractual employees. Minimum notice period before changing department is 1-30 days as per situation or demand of concerned branch/department.

## New Employees

155 new employees were recruited during 2021 where 36% for branches & 64% for Corporate Office to ensure effective and timely support.

## Employees by Diversity

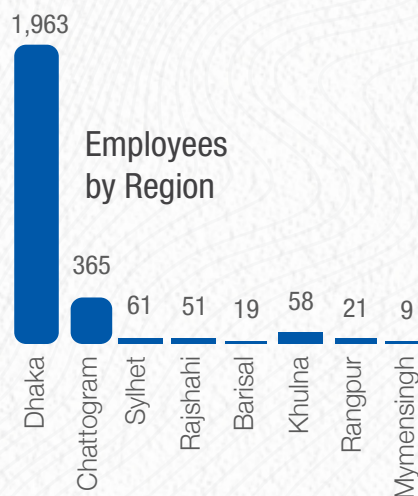
Bank Asia ensures equal opportunity as an employer irrespective of locality, gender or ethnicity. Local employees 2,544 dominated in diversity composition and 3 indigenous.



## Employees by Region

Bank's employees are mainly spread over Dhaka and Chittagong. It retains the highest number of employees in Dhaka, which was 77.07% in 2021 for corporate office and branches in Dhaka city. We follow fair hiring process which demonstrates no discrimination in locality, religion of employees in this process.

## Gender Positioning of Employees



Bank Asia has been maintaining a very balanced male and female ratio, which was not only reflected in the board of directors but also in the bank management at different levels





3

To ensure safe & healthy workplace & overall well-being of our employees, various initiatives have been undertaken

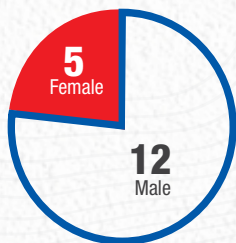
5 - 10

Fair hiring process & no discrimination irrespective of locality, gender or ethnicity of employees

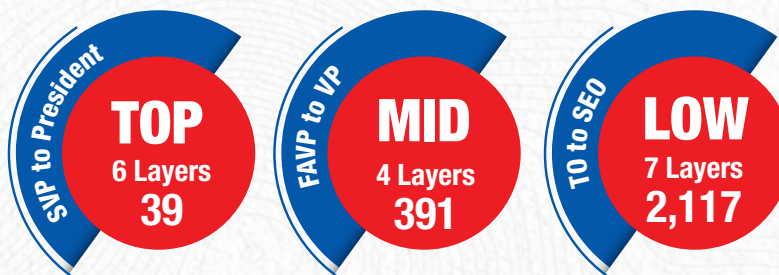
8

To improve professional efficiency Bank Asia puts highest importance on training & workshop

### Gender Positioning of Directors



### Employees by Employment Hierarchy



### Gender positioning by

**1,979**

Employment level



**568**

2.51%

Turnover Rate

0.82%



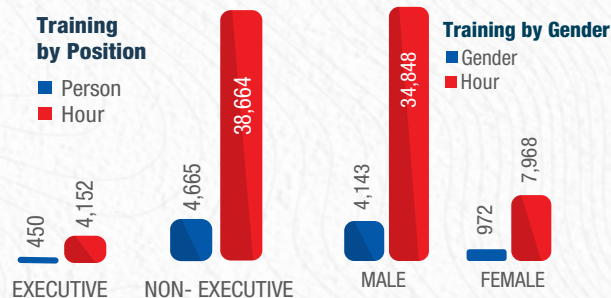
**42,816**  
Man-Hours of Training



**5,115**  
Participants

### LEARNING & DEVELOPMENT

As "Efficiency" is our strength Bank Asia continuously provide training to maintain the highest level of operational efficiency, customer focus, and people orientation to employees. Because of Covid19 pandemic we provide 657 virtual training to employees for increasing their knowledge, develop skill and bring change in attitude at individual, task & organizational level.



### Bank Asia and Green Banking

- Bank has organized 4 foundation training courses under (Bangladesh bank, BIBM, Foreign Training, Training by other institutes) each 6 weeks long for entry level employees to improve knowledge base and proficiency in banking. Training Institute of Bank Asia has provided 6 trainings on Green Banking under Foundation training course & other training related to Green banking to 256 employees.
- A number of training and workshop was organized related to Green Banking & Environmental Risk Management, Reporting format of Green Banking activities, financial inclusion, CSR and Green Banking
- Through OCAS (Online Credit Approval System) Diganta software 23,500 credit proposals worth Tk. 14,450 million have been approved as of 31st December 2021.
- Electronic sanction archive system has been developed for 6 departments; namely: CRM, CMSE, I.B.D., SAMD, CFC & Agricultural wing.
- Implemented Artificial Intelligence Workforce (AIW) bot for verifying NID of customers



### Training by Different Institutes

Particulars	2021	
	Nos.	Hours
In House Training	146	38856
Bangladesh Bank	05	568
BIBM	31	1952
Overseas/Foreign Training	03	160
Training by other Institutes	23	1280
Total	208	42,816

### Anti-Money Laundering Training

Bank Asia aims to complying Central Bank's comprehensive guidelines on Trade based Money laundering in each trade transaction & working on awareness & expertise of all concerned officers/ executives and relationship officer/Relationship manager as to identify & manage money laundering risk. Bank Asia is committed to preventing money laundering and terrorist financing. Anti-Money Laundering Department (AML), Corporate Office always arranges and conducts AML workshops to train all the employees of our Bank and about 100% of total employees (Branch/Corporate Office) obtained AML & CFT related training

### Breast Cancer Awareness Program

Bank Asia has arranged a virtual Breast Cancer awareness program titled 'Myths of Breast Cancer' for all female employees of the bank on the occasion of Breast Cancer Awareness Month 2021. The program was held on 23 October 2021 in collaboration with Cytecancer Cancer Hospital with the support of MediAider Ltd.



### OCCUPATIONAL HEALTH, SAFETY & ENVIRONMENT

All the branches, SME service centers and SME/agriculture branches and every department of corporate office are well decorated having sufficient breathing spaces and adequately equipped with fire-fighting equipment and fire drills. The COVID-19 infected employees have been provided all out support. The emergency support team of the Bank took care of the infected employees by providing proper doctor's advice, foods, emergency medicine, oxygen and ambulance facilities. A team of logistics and support services department of the bank is specially entrusted to visit regularly to monitor cleanliness, safety measures and other amenities remains ensured in all outlets. If found any deviation, take prompt steps and thus ensuring modern, healthy and safe workplace for its employees.

### Maternity Leave

As per bank's policy, every female employee is entitled to get 6 months' maternity leave with regular salary and allowances. During 2021, 66 female employees availed 180 days each with a total of 11,880 days. An employee can avail this leave not more than two occasions during the entire period of service.

### Paternal Leave

As per bank's policy, any employee who has been in the continuous service of the bank is entitled to get 5 working days' paternal leave from the date of joining. An employee can avail this leave not more than two occasions during the entire period of service.

### Child Care Center Facilities

Bank Asia, in collaboration with 20 other private commercial banks, has established a child day care center named "Pushpita" with a total space area of 5,666 sq. ft. There are 9 nannies, 7 teachers, 1 supervisor, 1 child care co coordinator and 1 cleaner for overall maintenance of the center. Parents have the opportunity to watch their babies through their device from anywhere, any time through Live CCTV footage.

### Cleaning Day

The administration chose to watch 'CLEANING DAY' on the 'FIRST SATURDAY' of each alternative month where all workers of the branch and the Corporate Office effectively take an interest. On the 'CLEANING DAY', every one of the employees turns up at their particular Branch/Department and engages themselves in cleaning the premises including all office gear and fixtures.



## EMPLOYEE PERFORMANCE EVALUATION

Bank Asia established a real-life SMART KPI to evaluate the contribution of all individuals in a transparent manner to assess quantitative and/ or qualitative performance vis-à-vis set target of a given year. To evaluate the performance of Bank Asia's employees KPI is used in the following manner: We have infused 80/20 strategy in performance measurement system; as such 80% Objective and 20% Organizational & Personnel behavior factors are introduced. The benefits of using KPI are the followings:

- Reduce the number of decisions and make decisions based on objectivity and facts.
- Quantify the achievement of goals.
- Focus on facts and see where individual improvement is needed.
- As individual initiative grows, it becomes more difficult to remain as close to the operational details as it is, in such case, KPI results can bring back to reality.
- Employees are clear about his/her obligations to deliver during the year and accordingly would be able to plan to meet the expectation. Last but not the least, unbiased performance evaluation at the end of the year

## CULTURAL EVENTS AND AMUSEMENT

### Celebration of Pohela Falgun 1427

Bank Asia has celebrated the first day of Spring of Bengali calendar 1427 in a festive manner. Employees enjoyed some different varieties of Pitha in the colorful event organized at Bank's corporate & branch offices simultaneously.



### International Women's Day

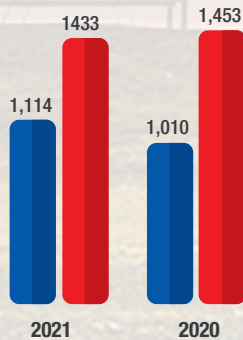
"Overcoming Hundreds of Barriers, Women are Moving Forward"- with this slogan, Bank Asia celebrates International Women's Day 2021 in a festive manner on 8 March 2021. The leading female employees from different arenas of the bank shared their stories of journey towards a successful career. Honorable Guests cut cake with the female employees of the bank after delivering their motivational speech.



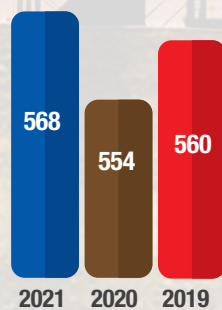


# HUMAN CAPITAL DISTRIBUTION

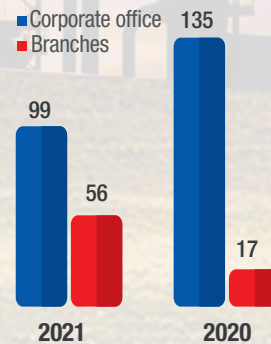
**Total Employee Distribution**  
■ Corporate office  
■ Branches



**No. of Female Employees**



**New Employee Distribution**  
■ Corporate office  
■ Branches



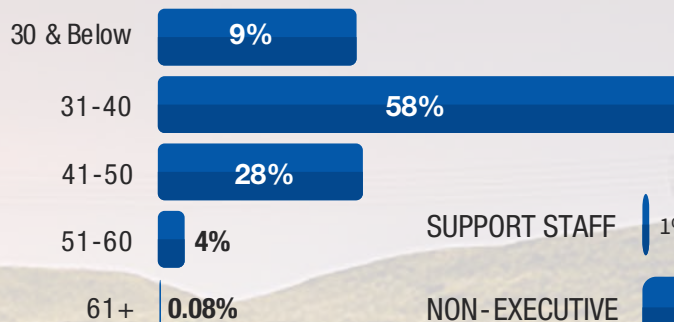
**Tk. 13.23 million**

**received as**

**Insurance Claim in 2021**

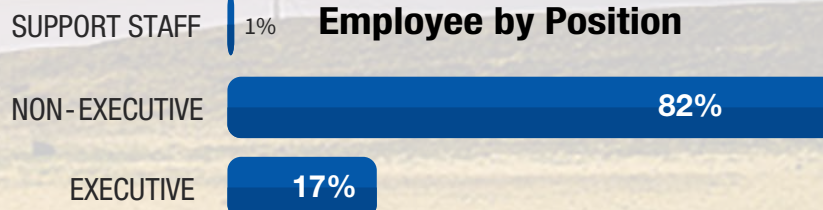


## Age Distribution



In 2021  
42,816 man hours training  
for human capital  
development

## Employee by Position



## Employee distribution by Region

2011 1963

2020 2021

271 365

38 61

33 51

15 19

62 58

22 21

9 9

Dhaka

Chittagong

Sylhet

Rajshahi

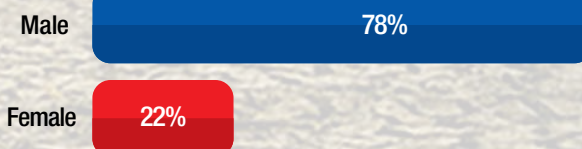
Barisal

Khulna

Rangpur

Mymensingh

## Gender Positioning





### Bank Asia eLearning

To pursue the endeavor to become a digitized and learning organization, Bank Asia has developed an online based learning platform namely "Interactive Learning Management System (ILMS)" traditionally known as "Bank Asia eLearning system". It allows all the staffs, agents & agents' staffs i.e. Customer Service Officer (CSO) of the agent outlets to strengthen their knowledge through study and take tests 24x7 from anywhere and on any device. This self-learning system is enriched with different lectures, quizzes and certificate courses on General Banking, Agent Banking, Islamic Banking, International Banking, Risk Management, Products & Services, Automation & Digital Banking, Business English for the Bankers and Soft Skills Development.

Entry & Junior level employees are now required to complete a minimum number of courses and participate in quick test within a calendar year. Some courses are mandatory for a certain group of employees. The courses & exams taken by an employee and related performance are considered as a part of his/her Key Performance Indicator (KPI).

Presently, as of December 31, 2021, this eLearning system was enriched with more than 161 topics, 203 lectures, 2,635 active participants. By the year 2022, Bank Asia eLearning aims to enrich this self-study system with more lectures & mandatory quick tests.

### Statistics as of Dec 31, 2021

Indicators	Numbers
No. of Active Participant	2,635
Total No. of Course Enrollment	7,709
Total No. of Course Content Down-load	38,430
No. of Quick Test Exam Participation	39,992
Total No. of Lecture Available	203

### Transport Facilities

At present 13 vehicles used for pick and drop facility specially for female employees of Bank Asia in Dhaka and Chittagong region where majority of the pool vehicles have been converted into CNG driven.

### Human Rights, Child Labor and Other Issues

Bank Asia does not tolerate child, forced or compulsory labor. In 2021, no incident of discrimination and violation involving rights of indigenous people and forced and child labor has been recorded.

### Grievance Redressal Policy

For building awareness regarding human rights among the employees in the bank, Bank Asia formulates

- Female anti-harassment policy
- Grievance handling policy

### POLICY, PRACTICES, AND PROPORTION OF SPENDING ON SUPPLIERS

Bank Asia works with a wide range of suppliers and maintains good relationship with them. Our chain of suppliers consists of the following parties:

- Construction contractor
- Graphics and interior designers
- Advertisement agency
- Newspaper
- Printing maintenance
- Stationary suppliers
- Mineral water suppliers
- Transport facilitator

### Practices related to Customer Satisfaction

Customers are at the core of our business operations and it is imperative that we pay attention to providing the best customer experience possible. This year we conducted a survey on our customer's "Net Promoter Score" which is a measure of how willing customers are to promote our organization to others. This was a follow up study of a

survey conducted in 2018 under the same title. In the 2021 survey, we saw our net promoter score (NPS) increase to 29, which is considered "Very Good" from the baseline study's score of 22 which was rated as "Good". The percentage of satisfied customers increased to 71% from the baseline study's 67%, whereas the percentage of dissatisfied customers decreased to 11% which was 12% in 2018.

### Statement on Compliance

In the year 2021, Bank Asia has been able to comply with all the regulations of Bangladesh government regarding use of product and services, information about product and services, marketing, communications, advertising, promotion. No incidents of fines/penalties have been recorded this year concerning the above mentioned issues.

Our bank always maintained the fundamental principle of business regarding protecting customer privacy. Customer's information/ data is not available to anyone other than the client himself and the Banks concerned personnel who is responsible for maintaining the data. We haven't received any complaints relating to breach of customer privacy and loss of data.





## HEALTH

- Total Tk. 104.70 million disbursed in betterment of health
- Tk. 50 million disbursed to PM's Relief and Welfare Fund for prevention from COVID
- Donated land with building for establishing hospital Tk. 53.49 million
- Disbursed Tk. 1.21 million for curative treatment of patients



## ECONOMIC

- More than 26 lac beneficiaries under Social Safety Net Program
- Tapped 5 million A/C through 4,898 Agent outlets
- Served 5.38 million beneficiaries through Bank Asia's Financial Inclusion Department



## ENVIRONMENT

- Tk. 278.37 million disbursed for Liquid waste management
- Tk. 1,505.89 million disbursed for Renewable Energy under Green Finance
- Approved CMSME loan worth Tk. 5 million through digital platforms, without the use of paper
- Tk. 9.948 million saved through various Green Banking initiatives taken by Bank Asia's Card Division.



## EDUCATION

- Tk. 22.30 million disbursed under Bank Asia Higher Studies Scholarship to 417 students
- Donated Tk. 8.84 million distributed for construction purpose of School and at IBA, DB, DMP
- Donated Tk. 10.86 Million for purchasing of desktops, braille, and other training materials



## LIVELIHOOD DEVELOPMENT

- Distributed Tk 48.85 million for disaster management
- Donated over 150,000 blankets to cold hit people
- Disbursed rural credit of Tk. 6,053 million to 96,331 farmers



## RELATIONSHIP

- Agreement with UN, UNDP, IFC, ADB, Bangladesh bank
- Year 2021 declared as a Year of Employee Welfare
- Agreement with Remittance InPay A/S (EuroGiro)



# HUMAN CAPITAL

Staff Strength ■ Executive ■ Officer



Bank Asia management is always vibrant to providing cost value information about acquiring, developing, planning, allocating and maintaining human resources including with finding depreciation or appreciation among human resources. In this connection the management is very much cautious to set up HR applications and best practices for developing employee talent and leveraging employee skills in the organization. Bank Asia significantly considers human resources management at corporate level, professional level, social level and overall national level. In this process Bank Asia tries to identify and report investment made in human resources.

Using the Present Value of Future Earnings Model (Lev & Schwartz), Bank Asia reported the total value of Human Capital to be Tk. 23,043 million in 2021 compared to Tk. 21,121 million in 2020. This model discounts total benefits payable to employees with the assumption of minimum expected earnings from the year mentioned up to respective retirement.

Category wise Break down is presented in the table

Million Taka

	2021			2020		
	No. of employees	Per capita value	Total Value	No. of employees	Per capita value	Total Value
<b>Executive</b>	430	17.75	7,634	385	17.75	6,834
<b>Officer</b>	2,117	7.28	15,403	2,078	6.87	14,281
<b>Total Individual Value</b>	2,547		23,037	2,463		21,115
<b>Training Cost</b>			6			6
<b>Total Human Capital</b>	2,547		23,043	2,463		21,121



100% of employees received Anti-corruption training (AML/CFT matters)

According to the model, the total value of employees was regarded as Human Capital which saw a 9% growth in the value of human capital in 2021 over 2020 due to addition of veteran and fresh recruitments. Bank Asia, therefore, proliferates training expenditures on annual basis to aid in excelling employee performances.

#### Balance Sheet including Human Capital

Million Tk.

Particulars	31-Dec-21	31-Dec-20
Total Asset (Conventional)	438,293	408,961
Human Asset (Individuals' value)	23,037	21,115
Value of investments	6	6
Total Asset including Human Asset	461,336	430,081
Capital & liabilities		
Total Liabilities (Conventional)	438,293	408,717
<b>Human Capital</b>	<b>23,043</b>	<b>21,121</b>
Total Capital & Liabilities including Human capital	461,336	429,838



## POLICY, PRACTICES, AND PROPORTION OF SPENDING ON SUPPLIERS

For running day to day operations Bank Asia works with a wide range of suppliers and maintains good relationship with them. We work to create value through collaboration with them and strive for fairness in all interactions with suppliers. Our chain of suppliers consists of the following parties:

- Construction contractor
- Graphics and interior designers
- Advertisement agency
- Newspaper
- Printing maintenance
- Stationary suppliers
- Mineral water suppliers
- Transport facilitator
- ATM, hardware, software service providers
- Nursery
- Security agency

Selection of supplier is managed centrally by the corporate office. The bank applies its own policy and practice for selecting these suppliers. There is no significant changes to the supply chain management of Bank Asia in 2021. It mainly takes into account the following criteria before selection:

- Status of compliance with government rules and regulation by the suppliers.
- Our bank doesn't make any collaboration with suppliers that employs child labor, creates environmental hazards, violates human rights etc.

We fully maintain these criteria in case of selecting suppliers. Bank Asia has a number of security service providers which specialize in all aspects of building security. All security providers practice the highest standards of training and operation. Their training incorporates all aspects of the law including human rights and non-discrimination.

## ANTI-MONEY LAUNDERING TRAINING

Bank Asia is committed to preventing money laundering and terrorist financing. We recognize our obligations to prevent the financial channels and products from being used by money launderers and terrorist organizations for illicit purposes. Bank Asia is also against any actions of soliciting, collecting or provisioning funds that come with the intention to support terrorist acts or organizations.

Anti-Money Laundering Department (AMLD), Corporate Office always arranges and conducts AML workshops to train all the employees of our Bank and about 100% of total employees (Branch/Corporate Office) obtained AML & CFT related training.

As a result, 100% officials become aware and conscious regarding AML & CFT matters.

## PRACTICES RELATED TO CUSTOMER SATISFACTION

Customers are at the core of our business operations and it is imperative that we pay attention to providing the best customer experience possible. This year we conducted a survey on our customer's "Net Promoter Score" which is a measure of how willing customers are to promote our organization to others. This was a follow up study of a survey conducted in 2018 under the same title. In the 2021 survey, we saw our net promoter score (NPS) increase to 29, which is considered "Very Good" from the baseline study's score of 22 which was rated as "Good". The percentage of satisfied customers increased to 71% from the baseline study's 67%, whereas the percentage of dissatisfied customers decreased to 11% which was 12% in 2018.

## STATEMENT ON COMPLIANCE


In the year 2021, Bank Asia has been able to comply with all the regulations of Bangladesh government regarding use of product and services, information about product and services, marketing communications, advertising, promotion. No incidents of fines/penalties have been recorded this year concerning the above mentioned issues.

## Brief Economic, Environmental and Social Performance

Economic responsibility	Number of loan accounts	29%
	Deposit customer accounts	28%
	Savings customer accounts	30%
Shareholders responsibility	Profit after Tax	2,707 Million Taka
	Shareholders' fund	27,357 Million Taka
	Share Price	21.80 BDT
Environmental responsibility	Electricity consumed	12,101,778 kwh
	Oil	67,557 ltrs
	CNG	109,320 m3
	Local business travel	2,484,832 Km
Social responsibility	Paper used	62,490 reams
	Staff strength	3%
	Benefits and emoluments	9%



## Regulatory compliance Certificate

**CREDIT RATING AGENCY OF BANGLADESH LIMITED** 

Ref: AGL (01)/RCM/210623/2021- 22562

24 June 2021

Mr. Md. Arfan Ali  
President & Managing Director  
Bank Asia Ltd.  
Corporate Office  
Rangs Tower  
68 Topkhana Road  
Dhaka 1000.

Subject: Credit Rating – Bank Asia Ltd.


Dear Sir,


We are pleased to inform you that Credit Rating Agency of Bangladesh Ltd. (CRAB) has assigned the following ratings to Bank Asia Limited:

Particulars	Ratings
Long Term	AA+
Short Term	ST-2
Outlook	Stable

The entity rating is valid up to 30 June 2022. The ratings may be changed or revised prior to expiry, if warranted by extraordinary circumstances in the management, operations and/or performance of the entity rated.

We hope the Rating Awards will serve the intended purpose of your organization.

Yours Sincerely,  
  
Hamidul Huq  
Managing Director



Nawana-Oh Tower, Level-15, Plot-06, Purshapali, Tejgaon, Dhaka-1215; E-mail: info@crab.com.bd, Web: www.crab.com.bd, www.crrabrating.com  
☎ +88-02-55013678, 55013679, 55013681, 55013682, 55013683 (Fax) 55013684

 **Suraiya Parveen & Associates**  
(Chartered Secretaries, Financial & Management Consultants)

[Certificate as per condition No.1 (5) (XXVII)]

**Report to the Shareholders of  
Bank Asia Limited on compliance on the Corporate Governance Code**

We have examined the compliance status to the Corporate Governance Code by Bank Asia Limited for the year ended on 31<sup>st</sup> December 2021. This Code relates to the Notification No. BSEC/CMARCD/2006-158/207/Admin/80 dated 3 June, 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

- 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.

Dhaka, Dated  
March 28, 2022



For Suraiya Parveen & Associates  
Chartered Secretaries  
  
Suraiya Parveen, FCS  
Chief Executive Officer

Avalon Serabella, (5th Floor), 09, Dilu Road, New Eskaton, Ramna, Dhaka-1000  
Cell : 01911 421 998, 01713 110 408  
E-mail : suraiyaparveenfcs@gmail.com, musfiquefcs@gmail.com

## Credit Rating

Rating	2021	2020
Long term	AA2	AA2
Short term	ST-2	ST-2
Import	225,789	141,289

Rated by Credit Rating Agency of Bangladesh Ltd. (CRAB) on June 30,2021 & will remain valid up to June 30,2022



# Customer Satisfaction Survey

Customers being the lifeline of our business operations, it is imperative that we pay close attention to how well we are able to serve them and how satisfied they are with the service.

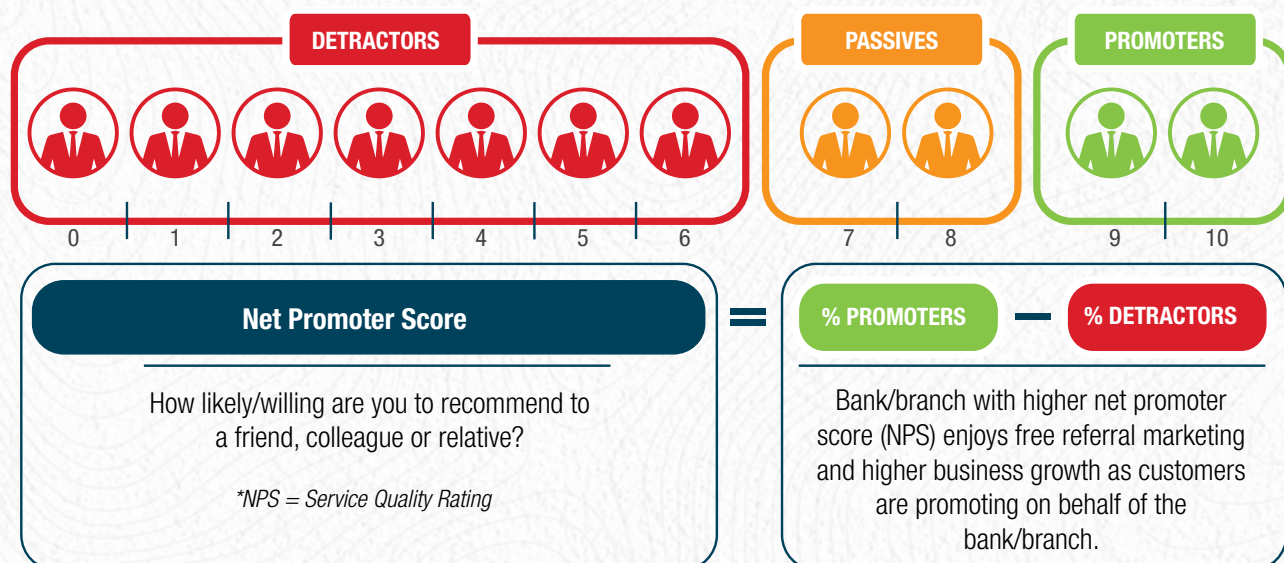
For this purpose, a follow up to a 2018 study on customer satisfaction was conducted to see the areas we have been able to develop and where we still have room to improve.

## Research Objective

- Measure Customer Service Quality (CSQ)
- Identify strength, weaknesses & discomfort of CSQ
- Suggest action points to improve CSQ



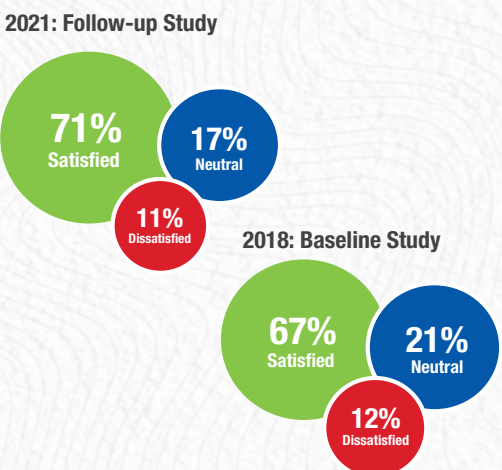
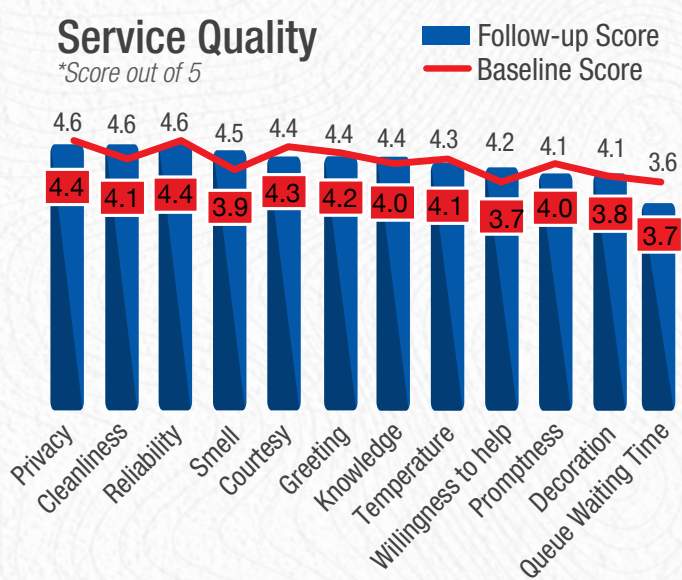
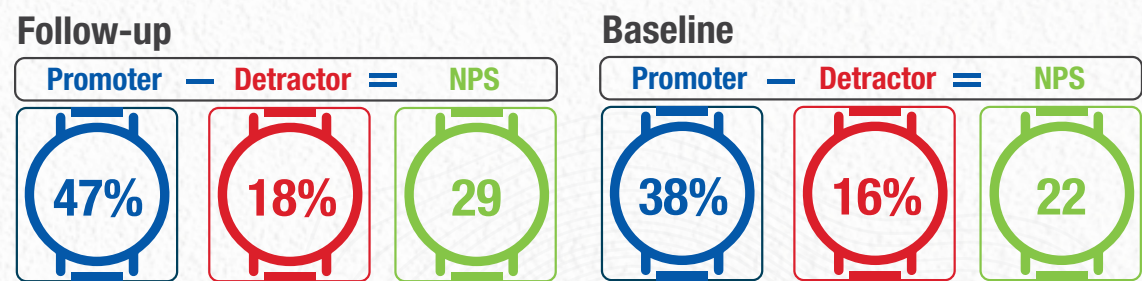
## Net Promoter Score (NPS) & Its Utilities



**NPS rating method:**  $NPS \geq 50$  = excellent,  $25 \geq NPS < 50$  = Very Good,  $10 \geq NPS < 25$  = Moderate,  $0 \geq NPS < 10$  = Poor,  $NPS < 0$  = very poor



# NPS: Service rating improved from “Good” to “Very Good”



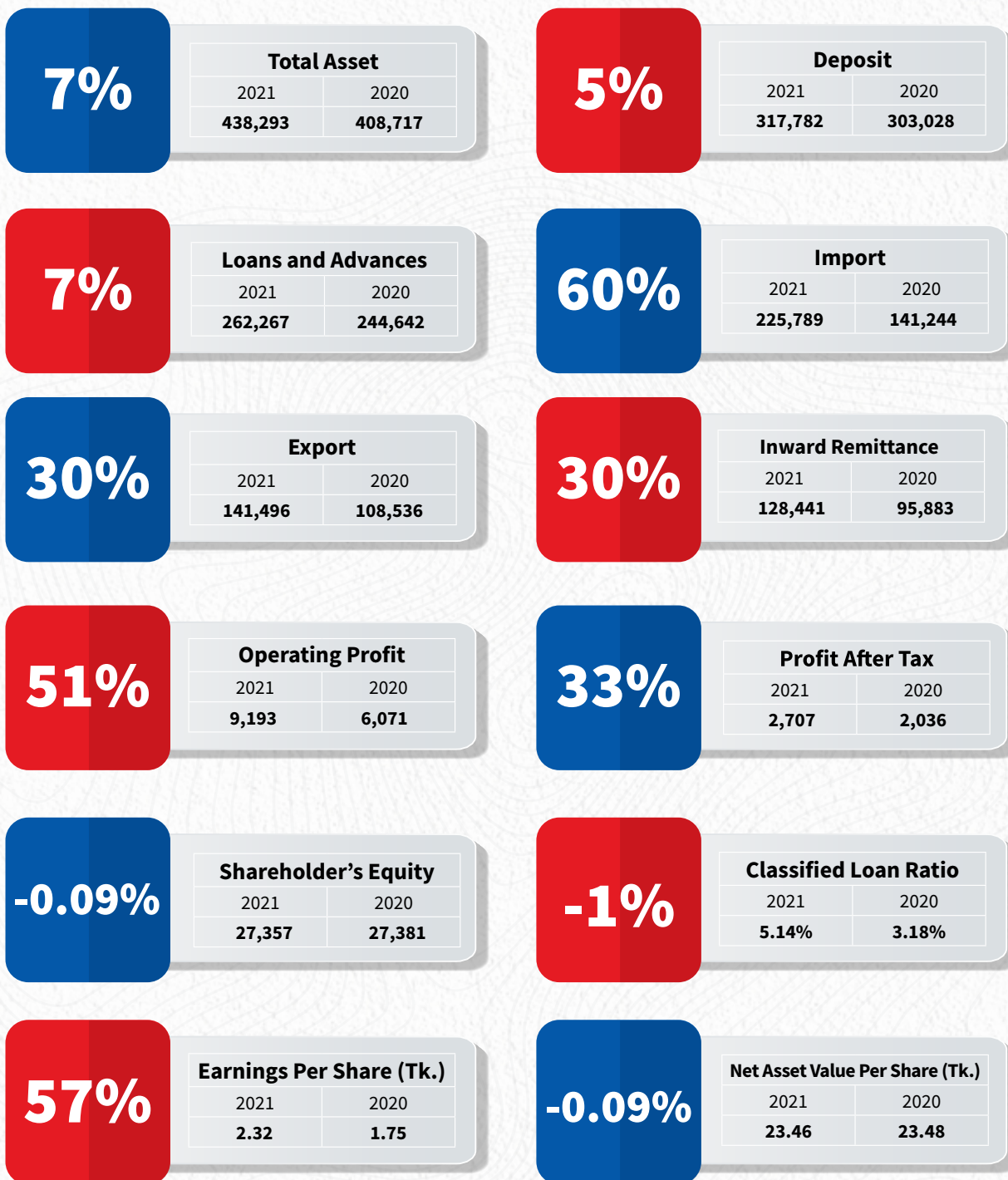
Key Findings

Service has improved from “Good” to “Very Good” mainly owing to factors such as increasing customer visits and calls, providing uninterrupted banking service during the covid-19 pandemic, continuous individual coaching and guidance as well as emphasis on customer service quality during the Sunday meetings



# Two years comparison

Million taka unless otherwise specified





# Building the **Community**

## Bank Asia Foundation

Being a responsible corporate citizen, investing in activities for the betterment of society has been at the forefront of what we do. As such, Bank Asia invested Tk. 247.45 million in 2021 behind various societally beneficial activities.

Bank Asia Foundation (BAF) was inaugurated in 2017 with the aim of performing various CSR activities, especially investment in the health sector. With the goal, BAF set up a modern 250 bed Hospital at Malkhanagar, Sirajdikhan, Munshigonj and Medical College in 723 decimal land (donated by Mr. A. Rouf Chowdhury, Chairman of Bank Asia and BAF).

The hospital includes a modern Diagnostic Centre, a model Pharmacy and an OPD where healthcare services were provided & served 14,862 patients in 2021. The proposed 50 bed hospital (indoor service) of Bank Asia-Ma Amiran Hospital and Diagnostic Centre is being set up in the first and second floors of the existing three storied building with a total area of 26,000 sft.

Higher education scholarship to unprivileged and meritorious students has been the focal point of our CSR activities. Through BAF, the bank provided scholarship to 417 students worth Tk. 22.30 million to assist them in pursuing their educational endeavors towards a brighter future for themselves and their family in 2021. The activities of the BAF, amongst others, are as follows:

1. Providing treatment facilities through hospitals, clinics, medical & eye camps;
2. Giving scholarship to the well deserving students;
3. Distributions of blankets & warm cloths among the needy people;
4. Providing monetary & other support for the relief of affected by calamities such as food, fire, famine, cyclone & other natural calamities.
5. Promoting educational, scientific, religious & social activities/organizations
6. Other similar charitable activities



*Services provided by Bank Asia-Ma Amiran Hospital and Medical College*



*Outdoor unit of Bank Asia-Ma Amiran Hospital and Medical College*

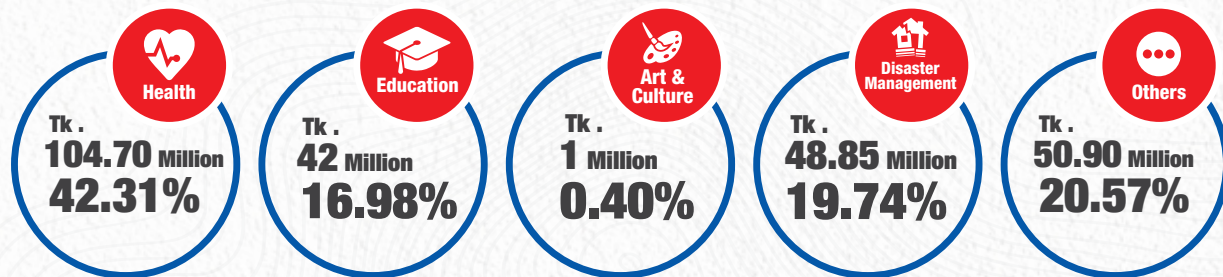


# Corporate Social Responsibility (CSR)

Corporate Social Responsibility (CSR) refers to self-regulatory mechanism whereby a bank ensures its active compliance with the spirit of the law, ethical standards and national or international norms. Bank Asia following the Bangladesh Bank principles, prioritizes in social and environmental values which will benefit the people of the country.



## Donation for Societal Improvement by CSR in matrix



Bank Asia donated blanket to Prime Minister Office

**PM's Relief & Welfare Fund for prevention from COVID crisis**  
**Tk. 50.00 Million**

Bank Asia donated for prevention of COVID-19 crisis & treatment of patients as well.



**Tk. 104.70 Million**

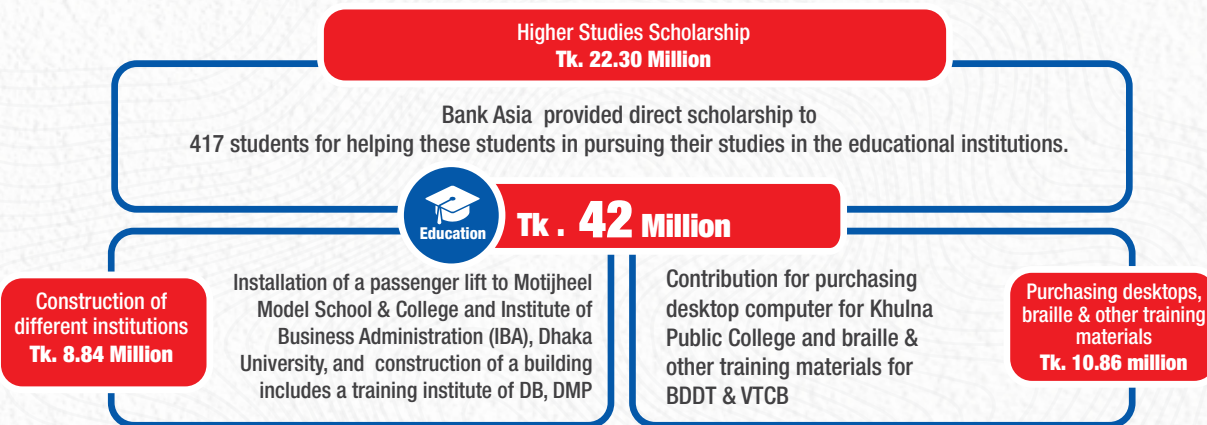
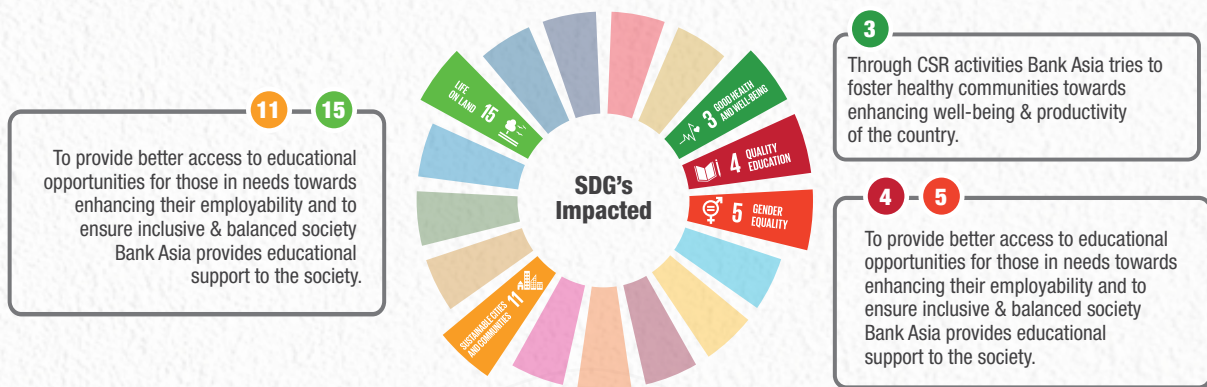
**Establishing Hospital**  
**Tk. 53.49 Million**

establishment of 2 hospitals (Azhar Fatema Medical College, Bhola & MA Amiran Hospital, Malkhanagar, Sirajdikhan, Munshigonj) and to meet different medical needs of Ganashasthya Kendra, Dhanmondi.

Provide financial assistance for Curative treatment of seven individual patients

**Curative treatment of patients**  
**Tk. 1.21 million**





Bank Asia has donated Tk. 50 Lac to Dhaka Metropolitan Police (DMP) to support the extension building construction project of its Detective Branch (DB)



## Corporate Social Responsibility (CSR)



Art &  
Culture

**Tk . 1.00 Million**

Bank Asia sponsored in conducting Golden Jubilee Bangladesh Concert at Maddison Square Garden, New York to commemorate the 50th Independence of Bangladesh



Disaster  
Management

**Tk . 48.85 Million**

Bank Asia Donated more than 150,000 blankets distributed among cold-hit people in different parts of the country during severe cold spell of winter to carry out its humanitarian activities



Others

**Tk . 50.90 Million**

Donation to Bangabandhu  
Memorial Trust  
**Tk. 50 Million**

Donated to Bangabandhu  
Memorial Trust in memories of our  
Father of Nation Bangabandhu  
Sheikh Mujibur Rahman

Contributed to Child Day Care  
Center and financial help to the  
family of our deceased  
messengers

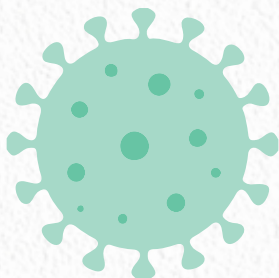
Others  
**Tk. 0.90 million**



*Cover opening program of Sustainability Report of 2020*



# Economic Rebounding from The Devastations of Covid-19 Pandemic



## Country Context

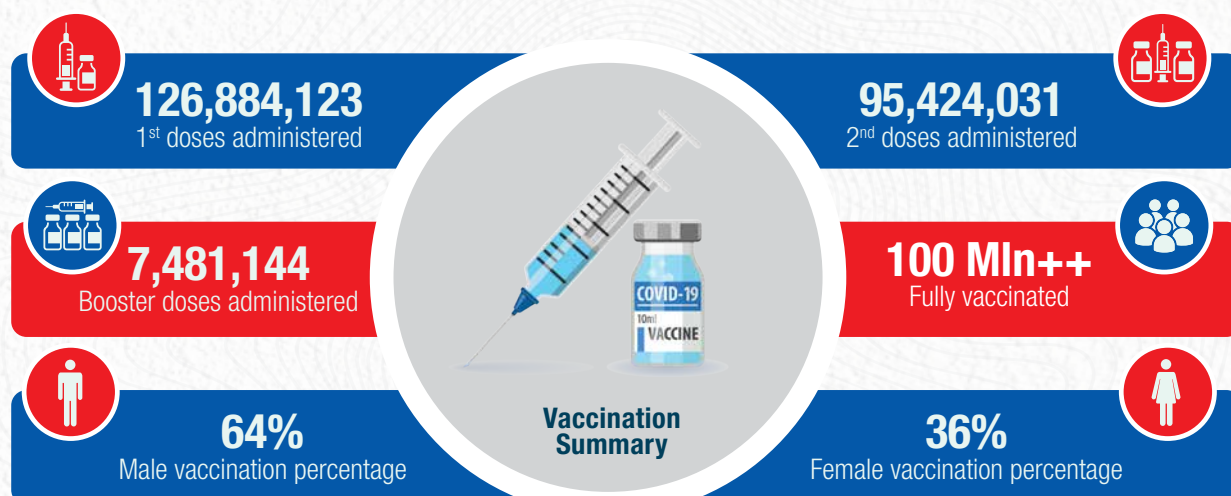
Till 31 December, 2021

## Coronavirus update in Bangladesh

Status	Total
Cases	1,951,239
Death	28,816
Recovered	1,677,131
Test	12,779,983

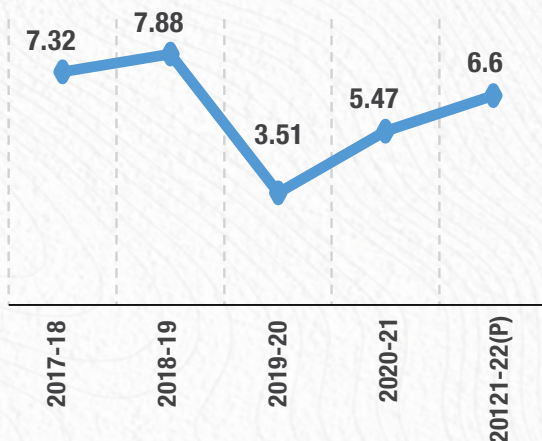
Source: <https://corona.gov.bd>

The Covid 19 pandemic is a crisis unlike any we have seen in the last couple of decades. Our economy was predicted to be particularly hard hit by the crisis, with demand for Bangladesh's exports falling dramatically, the service industry collapsing and remittances declining. However, Bangladesh Economy showed early signs of recovery in 2021.



Strong export growth – mainly supported by returning readymade garment demand from abroad, improving labor income and remittance inflows etc. ensured the recovery.

## GDP GROWTH RATE%



\*\*2021-22 data projection from IMF

## FOREIGN EXCHANGE BUSINESS





# GRI Content Index

This report has been prepared in accordance with the GRI Standards: Core option

For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report. The 2016 GRI Standards have been adopted for this report.



Disclosure No.	Disclosure Title	Page no.	Remarks
<b>GRI 101 Foundation 2016</b>			
<b>Organizational Profile</b>			
<b>GRI 102: General Disclosures 2016</b>			
GRI 102-1	Name of the organisation	18	
GRI 102-2	Activities, brands, products, and services	36	
GRI 102-3	Location of headquarters	6	
GRI 102-4	Location of operations	18-19	
GRI 102-5	Ownership and legal form	18	
GRI 102-6	Markets served	18-19, 45-47, 82-83	
GRI 102-7	Scale of the organisation	18-19	
GRI 102-8	Information on employees and other workers	70-74	
GRI 102-9	Supply chain	80	
GRI 102-10	Significant changes to the organisation and its supply chain	6,80	
GRI 102-11	Precautionary principle or approach	28-30, 57	
GRI 102-12	External initiatives		Bank Asia adopted Bangladesh Bank's policy on environmental risk management and Sustainable Finance
GRI 102-13	Membership of associations	18-19	
<b>STRATEGY</b>			
GRI 102-14	Statement from senior decision-maker	10-14	
GRI 102-15	Key impacts, risks, and opportunities	64-65 "Annual Report 2021 (Page-66)"	
<b>ETHIC AND INTEGRITY</b>			
GRI 102-16	Values, principles, standards, and norms of behavior	4-5	
GRI 102-17	Mechanisms for advice and concerns about ethics	32	
<b>GOVERNANCE</b>			
GRI 102-18	Governance structure	27-32	
GRI 102-20	Executive-level responsibility for economic, environmental, and social topics	55-63	
GRI 102-22	Composition of the highest governance body and its committee	27-32, "Annual Report 2021 (Page-247)"	
GRI 102-23	Chair of the highest governance body	32, "Annual Report 2021 (Page-248)"	
GRI 102-24	Nominating and selecting the highest governance body	27, "Annual Report 2021 (Page- 248, 252)"	



# GRI Content Index

Disclosure No.	Disclosure Title	Page no.	Remarks
GRI 102-25	Conflicts of interest	32, "Annual Report 2021 (Page- 248, 257)"	
GRI 102-35	Remuneration policies	32, 70, Annual Report 2021 (Page- 184-188, )	
GRI 102-36	Process for determining remuneration	Annual Report 2021 (Page- 258; section: 6.2)	
GRI 102-37	Stakeholders' involvement in remuneration	Annual Report 2021 (Page- 258; section: 6.2)	Bank did not form any remuneration committee or other board committee on permanent basis As per Bangladesh Bank BRPD Circular no. 11 dated October 27, 2013
<b>STAKEHOLDER ENGAGEMENT</b>			
GRI 102-40	List of stakeholder groups	20-22,24-25	Disclosures 102-40 to 102-49 are properly addressed. There is no omission for these disclosures.
GRI 102-41	Collective bargaining agreements		No employees are covered by collective bargaining agreements. In Bangladesh, this is not allowed for Private Commercial Banks.
GRI 102-42	Identifying and selecting stakeholders	20	
GRI 102-43	Approach to stakeholder engagement	20-22,24-25	
GRI 102-44	Key topics and concerns raised	20-22,24-25	
<b>REPORTING PRACTICES</b>			
GRI 102-45	Entities included in the consolidated financial statements	6,15	
GRI 102-46	Defining report content and topic Boundaries	20,23	
GRI 102-47	List of material topics	26	
GRI 102-48	Restatements of information	6	
GRI 102-49	Changes in reporting	6	
GRI 102-50	Reporting period	6	
GRI 102-51	Date of most recent report	6	
GRI 102-52	Reporting cycle	6	
GRI 102-53	Contact point for questions regarding the report	6	
GRI 102-54	Claims of reporting in accordance with the GRI Standards	6,90	"This report has been prepared in accordance with the GRI Standards: Core option"
GRI 102-55	GRI content index	90	
GRI 102-56	External assurance		In Bangladesh, this service is not yet started.
<b>Specific Disclosures</b>			
<b>Material Topics</b>			
<b>GRI 200 Economic Topics</b>			
<b>GRI 103: Management Approach 2016</b>			
GRI 103-1	Explanation of the material topic and its Boundary	23, 66	
GRI 103-2	The management approach and its components	66-67	
GRI 103-3	Evaluation of the management approach	24-25, 81, 60-61, 64-69, 84	
<b>GRI 201: ECONOMIC PERFORMANCE 2016</b>			
GRI 201-1	Direct economic value generated and distributed	60-61, 85-88	
GRI 201-3	Defined benefit plan obligations and other retirement plans	70	
GRI 201-4	Financial assistance received from government	63	
<b>GRI 202: MARKET PRESENCE 2016</b>			
GRI 202-1	Ratios of standard entry level wage by gender compared to local minimum wage		Bank Asia practices competitive salary package in all level in line with industry best practices



# GRI Content Index

Disclosure No.	Disclosure Title	Page no.	Remarks
GRI 202-2	Proportion of senior management hired from the local community		All the employees of Senior Management are hired from Bangladesh
GRI 203: INDIRECT ECONOMIC IMPACTS 2016			
GRI 203-1	Infrastructure investments and services supported	60-63	
GRI 203-2	Significant indirect economic impacts	63	
GRI 204: PROCUREMENT PRACTICES 2016			
GRI 204-1	Proportion of spending on local suppliers		All of our suppliers are local
GRI 205: ANTI-CORRUPTION 2016			
GRI 205-1	Operations assessed for risks related to corruption	"29,54, Annual Report 2021 (Page-89, 239)"	
GRI 205-2	Communication and training about anti-corruption and procedures/policies	80	
GRI 205-3	Confirmed incidents of corruption and actions taken		After proper investigation, corrective actions were taken against corruption in 2021
GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016			
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	63	Bank Asia didn't face any legal action regarding anti-competitive behavior, anti-trust, and monopoly practices during the reporting period
GRI 300 Environmental Topics			
GRI 103: Management Approach 2016			
GRI 103-1	Explanation of the material topic and its Boundary	23, 66	"As a financial institution, banking activities have no direct material impact over the environment. For this reason, we did not treat it as material topic. But Bank Asia is very much concerned and complied on financing to the entities that will not affect the environment adversely".
GRI 103-2	The management approach and its components		
GRI 103-3	Evaluation of the management approach		
GRI 302: ENERGY 2016			
GRI 302-1	Energy consumption within the organization	56-57	
GRI 302-4	Reduction of energy consumption	56-57	
GRI 302-5	Reductions in energy requirements of products and services	56-57	
GRI 305: EMISSIONS 2016			
GRI 305-1	Direct (Scope 1) GHG emissions	57	
GRI 307: ENVIRONMENTAL COMPLIANCE 2016			
GRI 307-1	Non-compliance with environmental laws and regulations	58	
Material Topics			
GRI 400 Social Topics			
GRI 103: Management Approach 2016			
GRI 103-1	Explanation of the material topic and its Boundary	23, 68-69	
GRI 103-2	The management approach and its components	66-67, 68-69	
GRI 103-3	Evaluation of the management approach	24-25, 40-41, 77, 64-65, 68-69, 82-83	
GRI 401: EMPLOYMENT 2016			
GRI 401-1	New employee hires and employee turnover	70-71	
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		"Benefits are applicable to full-time, contract and part-time employees, with the exception of temporary staff. Variable incentives and flexible benefits may differ depending on individual contracts and performance."



# GRI Content Index

Disclosure No.	Disclosure Title	Page no.	Remarks
GRI 401-3	Parental leave	72	
<b>GRI 402: LABOR/MANAGEMENT RELATIONS 2016</b>			
GRI 402-1	Minimum notice periods regarding operational changes	70	
<b>GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018</b>			
GRI 403-07	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	72	
<b>GRI 404: TRAINING AND EDUCATION 2016</b>			
GRI 404-1	Average hours of training per year per employee	71-72	
GRI 404-2	Programs for upgrading employee skills and transition assistance programs	70-72, 76	
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	73	
<b>GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016</b>			
GRI 405-1	Diversity of governance bodies and employees	70-71, 74-75	
GRI 405-2	Ratio of basic salary and remuneration of women to men	70	
<b>GRI 406: NON-DISCRIMINATION 2016</b>			
GRI 406-1	Incidents of discrimination and corrective actions taken	76	
<b>GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016</b>			
GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		No private commercial Banks in Bangladesh has trade union.
<b>GRI 408: CHILD LABOR 2016</b>			
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	76	
<b>GRI 409: FORCED OR COMPULSORY LABOR 2016</b>			
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	76	
<b>GRI 410: SECURITY PRACTICES 2016</b>			
GRI 410-1	Security personnel trained in human rights policies or procedures	80	
<b>GRI 411: RIGHTS OF INDIGENOUS PEOPLES 2016</b>			
GRI 411-1	Incidents of violations involving rights of indigenous peoples	76	
<b>GRI 412: HUMAN RIGHTS ASSESSMENT 2016</b>			
GRI 412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	76	
<b>GRI 413: LOCAL COMMUNITIES 2016</b>			
GRI 413-1	Operations with local community engagement, impact assessments, and development programs	38-41,64-65, 85-88	
<b>GRI 417: MARKETING AND LABELING 2016</b>			
GRI 417-1	Requirements for product and service information and labeling	48-51	
GRI 417-2	Incidents of non-compliance concerning product and service information and labeling	80	
GRI 417-3	Incidents of non-compliance concerning marketing communications	80	
<b>GRI 418: CUSTOMER PRIVACY 2016</b>			
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	76, 80, 82-83	





ডিজিটাল ডাকঘর

## Remittance Services are now available at your nearest Digital Post Office

We are happy to provide  
necessary banking services nationwide  
through the wide-ranging  
Digital Post office network

 **Bank Asia**

### Services of Digital Post Office



Remittance



Bank Account



Salary  
Allowance  
Withdrawal



Fund Transfer



Utility Bills



Loan



E-Commerce

  
**PostalPay**