



## Directors' Report

The Directors' Report has been prepared in compliance with section 184 of the Companies Act 1994, BSEC Corporate Governance Code issued on 03 June 2018, Listing Regulations of Dhaka and Chittagong Stock Exchanges, guidelines of Bangladesh Bank and other applicable rules and regulations.

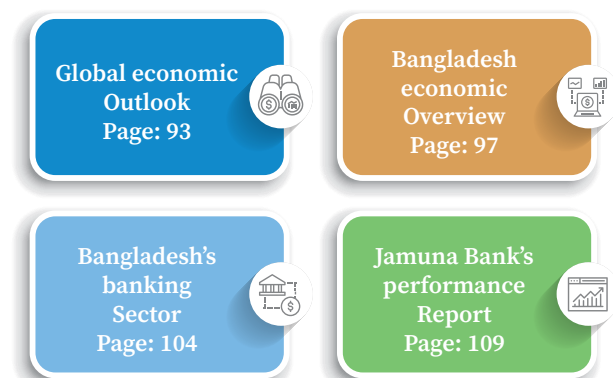
# Directors' Report

## Dear Shareholders,

The Board of Directors of Jamuna Bank Limited takes pleasure in welcoming you all to the 22nd Annual General Meeting (AGM) and presenting Annual Report and the audited financial statements of the bank for the year ended 31 December 2022 along with the Auditors' Report thereon. A snapshot of the world economic trend with the performance of Bangladesh economy along with economic prospect has also been provided in this report. This is a humble presentation for consideration and approval of our valued shareholders.

The Directors' Report has been prepared in compliance with section 184 of the Companies Act 1994, BSEC Corporate Governance Code issued on 03 June 2018, Listing Regulations of Dhaka and Chittagong Stock Exchanges, guidelines of Bangladesh Bank and other applicable rules and regulations. Moreover, the Directors are pleased to explain and disclose some issues, which they consider relevant to ensure more transparency in this regard. The Directors believe the Report will give insights of the Bank's overall performance during the year under review:

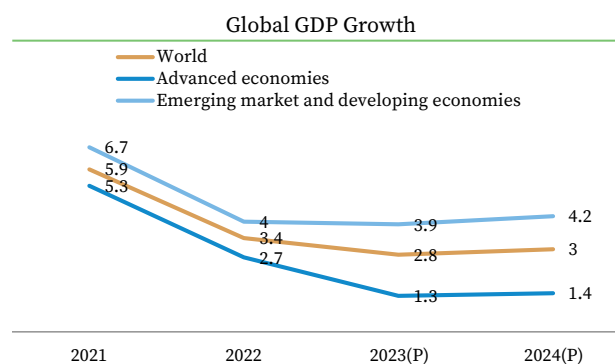
## Key information elements of our Directors' Report for ease of access for our shareholders



## GLOBAL ECONOMIC OUTLOOK

Global economic growth prospects are confronting several headwinds mainly due to the Russia-Ukraine war, multi-decade record high inflation in many economies, interest rate increases in most regions, and lingering Covid-19 effects in some parts of the world, particularly in China. According to World Bank's Global Prospect Report (January

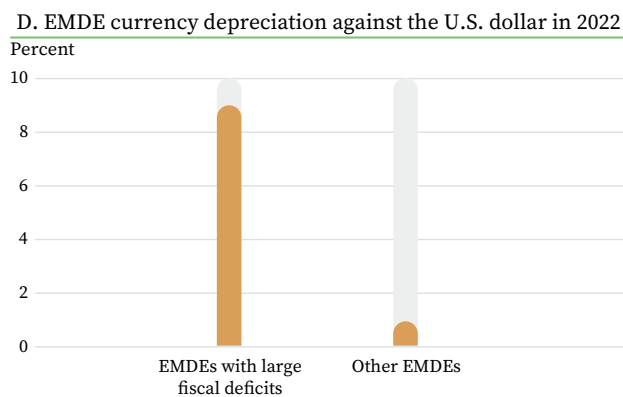
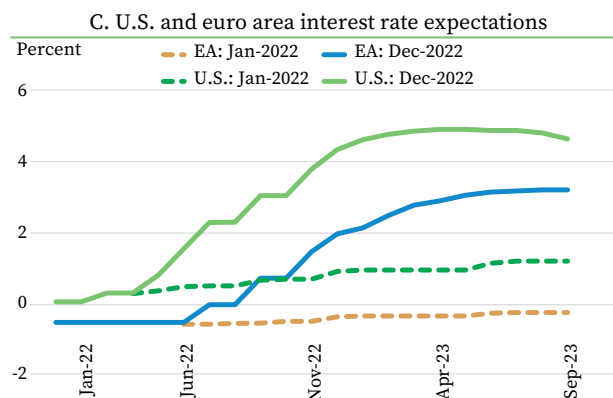
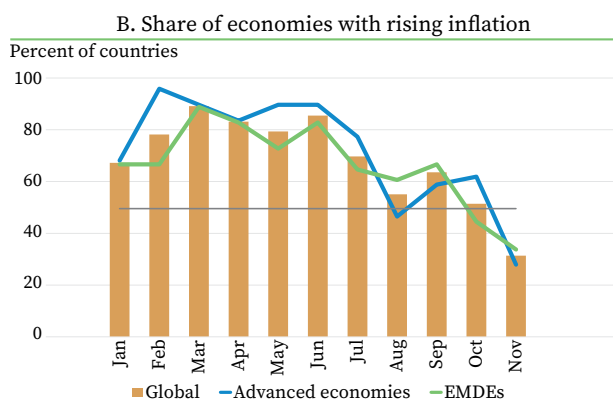
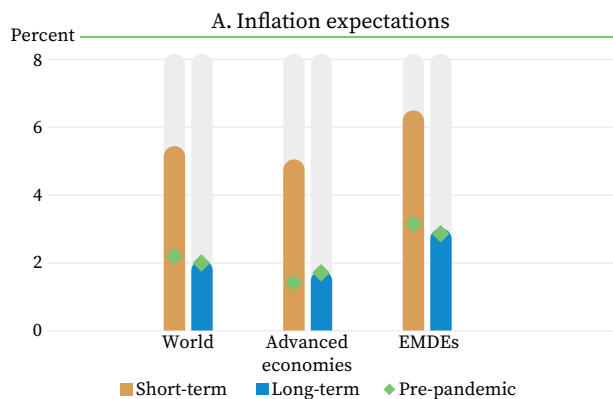
2023), global growth is expected to decelerate sharply to 1.7 percent in 2023—the third weakest pace of growth in nearly three decades, overshadowed only by the global recessions caused by the pandemic and the global financial crisis. This is 1.3 percentage points below previous forecasts, reflecting synchronous policy tightening aimed at containing very high inflation, worsening financial conditions, and continued disruptions from the Russian Federation's invasion of Ukraine. The United States, the euro area, and China are all undergoing a period of pronounced weakness, and the resulting spillovers are exacerbating other headwinds faced by emerging market and developing economies (EMDEs). The combination of slow growth, tightening financial conditions, and heavy indebtedness is likely to weaken investment and trigger corporate defaults. Further negative shocks—such as higher inflation, even tighter policy, financial stress, deeper weakness in major economies, or rising geopolitical tensions—could push the global economy into recession. In the near term, urgent global efforts are needed to mitigate the risks of global recession and debt distress in EMDEs. Given limited policy space, it is critical that national policymakers ensure that any fiscal support is focused on vulnerable groups, that inflation expectations remain well anchored, and that financial systems continue to be resilient. Policies are also needed to support a major increase in EMDE investment, which can help reverse the slowdown in long-term growth exacerbated by the overlapping shocks of the pandemic, the invasion of Ukraine, and the rapid tightening of global monetary policy. This will require new financing from the international community and from the repurposing of existing spending, such as inefficient agricultural and fuel subsidies.



Source: IMF World Economic Outlook (April 2023)

## Global Inflation

Inflation rose throughout 2022 in almost all economies. Median global headline inflation exceeded 9 percent in the second half of the year, its highest level since 1995. Inflation reached almost 10 percent in EMDEs, its highest level since 2008, and in advanced economies just over 9 percent, the highest since 1982. Soaring inflation in 2022 reflected a combination of demand and supply factors. On the demand side, the acceleration of growth during the initial rebound from the 2020 global recession, as well as the lagged effects of earlier macroeconomic support, contributed to persistent price pressures. Price increases were particularly large in sectors such as shipping and air travel, where compositional shifts in demand encountered ongoing capacity constraints and supply chain disruptions. On the supply side, shortages of key commodities, exacerbated by Russia's invasion of Ukraine, contributed substantially to higher energy and food prices. In some countries, tight conditions and mismatches in labor markets further added to rising wages and higher input and production costs. Finally, many countries experienced large currency depreciations that passed through into higher import, producer, and consumer prices. The higher share of food in consumer spending has caused inflation to accelerate more in low-income countries compared to other EMDEs. Inflation has risen across a broad range of goods and services (Ball, Leigh, and Mishra 2022). Global core inflation has risen markedly, reaching over 6 percent late last year, its highest level since 1992. As a result, short-term (one-year-ahead) inflation expectations have risen in most economies. In contrast, long-term (five year-ahead) inflation expectations have been relatively more stable, edging up by only about 0.15 percentage point in both advanced economies and EMDEs since the onset of the pandemic. This stability may reflect the credibility of the commitment of most central banks to confront inflation, reinforced by recent policy tightening. Inflationary pressures started to abate toward the end of 2022, reflecting weakening demand and easing commodity prices. The share of countries where inflation is accelerating is trending down. In the face of substantial monetary tightening, slowing activity, easing supply chain disruptions, and moderating prices for many non-energy commodities, both core and headline inflation are expected to decline over the forecast horizon. In many countries, however, high core inflation has been unexpectedly persistent, suggesting that global inflation will remain elevated for longer than previously envisaged.

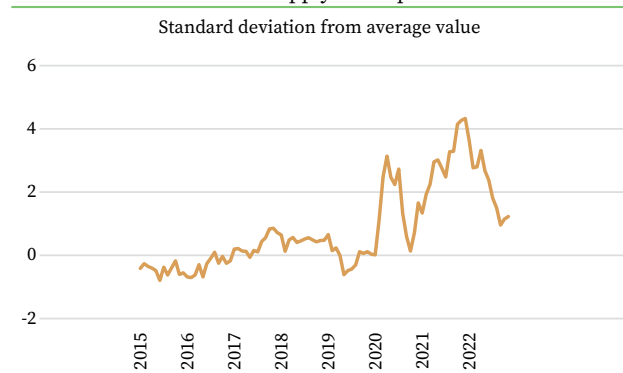


## Global trade volume

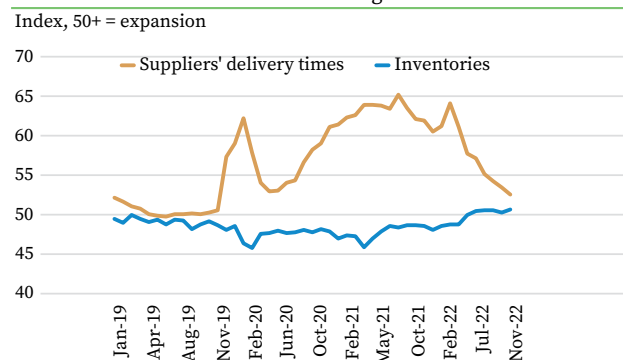
Global trade growth decelerated in the second half of 2022, in tandem with deteriorating activity in major economies. Weakening trade mirrored the slowdown in

global industrial production, as demand shifted toward its pre-pandemic composition and away from goods. Despite this moderation, goods trade surpassed pre-pandemic levels last year; meanwhile, services trade continued to recover, supported by the gradual shift in demand toward services. Tourism flows rebounded as many countries eased travel restrictions but remained well below pre-pandemic levels and uneven across regions (WTO 2022). Although global supply chain pressures are still above pre-pandemic levels, they have eased since mid-2022, as reflected in lower transportation costs and normalization of inventories. Weakening demand for goods is expected to reduce these pressures further in 2023. After softening to 4 percent in 2022, global trade growth is expected to decelerate further to 1.6 percent in 2023, largely reflecting weakening global demand. Trade is envisaged to be particularly subdued in EMDEs with strong trade linkages to major economies where demand is expected to slow sharply. In all, the current post-recession rebound in global trade is on course to be among the weakest on record. Travel and tourism are expected to pick up further but will be constrained by slower global activity and high input costs. Goods trade is expected to moderate owing to subdued demand and a gradual shift in consumption toward services. Weaker-than-expected global demand and renewed supply chain bottlenecks pose downside risks to the global trade outlook. In addition, an intensification in trade protectionism, fragmentation of trade networks, and security concerns about supply chains could increase trade costs and slow trade growth.

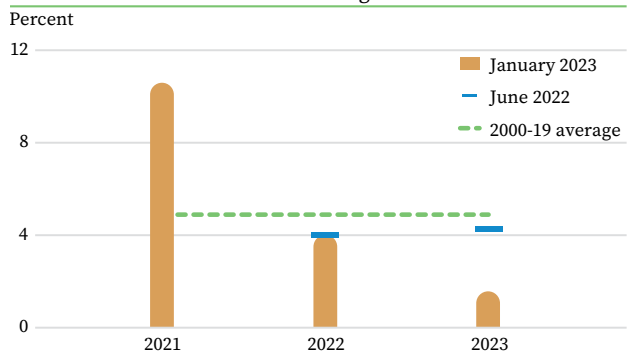
**A. Global supply chain pressures**



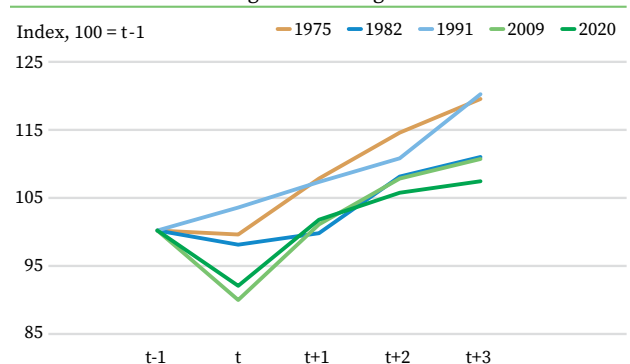
**B. Manufacturing PMIs**



**C. Global trade growth**



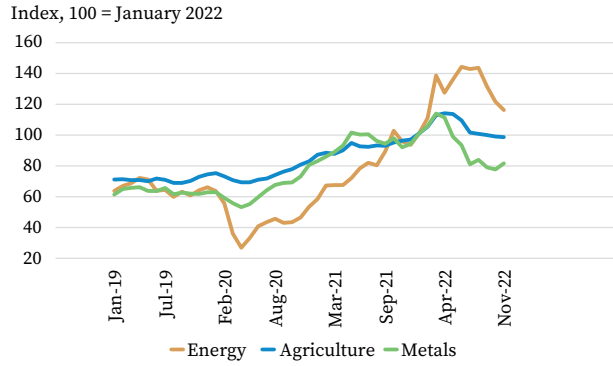
**D. Global trade growth after global recessions**



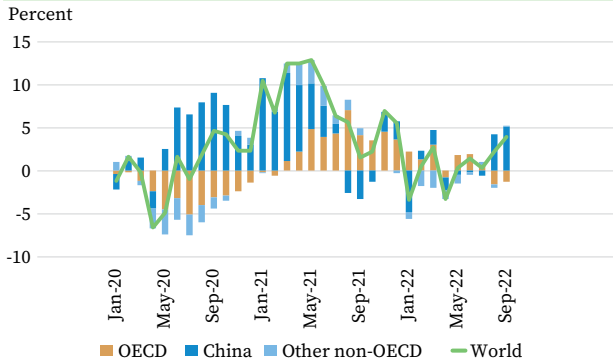
**Global Commodity Markets**

Most commodity prices have eased since June, to varying degrees, due to slowing global growth. Oil prices declined from their mid-2022 peak amid demand concerns; for the year as a whole, the price of Brent crude oil averaged \$100/bbl. European natural gas prices surged to an all-time high in August but have since fallen back toward preinvasion levels as inventories filled and mild weather reduced demand for natural gas for heating. Coal prices reached a record high in the third quarter before starting to soften in the fourth. Meanwhile, metal prices fell in the second half of 2022 owing to slowing demand, particularly from China. Agricultural prices remain high but have also declined, particularly for wheat and vegetable oils, reflecting higher-than-expected crop yields, as well as a resumption of some exports from Ukraine. Concerns about food availability due to the invasion of Ukraine prompted many countries to impose export bans and other trade restrictions. Currency depreciations in many countries have resulted in higher commodity prices in local currency terms compared to the price in U.S. dollars. As a result, commodity-driven inflationary pressures in many countries may be more persistent than indicated by recent declines in global commodity prices.

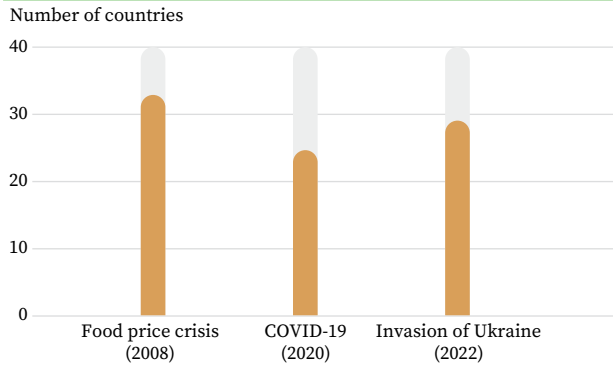
### A. Commodity prices



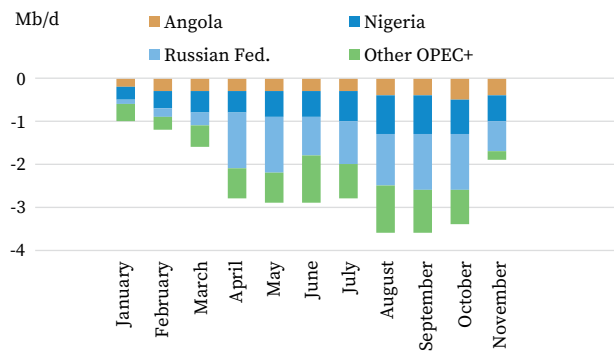
### B. Metals demand growth



### C. Number of countries implementing food export restrictions



### D. OPEC+ production shortfall



### Outlook

The outlook is uncertain again amid financial sector turmoil, high inflation, ongoing effects of Russia's invasion of Ukraine, and three years of COVID. More than a year after Russia's invasion of Ukraine and the outbreak of more contagious COVID-19 variants, many economies are still absorbing the shocks. The recent tightening in global financial conditions is also hampering the recovery. As a result, many economies are likely to experience slower growth in incomes in 2023, amid rising joblessness. Moreover, even with central banks having driven up interest rates to reduce inflation, the road back to price stability could be long.

As per the latest forecast made by IMF, global growth will bottom out at 2.8 percent this year before rising modestly to 3.0 percent in 2024. Global inflation will decrease, although more slowly than initially anticipated, from 8.7 percent in 2022 to 7.0 percent this year and 4.9 percent in 2024. The baseline forecast is for growth to fall from 3.4 percent in 2022 to 2.8 percent in 2023, before settling at 3.0 percent in 2024. Advanced economies are expected to see an especially pronounced growth slowdown, from 2.7 percent in 2022 to 1.3 percent in 2023. In a plausible alternative scenario with further financial sector stress, global growth declines to about 2.5 percent in 2023 with advanced economy growth falling below 1 percent. Global headline inflation in the baseline is set to fall from 8.7 percent in 2022 to 7.0 percent in 2023 on the back of lower commodity prices but underlying (core) inflation is likely to decline more slowly.

## Challenges

There may be imminent recession in many countries in the upcoming years

Geopolitical tensions, technology war

Energy crisis

Stubborn inflation

China's zero-COVID policy

Central bank raising policy interest rates

2.80%

3.00%

Global economic growth, 2023 (P)

Global economic growth, 2024 (P)


## BANGLADESH ECONOMY: A BRIEF REVIEW & OUTLOOK

During the last fourteen years, Bangladesh became one of the fastest growing countries of the world. Poverty declined dramatically and significant improvements were made in other socio-economic indicators like life expectancy, maternal mortality, and gender equity.

### Bangladesh- A Country with Huge Potentials:

The World Bank (WB) praised Bangladesh as the fastest growing economy of South Asia	The Hong Kong and Shanghai Banking Corporation Limited (HSBC) named Bangladesh as the fastest growing economy till 2030	Global Connectivity Index called Bangladesh as 'one of the top four fastest growing digital economies of the world.'	PricewaterhouseCoopers (PWC) ranked Bangladesh as 'the 28th largest economy of the world in 2030'
The World Economic Forum (WEF) mentioned that 'by 2030, Bangladesh will be the 24th largest economy'	International Finance Corporation (IFC) stated that 'Bangladesh has a strategically important location, with easy access to India and China. With low cost, young workforce, investment in export processing zones and strong local market, the outlook for the country looks promising'	J.P. Morgan named Bangladesh 'one of the 'Frontier Five' countries alongside Kazakhstan, Kenya, Nigeria and Vietnam'.	
Goldman Sachs included Bangladesh in the 'next 11 countries to watch'			

### How 2022 was for Bangladesh:

		
<p><b>Padma bridge becomes a reality</b> On June 25, Bangladesh opened the long-awaited Padma bridge giving a huge boost to the confidence of the nation that it could do a gigantic project with its own resources.</p> <p>Built at the cost of nearly Tk 30,200 crore, the 6.15-kilometre bridge connects 21 districts in the south and southwestern region with two seaports, Mongla and Payra, to the rest of Bangladesh.</p>	<p><b>100% population comes under electricity coverage</b> Bangladesh in May announced that it brought 100 per cent of its population under electricity coverage.</p>	<p><b>Per capita income crosses \$2,800</b> The country's per capita income increased further to reach \$2,824 thanks to the rise in economic activities. The pace of growth of Bangladesh's economy rose to 7.25 per cent in 2021-22 fiscal year from 6.94 per cent the previous year</p>
		
<p><b>Year of major development in nuclear energy</b> Prime Minister Sheikh Hasina on October 19 inaugurated the second and final reactor of the Rooppur Nuclear Power Plant, marking the most important development in the country's first nuclear power project.</p>	<p><b>Phenomenal growth in export earnings</b> Bangladesh posted outstanding export earnings of \$52.08 billion in 2021-22 fiscal year, which was way higher from the target of \$43.5 billion.</p> <p>All vital sectors, including apparel, leather and leather goods, home textile and jute and jute goods, performed well this year.</p>	<p><b>Metro rail rolls out, a memorable feat for public transport</b> The year 2022 marked the opening of the country's first ever metro rail on December 28 adding a new mode of public transport for Dhaka city which is expected to reduce the traffic congestion.</p>

		
<p>The Tk 113,092-crore plant is expected to produce electricity for a lifetime of a minimum of 60 years and it will help Bangladesh generate electricity without emitting carbon dioxide.</p>	<p>Even in November, the country booked highest ever single month export earnings of \$5.09 billion, where garment contributed \$4.37 billion.</p>	<p>Built at a cost of nearly Tk 33,500 crore, the Mass Rapid Transit Line-6 will allow many people to commute within scheduled time in the city where traffic jams make time prediction impossible.</p> <p>With the launch of modern public transport, Bangladesh becomes the third country in South Asia to have metro rail after India and Pakistan.</p>

The year 2022 was primarily characterised by the terminal effects of the COVID-19 pandemic, coinciding with the arrival of a major geopolitical challenge, the Russian invasion of Ukraine. Particularly, the war has engendered major spill-overs, and companies, industries and the Bangladeshi economy as a whole continue to feel the aftershocks of the pandemic on the one hand and the European unrest on the other. So much so that many firms - both big and small - are struggling to recover from the immediate effects of the twin challenges, delaying recovery and return to business as usual.

Though the exact extent of the war's economic impact has not been calculated, preliminary estimates suggest that it will have a sizable financial impact on a wide range of industries, most notably triggered by the sharp rise in inflation that has induced a cost-of-living challenge, as noted by the International Monetary Fund (IMF). Furthermore, the human capital front has become particularly vulnerable, as the war and the global pandemic exert further social pressures and create a humanitarian crisis of great proportion.

Bangladesh's economy was affected as a result of the subsequent spike in food grain and gasoline prices, causing public resentment that the government attempted to address via legislative action. Public unrest has given rise to issues around political stability too, especially in the context of the general elections expected next year (2024). Given the country's diminishing foreign exchange reserves and balance-of-payment crisis, the government and central bank (Bangladesh Bank), attempted to quell the challenges by formulating a more conducive environment via allowing some national banks to establish Vostro accounts for settling payments in local

currency. The idea was to internationalise the BDT and make it acceptable for meeting trade payment obligations, thus preserving foreign currency.

Furthermore, in a major success for the Bangladesh government, it was successful in acquiring a support package from the IMF (International Monetary Fund), which included a 42-month arrangement of approximately \$3.2 billion under the Extended Credit Facility (ECF) and the Extended Fund Facility (EFF), as well as approximately \$1.3 billion under the Resilience and Sustainability Facility (RSF), thus totalling up to \$4.5 billion. Bangladesh's new IMF led fund-supported program aims to sustain macro-economic and macro-financial stability, as well as to encourage robust, inclusive, and green development while safeguarding disadvantaged parts of the society. Especially, the RSF will offer low-cost, long-term financing to meet the nation's climate investment requirements, stimulate climate finance, and alleviate balance-of-payment concerns associated with import-intensive investment.

It is to be noted that the government was proactive in seeking international developmental finance support for post-COVID economic stability and recovery. This is in contrast to some of the other neighboring nations that were not able to mobilise sufficient financial support on a timely basis which led to an economic crisis that rapidly morphed into a political predicament.

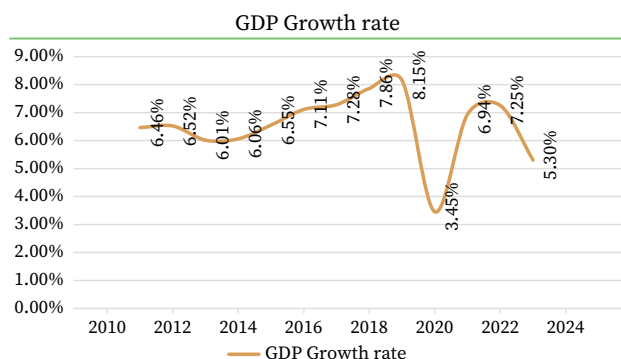
### GDP Growth

The Gross Domestic Product (GDP) of Bangladesh grew consistently at an increasing rate in the last decade, Bangladesh achieved a GDP growth of 8.15 percent in the FY 2018-19, the highest among the countries in Asia. Strong

domestic demand has been the main driver of our growth, Due to the worldwide lockdowns arising from the impact of COVID19, the GDP growth rate fall sharply in fiscal year 2020. However, in view of the Post-COVID recovery, the growth rate is achieved 6.94 percent and 7.25 percent in Fiscal Year 2021 and 2022, respectively.

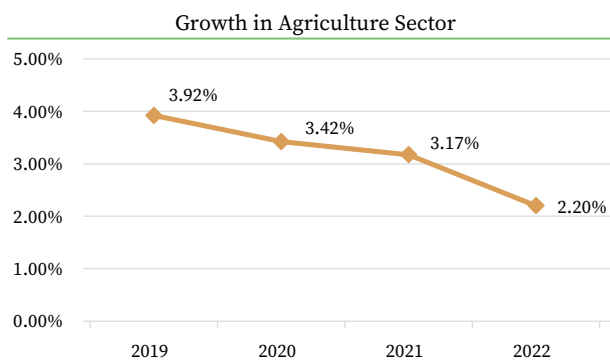
The average GDP growth rate was about 6.3 percent during the period of 2009-2022. In comparison, the average GDP growth rate in emerging and developing economies during the period was 5.1 percent. Bangladesh is one of the few countries that achieved appreciable economic growth during the COVID-19 pandemic, which has established Bangladesh economy resilient in nature. Despite the pandemic, the average growth during the last three years was 5.88 percent.

The spectacular economic growth in Bangladesh during the last decade has been supported by solid macroeconomic stability. The continuity of pro-poor policy and effectiveness of public investment underpinned by a demographic dividend, strong growth in ready-made garment (RMG) exports and remittances helped the Bangladesh economy stay on high economic growth trajectory.



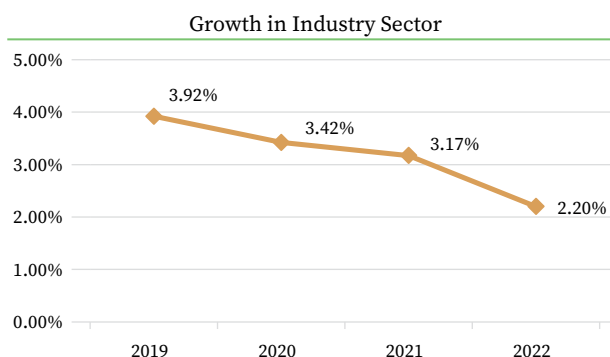
### Agriculture Sector

Agriculture sector contributed 11.50% of GDP in FY22, with slower growth from 3.17% in FY21 to 2.20% in FY22. During this period, the growth of animal farming; and forest and related services sub-sectors increased slightly compared to the previous year. However, the growths in crops and horticulture; and fishing sub-sectors fell dramatically to 1.06% and 2.08% respectively in FY22 from 2.29% and 4.11% in FY21.



### Industry Sector

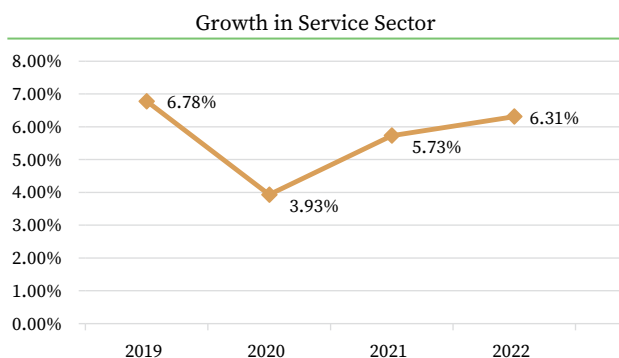
The industrial sector contributed 37.07% of GDP in FY22 and grew by 10.44%, higher than 10.29% growth in FY21. This growth was mainly supported by the growths of manufacturing; water supply, sewerage, waste management and remediation activities; and construction subsectors. On the other hand, electricity, gas, steam, and air conditioning supply sub-sector recorded lower growth of 5.96% while mining and quarrying sector exhibited negative growth of -1.94% in FY22 as compared to the previous year.



### Services sector

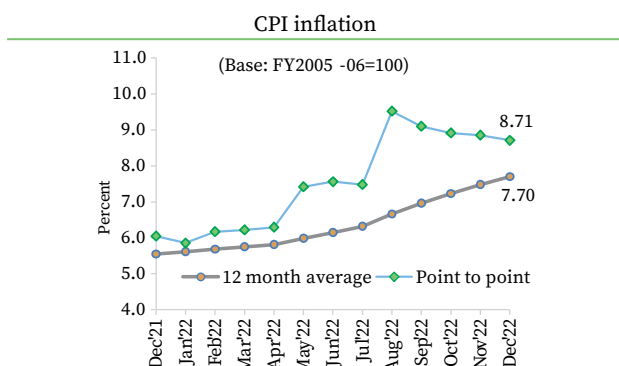
Services sector accounts for the largest share of GDP. This sector contributed 51.44 percent of GDP in FY22, slight lower than 51.92 percent in FY21. Services sector grew by 6.31 percent in FY22, higher than 5.73 percent growth in FY21. The components of services sector such as, wholesale and retail trade, and repair of motor vehicles and motorcycles; transportation and storage; accommodation and food service activities; financial and insurance activities; real estate activities; education; arts, entertainment and recreation; and other service activities exhibited higher growths in FY22 than those of the previous year.





### Inflation Trend

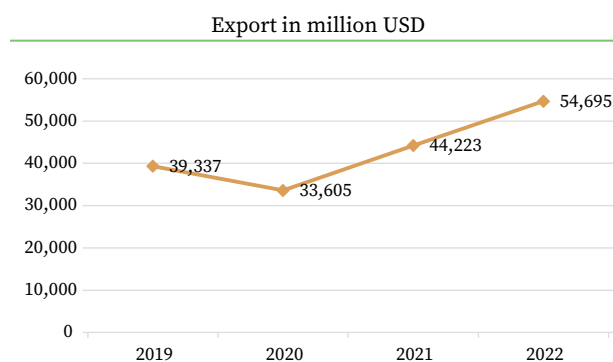
Headline inflation (point to point) inched down to 8.71 percent in December 2022, showing a smooth decline after rising to the peak of 9.52 percent in August 2022. The point to point food and non-food inflation decreased to 7.91 percent and 9.96 percent respectively in December 2022 from 8.14 percent and 9.98 percent respectively of November 2022. Among the components of non-food inflation, medical care and health expenses recorded 19.77 percent (y-o-y) and transport and communication recorded 10.92 percent (y-o-y) inflation in December, 2022. Inflation in the gross rent, fuel and lighting sector had been waning since its peak in August 2022; which resulted in a slight decreased inflation in the transport and communication sector since November, 2022. Twelve month average headline inflation rose to 7.70 percent in December 2022 from 7.48 percent in November 2022, which was much higher than the target of 5.60 percent for FY23. Rising prices in the international markets, global supply disruption caused by the war in Eastern Europe, high inflation in most of the major trading partner countries, along with depreciation pressure on domestic currency have been the major factors for the high inflation since the inception of recovery from COVID-19.



### Export

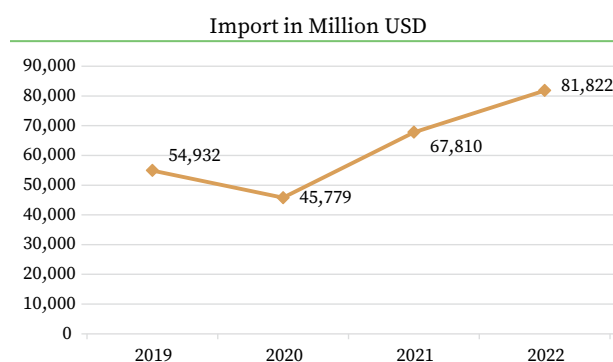
Bangladesh's export earnings reached the highest record in FY22 despite COVID-19 and the Russia-Ukraine conflict. Total export earnings in FY22 rose 34.38 percent to USD 54,695.66 million from USD 38,758.31 million in FY21. The

FY22 strategic export target was exceeded by 19.73 percent by export earnings. The government and Bangladesh Bank have taken various prudential and policy measures to retain export earnings, including moratorium facilities, extended time for realizing export receipts and import payments and increasing the export development fund (EDF). Throughout FY22, the apparel (woven garments and knitwear products) sector fuelled a greater part (above four-fifths) of total export earnings in Bangladesh.



### Import

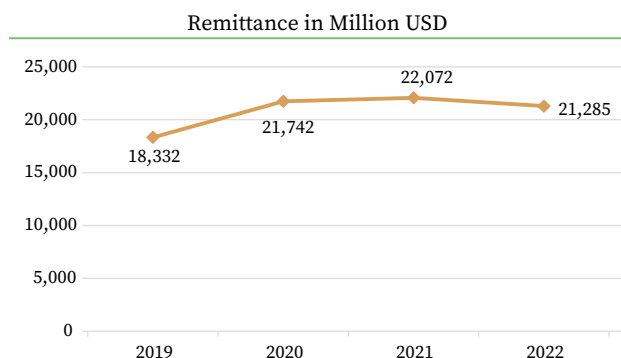
Despite global economic uncertainty and COVID-19, total imports (fob) rose 20.66% to USD 81,822.10 million in 2022 from USD 67,810.20 million in 2021. In 2022, the rise in global commodity prices was the primary factor in the acceleration (58.18%) of RMG-related raw material imports. Similar increases (308.28%) were seen in the value of payments made to importers of pharmaceuticals in 2022. Except for a handful of products, including rice, spices, and crude petroleum, import payments climbed significantly across the board in 2022. The cost of importing crude oil has dropped by 64.23%.



### Remittance

Inward remittance flows from the Bangladeshi nationals working abroad decreased by -3.56 percent from USD 22,072.41 million in 2021 to USD 21,285.68 million in FY22. Lower inward remittance and thus a high current account deficit weakened the overall balance of payments, which witnessed a substantial deficit in FY22. Lower inward remittance and thus a high current account

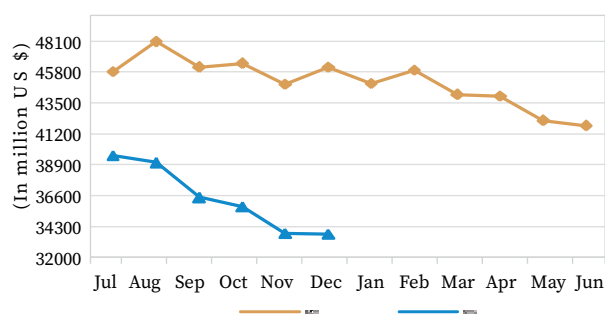
deficit weakened the overall balance of payments, which witnessed a substantial deficit in FY22.



### Foreign Exchange Reserves

Foreign exchange reserves (represent as total international reserves) held by the Bangladesh Bank stands at US\$ 33747.7 million at the end of Dec'22 while it was US\$ 41826.7 million at the end of Jun'22. Thus foreign exchange reserves decreased by US\$ 8079.0 million (19.32%) at the end of Dec'22 compared to the reserves hold at the end of Jun'22. Comparing with the reserves hold at the same period of last year, the current reserves decreased by US\$ 12406.2 million (26.88%) at the end of Dec'22.

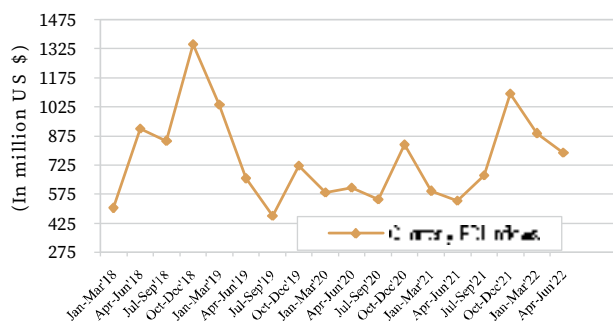
### FOREIGN EXCHANGE RESERVES



### Foreign Direct Investment (FDI)

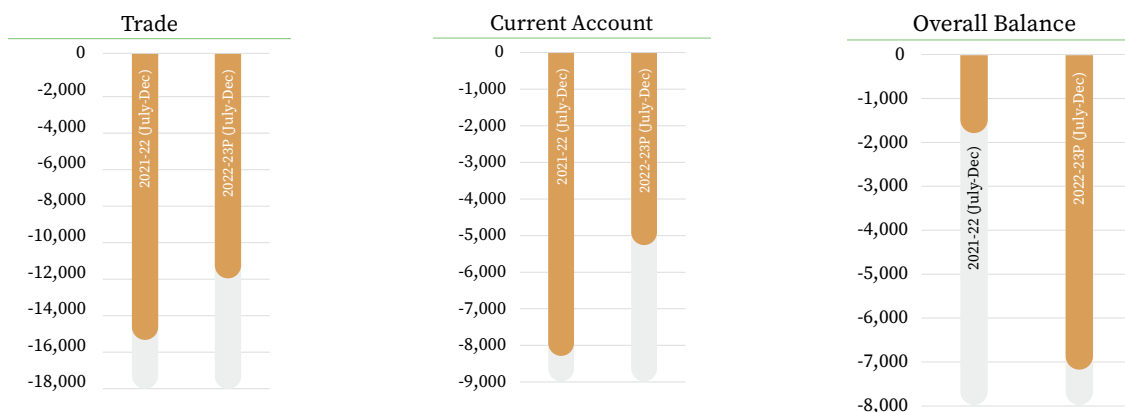
Foreign Direct Investment (FDI) inflows during Apr-Jun'22 decreased by US\$ 101.00 million (11.37%) from US\$ 888.48 million during Jan-Mar'22. During Apr-Jun'22 FDI inflows stood at US\$ 787.48 million. Foreign Direct Investment (FDI) inflows during FY 2021-22 increased by US\$ 932.32 million (37.18%) from US\$ 2507.31 million during FY 2020-21. The FDI inflows during FY 2021-22 was US\$ 3439.63 million

### QUARTERLY FDI INFLOWS



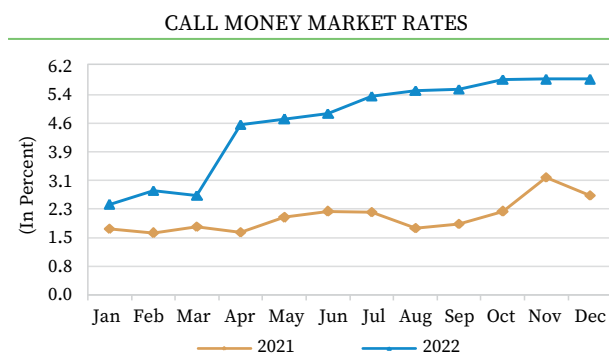
### Balance of Payment

Imports outpaced exports in FY22. Exports grew 33.45% and imports 35.95%. FY22 exports (f.o.b.) totaled USD 49,246 million, up from USD 36,903 million in FY21. In FY22, total imports (f.o.b.) were USD 81,822 million, up from USD 67810 million in FY21. The trade deficit increased to USD 33,249 million in FY22 from USD 23,778 million in FY21. Workers' remittances fell 15.12% to USD 21,285 million in FY22 from USD 22,072 million in FY21. The current account deficit increased to USD (-) 18,697 million in FY22 from USD (-) 4,575 million in FY21 due to a higher trade deficit. In FY22, the balance of payment was USD (-) 5,380 million, compared to USD 9,274 million in FY21. The huge current account deficit and lower capital and financial account inflows caused this reverse scenario.



### Call Money Market Rates:

In Dec'22 call money market rates (weighted average for Borrowing and Lending) unchanged to 5.80% compared to Nov'22. Furthermore, the current rates increased by 314 basis point from 2.66% at the same period of the last year.



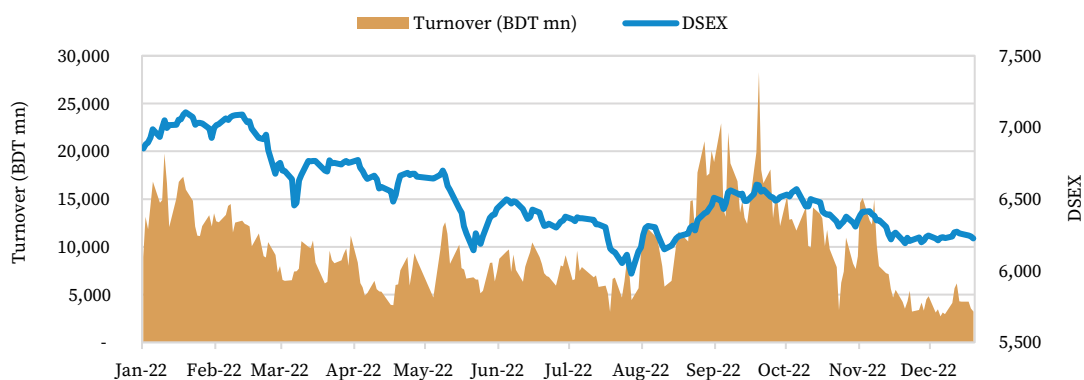
### CAPITAL MARKET

Bangladesh capital market passed a gloomy year in 2022. During the year the prime index of Dhaka Stock Exchange (DSE), DSEX witnessed a fall by 8% subsequent to a positive return of 25% in 2021. The yearly average turnover was 31% lower than that of previous year. Though the market started with a positive trend with enthusiastic participation of the investors in the early 2022, the enthusiasm started faded away after start of Russia-Ukraine war in February. Repetitive downtrend in the capital market helps the DSEX index fallen down tremendously to 5,980 points and then BSEC imposed floor price on July 28, 2022 to protect the interest of general investors. Thereafter DSEX turned up trend with improved trade volume. Then again market became shaky riding after 10th October upon BSEC's restriction on stocks purchase before cheque encashment, gloomy earnings forecasts of the listed companies influenced by the macroeconomic adversities which causes majority stocks being stuck at the floor price. Around 80% listed stocks of DSE were trapped at floor price in December 2022 and trade volume was also lessened immensely.

A snapshot of capital market is delineated below-

Current Market Statistics	Dec-2022	Dec-2021
Number of Listed Securities	656	617
Equities	354	345
Mutual funds	37	37
Debentures	8	8
Treasury Bonds	248	222
Corporate Bonds	9	5
DSE SME Market Listed Companies	15	8
Market Cap. (US\$ Billions)	73.68	55.52
Market Cap to GDP Ratio (%)	19.14%	14.50%
Average Turnover (US\$ Millions)	98.35	151.07
Average Turnover (BDT Millions)	9,602.00	14,749.00

### Movement of DSEX & Turnover in 2022



## OUTLOOK

The GDP growth rate of Bangladesh is forecast to decline to 5.2 percent in the Financial Year (FY) 2023, says the World Bank in its latest Global Economic Prospects report for January 2023. It cites rising inflation and its negative impact on household incomes and firms' input costs, as well as energy shortages, import restrictions, and monetary policy tightening as the reasons for the sharp slowdown from 7.2 percent in FY 2022 to 5.2 percent in FY 2023. However, the growth rate is forecast to rise to 6.2 percent in FY 2024. The World Bank says that Bangladesh was hit hard by the spillovers from the changing global environment. It was priced out of global energy markets and unable to meet the energy needs of households and businesses. The rising cost of imports doubled the trade deficit since 2019. The deficit could have been even larger had it not been for robust growth in demand for its ready-made garments and a growing share of the global market, says the WB report.

Let's examine the economic challenges that Bangladesh is likely to face in 2023:

### EXPORT, IMPORT AND BALANCE OF PAYMENT (BOP)

**GAP:** The country is dependent on both imports and exports, on export side - particularly on the readymade garments (RMG) sector, which accounts for around 80 per cent of total exports, and on import side - commodity, raw materials and capital machineries etc. The RMG sector has been hit hard by the ongoing trade tensions and economic slowdown in major markets such as the United States and Europe. This has already led to a decline in export revenues and a slowdown in economic growth. The currency flow of export and import during the years 2013 to 2022 shows that the amount of money Bangladesh spent each year on import is higher than that earned through export.

**REMITTANCE:** Additionally, the country is also facing a slowdown in remittances, which is a major source of foreign exchange and a key driver of the country's economic growth. The decline in remittances is mainly due to the economic crisis in the Middle East and Gulf countries, which are major destinations for Bangladeshi migrant workers. These workers are facing job losses and reduced wages due to the economic crisis, which has led to a decline in remittances to Bangladesh.

**BANKING & FINANCIAL SYSTEM:** Poor Capital market lack of governance and mismanagement in the financial sector have been persisting for many years. Many banks in Bangladesh have poor lending practices, which have led to a high level of Non-Performing Loans (NPL). This has put the banks at the risk of insolvency and has had a negative impact on the overall economy. All these factors

are limiting the country's ability to mobilise savings and provide credit to the private sector which in turn is constraining the growth of the economy. The lack of access to credit is also affecting the country's small and medium-sized enterprises, which are the backbone of the economy.

**DOLLAR CRISIS:** Commercial banks in Bangladesh are facing difficulties in fulfilling their import payment obligations due to a rapid depletion of their foreign currency holdings due to the ongoing dollar crisis. The foreign currency held by these banks decreased by 13.5 per cent to 20 per cent in the last quarter of 2022, making it difficult for them to open Letters of Credit for importing essential products. This situation has become increasingly challenging, as commodity traders in major markets are unable to open LCs for essential products. The inter-bank foreign exchange market has nearly collapsed, and banks have been unable to meet their own demand in recent months. The Bangladesh central bank's decision not to sell dollar from its reserves to private commercial banks has exacerbated the crisis. Despite the increasing of Repo and Reverse Repo rate from the beginning of 2023, it is yet to be seen what actually emerges.

Many banks have delayed paying their import payment obligations, and the crisis has prompted other banks to refuse to open LCs, as they do not have enough dollars to meet the high demand in the market, which has resulted in a bad reputation in the international financial system.

**NATIONAL ELECTION-2023:** Another major challenge Bangladesh will face in 2023 is the upcoming national election. This is a tricky issue. It has both internal political weight and also the chain reaction of the geo-political events going on around the world. In the past, the country's political environment, especially in the year of national elections, has often been characterised by uncertainty and instability which can have a negative impact on business and investment in 2023.

**INFLATION:** The rate of inflation in Bangladesh increased to 6.2 per cent during the last fiscal year, up from 5.6 per cent the previous year. This uptick in inflation is primarily due to strong domestic demand and rising global prices of oil, gas, and other commodities as a result of supply disruptions caused by the Russia-Ukraine war. Additionally, the depreciation of the Bangladeshi Taka against the US dollar also contributed to trigger inflation. In the coming months, inflation in Bangladesh is expected to continue to rise due to factors such as increasing global commodity prices, increases in prices of all types of fuel, and an anticipated upward adjustment in domestic power tariffs.

**RUSSIA-UKRAINE WAR:** The ongoing conflict between Russia and Ukraine has had a significant impact on currencies, with the euro falling below the dollar for the second time in 20 years. Other currencies, such as the Bangladeshi Taka and the Indian Rupee, have also lost value against the dollar, while the Russian Rouble has gained 34.14 per cent by July last year. The decline in the value of these currencies is largely attributed to the

Federal Reserve of the USA raising interest rates, which has led to foreign investors moving their money to the USA. Additionally, Russia's invasion of Ukraine has driven up commodity prices globally, particularly crude oil, which has led to a higher trade deficit. The economic fallout and uncertainty over the war in Ukraine will slow the growth in key export destinations and substantially reduce export momentum and growth in the coming months.

## BANKING INDUSTRY IN 2022 & OUTLOOK

Banking sector faced several challenges during year 2022 caused by the volatile global geopolitical situation in the wake of Covid-19 pandemic and the ongoing war in Ukraine, energy shortages in Europe and skyrocketing debt burden in developing countries. Being overreliance on imports and the lack of local production of raw materials and goods, putting a pressure on the country's foreign exchange reserves. And to protect the declining reserves, the government had discouraged all non-essential imports and also reduced the supply of dollars to commercial banks. Despite this, Banking Industry of Bangladesh faced a lots of liquidity crisis as public were withdrawing their savings from banks. However, timely intervention of central bank are reasons behind the restoring of depositors faith in country's banking system.

### Banking Sector of Bangladesh

Bank deposits stood at Tk. 14,891,691 in December 2022, posting a 5.66-per cent growth compared with that of Tk.14,09,342 crore in December 2021, according to Bangladesh Bank data. On the other hand, the total advances stood at Tk. 17,582,944 million which is a growth of 8.1 % over the last year, creating a likelihood for asset liability mismatch. Reserve money stood at USD 33,747.70 million at the end of December 2022 against previous year's value of USD 46,391 million at the end of December 2021. The overnight call money rate stood at an average of 5.81% in December 2022 which was 2.69% in December 2021. The AD Ratio is again lowest for Foreign Commercial Banks (FCBs) which was 79.0% in September 2022. Regulatory body has also specified the boundary of AD ratio for banking industry as a pre-step to ensure the sufficient liquidity position of commercial banks.

The key profitability indicators – Return on Assets (ROA) and Return on Equity (ROE) stood at 0.52% and 9.73% respectively in 2022 as compared to 0.25% and 4.44% respectively as recorded in 2021. The banking industry has maintained a provision of Tk. 751.5 billion against required provision of Tk. 886.6 billion, marking a shortfall provision of Tk. (135.3) billion as of September 2022. At the same period, the average CRAR (Capital to Risk Weighted Asset Ratio) for banking industry was 11.20%, the CRAR for the private commercial banks, state banks and foreign banks was 13%, 6.40% and 26.4%, respectively.

### Developments of Monetary Aggregates

(y-o-y % change)

Item	June 21	June 22	Dec 22	
	Actual	Actual	Actual <sup>P</sup>	Program
Board Money	13.6	9.4	8.4	10.0
Net Foreign Assets*	27.7	-11.9	-22.6	-10.1
Net Domestic Assets	9.2	17.2	18.5	16.6
Domestic Credit	10.4	16.2	15.1	16.9
Credit to the public sector	21.7	29.1	26.6	33.3
Credit to the private sector	8.3	13.7	12.8	13.6
<b>Reserve money</b>	<b>22.4</b>	<b>-0.3</b>	<b>17.4</b>	<b>9.0</b>
Money multiplier	4.49	4.93	4.63	5.06
NCG (Crore Taka, during the respective fiscal year)	42,040	62,540	32,249	1,06,334#

Source: Monetary Policy Statement (Fiscal Year 2022 -2023) P= Provisional, Bangladesh Bank.

Note: NCG = Net credit to the Government from the banking system. P=Provisional

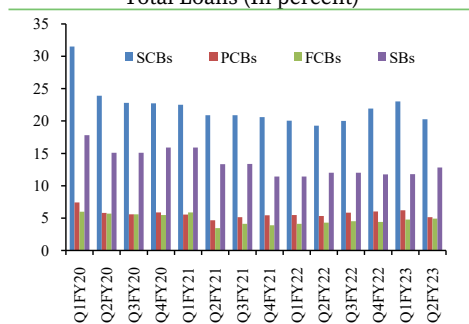
## Financial sector prices

(Weighted average yields on bills, bonds, BB policy rates and call money rate)

	Treasury Bills			BGTB					Repo	Reverse Repo	Call Money Rate
	91-Days	182- Days	364-Days	2-Year	5-Year	10-Year	15-Year	20-Year			
<b>FY 22</b>											
June	5.94	6.44	6.62	7.21	7.80	8.03	8.27	8.48	5.50	4.00	4.88
<b>FY 23</b>											
July	6.16	6.57	6.81	7.28	7.89	8.18	--	--	5.50	4.00	5.34
Aug	5.91	6.56	6.80	7.39	7.78	8.17	8.51	8.55	5.50	4.00	5.49
Sept	6.01	6.47	6.80	7.47	7.73	8.09	8.49	8.52	5.50	4.00	5.53
Oct	6.03	6.48	6.80	7.44	7.70	8.09	8.35	8.54	5.75	4.00	5.79
Nov	6.18	6.58	6.93	7.49	7.81	8.25	8.67	8.72	5.75	4.00	5.80
Dec	6.90	7.30	7.76	7.55	7.90	8.33	8.77	8.95	5.75	4.00	5.80

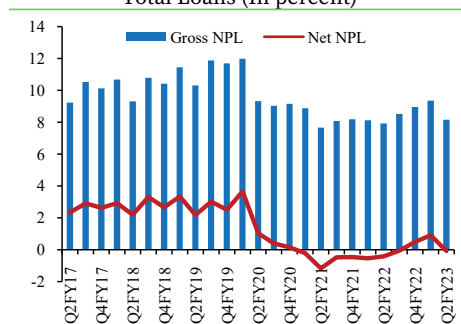
However, Non-performing loans (NPL) in Bangladesh's banking sector decreased by 1.20 percentage points to over Tk 1.20 trillion at the end of last December, following a special classification that economists see as transient cure. According to Bangladesh Bank (BB), the ratio of bad loans or NPL stood at 8.16 per cent out of the total loans and the classified loans came down by Tk 137.39 billion from the previous quarter (July-September) when the volume of NPL was Tk 1.34 trillion or 9.36 per cent of the total loans. As per Bangladesh Bank (BB), the total loan disbursed was Tk 14.77 trillion at the end of December 2022, of which 8.16 per cent became classified. The highest volume of classified loans was recorded in state-owned commercial banks which saw repayment default on Tk 564.60 billion as 20.28 per cent of their total loans of Tk 2.78 trillion became defaulted. The rates of NPL in specialised banks, private commercial banks and foreign commercial banks were 12.80 per cent (Tk 47.09 billion), 5.13 per cent (Tk 564.38 billion) and 4.91 per cent (Tk 30.48 billion) respectively.

Ratio of Gross NPLs to Total Loans (In percent)



Source: Bangladesh Bank.

Ratio of Gross NPLs and Net NPL to Total Loans (In percent)



Source: Bangladesh Bank.

Types of Banks	No. of Banks	No. of Branches	CRAR% (Dec 22)	Deposit Growth % (Dec 22)	Advance Growth % (Dec 22)	AD Ratio (Dec 22)	NRL Ratio (Dec 22)
State Owned Bank (SCB)	6	3,810	6.26	0.50	18.80	69.00	20.28
Specialized Banks (SBs)	3	1,512	-40.29	6.40	11.20	75.76	12.80
Private Commercial Banks (PCBs)	43	5,550	13.80	6.90	13.20	84.64	5.13
Foreign Commercial Banks (FCB)	9	65	31.65	15.50	7.80	50.90	4.91
Total	61	10,937	11.83	5.60	14.10	79.00	8.16

Source: Bangladesh Bank Quarterly; Oct-Dec, 2022; Volume XX, No.2

### Liquidity indicators of the scheduled banks:

As On	Advance Deposit Ratio (ADR)	Liquidity Coverage Ratio (LCR)	Net Stable Funding Ratio (NSFR)
End June, 2021	71.55%	211.70%	109.39%
End September, 2021	72.08%	200.83%	110.56%
End December, 2021	73.15%	193.60%	110.13%
End March, 2022	74.17%	180.39%	107.78%
End June, 2022	74.77%	165.56%	109.10%
End September, 2022	76.23%	160.52%	110.18%
End December, 2022	79.00%	153.97%	110.22%

Source: Major Economic Indicators: Monthly Update (January 2023), Bangladesh Bank

### Outlook 2023

The year 2023 will remain a turbulent time for the financial industry of Bangladesh. Inflation will torment the lower and lower-middle income population, who will lose a big segment of their savings and also have less purchasing power. Depletion of foreign- exchange reserves and shortage of dollars in banks have compelled the central bank to restrict some imports. Exporters are facing some difficulties to open letters of credit. Inflow of remittance in the official channels has ebbed. The high NPL ratio and the issue of good governance in banks and NBFIs are also matter of concern for the financial stability of the economy. Besides, banking industry will also face the challenge of mobilising deposits – which we have already witnessed in the latter part of 2022. To overcome these challenges, Bangladesh Bank has already taken a series of policy initiatives, which include raising the policy interest rate amid quantitative tightening through the selling of a huge amount of dollars in the market; continuing the repo and liquidity support facilities for banks and NBFIs, and extending the refinance facilities to neutralize the tight liquidity condition; discouraging imports of luxury and non-essential commodities; enhancing the facilities to improve the export receipts and inward remittances; and engaging with concerned commercial banks and NBFIs to deal with NPLs and good governance issues.

Nevertheless, it's a good news for us that IMF FX loan has already been approved and partial disbursement was also made in the meantime

### SEGMENT-WISE PERFORMANCE:

The Group has identified following three reportable segments which are the Group's major strategic business units/entities. The strategic business units offer different products and services, and are managed separately based on the management and internal reporting structure of the group. For each of the strategic business units, the Group's/Bank's Management Committee reviews internal management reports on quarterly basis. The following summary describes the operations in each of the reportable segments:

Segment Name	Description
<b>Jamuna Bank Limited (Solo)</b>	<p>Jamuna Bank Limited (JBL) is one of the Private Banks in Bangladesh, with a network of 167 branches, 106 sub-branches, 42 Agent outlets along with 343 ATMs across the Country. Incorporate as a public limited company on 2nd April 2001 under the Companies Act, 1994, Jamuna Bank commenced its banking operation on 3rd June 2001. The registered office of the JBL is situated at Jamuna Bank Tower, Plot-14, Block-C, Bir Uttam A.K Khandakar Road, Gulshan-1, Dhaka.</p> <p>The Bank provides all types of support to trade, commerce, industry and overall business of the country through a broad spectrum of products and services, including Corporate, Retail, SME, Agri- finance &amp; Islamic financing solutions. JBL is also indispensably contributing to the growth of economy by providing solutions for new and existing entrepreneurs, in the field of export – import, manufacturing, servicing, infrastructure building etc.</p>

Segment Name	Description
	<p><b>Off-Shore Banking Unit</b> Off-shore Banking Unit (OBU) is a separate business unit of Jamuna Bank Limited, governed under the Rules and Guidelines of Bangladesh Bank. The Bank obtained the Offshore Banking Unit permission vide letter no. BRPD (P-3) 744 (107)/ 2009-4642 dated 22 December, 2009. The Bank commenced operation of this unit from 22 April, 2010 and its office is located at 116 Gulshan Avenue, Gulshan-2, Dhaka..</p> <p>Jamuna Bank Limited established Offshore Banking Unit (OBU) with a view to catering the banking needs of non-resident customers in EPZs, PEPZs, EZs, High-Tech Parks and abroad.</p> <p><b>Islami Banking</b> Besides conventional banking, Jamuna Bank Limited is pursuing Islami Banking activities based on Islami Shari`ah principles. The first Islami Banking branch of the Bank was opened on October 25, 2003 at Nayabazar in Dhaka. Subsequently second branch was opened on November 27, 2004 at Jubilee Road in Chattogram. Considering the demand of the people of the Country Islami Banking Service Centers has been expanding day by day at all conventional branches of the Bank linked with the above mentioned two Islami Banking Branches and at present total 167 Bank's branches are prepared for the services under the brand <b>Jamuna Al-Ihsan</b>.</p> <p>Through the Islami Banking Branch the Bank extends all types of Islami Shar'iah compliant finance like Bai-Muazzal, Hire Purchase under Shirkatul Melk (HPSM), MPI Trust Receipt, Murabaha Import Bill and different types of deposits like Al-wadeeah current account, Mudaraba, Murdarab Short Notice Deposit and different Mudaraba Scheme A/cs. To achieve this goal a Shari`ah Supervisory Committee has been constituted comprising renowned Islami scholars of the country and senior banker having Islami Banking exposure with knowledge of conventional and Islami Banking. All activities of Islami Banking Branches are carried out under the guidance of this Committee. A full-fledged separate Division namely "Islami Banking Division" has also been set up at Head Office as per Guideline for Islamic Banking issued by Bangladesh Bank, BRPD Circular No. 15 dated November 09, 2009.</p>
<b>Jamuna Bank Capital Management Limited (JBCML)</b>	<p>Jamuna Bank Capital Management Limited (JBCML), a full subsidiary company of Jamuna Bank Limited is a full-fledged Merchant Bank and Portfolio Manager vide the Bangladesh Securities and Exchange Commission (BSEC) letter no. SEC/Reg/MB-54/2009/467 dated November 29, 2010 bearing Registration Certificate No. MB-49/2010. Since its inauguration in 2011, JBCML has developed a successful track record in the equity market of Bangladesh. The main objective of the company is to provide portfolio management services, underwriting and Issue management services along with corporate advisory services.</p>
<b>Jamuna Bank Securities Limited (JBSL)</b>	<p>Jamuna Bank Securities Limited (JBSL), a fully owned subsidiary of Jamuna Bank Limited and a full-fledged Stock Dealer &amp; Stock Broker licensed under the Bangladesh Securities and Exchange Commission. It is operating both of the Stock Exchanges of Bangladesh named Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange PLC (CSE).</p> <p>The main objective of JBSL is to provide stock broking services to its individual and institutional clients by way of taking buy/sale order from the clients and try to fill them at the best possible prices. As a dealer JBSL do buy/sale of securities for its own account as a part of its own business. The Company has started its commercial operation since February 18, 2013.</p> <p>JBSL is dedicated to provide high level of professional and personalized services to its domestic and international clients at a reasonable cost. JBSL's services are comprehensive in nature, including brokerage, margin loan, CDBL facilities, research and custodian needs of customers.</p>

Information regarding the results of each reportable segment is included Financial Statement segment of this report. Each segment performance is measured based on segment revenue and profit, as included in the internal management reports that are reviewed by the management committee of the Bank.

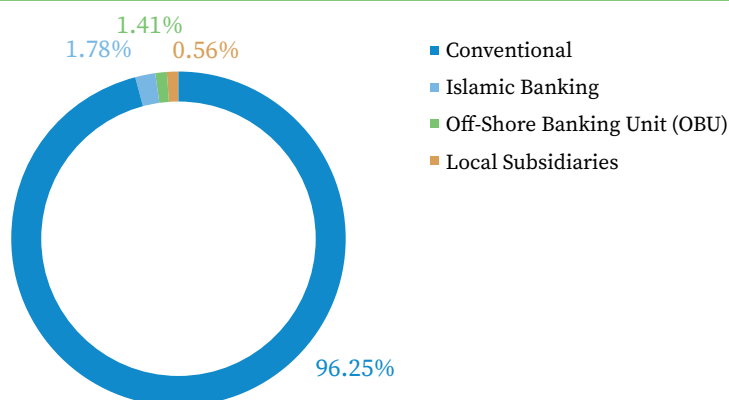


## Operating Revenue (for the year ended 31 December 2022)

BDT in million

Particulars	2022	%	2021	%
Conventional	12,411.26	96.25%	10,561.44	95.57%
Islamic Banking	229.76	1.78%	250.00	2.26%
Off-Shore Banking Unit (OBU)	181.33	1.41%	159.61	1.44%
Jamuna Bank Capital Management Limited	50.90	0.39%	61.11	0.55%
Jamuna Bank Securities Limited	20.98	0.16%	19.25	0.17%

### Group Revenue 2022

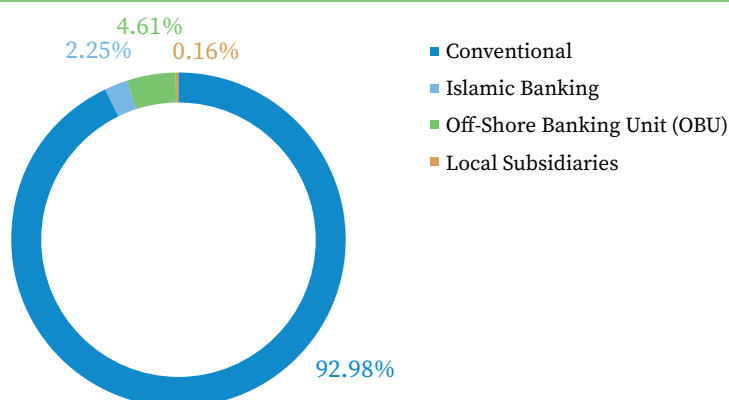


## Group Assets (as at 31 December 2022)

BDT in million

Particulars	2022	%	2021	%
Conventional	263,219.48	92.98%	246,641.25	93.14%
Islamic Banking	6,365.13	2.25%	4,189.29	1.58%
Off-Shore Banking Unit (OBU)	13,052.11	4.61%	13,490.97	5.09%
Jamuna Bank Capital Management Limited	425.75	0.15%	469.47	0.18%
Jamuna Bank Securities Limited	38.05	0.01%	29.68	0.01%

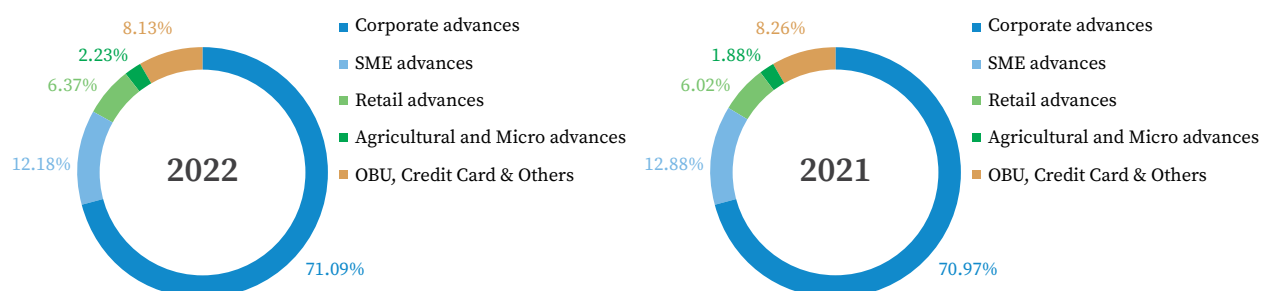
### Group Asset 2022



JBL business has been divided into five segments i.e Corporate Banking, Retail Banking, SME Banking, Agricultural & Micro Credit & OBU, Credit Card & Others. Corporate Banking segment representing 71.09 percent of total loans and advance of the bank. Segmental business (Loans & Advances) as on 31 December 2021 has been stated as follows:

(figure in million)

Particulars	2022		2021	
	Amount	% of total loans	Amount	% of total loans
Corporate Banking	128,315.16	71.09%	124,067.58	70.97%
SME Banking	21,981.87	12.18%	22,510.41	12.88%
Retail Banking	11,506.10	6.37%	10,517.80	6.02%
Agricultural & Micro Credit	4,018.45	2.23%	3,279.86	1.88%
OBU, Credit Card & Others	14,669.21	8.13%	14,449.13	8.26%
<b>Total</b>	<b>180,490.79</b>		<b>174,824.78</b>	



## Financial Performance Highlights of Jamuna Bank

Banking industry passed another challenging year in terms of governance, capital adequacy, profitability and soundness in 2022. Depletion of foreign exchange, rising inflation, increase of fuel expense and liquidity crisis took the toll over the economy to a large extent. FX reserve stood USD 33.75 billion at year end which was USD 46.15 billion last year, declined by 27% within a year. Inflation reached 8.71% in December 2022 and private sector credit growth stood at 12.89% in 2022 against 10.11% last year. Despite intensified challenges, Jamuna Bank managed its portfolio efficiently closing the year 2022 with an NPL of 5.32%. We have followed Bangladesh Bank's instruction meticulously for maintaining provision and recognizing interest income. We have complied Bangladesh Bank's requirement of 1% additional special General provision-COVID 19 and extra 2% provision against clients enjoying Covid-19 facilities and maintained additional provision based on the qualitative judgment of Bangladesh Bank for absorbing any unforeseen shocks.

Complying all these issues, our total provision increased by BDT 1,275.31 million or 110.41% over last year's and stood BDT 2,430.39 million. After setting aside provision for loans and advances, tax, reserve and others, the bank attained net profit of BDT 1,581.44 million which is lower than last year's by 36.15%. Thus, Earnings per share (EPS) of the Bank decreased to BDT 2.11 which was BDT 3.31 last year. Although our operating profit increased by BDT 529.62 million or 10.22% from previous year. As per Bangladesh Bank guideline, deposit rate had to adjust with this high inflation keeping no change in interest rate cap of loans and advances which resulted in decrease of net interest income by 2%. Interest spread decreased to 3.27% from 3.67% last year. On the other hand, non-interest income increased substantially by 17.43% for which operating profit increased by 10.22% from previous year. The Board of Directors recommend 17.50% cash and 8.50% stock dividend for the year 2022

Deposit stood at BDT 225.07 billion registering a growth of 6.14% against the country growth of 5.70%. Advance increased to BDT 180.49 billion with a growth of 3.24% against country growth of 12.89%. We move cautiously to increase of our loan portfolio during this crisis period. Import, export and remittance stood at USD 2,074.79 million, USD 1,711.80 million and USD 465.35 million respectively. Jamuna Bank was much successful in maintaining foreign exchange liquidity due to its higher amount of export and remittance which was sufficient to ensure its import payment. Throughout the year, Jamuna Bank acted as contributor to foreign currency supply in the market and ensured smooth import performance for our valued customers. The bank is standing on a very solid foundation having strong assets and capital base. Total assets of the bank increased to BDT 282.64 billion from BDT 264.32 billion with the growth of 7% over last year's. Capital base of the bank is one of the highest in the industry. The capital adequacy ratio of the bank stood at 16.75% against

regulatory requirement of 12.50%. In 2022, total capital reached BDT 31.02 billion. Capital base safeguards the bank from unforeseen credit, operational or market shock and supports business expansion.

Particulars	Consolidated		% Change	Solo		% Change
	2022	2021		2022	2021	
Net Interest income (NII)	2,999.27	2,594.06	15.62%	2,986.06	2,594.97	15.07%
Non-interest income	9,894.95	8,457.35	17.00%	9,836.28	8,376.09	17.43%
<b>Total Operating Income</b>	<b>12,894.22</b>	<b>11,051.41</b>	<b>16.67%</b>	<b>12,822.34</b>	<b>10,971.05</b>	<b>16.87%</b>
Total Operating Expense	7,155.12	5,816.42	23.02%	7,113.03	5,791.35	22.82%
<b>Operating Profit (Profit before provision &amp; tax)</b>	<b>5,739.10</b>	<b>5,234.99</b>	<b>9.63%</b>	<b>5,709.32</b>	<b>5,179.70</b>	<b>10.22%</b>
<b>Total Provisions</b>	<b>2,444.54</b>	<b>1,163.94</b>	<b>110.02%</b>	<b>2,430.39</b>	<b>1,155.08</b>	<b>110.41%</b>
<b>Profit before tax for the year</b>	<b>3,294.56</b>	<b>4,071.05</b>	<b>-19.07%</b>	<b>3,278.93</b>	<b>4,024.62</b>	<b>-18.53%</b>
Tax provision for the year	1,705.44	1,558.59	9.42%	1,697.48	1,547.74	9.67%
<b>Profit after tax (PAT)</b>	<b>1,589.11</b>	<b>2,512.47</b>	<b>-36.75%</b>	<b>1,581.44</b>	<b>2,476.88</b>	<b>-36.15%</b>
<b>Earnings per share (EPS)</b>	<b>2.12</b>	<b>3.35</b>	<b>-36.72%</b>	<b>2.11</b>	<b>3.31</b>	<b>-36.25%</b>

ROA and ROE have decreased in 2022 due to higher growth of average assets and decrease of PAT due to maintaining additional provision. Cost to income ratio has increased because operating expense and Operating Income for the year 2022 was gone up compared to the previous year. The Capital to risk weighted assets ratio (CRAR) has increased to 16.75% in 2022 from 16.42% in 2021. Following table presents some of the key financial ratios:

Particulars	Bank	
	2022	2021
Return on average equity (PAT/Average Equity)	7.69%	10.88%
Return on average assets (PAT/Average assets)	0.58%	0.98%
Cost to income ratio(operating expense/operating income)	55.47%	52.63%
Capital to risk weighted assets ratio	16.75%	16.42%
NPL ratio	5.32%	2.97%
EPS (BDT)	2.11	3.31
PE ratio	10.09	7.09

## ANALYSIS OF KEY OPERATING AND FINANCIAL DATA FOR LAST 5 YEARS

Jamuna bank recorded a remarkable growth in last five years in terms of business volume and profitability. At the end of 2018 total assets of the Bank was BDT 225,018.22 million whereas at the end of 2022 it stood at BDT 282,636.72 million recording a cumulative growth of more than 26 percent. During last five year, cumulative deposits grew up 20 percent, Investments grew up 141% and loans and advances of the Bank grew by 9 percent.

figure in million

Balance Sheet	Change (%)	2022	2021	2020	2019	2018
Authorized Capital	0%	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Paid up Capital	0%	7,492.26	7,492.26	7,492.26	7,492.26	7,492.26
Shareholders' equity	9%	19,748.74	21,369.33	24,144.71	17,160.59	18,073.50
Deposits	20%	225,070.78	212,052.50	191,103.99	202,509.52	188,034.30
Loans and advances	9%	180,490.79	174,824.78	162,658.43	177,278.78	165,402.85
Investments	141%	76,394.56	67,674.40	50,970.36	39,200.61	31,648.68
Fixed Assets	53%	4,009.16	3,272.11	3,260.65	3,217.47	2,614.52
Total Assets	26%	282,636.72	264,321.51	241,533.71	242,928.46	225,018.22
Total Liabilities	27%	262,887.98	242,952.17	217,389.00	225,767.88	206,944.71

In line with the increased volume of the business, the Gross Operating Income increased by 31% compared to the year 2018. Due to maintaining additional provision based on the qualitative judgment of Bangladesh Bank for absorbing any unforeseen shocks banks NPAT decreased by 32%. In 2018, NPAT of the bank was BDT 2,316.69 million whereas it was BDT 1,581.44 million at the end of 2022 recording cumulative decrease of 32%.

Income Statement	Change (%)	2022	2021	2020	2019	2018
Interest Income	-18%	12,324.57	11,106.91	14,215.14	17,825.53	14,993.70
Interest expense	-3%	9,338.51	8,511.94	10,465.70	11,391.97	9,656.43
Net interest income	-44%	2,986.06	2,594.97	3,749.44	6,433.56	5,337.27
Income from investment	222%	5,918.56	5,649.90	4,537.06	2,322.40	1,836.38
Non-Interest Income	48%	3,917.73	2,726.19	2,574.20	2,683.56	2,644.13
Gross Operating Income	31%	12,822.34	10,971.05	10,860.69	11,439.53	9,817.78
Operating Expense	37%	7,113.03	5,791.35	5,771.86	5,597.68	5,188.77
Profit before tax	-9%	3,278.93	4,024.62	4,350.33	4,779.90	3,605.68
Net profit after tax	-32%	1,581.44	2,476.88	2,670.71	2,607.85	2,316.69

However, details of operating and financial data of Jamuna Bank in last five years with graphical presentation are shown in the 'Information for the stakeholders' chapter.

### MAINTENANCE OF CAPITAL TO RISK WEIGHTED ASSETS RATIO (CRAR)

Risk Based Capital Adequacy Framework (Revised Regulatory Capital Framework for banks in line with Basel III) has been implemented in Bangladesh from beginning of 2015 through BRPD Circular No -18 dated December 21, 2014. The objective of the reforms was to improve the banking sector's ability to absorb shocks arising from financial and economic stress, whatever the source, thus reducing the risk of spillover from the financial sector to the real economy. From very beginning of implementation of Basel III in Bangladesh, Jamuna Bank has been continuing to calculate minimum capital requirement (MCR) including capital conservation buffer considering credit risk, market risk and operational risk. Phase-in arrangements for Basel III implementation in Bangladesh and our status is given below:

Particulars	Standard	Status of compliance	2022 (solo)	2021 (solo)
Minimum Common Equity Tier 1 (CET1) Capital Ratio	At least 4.5% of the total RWA	Complied	9.8%	9.47%
Capital Conservation Buffer	At least 2.5% of the total RWA	Complied	5.25%	4.48%
Tier-1 Capital	At least 6% of the total RWA	Complied	11.25% BDT 20,845.52 mn	10.48% BDT 20,188.03 mn
Minimum Total Capital plus Capital Conservation Buffer	At least 12.5% of the total RWA	Complied	16.75%	16.42%
Tier-2 capital	maximum up to 4.00% of the RWA or 88.89% of CET1, whichever is higher.	Complied	5.49% BDT 10,175.87 mn	5.94% BDT 11,449.19 mn
Leverage Ratio	3%	Complied	6.28%	6.50%
Liquidity Coverage Ratio	>=100%	Complied	170.93%	133.95%
Net Stable Funding Ratio	>100%	Complied	114.64%	105.80%

From the above table it is observed that, Jamuna Bank complied with all the required conditions for maintaining regulatory capital requirement as stipulated in the revised Risk Based Capital Adequacy (RBCA) guidelines by Bangladesh Bank.

## CREDIT RATING

With a view to safeguard the interest of the prospective investors, depositors and creditors and to improve the functioning of the capital market of the country, Bangladesh Bank vide BPRD Circular No. 06 dated July 05, 2006 had made it mandatory for the Bank's to have themselves credit rated. Accordingly, Credit Rating of Jamuna Bank Limited was done by Credit Rating Agency (CRAB) based on audited Financial Statements as on December 31, 2021. The rating report is summarized as under:

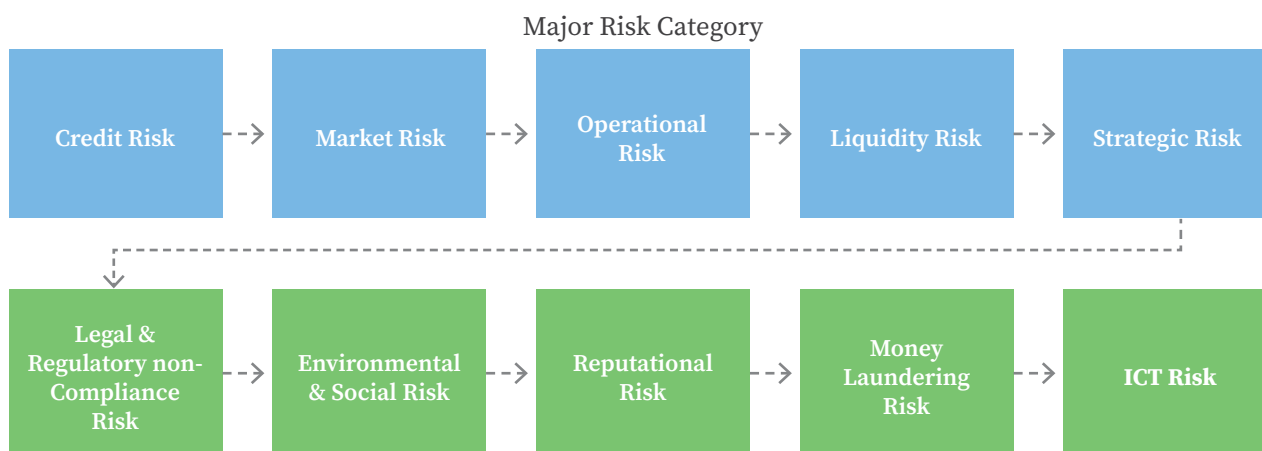
Particulars	Long Term	Short Term
	AA1	ST-1
Date of Rating	27 June 2022	
Based on Financial Statement	December 31, 2021	
Validity Date	June 30, 2023	
Outlook	Stable	

Rating AA1: Companies rated in this category have very strong capacity to meet financial commitments. These companies are judged to be of very high quality, subject to very low credit risk.

Rating ST1: (Highest Grade) This rating indicates that the degree of safety regarding timely payment on the loans/facilities is very strong.

## RISKS AND CONCERNS

The Bank's Risk Inventory sets out the Bank's major risk categories and related subcategories to which the Bank's businesses and operations could be exposed. The Risk Inventory facilitates consistent risk identification and is the starting point in developing risk management strategies and processes. The Bank's major risk categories are: Credit Risk; Market Risk; Operational Risk; Liquidity Risk; Strategic Risk; Legal & Regulatory non-Compliance Risk; Environmental & Social Risk; Reputational Risk; Money Laundering Risk & ICT Risk.



The Bank's risk culture starts with the "tone at the top" set by the Board, Managing Director & CEO, and the Senior Management Team (SMT), and is supported by its vision, purpose, and shared commitments. To play an effective role in mitigating impending risks arising out of strategies and policies formulated by the Board and to carry out the responsibilities efficiently, the Board Risk Management Committee of Jamuna Bank Ltd., being in charge, formulates risk management policy and procedures of the Bank as well as sets up the risk control and monitoring mechanisms with a view to continuously strengthening risk governance. At Management Level Risk Management function, headed by the Chief Risk Officer (CRO), provides independent oversight of enterprise-wide risk management, risk governance, and control including the setting of risk strategy and policy to manage risk in alignment with the Bank's risk appetite and business strategy.

Jamuna Bank Limited has three level of structure in regards to managing risk



However, details of the Risk Management strategies are described in page No. 353 of this Annual Report 2022.

#### EXTRAORDINARY GAINS OR LOSS

Extraordinary gains or losses refer to infrequent and unusual gains or loss and which is not part of the Bank's ordinary, day-to-day operations. There is no such a gain or losses during the year under reporting.

#### RELATED PARTY TRANSACTIONS

The Bank in its ordinary course of business undertook financial transactions with some entities or persons that fall within the definition of 'Related Party' as contained in IAS 24 (Related Party Disclosures) and relevant provisions of Bank Company Act 1991 and Bangladesh Bank BRPD Circular No. 14 dated 25 June 2003. As on the reporting date, the Bank had funded exposures with its subsidiaries, credit card limit to some of its Directors. Besides, the Bank had procured some goods and services from the entities of related parties during 2022. Details of related party transactions are furnished at Annexure-I in page No. 182 and Note-46(A) of Audited Financial Statements this report.

#### SHARE CAPITAL

Authorized Capital and paid up capital of the Company Stood at BDT 10,000.00 million and BDT 7,492.26 million respectively at the end of 31 December 2022.

#### HISTORY OF RAISING CAPITAL

As on the reporting date, the bank had paid up capital of BDT 7,492,256,500 of which 78.87% was raised through stock dividend. The history of raising our paid up capital to BDT 7,492.26 million as on Year 2022 is presented below:

Accounting year	Particulars	No. of Shares	Volume in Taka	Cumulative Paid up Capital in Taka
2001	Opening Capital	39,000,000	390,000,000	390,000,000
2003	10% Bonus share	3,900,000	39,000,000	429,000,000
2005	25% Bonus share	21,450,000	214,500,000	643,500,000
2006	Initial Public offering (IPO)	42,900,000	429,000,000	1,072,500,000
2006	14.29% Bonus share	15,321,420	153,214,200	1,225,714,200
2007	7.14% Bonus share	8,755,100	87,551,000	1,313,265,200
2008	23.50% Bonus share	30,861,730	308,617,300	1,621,882,500
2009	37.50% Bonus share	60,820,590	608,205,900	2,230,088,400
2010	Right Issue	74,336,280	743,362,800	2,973,451,200

Accounting year	Particulars	No. of Shares	Volume in Taka	Cumulative Paid up Capital in Taka
2010	22% Bonus share	65,415,926	654,159,260	3,627,610,460
2011	Share Issued to Mrs. Aysha Hussain	2,079,330	20,793,300	3,648,403,760
2011	23% Bonus share	83,913,286	839,132,860	4,487,536,620
2013	15% Bonus share	67,313,049	673,130,490	5,160,667,110
2014	19% Bonus share	98,052,675	980,526,751	6,141,193,861
2017	22% Bonus share	135,106,264	1,351,062,639	7,492,256,500

## VARIANCE BETWEEN QUARTERLY FINANCIAL PERFORMANCE AND ANNUAL FINANCIAL STATEMENTS

In compliance with the applicable rules and regulations of the regulatory authorities, the Bank prepared and submitted the quarterly reports to the regulators and communicated the results with the valued shareholders and stakeholders accordingly. Following table presents quarterly consolidated information of four quarters of the Bank.

Figures in BDT Million

Particulars	Quarter-1	Quarter-2	Quarter-3	Quarter-4	Annually
A) Net interest income	827.65	716.54	1,118.00	323.87	2,986.06
B) Non-interest income	2,300.84	2,910.44	2,563.04	2,061.96	9,836.28
<b>C) Operating income (A+B)</b>	<b>3,128.49</b>	<b>3,626.98</b>	<b>3,681.04</b>	<b>2,385.83</b>	<b>12,822.34</b>
D) Operating expenses	1,495.80	1,779.66	1,688.81	2,148.76	7,113.03
<b>E) Operating profit (C-D)</b>	<b>1,632.69</b>	<b>1,847.32</b>	<b>1,992.23</b>	<b>237.07</b>	<b>5,709.31</b>

From the above, it was observed that

- Net Interest income was declined in the Q-4 because of write-off settlement of problematic loans and advances.
- Operating expense of Q-4 27% higher than that of Q-3 as the Bank continued to invest in branches/sub-branches/ATM infrastructure, technology and human capital to support its business growth.
- Operating profit also reduced in Q-4 due to decrease of in net interest income, non-interest income as well as increase of operating expenses.

## BOARD & IT'S COMMITTEE MEETING AND REMUNERATION PAID TO DIRECTORS:

Please see Annexure-II in page No. 183 of this report.

## PREPARATION OF FINANCIAL STATEMENTS

The financial statements prepared by the management of the bank present fairly its state of affairs, the result of its operations, cash flows and changes in equity. These statements have been prepared in accordance with the "first Schedule (Section 38) of the Bank Company Act 1991 as amended by BRPD circular no. 14 dated 25 June 2003, the rules and regulations issued by Bangladesh Bank, the Securities and Exchange Rules 2020 and other laws and rules applicable in Bangladesh, International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from have been adequately disclosed.

The financial statements of 2022 have been reviewed by the Audit Committee of the Board of Directors of the Bank and then referred to the Board of Directors for its consideration. The external auditor, M/s. Shafiq Basak & Co., Chartered Accountants, appointed by the shareholders, have certified the fairness of the financial statements for the year ended 31 December 2022.

### a. Maintaining Proper Books of Account

Jamuna Bank maintained proper books of account for its financial transactions occurred during 2022. For recording the transactions, the bank has followed the International Accounting Standard (IAS). The books of account have also been reviewed by the external auditor, M/s. Shafiq Basak & Co., Chartered Accountants with an opinion that proper books of accounts as required by the law have been properly maintained.

### b. Appropriate Accounting Policies

Appropriate accounting policies have been consistently applied, except for the changes disclosed in the financial statements in preparation of financial statements and that the accounting estimates are based on reasonable and prudent judgment. Bank records financial transaction on accrual basis with required disclosures and also prepares the financial statements accordingly.

### c. Follow up of IAS & IFRS in Preparation of Financial Statements

International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as applicable in Bangladesh, have been followed in preparation of financial statements. However, in case the requirement of provisions and Circulars issued by Bangladesh Bank differs with those of other regulatory authorities and accounting standards, the provisions and Circulars issued by Bangladesh Bank shall prevail. As such the Group and the Bank has departed from certain requirements of IFRS in order to comply with the rules and regulations of Bangladesh Bank which are disclosed in notes to the financial statements.

### d. Adequate information relating to Financial Transparency and Disclosures

The bank has an approved disclosure policy to observe the disclosure requirements set out by the Bangladesh Bank and International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

## INTERNAL CONTROL & COMPLIANCE

Internal control systems of the Bank have been designed to ascertain a well-defined management structure with clear authorities and delegation of responsibilities, documentation procedures and authority levels, to ensure that all material risks properly be addressed and controlled. The control methods of the bank are being implemented under active supervision of the Board of Directors and its constituted committees; Executive Committee, Audit Committee and Risk Management Committee. Moreover, the Senior Management Team of the Bank keeps constant involvement to risk management.

Audit Committee of the Board of Directors of Jamuna Bank carries out its responsibilities extensively and has established an Audit Committee of the Board for sustaining sound, adequate and effective internal control systems to safeguard the asset of the bank and interest of the shareholders. The Audit Committee is a committee of the Board of Directors is responsible to review the integrity of the financial statements of the Bank and formal

announcements relating to the Bank's performance, to monitor and review the effectiveness of the company's internal audit function etc.

The Risk Management Committee of the Board of Directors is monitoring risk management policies & process to ensure effective prevention and control measures; ensuring compliance of Bangladesh Bank instructions regarding implementation of core risk management; ensuring formulation and review of risk appetite, limits and recommending these to Board of Directors for their review and approval;

The Internal Control & Compliance Division of the Bank contributes to make the job of the above committee more effective and successful. This Division independently verifies that all the branches/divisions are conducting their business in compliance with all approved risk management and internal control policies. If deviations are found, they are reported and got corrected to mitigate risk on a continuous basis. Thus, the division ensures the Board that the Bank is operating in compliance with all approved and established policies.

## STATEMENT OF DIRECTOR'S REGARDING SYSTEM OF INTERNAL CONTROL

The Directors confirm that the Board through its committees has reviewed the effectiveness of the bank's systems of internal control for the year ended 31 December 2022. The Board through the Audit Committee supervised the policies and various parts of business to ensure an effective internal control system. The Board is satisfied that, during the year under review, the system of internal control has instituted is sound and effective. Notwithstanding this, the Board is vigilant and continues to review the effectiveness and adequacy of the systems of internal control, in view of the dynamic and changing business environment, so as to safeguard the Bank's assets and stakeholder's interest. **Related statements have been presented in Corporate Governance Section of this Report.**

## STATEMENT REGARDING MINORITY SHAREHOLDERS

Jamuna Bank ensures equal treatment to all shareholders. The Bank does not discriminate between minority and majority shareholders. It is mentioned that the most important protection afforded to minority shareholders comes in the form of a statutory remedy in section 233 of the Companies Act, 1994 of Bangladesh. In order to be eligible to file a petition under the section, the minority shareholder(s) must hold a minimum of ten percent of the issued shares in the case of a company having a share



capital. To ensure equal treatment to all shareholders, the bank created various mechanisms, such as:

- minority shareholders are dealing with candor, honesty, good faith, loyalty, and fairness
- Minority shareholders have the right to benefit from such events as receiving dividends and selling shares for profit.
- *Access to Company Financial Records:* According to section 191 of the Companies Act, 1994, A copy of every balance sheet, including the profit and loss account, the auditors report or the income and expenditure account and every other document required by law to be annexed or attached to the balance sheet which is to be laid before a company in general meeting shall, not less than fourteen days before the date of the meeting, be sent free of charge, to every member of the company.
- Jamuna Bank is always concern regarding the above issue and making available Annual Report to the shareholders of the Bank and the same also uploaded in the website of the Bank.
- Timeliness in the resolution of investors' complaints.
- Friendliness with all investors and all investor segments.
- To make effective communication to the shareholders and other stakeholders of the bank, the Share Division under the Board Secretariat is playing a vital role. They are providing various services to the shareholders and other stakeholders of the bank i.e. to allow or rejection transfer or transmission of shares, Share transfer/ Buy/Sell/Gift of Shares for the Sponsors/Directors as per prevailing rules/regulations, allotment of shares issued from time to time, issuance of duplicate certificates, payment of dividend, De-materialization/ Re-materialization of shares, Distribution of Annual Report, issue and dispatch of MICR Dividend/ Fractional Dividend Warrants, To issue Shareholding Certificate to the Directors/ Shareholders, to allow or rejection Pledge/Un-pledge/Confiscation of shares.

- As per provision of regulation 44(2) (i) of the Dhaka and Chittagong Stock Exchange (Listing) Regulation, we have published the Contact number (Fax, e-mail & telephone) of the officials of Investors' Relation Department of our Bank through which the honorable shareholders and other stakeholders can communicate with us.

## GOING CONCERN

The going concern principle is the assumption that an entity will remain in business for the foreseeable future. Conversely, this means the entity will not be forced to halt operations and liquidate its assets in the near term at what may be very low fire-sale prices. The purpose of this going concern statement is to bring together the requirements of Company law, accounting standards and Listing Rules on going concern.

After reviewing the company's present and following potential business growth, it is observed that the company has adequate resources to continue to operate in the foreseeable future and No significant doubts upon the Bank's ability to continue as a going concern.

### Positive key financial ratios:

The Company's financial ratios indicate sound financial strength and prospects and are evident from financial highlights stated at 'Information for the stakeholders' chapter of this Annual Report.

### Consistent payment of dividends:

Jamuna Bank has been paying dividend consistently to its shareholders over the years. Moreover, Board of Directors in its 422nd meeting held on April 27, 2023 has recommended Cash dividend @17.50% and Stock dividend 8.50% subject to the approval of the shareholders at the next Annual General Meeting. History of our dividend payment for the last six years is as follows:

Year	Dividend Payout (%)
2017	22% Stock
2018	20% Cash
2019	15% Cash
2020	17.50% Cash
2021	17.50% Cash
2022	17.50% Cash & 8.50% Stock

Besides, we have annexed herewith (please see Annexure-III) our Dividend Distribution Policy in compliance with Bangladesh Securities & Exchange commission (BSEC) directive no BSEC/CMRRCD/2021-386/03 dated 14 January 2021.

**Credibility in payment of obligations:**

Jamuna Bank has strong credibility in terms of payment of its obligations to lenders. The Company is particular in fulfilling the terms of loan agreements and has never defaulted, even in terms of convenience.

**Increasing trend in Investment portfolio:**

Bank's Loans & Advance have increased by 3.24% (solo) and Investment portfolio have increased by 12.89%(solo) in 2022 as compared with 2021.

**Operating indications****Strengthening of Human Capital:**

Despite the pandemic, the Company has recruited 550 new employees during the year 2022, which resulted in a net increase in human resource count to 3782 at the end of the year 2022, in comparison to 3346 at the end of the year 2021.

**Business expansion**

Jamuna Bank, in 2022, has been vested in growth through Corporate business and market diversification through channeling resources towards developing Retail segment and smaller loan products for SME segment.

**Employee satisfaction:**

There exists a healthy corporate environment in the Company. This is reflected in our discussion on Human Capital at Management Discussion and Analysis chapter.

**APPROPRIATION OF PROFIT AND DIVIDEND RECOMMENDATION**

Thanking into account the profit available for distribution after complying with regulatory requirement, the Board in its 422nd meeting held on April 27, 2023 recommended Cash dividend @17.50% and Stock dividend 8.50% for the year ended on December 31, 2022 which is subject to approval of shareholders in the ensuing Annual General Meeting scheduled to be held on June 21, 2023. Proposed appropriation are as follows:

(in million BDT)

Particulars	2022	2021
Net profit after tax for the year	1,241.23	2,476.88
Retained earnings at the beginning	3,296.59	2,407.53
Transfer from General Reserve	-	-
Profit available for appropriation	4,537.82	4,884.41
Transferred to statutory reserve	-	225.20
Transferred to Start Up Fund for the year	15.81	51.47
Proposed cash dividend for the year 2022	1,311.145	1311.14
Proposed stock dividend for the year 2022	636.84	-
Retained earnings	2,574.03	3,296.59

**INTERIM DIVIDEND:**

No cash or bonus share dividend was declared as interim dividend during 2022.

## PATTERN OF SHAREHOLDING/OWNERSHIP COMPOSITION:

As on 31st December 2022 the Sponsor and Directors of Jamuna Bank Ltd. held 46.29% of total shares whereas Financial Institutions, Foreign Investors and General Public held 6.49%, 0.49% and 46.73% respectively.

Sl. No	Particulars	31-12-2022		31-12-2021	
		No of Shares Held	% of total Shares	No of Shares Held	% of total Shares
1	Directors & Sponsors	346,806,289	46.29%	363,749,671	48.55%
2	Financial Institutions	48,622,461	6.49%	58,860,433	7.86%
3	Foreign Investors	3,692,143	0.49%	4,295,823	0.57%
4	General Public	350,104,757	46.73%	322,319,723	43.02%
	<b>Total</b>	<b>749,225,650</b>	<b>100.00%</b>	<b>749,225,650</b>	<b>100.00%</b>

### A. Share held by Parent/Subsidiary/Associated Companies and other related parties (name wise details);

Name of the Parent/Subsidiary/Associated	Status	Shareholding
Jamuna Bank Capital Management Limited	Subsidiary	Nil
Jamuna Bank Securities Ltd.	Subsidiary	Nil

### B. Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children;

Sl. No.	Name of the Directors	Status as on 31.12.2022	Share holding position as on 31.12.2022	% of Total Share
1	Al-Haj Nur Mohammed	Chairman	22,140,168	2.9551%
2	Engr. A. K. M. Mosharraf Hussain	Director	14,984,509	2.0000%
3	Engr. Md. Atiqur Rahman	Director	28,939,069	3.8625%
4	Mr. Gazi Golam Ashria	Director	14,984,616	2.0000%
5	Mr. Fazlur Rahman	Director	14,985,428	2.0001%
6	Mr. Md. Saidul Islam	Director	14,985,000	2.0001%
7	Mr. Robin Razon Sakhawat	Director	15,006,908	2.0030%
8	Mr. Redwan-ul Karim Ansari	Director	16,337,038	2.1805%
9	Mr. Md. Belal Hossain	Director	15,235,979	2.0336%
10	Mr. Md. Mahmudul Hoque	Director	14,990,452	2.0008%
11	Mr. Shaheen Mahmud	Director	37,446,054	4.9980%
12	Mr. Md. Sirajul Islam Varosha	Director	14,984,838	2.0000%
13	Mr. Kanutosh Majumder	Director	15,493,336	2.0679%
14	Mr. Md. Ismail Hossain Siraji	Director	14,984,928	2.0001%
15	Mr. Gazi Golam Murtoza	Director	19,104,452	2.5499%
16	Mr. Md. Hasan	Director	37,461,211	5.0000%
17	Mr. Md. Abdur Rahman Sarker	Independent Director	-	-
18	Mr. Md. Humayun Kabir Khan	Independent Director	-	-
19	Mr. Md. Abdul Jabber Chowdhury	Independent Director	-	-
20	Mr. M. Murshidul Huq Khan	Independent Director	-	-
21	Mr. Mirza Elias Uddin Ahmed	Managing Director	-	-
22	Mr. Mohammed Aminul Islam Mintu FCCA, ACA & Spouse	Head of ICC	-	-
23	Mr. M.A.Rouf & Spouse	Company Secretary	-	-
24	Mr. Uttam Kumar Saha FCA FCS & Spouse	Chief Financial Officer	-	-

**C. Executives (“executive” means top 5 (five) salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit.)**

Sl. No.	Name of the Executives	Designation	Shares Held as on 31 Dec 2022
1	Mr. Md. Abdus Salam	Additional Managing Director	-
2	Mr. Noor Mohammed	Deputy Managing Director	-
3	Mr. A. K. M. Atiqur Rahman	Deputy Managing Director	-
4	Mr. Md. Mukhlesur Rahman	SEVP & Head of Credit Administration Division	-
5	Md. Shahidul Islam	SEVP & Head of Corporate Banking Division	-
6	Mr. Mohammed Aminul Islam Mintu FCCA, ACA	SEVP & Head of Internal Control & Compliance Division	-

**D. Shareholders holding ten percent (10%) or more voting interest in the company : or shareholding information in compliance to the condition No. 4 of the Commission’s Notification No. BSEC/CMRRCD/2009-193/10/Admin/118 dated 22 March 2021.**

As per information stipulated in (B) under the head of pattern of shareholding/ownership composition, no director/ sponsor or any shareholders of the Bank holds 10% or more shares of our bank as per record available to our end. Besides the provision of section 14kha of the Banking Companies Act, 1991 (amended upto 2018) does not permit to a person/ company/institution to hold shares more than 5% (substantial shareholder) of a Bank Company without approval of the Bangladesh Bank.

#### **DIRECTORS’ SHAREHOLDING STATUS:**

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

**MANAGEMENT’S DISCUSSION AND ANALYSIS:** Please see the Management’s Discussion and Analysis chapter which is signed by MD & CEO of the Bank presenting detailed analysis of the company’s position and operations along with a brief discussion of changes in the financial statements.

#### **UNCLAIMED DIVIDEND**

Unclaimed dividend account is the residual amount of declared dividend for the income years 2005 to 2022 which has not yet been paid to or claimed by the shareholders. The bank has been maintaining year-wise separate bank accounts for unclaimed dividends of BDT 80.94 million (as of 31-12-2022) (Cash dividend along with sale proceed of fractional Stock dividend).

We are maintaining detailed information of unpaid or unclaimed cash dividend and rationale thereof, as per BO account of the shareholders and disclosed the summary of aforesaid information in the notes to the statements of financial position as a separate line. We have also published the year-wise summary of its unpaid or unclaimed cash dividend in our website.

We sought recommendation from Bangladesh Bank, primary regulator for the banking sector, as regard to transfer the unclaimed cash dividend pursuant to the Directive No. BSEC/CMRRC-D/2021-386/03, dated 14 January 2021 and the Bangladesh Securities and Exchange Commission (Capital Market Stabilization Fund) Rules, 2021. Bangladesh Bank vide their letter no. DOS(RMMCMS)/1154/2/2022-384 dated 25.01.22 instructed us to follow the provision of section 35(2) of Bank Companies Act, 1991 (amended upto 2018) in this regard.

#### **EXTERNAL AUDITOR**

M/s. Shafiq Basak & Co., Chartered Accountants has been appointed as External Auditor for the 1st time in the 21st Annual General Meeting of the shareholders and they are eligible for re-appointment as External Auditor of the Bank.

In this regard, the Board recommended to the shareholders of the Bank in the ensuing Annual General Meeting (AGM) for their approval to appoint M/s. Shafiq Basak & Co., Chartered Accountants of Shatabdi Centre (6th & 8th Floor), 292, Inner Circular Road, Fakirapool, Motijheel, Dhaka -1000 for appointment as external auditor for the year 2023 i.e. until next AGM of the Bank subject to obtaining No Objection from Bangladesh Bank.

#### **Services not involved by External Auditor**

As per instruction of Corporate Governance Guidelines of BSEC, the statutory auditor is not involved in the following services of the Bank:

- Appraisal or valuation services or fairness opinions.
- Financial information systems design and implementation.
- Book-keeping or other services related to the accounting records or financial statements.
- Broker-dealer services.
- Actuarial services.
- Internal audit services or special audit services;
- Any other service that the Audit Committee determines.
- Audit or certification services on compliance of corporate governance as required by Corporate Governance Code.
- Any other service that creates conflict of interest.
- No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.

#### **CORPORATE GOVERNANCE COMPLIANCE AUDITOR**

Pursuant to the compliance with the Corporate Governance Code BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued by Bangladesh Securities Exchange Commission (BSEC), each company shall obtain a certificate from a practicing professional Accountant/Secretary regarding compliance of conditions of Corporate Governance Code of the Commission and shall disclose the same to same in the Annual Report on yearly basis. M/s. Mahfel Huq & Co., Chartered Accountants appointed as Corporate Governance Compliance Auditor of the Bank in the 21st Annual General Meeting by the shareholders for the year 2022.

Besides, as per Corporate Governance Code of BSEC, the professional who will provide the certificate on compliance of Corporate Governance Code shall be appointed by the shareholders in the Annual General Meeting. Upon analysis, the Board of the Directors of the Bank has recommended to appoint M/s. Mahfel Huq

& Co., Chartered Accountants of BGIC Tower (4th Floor), 34 Topkhana Road, Dhaka as Corporate Governance Compliance Auditor of the Bank for the year 2023.

#### **INDEPENDENT SCRUTINIZER**

As per the directive of Bangladesh Securities and Exchange Commission (BSEC) vide no. BSEC/CMRRCD/2009-193/08; dated 10 March 2021, clause (9), an independent scrutinizer is required to appoint for observing the due diligence and AGM process, election procedure and detailed information of voting results shall be authenticated by the concerned stock exchange(s) by an independent scrutinizer as appointed by the issuer company and such authenticated report shall be submitted to the commission within 48 hours of conclusion of the general meeting.

Consequently, various firms have expressed their interest to become an Independent Scrutinizer for the ensuing 22nd Annual General Meeting. Among those firms the competent authority of the Bank appointed **ahamed shamim & co.**, House-1/B, Flat-1A, Road-8, Block-I, Banani, Dhaka-1213 as Independent Scrutinizer in compliance with the aforesaid directives.

#### **CORPORATE SOCIAL RESPONSIBILITIES**

As one of the leading Bank, we acknowledge our responsibilities towards the society as a whole in which we live. Jamuna Bank has been playing pioneer role in the CSR activities since its inception through Jamuna Bank Foundation. Jamuna Bank Foundation conducts multidimensional CSR activities regularly. Its activities encompass wide area e.g. Education, Pro-Poor healthcare, environmental friendly green product, alternative energy use, capacity building, helping destitute, against drug abuse, improving ethical and religious values, preserving national heritage, helping to overcome natural disaster and calamities, humanitarian services, improving the standard of living by creating job opportunities to the destitute, eradicate extreme poverty and hunger. In recognition, UK-based **“The Global Economics”** awarded Jamuna Bank Ltd. with the **“Best CSR Bank”** award for 02 (two) consecutive times 2021 & 2022. **“The Global Economics”** also awarded **Al-Haj Nur Mohammed**, the Chairman of Jamuna Bank Foundation as **“Best CSR Personality”** for his outstanding contributions towards Corporate Social Responsibility (CSR) for the year 2022.

We are continuously contributing to the welfare of society. The Board of Directors of the Bank made provision for Jamuna Bank Foundation at 5.00% of pre-tax profit of Jamuna Bank Limited amounting to Tk.172.58 million for the cause of development of destitute/underprivileged segment of the society and for the socio-economic

development of the country, whereas Jamuna Bank Foundation made CSR expenditure BDT 340.20 million during the year 2022. We are confident that we are all positioned and prepared to deliver against our responsibilities in the short, medium, and long term. A separate report on the CSR activities of the Bank has been presented in our Corporate Social Responsibilities chapter.

#### **CORPORATE GOVERNANCE COMPLIANCE STATEMENT**

Jamuna Bank Ltd. believes that enriched corporate governance contributes to the long-term success of a company and creates trust and engagement between the company and its stakeholders. Accordingly, the Board of Directors and Management are committed to continuously striving for the highest standards in governance to ensure that the business and its affairs are in strict adherence to the doctrine and principles of sound governance such as integrity, transparency, accountability and responsible business conduct to safeguard the interests of its shareholders and stakeholders.

As part of its corporate policy, Jamuna Bank always strives to maximize its shareholders' value and benefit. In doing so, the Bank is committed to maintaining high standards of Corporate Governance. The Company's Corporate Governance framework is directed towards achieving its business objectives in a manner that is responsible and in accordance with its high standards of honesty, reliability, transparency and accountability. The essential elements that define effective corporate governance in the Company are outlined in the Corporate Governance Statement which is appended in this Annual Report.

Besides, we have the pleasure to confirm that the Company has, complied with all the necessary guidelines under BSEC Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018. The Compliance Report along with the necessary remarks and disclosures is appended in this Annual Report for the year 2022. Further, a Certificate of Compliance required under the said Guidelines, as provided by Mahfel Huq & Co., Chartered Accountants, is also annexed to this report.

## CONTRIBUTION TO NATIONAL EXCHEQUER & ECONOMY

Jamuna Bank has transformed itself into one of the strongest and best-run financial institutions of Bangladesh, leading the financial services sector with responsibility and agility. Over the years, the bank has ensured substantive contribution to the national economy, reflected in collecting Government revenues and depositing the same to the state purse, as per the laws. The bank also deducts tax, VAT and excise duty at the time of making payments for goods and services. Besides these, the bank also pays income tax.

Jamuna Bank's national exchequer contribution over the past five years:  
(Figure in BDT million)

Year	Direct Tax		Indirect Tax		Total
	Withholding	Corporate	VAT	Excise Duty	
2018	2,107.51	1,317.35	250.51	284.18	3,957.55
2019	2,139.74	2,167.40	273.48	340.26	4,920.87
2020	1,839.50	1,677.57	282.35	333.63	4,133.04
2021	2,217.80	1,559.75	302.18	409.45	4,489.17
2022	2,854.44	1,605.40	350.82	423.36	5,234.02

### Supporting jobs creation

During 2022, we onboarded 550 employees, bringing the total headcount to 3782. The bank expended BDT 4,406.06 million as salaries and allowances and BDT 4.42 million in training in 2022. Further, we continued to prioritise lending to Corporate, SME and Agricultural sector, thereby helping accelerate both direct and indirect jobs creation. The bank also supports the livelihood of people who are indirectly dependent on it, including suppliers, vendors, contractors and other business partners.

### Supporting Community

Jamuna Bank has been playing pioneer role in the CSR activities since its inception through Jamuna Bank Foundation. Jamuna Bank Foundation conducts multidimensional CSR activities regularly. Its activities encompass wide area e.g.

#### Education

- Scholarship for the (a) unprivileged & disabled but meritorious students & (b) GPA-5 Scholarship among the Offspring of employees of Jamuna Bank Limited.
- Establishment of Jamuna Foundation Nursing College at Dhanmondi, Dhaka.
- Establishment of Jamuna Bank Institute of Information, Communication & Technology.
- Established 12 nos. Computer training center for young people and students..
- Free Primary School for the slum dwellers at Rayerbazar, Dhaka
- Established 157 nos. Old aged Holy Quaran Teaching Center (For male & Female)
- Established 13 nos. sewing training Center for female.
- Primary School for the slum dwellers
- Jamuna Bank DP Primary School. etc.

#### Healthcare

- Free Medical Camps across the country.
- Free Medical Service Centre at Bishwa Ijtema, Tongi.
- Free Mobile Medical Service to the slum area/street people of Dhaka city.
- Established 3 nos. Kidney Dialysis Centers.
- Country- wide Plastic Surgery Camp (Cleft Lip/Cleft Palate Operation and Burned patients).
- Established modern Dental Clinic at Mohammadpur, Dhaka.



- Established modern Eye Hospital/unit at Mohammadpur, Dhaka.
- Established Jamuna Bank Foundation Diagnostic Center in Mohammadpur, Dhaka.
- Voluntary Blood Donation Program.

#### Environment and Climate change mitigation & adaptation sector

- Tree plantation program.
- Deep Tube-well installation at Changerchor, Motlab, Chandpur.
- Jamuna Bank Solar Village established at Kishoregonj District.
- A model village (Adarsha Gram) established at Singpara village under Thakurgaon district.

#### Disaster Management

- Relief distribution for disaster affected people
- Regular donation to the honorable Prime Minister's Relief Fund
- Regular Blankets donation to the honorable Prime Minister's Relief Fund.
- Regular Blankets distribution among the winter affected people. We also arranged whole night blanket distribution program for the people of Dhaka city who were passing night at footpath during the last winter season.

The construction work of the 2 storey (10 storey) building of Jamuna Bank Old Home at Mekail Nagar, Keraniganj has been completed and is awaiting formal inauguration. A local businessman Al-Haj Zulhash donated 10 bighas of land for the establishment of this Old home. Also, we are implementing many other CSR activities for the welfare of the community.

### ACKNOWLEDGEMENTS

The achievement of the year is more than a tribute to the customers of the Bank and its numerous stakeholders'. And with that conviction at the background, the Board of Directors firmly believes that Jamuna Bank has the necessary strengths, resources and commitments to further propel the Company to newer heights. The Members of the Board would like to place on record their high appreciation to the valued Shareholders and all other Stakeholders of the bank for their persistent support and guidance. The Board would also like to thank each and every customer for their continued support and banking with us. The Board also recognizes that its journey and accomplishments during the year was possible because of the cooperation, positive support and guidance that it had received from the Government of Bangladesh, particularly the Bangladesh Bank, Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange, Chittagong Stock Exchange, Registrar of Joint Stock Companies and Firms, National Board of Revenue and other numerous stakeholders. The Board would also like to appreciate the support from vendors, the Press & Media, business partners and all of our employees. Accordingly, the Board offers its utmost gratitude to them.

We also extend our warmest thanks to the management and employees for being the essential part of Jamuna Bank during the year. It was their unrelenting commitment, dedication and diligence throughout the year that led to the Company achieving the results in 2022.

#### On behalf of the Board of Directors



**Md. Saïdul Islam**

Chairman of the Board of Directors





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# Corporate Governance Report

Our Corporate governance framework is rigorously aligned with its well-articulated vision, mission, goals and objectives. The Bank's Board of Directors are responsible for proper governance, which includes setting out the Company's strategic aims, providing the necessary leadership to implement such aims, supervising the management of the business and reporting to shareholders on their stewardship

# Directors' Responsibility Statement

In compliance with Bangladesh Bank BRPD Circular No. 11, dated 27 October 2013, and BSEC Corporate Governance Code, dated 3 June 2018, the key responsibilities of the Board of Jamuna Bank Limited are furnished below:

## Work planning and strategic management

Jamuna Bank's Board is responsible for shaping the objectives and goals of the Bank, while also ensuring that performance is achieved within the framework of our values and expected behaviours. Towards this extent, the Board formulates strategies and operating guidelines on an annual basis to achieve the desired outcomes. The Board also works towards:

- Aligning the bank's strategies with target objectives and outcomes
- Implementing key changes to bring forward appropriate structural amendments
- Ensuring enhancement of institutional efficiencies for improved future preparedness
- Engaging across other applicable policy matters
- Evaluating and monitoring implementation of the Bank's workflow on a quarterly basis

As part of its disclosure and reporting responsibilities, the Board offers an analytical dashboard review of the operating environment and the performance of the business in the context of the operating environment, which is narrated in the Annual Report. It also articulates practicable plans to achieve business and other performance targets, thus highlighting the Bank's ability to create value in the short-, medium and long-term. Through the Annual Report, the Board also familiarizes shareholders on its strategic future plans and initiatives, especially from the point of view of expressing sustainment of shareholder and stakeholder value and establishing the Bank's position as a going concern.

Further, as part of its resource management/ engagement responsibilities, the Board has established key performance indicators (KPIs) for the Managing Director & CEO and other officers two tiers below the Managing Director & CEO, and also engages in the evaluation of their performance from time-to-time.

## Credit risk and risk governance

Credit risk is a key risk facing a financial institution, and

controlling this risk is an important mandate of the Board's executive responsibilities. Policies, strategies, procedures, etc., in respect of evaluation of loan/investment proposals, sanctions, disbursements, recovery measures, payment rescheduling and write-offs are initiated with the Board's approval under the ambit of existing laws, rules and regulations.

The Board gives the authority of loan/investment sanction to the Managing Director & CEO and executives under him. Importantly, no Director interferes directly or indirectly, explicitly or tacitly, with the loan approval process, recusing themselves in the event of any apparent or perceived conflict of interest.

The Board also frames policies for enabling effective risk control, monitoring compliance with the risk framework on a regular basis and also retuning this framework as per the evolving business environment. The Board also engages in the review of the risk compliance report on a quarterly basis, and discussions and conclusions of the Board are incorporated in the minutes of the Board meeting for future reference. The Board also monitors compliance with guidelines of Bangladesh Bank with regards to risk management.

Put together, these activities ensure solidity and reliability in the Bank's risk management process, enabling it to safeguard its operations and secure its credibility/reputation.

## Internal control management

The Board remains watchful on the internal control systems of the Bank in order to sustain satisfactory standards across its loan/investment portfolio. Notably, the Board's assurance on effective internal control systems is endorsed by internal audit. The Board also reviews reports submitted by its Audit Committee on a quarterly basis, ensuring compliance with recommendations made in internal and external audit reports and also with Bangladesh Bank's inspection reports.

Further, human resource management and development policies relating to recruitment, promotion, transfer, disciplinary and punitive action, training and up-skilling, etc., and even terms of employment, are framed and

approved by the Board. The Chairman or any of the Directors do not involve or interfere with or exert influence over any administrative affair with regards to human resources. Further, no member of the Board is included in the selection committee/s for staff recruitment or promotion, thereby demarcating the executive responsibilities of the Board with the operational responsibilities of the management.

Recruitment, promotions, transfers and penal actions of officials two tiers below the MD & CEO however rests with the Board. It is ensured that all recruitments and promotions are conducted in compliance with the Bank's service rules, including policies for recruitment and promotion.

The Board embraces a proactive role in skills development, specifically focusing on building human resource capacity in strategic planning, credit underwriting, customer service, digital skills and loan recovery, emphasizing on alignment with the bank's values and ethics in all activities. The Board also engages in holistic 360-degree appraisal, thus ensuring attainment of goals and objectives and also how the performance was achieved.

Overall, the Board sets a leadership tone for ensuring appropriate business conduct and adherence to ethics, while also confirming compliance. This approach has ensured that compliance remains as a critical part of the bank's culture and operations.

### Financial management

The annual budget and statutory financial statements are finalized with the approval of the Board. The Board engages in a comprehensive quarterly review of the bank's position with respect to its income, expenditure, liquidity, non-performing assets, capital adequacy, loan loss provisions and steps taken for loan recovery of default accounts, including legal measures.

The Board also frames policies and procedures for the bank's procurement activities and has deputed empowered teams with decentralised responsibilities for taking decisions with regards to effecting key procurement activities. The maximum possible delegation of responsibility for expenditure rests with the MD & CEO

and his team. Decisions on matters relating to the bank's infrastructure development, including acquisition of land, buildings, vehicles, etc., for the purpose of advancing business activity are adopted with the approval of the Board. Further, the Board also reviews the performance of the bank's Asset-Liability Committee (ALCO), as per Bangladesh Bank guidelines.

### Appointment of Managing Director & CEO

In order to strengthen the foundations of the bank and bolster stakeholder confidence in the bank's position as a sustainable enterprise, one of the major responsibilities of the Board is to appoint a Managing Director & CEO, aligned with the bank's explicit policy on such an appointment. Further, this appointment is made with the accord of Bangladesh Bank.

The Directors are responsible for the overall governance and administration of the bank and, in satisfying this responsibility, the Directors confirm to the best of their knowledge and belief that:

- a. The financial statements prepared by the bank's management present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- b. Proper books of accounts of the bank have been maintained
- c. Appropriate accounting policies have been consistently applied in the preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment
- d. The international financial reporting standards (IFRS), as applicable in Bangladesh, have been followed in the preparation of the financial statements, and any departure there from has been adequately disclosed
- e. The system of internal control is sound in design and has been effectively implemented and monitored
- f. There is no doubt whatsoever on the bank's ability to continue as a going concern

On behalf of the Board of Directors



**Md. Saidul Islam**

Chairman

# Report of the Audit Committee of the Board



**Mr. Md. Abdur Rahman Sarker**  
Chairman, Audit Committee

Audit Committee (the 'Committee') is one of the committees of the Board of Directors (the 'Board') of Jamuna Bank Limited. The purpose of the committee is to assist the Board in fulfilling its oversight responsibilities relating to (i) the integrity of the Bank's financial statements and internal control systems (including the implementation and effectiveness of internal control over financial reporting); (ii) the performance of the internal audit function; (iii) the annual independent audit of the Bank's financial statements, engagement of independent auditors and evaluation of the independent auditor's qualifications, independence and performance; (iv) the compliance by the Bank with regards to legal and regulatory requirements; (v) the implementation and effectiveness of the Bank's disclosure controls and procedures; (vi) the evaluation of

enterprise risk issues and (vii) the fulfillment of the other responsibilities set out by the regulators and the Board.

#### Composition & Qualification:

The present Audit Committee of the Board is comprised of five Members of the Board of Directors including two Independent Directors having one Independent Director as Chairman in accordance with the Notification on Corporate Governance Code issued by Bangladesh Securities and Exchange Commission (BSEC) on 3 June 2018 (Notification No. BSEC/CMRRCD/2006-158/207/Admin/80) and Bangladesh Bank BRPD Circular No. 11 dated 27 October 2013. The present Audit Committee was reconstituted by the Board in its 403<sup>rd</sup> meeting held on 10.06.2022 consisting of the following members:

Sl. No.	Name	Status in the Board	Status in the Committee	Education qualification
1.	Mr. Md. Abdur Rahman Sarker	Independent Director	Chairman	M. A in Economics from Rajshahi University
2.	Mr. Gazi Golam Ashria	Director	Member	He completed his graduation in Economics from Saskatchewan, Canada.
3.	Mr. Robin Razon Sakhawat	Director	Member	Bachelor's degree in Financial Engineering from Goethe University Frankfurt
4.	Mr. Md. Ismail Hossain Siraji	Director	Member	B.Com
5.	Mr. Md. Abdul Jabber Chowdhury	Independent Director	Member	Post-graduation degree from Chittagong University.

of the Audit Committee. The Head of Audit, although being a part of Internal Control & Compliance administratively, reports directly to the Chairman, Audit Committee of the Board (ACB) and will be responsible to the ACB. The Head of Internal Control & Compliance (ICC) of the Bank concurrently reports to the Chairman, Board Audit Committee and the Managing Director of the Bank.

### Meeting of the Audit Committee

In compliance with the instructions of the Bangladesh Bank Circular & Corporate Governance Code of BSEC, the Audit Committee held 8 (eight) meetings in 2022. The

Committee had detailed discussions and review sessions with the Head of Internal Control & Compliance, Head of Audit and the external Auditors, with regard to Audit findings, observations and remedial actions. All decisions/ observations of the committee are being noted in the minutes and the Board of Directors of Bank ratified the minutes of the Audit Committee in their meeting held during the year 2022. The committee invites Managing Director & CEO, The Chief Financial Officer or any other officer to its meeting, if it deems necessary. Date of the meetings of the Audit Committee was as follows:

Sl. No.	Meeting No.	Date of Meeting
1	197 Audit Committee Meeting	27 January, 2022
2	198 Audit Committee Meeting	28 February, 2022
3	199 Audit Committee Meeting	30 March, 2022
4	200 Audit Committee Meeting	11 May, 2022
5	201 Audit Committee Meeting	28 July, 2022
6	202 Audit Committee Meeting	17 August, 2022
7	203 Audit Committee Meeting	28 September, 2022
8	204 Audit Committee Meeting	25 October, 2022

### The major objectives of the Audit Committee are:

- To assist the Board of Directors with regard to the auditing of financial reports, internal controls and internal audits, and selecting and working in co-ordination with the Bank's external Auditors. The Audit Committee assists the Board in fulfilling its oversight responsibilities. The committee reviews the financial reporting process, the system of internal control and management of financial risks, the audit process, and the bank's process for monitoring compliance with laws and regulations and its own code of business conduct.

- Considers reports relating to fraud, forgery, deficiencies in internal control or other similar issues detected by the internal and the external auditors and inspectors of the regulatory authority and places it before the board after reviewing whether necessary corrective measures have been taken by the management.

### Roles and Responsibilities of the Audit Committee:

#### (A) Internal Control:

- Evaluates whether management is setting the appropriate compliance culture by communicating the importance of internal control and the management of risk and ensuring that all employees have clear understanding of their roles and responsibilities;
- Reviews management's actions in building computerization of the bank and its applications and bank's Management Information System (MIS);
- Considers whether internal control strategies recommended by the internal and the external auditors have been implemented by the management;

#### (B) Financial Reporting:

- Audit committee checks whether the financial statements reflect the complete and concrete information and determines whether the statements are prepared according to existing rules & regulations and standards enforced in the country and as per relevant prescribed accounting standards set by Bangladesh Bank, Bangladesh Accounting Standards, etc.
- Discusses with management and the external auditors to review the financial statements before its finalization.

#### (C) Internal Audit:

- Audit committee monitors whether internal audit is working independently from the management.
- Reviews the activities of the internal audit and the organizational structure and ensures that no unjustified restriction or limitation hinders the

- internal audit process;
- Examines the efficiency and effectiveness of internal audit function;
- Examines whether the findings and recommendations made by the internal auditors are duly considered by the management or not.

#### (D) External Audit:

- Make recommendations to the Board, to be put to shareholders for approval in the AGM, in relation to appointment, re-appointment and removal of the bank's external auditors.
- Oversee the relationship with the external auditors including:
  - Approval of their remuneration, i.e. fees for audit or non-audit services.
  - Assessing annually their independence and objectivity taking into account relevant professional and regulatory requirements.
  - Satisfying itself that there are no relationships (such as family, employment, investment, financial or business) between the auditor and the bank (other than in the ordinary course of business).
  - Review the findings and recommendations made by the external auditors for removal of irregularities, if any, detected are duly acted upon by the management.

#### (E) Compliance with existing Laws and Regulations:

Reviews whether the laws and regulations framed by the regulatory authorities (central bank and other bodies) and internal regulations approved by the board are being complied with.

#### (F) Other Responsibilities:

- Submits compliance report to the board on quarterly basis on regularization of the omission, fraud & forgeries and other irregularities detected by the internal and the external auditors and inspectors of regulatory authorities;
- Asks the Internal and the External auditors to submit their related assessment reports for review purpose
- Performs other oversight functions as desired by the Board of Directors and evaluates the committee's own performance on a regular basis.

#### Reporting to the Board:

The Audit Committee report immediately to the Board of Directors in case of any of the following findings are observed:

- Report on conflict of interests;
- Suspected or presumed fraud or irregularity or

- material defect in the Bank's internal control system;
- Suspected infringement of laws, including securities related laws, rules and regulations;
- Any other matter which shall be disclosed to Board immediately.

#### Areas focused by the AC in 2022:

The major areas focused by the audit committee of the Bank during the year 2022 are mentioned below:

- Audit Plan for the year 2022 for conducting Internal Comprehensive Audit & Inspection on all Branches and Divisions of Head Office.
- Audit and Inspection reports on the branches, divisions and departments of the Corporate Office prepared by the Internal Control and Compliance Division (ICCD) of the Bank.
- Reviewed the Quarterly, Half-yearly and Annual Financial Statements of the Bank itself and consolidated financial statements as well as disclosures of information supplementary to the financial statements and issues noted from the audit of financial statements made by the external auditors. Furthermore, the Audit Committee held meeting(s) with the external auditors to discuss the independence of the auditors and restrictions or limitations in performing their duties and expressing opinions.
- Reviewed the Bangladesh Bank comprehensive inspection report and the recommendations.
- Reviewed of the latest Implementation status on documentation of disbursed Loans & Advances against new/enhanced credit facilities of the Branches of the Bank.
- Actions taken by the management in regard to deficiencies raised in the Bangladesh Bank Inspection report and by the Internal Audit and Inspection team of the Bank.
- External Audit Report of The Bank and the recommendations of the Bank.
- The corrective measures taken by the management in regard to the lapses pointed out on the internal control and other issues as are raised by internal and external auditors and inspectors of the regulatory authority.
- The compliance status of the audit objections and the recommendations made by the Bangladesh Bank inspectors, External Auditors and the Internal Auditors in the reports.
- Management Report on Accounts of the Bank.
- Implementation of Core Risk Management Guidelines including Internal Control and Compliance Risk along with compliance.
- Reviewed the Management's Discussion and Analysis for Annual Report of the Bank.

- The review of status of recovery of classified loans and providing with the necessary guidelines to the management to contain the NPLs.
- Reviewing the process of strengthening Internal Control Systems and Procedures of the Bank.
- Reviewing of Annual Report on the Financial Health of the Bank, 2022 in line with the directives /guidelines of Bangladesh Bank and Managing Core Risks designed for Banking Sector.

**The Audit Committee further affirmed that:**

- The rules and regulations of Bangladesh Bank and all other regulatory authorities and Bank's own policy guidelines approved by the Board are duly complied with.
- Adequate internal control and security measures have been taken by the Bank facilitating Information Technology (IT) based banking.
- The system of internal control and business processes have been strengthened including development of human resources towards creation of a compliance culture in the Bank.
- Efforts have been made to keep assets of the Bank

safe along with liabilities and commitments being transparent.

- The Financial Statements of the Bank have been prepared in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) which contained full disclosure.
- The good governance is in place in the Bank.

**Acknowledgement**

The Audit Committee expresses its sincere thanks to the members of the Board, Management and Auditors for their excellent support extended to the Committee. The Committee is also grateful to both Bangladesh Bank and to the Bangladesh Securities and Exchange Commission for the direction and guidance, which facilitated due discharge of its duties and responsibilities.

On behalf of the Audit Committee,



**Md. Abdur Rahman Sarker**

Chairman, Audit Committee

# Statement of Board of Directors on the Internal Control System of the Bank

The Board of Directors (“the Board”) of Jamuna Bank Limited is pleased to provide the following Statement of Internal Controls, which outlines the nature and features of internal control of the Bank in accordance with the Bangladesh Bank’s instructions, circulars and guidelines and Corporate Governance Code of Bangladesh Securities and Exchange Commission.

The Board of Directors, under section 15(kha) and 15 (Ga) of the Bank Company Act 1991 (Amended upto 2018) are responsible for establishing and executing policies of the Bank. The Directors of Jamuna Bank Limited sincerely acknowledge their overall responsibility to establish an appropriate system of internal control. The Board of Directors and its committees thoroughly assessed all principal risk including, but not limited to Credit Risk, Foreign Exchange Risk, Money Laundering Prevention Risk (AML & CFT), Internal Control and Compliance Risk, Information Technology Risk, Environmental & Social Risk through various reports and early warning indicators to ensure that the Bank has in place all the necessary policies, procedures, systems and controls to mitigate risks that may affect its business objectives, performance, financial viability and sustainability.

The Audit Committee of the Board of Directors is responsible to review the integrity of the financial statements of the Bank and formal announcements relating to the Bank’s performance, to monitor and review the effectiveness of the company’s internal audit function etc.

The Risk Management Committee of the Board of Directors is monitoring risk management policies & process to ensure effective prevention and control measures; ensuring compliance of BB instructions regarding implementation of core risk management; ensuring formulation and review of risk appetite, limits and recommending these to Board of Directors for their review and approval;

Moreover, the Senior Management Team (SMT) of the Bank keeps constant involvement to risk management. SMT is also monitoring the adequacy and effectiveness of the internal control system based on Bank’s established policy and procedure.

The Internal Control & Compliance Division of the Bank

contributes to the job of the above committees more effective and successful. This Division independently verifies that all the branches/divisions are conducting their business in compliance with all approved risk management and internal control policies. If deviations are found, they are reported and corrected to mitigate risk on a continuous basis. Thus, the division ensures the Board that the Bank is operating in compliance with all approved and established policies.

On the economic side, the year 2022 was primarily characterised by the terminal effects of the COVID-19 pandemic, coinciding with the arrival of a major geopolitical challenge, the Russian invasion of Ukraine. Particularly, the war has engendered major spillovers, and companies, industries and the Bangladeshi economy as a whole continue to feel the aftershocks of the pandemic on the one hand and the European unrest on the other. So much so that many firms - both big and small - are struggling to recover from the immediate effects of the twin challenges, delaying recovery and return to business as usual. Furthermore, the human capital front has become particularly vulnerable, as the war and the global pandemic exert further social pressures and create a humanitarian crisis of great proportion. During 2022, Jamuna Bank has managed to maintain its profitability and integrity in compliance and adhere to all the rules and regulations. We have been continuously contributing to the growth of the economy of the country by providing solutions for businesses and assisting in export-import businesses, manufacturing, servicing, infrastructure building, and so on.

However, the Board is satisfied that, during the year under review, the system of internal control has instituted is sound and effective. Notwithstanding this, the Board is vigilant and continues to review the effectiveness and adequacy of the systems of internal control, in view of the dynamic and changing business environment, so as to safeguard the Bank’s assets and stakeholder’s interest.



**Md. Saidul Islam**  
Chairman



# Managing Director's and CFO's Declaration on Integrity of Financial Statements to the Board

Date : 27-04-2023

The Board of Directors  
Jamuna Bank Limited  
Head Office, Jamuna Bank Tower,  
Plot-14, Block-C, Bir Uttam A.K Khandakar Road  
Gulshan-1, Dhaka

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

Dear Sirs,


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

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

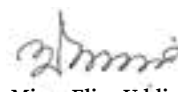
In this regard, we also certify that:

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

Sincerely yours,



**Uttam Kumar Saha FCA FCS**  
Chief Financial Officer (CFO)



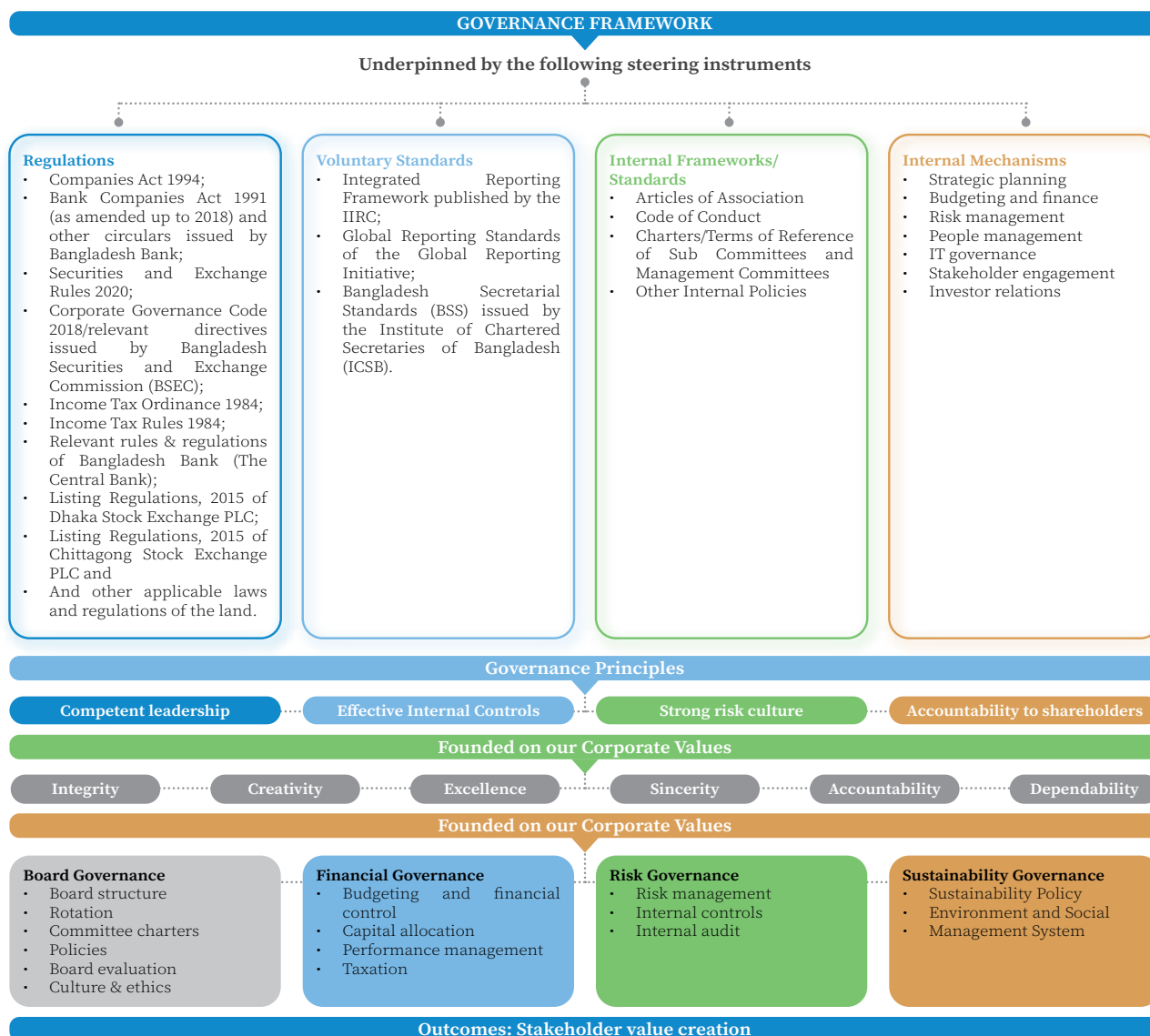
**Mirza Elias Uddin Ahmed**  
Managing Director &  
Chief Executive Officer (CEO)

# Corporate Governance

## 1. APPROACH TO CORPORATE GOVERNANCE

Our Corporate governance framework is rigorously aligned with its well-articulated vision, mission, goals and objectives. The Bank's Board of Directors are responsible for proper governance, which includes setting out the Company's strategic aims, providing the necessary leadership to implement such aims, supervising the management of the business and reporting to shareholders on their stewardship. The Board is collectively accountable to the Company's shareholders for good governance to facilitate efficient and effective management towards delivering long-term shareholder value within appropriately established risk parameters.

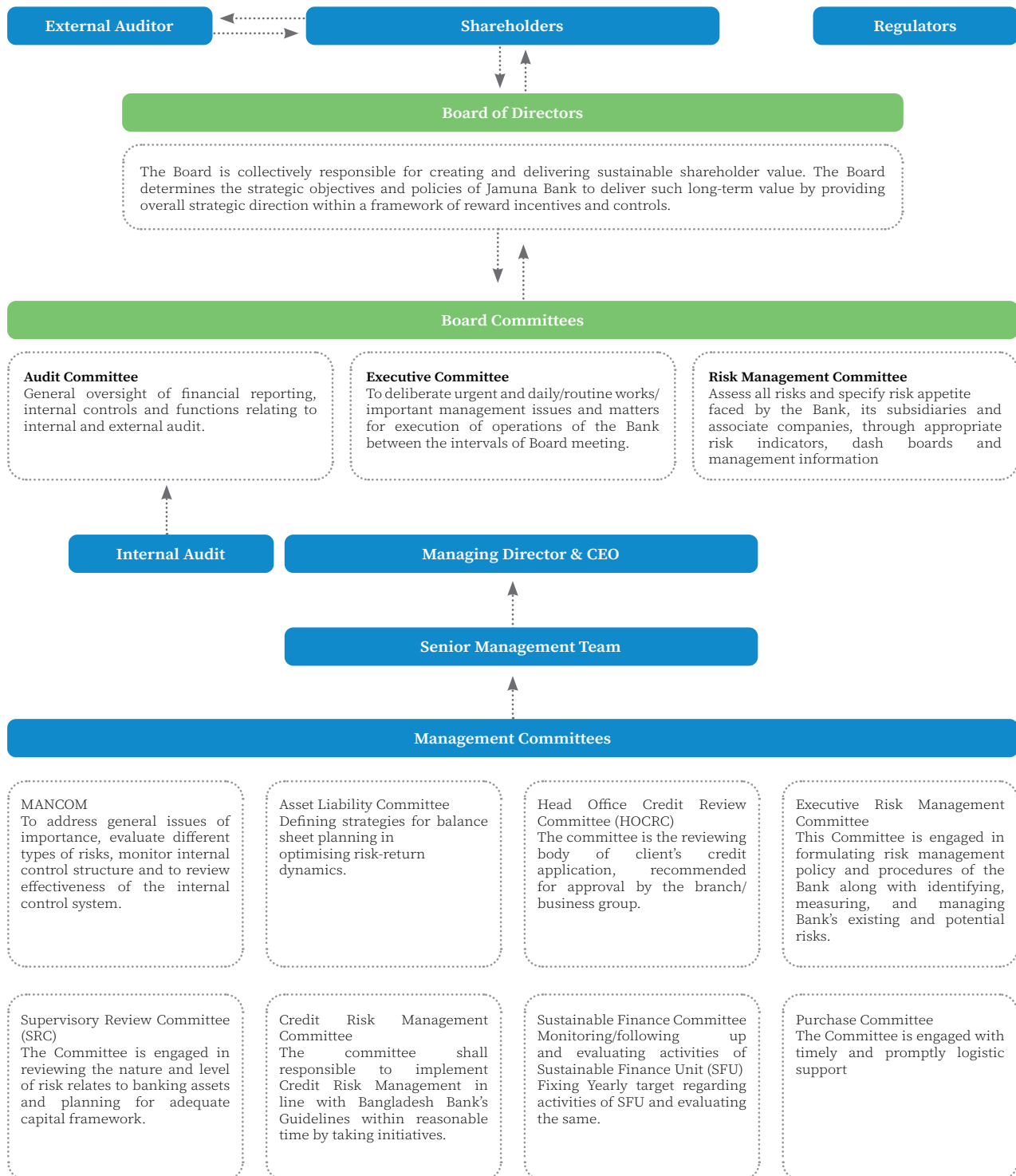
Being a 3rd generation Bank of Bangladesh, Jamuna Bank Limited (JBL) is guided in its corporate governance practices mainly by two regulatory bodies: Bangladesh Bank and Bangladesh Securities and Exchange Commission (BSEC). However, the Bank's Corporate Governance philosophy encompasses not only regulator and legal requirements but also various internal rules, policies, procedures and practices based on the best practices of local banks. At JBL we attach a simple meaning to 'Corporate Governance' which is 'Due diligence' in observing responsibilities by the Board as well as by the management to safeguard interest of key stakeholders i.e. depositors, shareholders, employees and the society at large.



## 2. GOVERNANCE STRUCTURE OF THE BANK

Jamuna Bank governance structures are designed to ensure an appropriate balance of authority and decision-making power, driving accountability, transparency, and integrity across the organisation. The Board of Directors serve as the custodian of the Bank's corporate governance and is

empowered to delegate authority and responsibilities pertaining to specific functions to any committee or committees as it thinks fit. The Group's governance structure is set out below:



### 3. BOARD OF DIRECTORS

The Board is collectively accountable to the Bank's shareholders for the proper conduct and success of the business. The Board's primary responsibility is to promote the long-term success of the Bank and deliver sustainable shareholder value. The Board has ultimate responsibility for the management, direction, governance and performance of the company, and leads and oversees the Bank's business. As of December 31, 2022, there are 20 (Twenty) Board members including 4(Four) Independent Directors in the Bank. The election of Board members

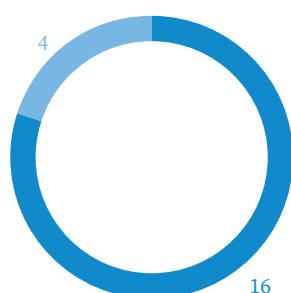
follows the resolution of the Shareholders' Meetings, as set out in the Bank's Articles of Association. The number of Directors on the Board is determined by the meeting of shareholders and should not be less than 7 or more than 20. The Board appoints one of its directors to be the Chairman. In the interest of good governance, the roles of Chairman and Managing Director are separate, with each of them bearing clear and defined roles and responsibilities.

#### Information regarding Composition of Board and its Committees as on 31 December 2022:

Name of the Director	Position	Executive committee	Audit Committee	Risk Management Committee	Concentration of shareholding
Al-Haj Nur Mohammed	Chairman	Member			2.9551%
Engr. A. K. M. Mosharraf Hussain	Director				2.0000%
Engr. Md. Atiqur Rahman	Director		Member		3.8625%
Mr. Gazi Golam Ashria	Director	Member			2.0000%
Mr. Fazlur Rahman	Director			Member	2.0001%
Mr. Md. Saidul Islam	Director	Member			2.0001%
Mr. Robin Razon Sakhawat	Director			Member	2.0030%
Mr. Redwan-ul Karim Ansari	Director	Member			2.1805%
Mr. Md. Belal Hossain	Director	Chairman			2.0336%
Mr. Md. Mahmudul Hoque	Director		Member		2.0008%
Mr. Shaheen Mahmud	Director			Chairman	4.9980%
Mr. Md. Sirajul Islam Varosha	Director			Member	2.0000%
Mr. Kanutosh Majumder	Director	Member			2.0679%
Mr. Md. Ismail Hossain Siraji	Director			Member	2.0001%
Mr. Gazi Golam Murtoza	Director		Member		2.5499%
Mr. Md. Hasan	Director	Member			5.0000%
Mr. Md. Abdur Rahman Sarker	Independent Director		Member		-
Mr. Md. Humayun Kabir Khan	Independent Director				-
Mr. Md. Abdul Jabber Chowdhury	Independent Director		Chairman		-
Mr. M. Murshidul Huq Khan	Independent Director				-

Note: All Directors are Non-Executive Director

#### Board Composition



The Composition of the Board of Directors is as follows:  
a. Sixteen Non - Executive Director;  
b. Four Independent Non-Executive Director

### 3.1 Board Members qualification and experience

The present size and composition of the Board of Directors remains well-balanced and it's made up with professionals with a wide range of knowledge and experience in business, operations and finance to set direction of a large and expanding bank. The BoDs consists of local entrepreneurs who are well reputed in the field of trade, commerce, industry and business of the country. Collectively they have enriched the Board with the knowledge and expertise in banking & finance, Law, IT, Accounting, Telecom, Administration and Engineering. Their rich and diverse backgrounds have given the Board a vantage point in directing and monitoring the Bank. The profiles of all Board members, comprising of their qualification, experience are disclosed in Page no. 47 of this Annual Integrated Report.

### 3.2 Policy on Appointment of Directors

The relevant provision of Companies Act 1994, Bank Company Act 1991 (amended up to 2018), Corporate Governance Code of BSEC, Guidelines of Bangladesh Bank and Articles of Association of the Bank are followed while appointing Directors. The election of Board members follows the resolution of the Shareholders' Meetings, as set out in the Bank's Articles of Association as well as compliance of requirements of regulatory bodies. The number of directors in the Board is determined by the meeting of shareholders and should not be less than 7 or more than 20. The structure of the Board of Directors and Board Committee(s) is set in accordance to the relevant section of Bank Company Act 1991 (amended up to 2018), "Corporate Governance Code" issued by the BSEC & BRPD Circular(s) and other guidelines issued by Bangladesh Bank.

In case of nomination, removal, causal vacancy and alternate Directors, Jamuna Bank has been following 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. Directors are accountable to the shareholders for the Bank's performance and governance.

### 3.3 Code of Conduct for the Board of Directors

The Board of Directors follows a code of conduct which was adopted to provide guidance to directors to perform their duty in an honest, responsible and business-like manner and within the scope of their authority, observing rules, regulatory laws of country as well as Memorandum and Articles of Association of the Bank.

### 3.4 Retirement and Re-election of Directors

Each Director has a term of office as prescribed in the Articles of Association and Bank Company Act 1991 (Amended up to 2018) i.e. at every annual general meeting; one-third of the Directors shall retire. In any subsequent years, the Directors who have been in office the longest shall retire. The retired Directors may be re-elected, subject to complying rules/regulations of regulatory bodies in this regard. In this connection, JBL has been complying the provisions of the existing Law and the Articles of Association of the Bank. The following non-executive directors will retire from the Board and would be re-elected in the upcoming 22nd AGM:

Name of the Directors	Position
Engr. A.K.M. Mosharraf Hussain	Director
Engr. Md. Atiqur Rahman	Director
Mr. Gazi Golam Ashria	Director
Mr. Md. Saidul Islam	Director
Mr. Robin Razon Sakhawat	Director
Mr. Md. Sirajul Islam Varosha	Director

In addition, some other changes in directorship during the period were as follows:

Sl. No.	Name of Directors	Date of Change	Remarks
1.	Mr. Obaidul Kabir Khan Ex-Independent Director	15 June 2022	Retired from the Office of Directors of Jamuna Bank Limited on 15-06-2022 after completion of his tenure of 3 years.
2.	Mr. Md. Abdur Rahman Sarker, Independent Director	14 June 2022	Re-appointed as Independent Director for second term.

Sl. No.	Name of Directors	Date of Change	Remarks
3.	Mr. Md. Abdul Jabber Chowdhury, Independent Director	14 June 2022	Newly appointed as Independent Director of Bank
4.	Mr. M. Murshidul Huq Khan, Independent Director	25 August 2022	Newly appointed as Independent Director of the Bank subject to post-facto approval from the shareholders of the Bank in 22nd AGM
5.	Mr. Md. Saidul Islam, Director	25 October 2022	Appointed as Shareholder Director of the Bank. As per provision of 91(1)(c) of the Companies Act, 1994, he will retire in the 22nd AGM as mentioned above and eligible for re-election.

#### Resume of Re-appointed and newly appointed Directors:

(1)	<b>(a) Name of the Director</b>	<b>Engr. A.K.M. Mosharraf Hussain</b>
	(b) Status in the Board	Director
	(c) Date of First appointment	02/04/2001
	(d) Date of last appointment (subject to approval from the Shareholders of the Bank)	21/06/2023
	(e) Nature of his expertise in specific functional areas	Please see Director Profile chapter of this Annual report for details
	<b>(f) Entities where they have interest</b>	<b>Position with the entities/companies</b>
	The Civil Engineers Limited	Chairman
	Standard Fashions Limited	Chairman
	Adhunik Plastic Industries Limited	Managing Director
	Amotex Limited	Managing Director
	Concorde Knitting & Dyeing Industries Ltd.	Managing Director
	International Trading Services Limited	Managing Director
	Kazipur Fashions Limited	Managing Director
	Peak Fashions Limited	Managing Director
	Standard Group Limited	Managing Director
	Standard Stitches Limited	Managing Director
	Shams Styling Wears Limited	Managing Director
	Sterling Designs Limited	Managing Director
	Standard Global Economic Zone Ltd.	Managing Director
	Standard Liquefied Petroleum Gas Ltd.	Managing Director
	Transworld Sweaters Limited	Managing Director
	Wear Mag Limited	Managing Director
	Your Fashion Sweater Limited	Managing Director
Amann Bangladesh Limited	Director	
Inno Chemicals Limited	Director	
United Financial Trading Company Ltd.	Director	
(2)	<b>(a) Name of the Director</b>	<b>Engr. Md. Atiqur Rahman</b>
	(b) Status in the Board	Director
	(c) Date of First appointment	02/04/2001
	(d) Date of last appointment (subject to approval from the Shareholders of the Bank)	21/06/2023

	(e) Nature of his expertise in specific functional areas	Please see Director Profile chapter of this Annual report for details
	<b>(f) Entities where they have interest</b>	<b>Position with the entities/companies</b>
	Adhunik Plastic Industries Limited	Chairman
	Amotex Limited	Chairman
	Concorde Knitting & Dyeing Industries Ltd.	Chairman
	International Trading Services Limited	Chairman
	Inno Chemicals Limited	Chairman
	Kazipur Fashions Limited	Chairman
	Peak Fashions Limited	Chairman
	Standard Stitches Limited	Chairman
	Standard Group Limited	Chairman
	Shams Styling Wears Limited	Chairman
	Sterling Designs Limited	Chairman
	Standard Liquefied Petroleum Gas Ltd.	Chairman
	Standard Global Economic Zone Ltd.	Chairman
	Standard Retail Limited	Chairman
	Transworld Sweaters Limited	Chairman
	Wear Mag Limited	Chairman
	Your Fashion Sweater Limited	Chairman
	Standard Fashions Limited	Managing Director
	The Civil Engineers Limited	Managing Director
	Amann Bangladesh Limited	Director
	United Financial Trading Company Ltd.	Director
(3)	<b>(a) Name of the Director</b>	<b>Mr. Gazi Golam Ashria</b>
	(b) Status in the Board	Director
	(c) Date of First appointment	27/08/2020
	(d) Date of last appointment (subject to approval from the Shareholders of the Bank)	21/06/2023
	(e) Nature of his expertise in specific functional areas	Please see Director Profile chapter of this Annual report for details
	<b>(f) Entities where they have interest</b>	<b>Position with the entities/companies</b>
	Gazi Sattelite Television Ltd.	Chairman
	Gazi Infrastructure Development Company Limited	Chairman
	Gazi Networks Ltd.	Vice-Chairman
	Gazi Communications Ltd.	Vice-Chairman
	Gazi Renewable Energy Limited	Vice-Chairman
	Star Rubber Industries	Proprietor
	Gazi Trade International	Proprietor
	Gazi Rubber Plantation	Proprietor
	Gazi Rubber Processing Plant	Proprietor
	Gazi Enterprise	Proprietor

	Desh Television Ltd.	Director
	Gazi Tyres Limited	Director
	Gazi Industrial Park Limited	Director
(4)	<b>(a) Name of the Director</b>	<b>Mr. Md. Saidul Islam</b>
	(b) Status in the Board	Chairman
	(c) Date of First appointment (as shareholder Director)	25/10/2022
	(d) Date of last appointment (subject to approval from the Shareholders of the Bank)	21/06/2023
	(e) Nature of his expertise in specific functional areas	Please see Director Profile chapter of this Annual report for details
	<b>(f) Entities where they have interest</b>	<b>Position with the entities/companies</b>
	Frox Media Limited	Managing Director
	Eco Advanced Construction Materials Company Ltd.	Chairman
	Fabian Industries Limited	Director
	Fabian Thread Limited	Director
	Fabian Multiplex Industries Limited	Director
	Fabitex Industries Limited	Director
	AIRMATH SOLUTION	Proprietor
(5)	<b>(a) Name of the Director</b>	<b>Mr. Robin Razon Sakhawat</b>
	(b) Status in the Board	Director
	(c) Date of First appointment	07/08/2017
	(d) Date of last appointment (subject to approval from the Shareholders of the Bank)	21/06/2023
	(e) Nature of his expertise in specific functional areas	Please see Director Profile chapter of this Annual report for details
	<b>(f) Entities where they have interest</b>	<b>Position with the entities/companies</b>
	Robintex (Bangladesh) Ltd.	Director
	Comptex Bangladesh Ltd.	Managing Director
	Robin Knitwear Limited	Director
	German Bangla Chemical Ltd.	Managing Director
(6)	<b>(a) Name of the Director</b>	<b>Mr. Md. Sirajul Islam Varosha</b>
	(b) Status in the Board	Director
	(c) Date of First appointment	02/12/2004
	(d) Date of last appointment (subject to approval from the Shareholders of the Bank)	21/06/2023
	(e) Nature of his expertise in specific functional areas	Please see Director Profile chapter of this Annual report for details
	<b>(f) Entities where they have interest</b>	<b>Position with the entities/companies</b>
	Siraj Varosha Jute Mills Ltd.	Managing Director
	S.V. Tobacco Co.	Proprietor
	Amazon Tex Knit Fashion Limited	Chairman
	S.H Trading Co.	Proprietor
	Wari Golden Hospital & Diagnostic Complex Ltd.	Director



Newly appointed Independent Director		
(7)	(a) Name of the Director	<b>Mr. M. Murshidul Huq Khan</b>
	(b) Status in the Board	Independent Director
	(c) Date of First appointment	25/08/2022
	(d) Date of last appointment (subject to post-facto approval from the Shareholders of the Bank)	21/06/2023
	(e) Nature of his expertise in specific functional areas	Please see Director Profile chapter of this Annual report for details
	(f) Entities where they have interest	Nil

### 3.5 Induction and Training of the Directors

The policy on training of Directors includes providing information on the latest update related to banking business such as relevant laws, policy guideline, circulars, notifications, directives, rules and regulations issued by the regulatory authorities and other authorities; so that they could effectively discharge the responsibilities as a Director of the Bank. They also participate in the programs and seminars organized by various professional bodies at home and abroad on business, economic, technical, professional and corporate governance issues.

### 3.6 Board meetings and attendance

Meeting of the Board of Directors holds on a regular basis. According to the Bangladesh Bank guidelines, meeting of the Board of Directors holds usually twice in a month but emergency meetings are called as and when required. During the year 2022, total 22 Meetings of the Board were held. Remuneration of the Directors and their attendance has been presented in the Director's Report section of this report. We are providing Notice to every Director as per rule specifying day, date, time and full address of the venue.

The Agenda as to be transacted at the meeting along with Notes to the Agenda are circulating well ahead to the meeting. In the meeting, the Chairman of the Board of Directors allocates sufficient time for the Directors to consider each item of the agenda and allow them to discuss, inquire, and express opinions freely on the items of interest so that they can fulfill their duties to the best of their abilities.

### 3.7 Non-Executive Director

All the Directors of Jamuna Bank Limited including the Chairman are Non-Executive Directors except the Managing Director & CEO. The Directors attend Board meetings regularly and participate in the deliberation and discussions effectively. They actively involved in the matter of formulation of general strategies of the Bank. But they

do not participate in or interfere into the administrative or operational or routine affairs of the Bank. Moreover, they ensure confidentiality of the Bank's agenda papers, discussions at the Board/Committee Meetings, Notes and Minutes, etc.

### 3.8 Independence of independent directors and their adequate representation

Independent Director acts as a third party for having a "neutral perspective" over policy-related issues of the Company. Having no share-based interest with the company and having no attachment with the non-executive directors and management, the Independent Director aids in ensuring neutrality and fairness over policies formulated by the Board. Jamuna Bank complies with applicable requirements regarding independence of the Board according to laws and regulations as well as according to the Corporate Governance Code issued by BSEC.

Jamuna Bank has 4 (four) Independent Directors in the Board. They are: Two renowned retired bankers, Mr. Md. Abdur Rahman Sarker & Mr. Md. Abdul Jabber Chowdhury and Mr. Md. Humayun Kabir Khan, a freedom fighter and Business Leader & Mr. M. Murshidul Huq Khan, a former Government Official. As per Bangladesh Bank's regulations and corporate governance guidelines issued by BSEC, the Audit Committee is formed with 02 Independent Directors one of whom is the Chairman of the Audit Committee of the Board of Directors of the Bank. As an Independent Director, the Chairman of the Audit Committee enjoys full freedom to carry out the Committees' assigned responsibilities.

It is mentionable that The Independent Directors are conversant in the field of financial, regulatory and corporate laws and enjoy full freedom to carry out their assigned Responsibilities.

### 3.9 Criteria for appointment of Independent Directors

In order to ensure a director to be eligible as in Independent Director, the Board established that the Director has no substantial relationship with Jamuna Bank Limited as a partner, shareholder or officer of an organization that has a relationship with the Bank. As per section 15(9) of Bank Companies Act (Amended upto 2018) Independent Directors do not hold any share of the bank; not associated with the Bank's Promoters or Directors or Shareholders who maintains one percent or more of the total paid up shares of the Company; not related with the existing Directors or families; do not have any other relationship, whether monetary or otherwise with the company or its subsidiary/associate companies; not a member, Director or officer of any Stock Exchange, not a shareholder, director or officer of any stock exchange or an intermediary of the capital market.

Bank is following the criteria set in the Corporate Governance Code issued by Bangladesh Securities and Exchange Commission while appointing/re-appointing Independent Directors and obtaining approval from BSEC, Shareholders of the Bank and Bangladesh Bank. The Independent Directors are appointed for a period of three years which may be extended by one term only.

### 3.10 Annual Appraisal of the Board's Performance:

Shareholders are evaluating the performance of the Board at AGM through evaluation of financial position and performance of the bank, its adequacy and effectiveness of internal control system and overall governance mechanisms. The shareholders also ask questions and make queries to the BoD during AGM and the Chairman of BoDs gives a patient hearing and responds to all their queries.

In JBL, the Board approves business target at the beginning of each year and monitors the status of the same periodically to ensure achievement of the target. The Board's performance is greatly dependent on the achievement (under or over) of business target. Besides, the performance reports of supporting committees of the Board are also placed in the Board meeting through which the performances of the Board members are regularly assessed.

## 4. Chairman of the Board and his role and responsibilities

The Chairman of the Board of Directors of Jamuna Bank Ltd. has been elected as per Articles of Association of the Bank through the direct participation of the Board of Directors. The Chairman of the BoD does not personally possess the jurisdiction to apply policy making or executive authority. He does not participate in or interfere into the administrative or operational and routine affairs of the Bank.

### 4.1 Role of the Chairman

The Chairman's primary role is to ensure that the Board is effective in its task of setting and implementing the Company's direction and strategy. The Chairman is appointed by the Board. The principal features of the role of the Chairman comprise the following:

- Providing leadership to the Board;
- Taking responsibility for the Board's composition and development;
- Ensuring proper information for the Board; Planning and
- conducting Board meetings effectively;
- Getting all Directors involved in the Board's work;
- Ensuring the Board's focus on key tasks;
- Engaging the Board in assessing and improving its performance;
- Overseeing the induction and development of Directors; and

### 4.2 Responsibilities of the Chairman

The overall responsibility of the Chairman is to:

- Set the Board's Agenda and plan Board Meetings.
- Chair all Board Meetings, directing debate towards consensus.
- Ensure the Board receives appropriate, accurate, timely and clear information.
- Chair the AGM and other Shareholders' Meetings to foster effective dialogue with Shareholders.
- Work with Chairman of Board Committees.
- Ensure that the Board sets and implements the Bank's direction and strategy effectively.
- Act as the Bank's lead representative, explaining aims and policies to the Shareholders.
- Ensure no participation in or interference into the administrative or operational and routine affairs of the Bank.
- Provide overall leadership to the Board, setting vision and driving innovation, working closely with the CEO.
- Conduct (if required) on-site inspection of any bank-branch or financing activities under the purview of the oversight responsibilities of the Board.

### 4.3 Duality of Chairperson of the Board of Directors and Managing Director & CEO

As per Corporate Governance Code of BSEC, the positions of the Chairperson of the Board and the Managing Director & CEO of the Bank are filled by different individuals. The Chairman of the Bank has been elected from among the Non-Executive Directors of the Bank. In this regard, the Board of Directors has already clearly defined respective roles and responsibilities of the Chairman and the Managing Director & CEO. Besides, the Managing Director & CEO of the Bank is not holding the same position in another listed company.

In the absence of the Chairperson of the Board, the remaining members of Board of Directors elect one of themselves from non-executive directors as Chairperson

for that particular Board's meeting. The reason of absence of the regular Chairperson is also duly recorded in the minutes.

## 5 Statement of compliance with ICSB Secretarial Standards

Jamuna Bank has conducted its Board meetings in line with the provisions of the Bangladesh Secretarial Standards (BSS)-1: Secretarial Standard on Meetings of the Board of Directors, General meeting in line with the provisions of BSS-2: Secretarial Standard on General Meetings, Record minutes of the meetings in line with the provisions of BSS-3: Minutes and Declared the dividend in line with the provisions of BSS-4: Secretarial Standard on Dividend adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB).

## 6. BOARD COMMITTEE

### 6.1 EXECUTIVE COMMITTEE

**6.1.1 Objective:** To assist the Board, Executive Committee forms to deliberate urgent and daily/routine works/important management issues and matters for execution of operations of the Bank between the intervals of Board meeting.

**6.1.2 Composition:** In compliance with the provisions contained in BRPD Circular No.11 dated 27 October, 2013, the Board of Directors reconstituted the Executive Committee comprising of following 7 (Seven) Non-Executive Directors. To comply with regulatory requirement only 01 member included from a family & no member of the Audit Committee is included as a member of the Executive Committee. The Committee performs within the delegated power/terms of reference time to time given/set by the Board of Directors in the light of prevailing rules/regulations. The Company Secretary acts as the secretary of the committee.

Sl. No.	Name	Status in the Board	Status in the Committee
1	Engr. A. K. M. Mosharraf Hussain	Director	Chairman
2	Engr. Md. Atiqur Rahman	Director	Member
3	Al-Haj Nur Mohammed	Director	Member
4	Mr. Md. Mahmudul Hoque	Director	Member
5	Mr. Shaheen Mahmud	Director	Member
6	Mr. Md. Sirajul Islam Varosha	Director	Member
7	Mr. Kanutosh Majumder	Director	Member

### 6.1.3 Meetings of the Executive Committee

Total 21 (twenty one) meetings of Executive Committee were held during 01.01.2022 to 31.12.2022.

Sl. No.	Meeting No.	Date of Meeting
1	584 Executive Committee Meeting	06 January, 2022
2	585 Executive Committee Meeting	12 January, 2022
3	586 Executive Committee Meeting	17 January, 2022
4	587 Executive Committee Meeting	30 January, 2022
5	588 Executive Committee Meeting	14 February, 2022
6	589 Executive Committee Meeting	13 March, 2022

Sl. No.	Meeting No.	Date of Meeting
7	590 Executive Committee Meeting	10 April, 2022
8	591 Executive Committee Meeting	20 April, 2022
9	592 Executive Committee Meeting	16 May, 2022
10	593 Executive Committee Meeting	24 May, 2022
11	594 Executive Committee Meeting	22 June, 2022
12	595 Executive Committee Meeting	04 July, 2022
13	596 Executive Committee Meeting	26 July, 2022
14	597 Executive Committee Meeting	14 August, 2022
15	598 Executive Committee Meeting	04 September, 2022
16	599 Executive Committee Meeting	27 September, 2022
17	600 Executive Committee Meeting	07 November, 2022
18	601 Executive Committee Meeting	29 November, 2022
19	602 Executive Committee Meeting	07 December, 2022
20	603 Executive Committee Meeting	14 December, 2022
21	604 Executive Committee Meeting	27 December, 2022

#### 6.1.4 Loan approval in 2022 by the Executive Committee

Figure in BDT Million

	No. of Memo	Funded	Non-Funded
New Sanction	135	1,909.30	3,216.80
Enhancement	80	188.10	609.00
Rescheduling	65	160.40	-

## 6.2 AUDIT COMMITTEE

### 6.2.1 Composition:

In compliance with Section 15Kha(2) of the Bank Companies Act 1991 (amended up to 2018), BRPD Circular No.11 dated 27 October 2013 and BSEC's Corporate Governance Code dated 03 June 2018, the Board of Directors of JBL constituted the Audit Committee (AC) of the Board with 5 (five) members including 2 (Two) Independent Directors.

### 6.2.2 Objective:

To assist the Board of Directors with regard to the auditing of financial reports, internal controls and internal audits, and to select and work in co-ordination with the Bank's external auditors. The Audit Committee assists the Board in fulfilling its oversight responsibilities. The committee reviews the financial reporting process, the system of internal control and management of financial risks, the audit process, and the bank's process for monitoring compliance with laws and regulations and its own code of business conduct.

### 6.2.3 Chairman of the AC:

The Chairman of the AC is an Independent Director who performs his duties with full freedom and attending Bank's Annual General Meeting.

### 6.2.4 Qualification of Members of AC as on 31 December 2022:

All members of the Audit Committee are financially literate and four members have graduation/post-graduation degree in Commerce and Economics. Moreover, all members of the AC have reasonable knowledge on banking business, its operations, and risks involved in it.

Sl. No.	Name	Status in the Board	Status in the Committee	Education qualification
1	Mr. Md. Abdur Rahman Sarker	Independent Director	Chairman	M. A in Economics from Rajshahi University and has extensive banking experience of 40 years. He started his career in 1973 as a Probationary Officer with Janata Bank Limited and afterwards, he served in National Bank Limited in different capacities over 25 years. Lastly, he appointed as Managing Director & CEO of the National Bank Limited and served the Bank for the period from 2007 to 2010. He also served Shahjalal Islami Bank Limited as Managing Director for the period of 2010-2013
2	Mr. Gazi Golam Ashria	Director	Member	He did his graduation in Economics from Saskatchewan, Canada.  Mr. Ashria is the Chairman of Gazi Sattelite Television Ltd., Chairman of Gazi Infrastructure Development Company Limited, Vice-Chairman of Gazi Networks Ltd., Vice-Chairman of Gazi Communications Ltd., Vice-Chairman of Gazi Renewable Energy Limited, Director of Desh Television Ltd., Managing Director of Gazi Tyres Limited, Managing Director of Gazi Industrial Park Limited and Proprietor of Star Rubber Industries, Proprietor of Gazi Trade International, Proprietor of Gazi Rubber Plantation, Proprietor of Gazi Rubber Processing Plant and Proprietor of Gazi Enterprise.
3	Mr. Robin Razon Sakhawat	Director	Member	Bachelor's degree in Financial Engineering from Goethe University Frankfurt.  He is the Managing Director of Comptex Bangladesh Ltd. & German Bangla Chemical Ltd. and Director of Robintex (Bangladesh) Ltd. & Robin Knitwear Limited.
4	Mr. Md. Ismail Hossain Siraji	Director	Member	B.Com. He is a successful businessman in leather and textile sector. He is associated with number of business and industries. He is the Managing Director of Ismail Leather Goods & Footwear Exporters Ltd. He is also the Director of Reliance Tannery Ltd. Proprietor of Reliance Footwear, Assarunnesa Memorial Hospital and Shahjahan Dairy Farm.
5	Mr. Md. Abdul Jabber Chowdhury	Independent Director	Member	He has extensive banking experience of more than 45 years in both Nationalized and Private Commercial Banks. He obtained post-graduation degree from Chittagong University

### 6.2.5 Reporting of Internal Auditor to the Audit Committee

Internal Control & Compliance Division has 03 units- (i) Audit & Inspection Department, (ii) Monitoring Department and (iii) Compliance Department who are performing the following activities:

- Conducting comprehensive/surprise/special audit & inspection on Branches and Divisions/units of Head Office.
- Monitoring and reviewing the operational performance of various Branches through examination of Quarterly Operations Report (QOR), Loan Documentation Checklist (LDC), Departmental Control Function Checklist (DCFCL), etc. as part of risk management.

- Collecting compliance of the inspection/audit reports & complying regulatory requirements including directives of Bangladesh Bank, National Board of Revenue (NBR), Bangladesh Securities & Exchange Commission (BSEC), Registrar of Joint Stock Companies & Firms (RJSC), Ministry of Finance, etc.

Head of ICCD has been submitting the internal comprehensive inspection reports on Branches along with the compliance reports and Bangladesh Bank comprehensive inspection report on Branches to the Audit Committee on a regular basis. Moreover, ICCD is submitting the Quarterly and Annual Summary Reports of irregularities detected during audit/inspection to the Audit Committee.

### 6.2.6 Presence of the Chairman of the Audit Committee at the AGM

The Chairman of the Audit Committee attends Annual General Meeting (AGM) of the Bank regularly.

### 6.2.7 Meeting of Audit Committee and Attendance:

The committee is entitled to conduct at least four meetings in a year and call meeting at any time as per requirement. Total 8 (eight) meetings of Audit Committee were held during 01.01.2022 to 31.12.2022.

## 6.3 BOARD RISK MANAGEMENT COMMITTEE

**6.3.1 Composition:** In compliance with Section 15 Kha (3) of the Bank Companies Act 1991 (amended up to 2013), BRPD Circular No. 11 dated 27 October 2013 the Board of Directors of JBL constituted the Risk Management Committee with following 5 (five) members:

Sl. No.	Name	Status in the Board	Status in the Committee
1	Mr. Md. Hasan	Director	Chairman
2	Mr. Md. Saidul Islam	Chairman (Board)	Member
3	Mr. Redwan-ul Karim Ansari	Director	Member
4	Mr. Md. Belal Hossain	Director	Member
5	Mr. Gazi Golam Murtoza	Director	Member

### 6.3.2 Objective:

- To play an effective role in mitigating impending risks arising out from strategies and policies formulated by the Board and to carry out the responsibilities efficiently,
- After identifying and assessing several risk factors like credit risks, foreign exchange risks, internal control and compliance risks, money laundering risks, information and communication risks, management risks, interest risks, liquidity risks etc.; the risk management committee will scrutinize whether appropriate risk management measures are being put in place and applied and whether adequate capital

and provision is being maintained against the risks identified.

### 6.3.3 Meeting of the BRMC

The committee is entitled to conduct at least four meetings in a year and call meeting at any time as per requirement. The committee may call the CEO, Head of RMD or any executive to attend the committee meeting. The BRMC of JBL held 6(six) meetings during 2022 having detailed discussions and review session with the Head of RMD regarding their findings, observations and recommendations on issue of bank affairs that need improvement.

Sl. No.	Meeting No.	Date of Meeting
1	38 Risk Management Committee Meeting	31 January, 2022
2	39 Risk Management Committee Meeting	23 February, 2022
3	40 Risk Management Committee Meeting	13 March, 2022
4	41 Risk Management Committee Meeting	12 June, 2022
5	42 Risk Management Committee Meeting	16 August, 2022
6	43 Risk Management Committee Meeting	13 October, 2022

### 6.3.4 Major agenda covered in 2022

- Monthly Risk Management Report (MRMR) and Comprehensive Risk Management Report (CRMR) and Minutes of the meeting of the Executive Risk Management Committee.
- Stress Testing Report.
- Risk Based Capital Adequacy Report in line with Basel-III.
- Leverage Ratio.
- Memorandum on quarterly calculation of

Comprehensive Value at Risk (VAR) of Foreign Exchange position.

- Appraisal of the minutes of the “Supervisory Review Committee (SRC)”.
- Internal Capital Adequacy Assessment Process (ICAAP) Report under Supervisory Review Process.
- Memo on LCR & NSFR. Structural Liquidity Profile (SLP), Wholesale Borrowing & Commitments.

## 6.4 Nomination and Remuneration Committee

As Bangladesh Bank (i.e Central Bank) is restricted not to have more than 3(three) committees of the Board, the Board oversees the following activities:

- Recruitment, promotion and remuneration up to two-level below the rank of Managing Director as per BRPD Circular No.11 dated 27 October 2013. Other than the above, all appointments, promotions and fixing remuneration are made by the Managing Director &

CEO as authorized by the Board.

- Developing, recommending and reviewing the Bank's Human Resources policies.

Besides, we have acknowledged the issue to Bangladesh Bank, Primary Regulator for the Banking Sector. Bangladesh Bank vide its letter no. BRPD (R-1)717/2021-5064 dated 16.06.2021 informed all the scheduled banks operating in the Country that there is no scope for compliance with the provisions of Corporate Governance Code, 2018 which conflict with the Banking Companies Act, 1991 and the directives issued by Bangladesh Bank.

## 7. MANAGEMENT COMMITTEES

The Bank is manned and managed by a team of efficient professionals headed by Mr. Mirza Elias Uddin Ahmed, the Managing Director & CEO who has long banking experience. The functions of the Board and the Management are clearly defined and sharply bifurcated. The Management implements and acts within the policies and manuals approved by the Board. A clearly defined organizational structure with definite lines of responsibility and delegation of powers to different echelons of the management are in place in the Bank. The Management enjoys full freedom in conducting the business of the Bank within the scope of the policy guidelines of the Board and the regulatory bodies. However, the Board and the Management work in unison for the continued well being of the Bank. To streamline the functions of different divisions / departments of the Bank, the following Committees are actively working in the Bank:

No.	Name of the Committee	Members of the Committee	Functions of the Committees	Year 2022
1	Senior Management Team (SMT)	<ul style="list-style-type: none"> <li>Managing Director &amp; CEO</li> <li>Additional Managing Director</li> <li>Deputy Managing Director(s)</li> <li>Senior Executive Vice President(s)</li> <li>Chief Financial Officer</li> </ul>	Monitoring the adequacy and effectiveness of the Internal Control System based on the bank's established policy and procedure	Meeting held yearly Reviewing overall internal control systems of the Bank
2	Senior Management Committee	<ul style="list-style-type: none"> <li>Deputy Managing Directors</li> <li>Head of CRM</li> <li>Head of Corporate</li> </ul>	Developing credit policies and credit administration procedures for Board approval. Implementing credit risk management policies to ensure an effective credit risk management process.	Meeting held yearly
3	Management Committee (MANCOM)	It is composed of 14(fourteen) senior members of the Management	To address general issues of importance, evaluate different types of risks, monitor internal control structure and to review effectiveness of the internal control system	Meeting: The meeting of the MANCOM held monthly.
4	Asset Liability Committee (ALCO)	The Chairman of ALCO is the Managing Director/CEO of Jamuna Bank. The Head of Treasury works as the member secretary of ALCO. The committee constituted as follows: <ul style="list-style-type: none"> <li>Chief Executive Officer/ Managing Director</li> <li>Head of Business</li> </ul>	<ul style="list-style-type: none"> <li>Ensure that bank' measurement and reporting systems accurately convey the degrees of liquidity and market risk.</li> <li>Monitor the structure and composition of bank's assets and liabilities and identify balance sheet management issues that are leading to underperformance</li> </ul>	The meetings of the Asset Liability Committee are held in every month. Total Thirteen (13) number of meetings were held in the year 2022 including One (01) special ALCO meeting.  Major agenda covered in 2022: <ul style="list-style-type: none"> <li>Review of the Fund Position and Mismatch Position.</li> </ul>

No.	Name of the Committee	Members of the Committee	Functions of the Committees	Year 2022
		<ul style="list-style-type: none"> <li>• Head of Treasury</li> <li>• Head of Corporate/Retail Banking</li> <li>• Head of FAD /CFO/Finance</li> <li>• Head of International Division</li> <li>• Head of Risk Management</li> <li>• Head of SME</li> <li>• Head of Offshore Banking</li> <li>• Head of Islami Banking Division</li> <li>• As Jamuna Bank having Islamic banking business and Off-shore Banking Unit (OBU), Head of Islamic banking and Head of Off-shore Banking Unit (OBU) are included also as member of the ALCO.</li> </ul>	<ul style="list-style-type: none"> <li>• Decide on the major aspects of balance sheet structure, such as maturity and currency mix of assets and liabilities, mix of wholesale versus retail funding, deposit mix , etc</li> <li>• Decide on how to respond to significant, actual and expected increases and decreases in required funding</li> <li>• Review maturity profile and mix of assets and liabilities</li> <li>• Articulate interest rate view of the bank and decide on balance sheet strategy</li> <li>• Approve and periodically review the transfer pricing policy of the bank</li> <li>• Evaluate market risk involved in launching of new products</li> <li>• Review deposit-pricing strategy, and</li> <li>• Review contingency funding plan for the bank</li> </ul>	<ul style="list-style-type: none"> <li>• Review of interest rates on Deposits and Advances of our Bank compared to other Bank.</li> <li>• Discussion on the comparative position of Deposit and Advances of our Branches.</li> <li>• Discussion regarding activities of PD.</li> <li>• Review of the Economic &amp; Market Status and outlook &amp; the Key Management indicators of the Bank.</li> <li>• Discussion regarding bucket information of Asset &amp; Liabilities of the Bank.</li> <li>• Discussion regarding the position of rate sensitive Asset &amp; Liability.</li> <li>• Discussion regarding the unused whole sale borrowing capacity.</li> <li>• Discussion regarding the undrawn portion of Commitment.</li> <li>• Review of the trend of local &amp; foreign currency deposits &amp; advance position.</li> <li>• Review of the statement showing the interest rate risk of Assets &amp; Liabilities position of the Bank.</li> <li>• Review of the loan &amp; Deposit Movement.</li> <li>• Review of the interest rate breakdown for asset &amp; Liability.</li> <li>• Review of the top 10 Depositors list.</li> <li>• Review of the top 10 Borrowers list.</li> <li>• Review of the trend of the limit as states in policy statement for last few months..</li> <li>• Review of the combined &amp; segmented Deposit &amp; Advance trend in local &amp; foreign currency.</li> <li>• Review of the comparative balance position of the Bank.</li> <li>• Review of the status of regulatory compliance.</li> <li>• Review of the last financial data of the Bank.</li> <li>• Review of the off balance sheet position.</li> <li>• Review of the credit limit imposed by the counter parties.</li> <li>• Review of the limit status and its utilization.</li> <li>• Discussion regarding the amount of loan able fund</li> <li>• Discussion regarding Borrowed fund to Total Asset</li> <li>• Review of the average interest rate on loans &amp; deposit</li> <li>• Review of the highest call money rate for previous 12 months.</li> <li>• Review on Foreign Exchange Asset &amp; Liability and Net Open Position (NOP)</li> <li>• Review of the Value at risk (VaR) on foreign Exchange Position.</li> <li>• Review of the Stress testing report &amp; expected capital requirement</li> </ul>



No.	Name of the Committee	Members of the Committee	Functions of the Committees	Year 2022																										
5	Head Office Credit Review Committee (HOCRC)	<ul style="list-style-type: none"> <li>Additional Managing Director</li> <li>Head of Credit Administration</li> <li>Head of Corporate Banking</li> <li>Head of CRM</li> <li>Deputy Head of Corporate Banking Division</li> <li>Head of Treasury Division</li> <li>Deputy Head of Credit Risk Management Division acts as the secretary of the committee</li> </ul>	The committee is the reviewing body of client's credit application, recommended for approval by the branch/business group. The Committee also recommends credit applications/proposals for approval by the competent approving authorities. In addition, the committee reviews framing/ updating of credit policy and recommends for approval by the Board of Directors. The committee also reviews adequacy of credit risk management and loan loss provisioning.	<p>Meeting held by HOCRC in 2022: 144</p> <table border="1"> <thead> <tr> <th>Sanction type of Credit Committee</th> <th>Number of proposal</th> </tr> </thead> <tbody> <tr> <td colspan="2">Facility recommended in 2022</td> </tr> <tr> <td>New</td> <td>1155</td> </tr> <tr> <td>Renewal</td> <td>639</td> </tr> <tr> <td>Enhancement</td> <td>175</td> </tr> <tr> <td>Renewal with Enhancement</td> <td>281</td> </tr> <tr> <td>Reduction</td> <td>27</td> </tr> <tr> <td>Renewal with Reduction</td> <td>24</td> </tr> <tr> <td>Restructuring</td> <td>14</td> </tr> <tr> <td>Renewal with Restructuring</td> <td>-</td> </tr> <tr> <td>Rescheduling</td> <td>37</td> </tr> <tr> <td>Specific</td> <td>317</td> </tr> <tr> <td>Others</td> <td>685</td> </tr> </tbody> </table> <p>Committee declined: 166 proposals during the period</p>	Sanction type of Credit Committee	Number of proposal	Facility recommended in 2022		New	1155	Renewal	639	Enhancement	175	Renewal with Enhancement	281	Reduction	27	Renewal with Reduction	24	Restructuring	14	Renewal with Restructuring	-	Rescheduling	37	Specific	317	Others	685
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Renewal with Restructuring	-																													
Rescheduling	37																													
Specific	317																													
Others	685																													
6	Business Management Committee (BMC)	<ul style="list-style-type: none"> <li>Managing Director</li> <li>Additional Managing Director</li> <li>Deputy Managing Directors (Head Office)</li> <li>Head of Corporate</li> <li>Head of Business</li> <li>Head of CRM</li> <li>An Officer of CRM Division acts as secretary of the committee</li> </ul>	The business proposals having funded facilities above Tk.1.00 Crore to Tk.5.00 crore and non-funded facilities upto Tk.10.00 crore will be placed before the Committee. The Head of Retail Banking Division and Head of SME Division attend meetings if they have proposals placed in the BMC for discussion.	Meeting held by BMC in 2022: 33 No. of Loan Proposal approved: 120																										
7	Executive Risk Management Committee	<ul style="list-style-type: none"> <li>Chief Risk Officer</li> <li>Head of ICC</li> <li>Head of CAD</li> <li>Head of CRM</li> <li>Head of ICT</li> <li>Head of BOD</li> <li>Head of FAD</li> <li>Head of HRD</li> <li>Head of MLTFPD</li> <li>Head of ID</li> <li>Head of Treasury</li> <li>Head of Law and Recovery</li> <li>Head of RMD acts as the secretary of the committee</li> </ul>	This Committee is engaged in formulating risk management policy and procedures of the Bank along with identifying, measuring, and managing Bank's existing and potential risks.	<p>Meeting held by Bank's Executive Risk Management Committee: 12 (twelve)</p> <p>Major agenda covered in 2022 Discussion on the Monthly Risk Management Report (MRMR) and Comprehensive Risk Management Report (CRMR).</p>																										

No.	Name of the Committee	Members of the Committee	Functions of the Committees	Year 2022
8	Supervisory Review Committee (SRC)	<ul style="list-style-type: none"> <li>Managing Director</li> <li>Deputy Managing Director</li> <li>Head of CRMD</li> <li>Head of CBD</li> <li>Head of ICTD</li> <li>Head of ICCD</li> <li>Head of RMD</li> <li>Head of LRD</li> <li>Head of ID</li> <li>Head of TD</li> <li>Head of FAD</li> <li>Head of HRD</li> <li>Head of AMLD</li> </ul>	<p>The Committee is engaged in reviewing the nature and level of risk relates to banking assets and planning for adequate capital framework.</p> <p>The Committee engaged in developing an Internal Capital Adequacy Assessment Process (ICAAP) for assessing Bank's overall capital adequacy in relation to its risk profile and strategy for maintaining its capital at an adequate level.</p>	<p>Meeting held by Bank's Supervisory Review Committee: 06 (Six)</p> <p>Major agenda covered in 2022 Discussion on the Monthly Risk Management Report (MRMR) and Comprehensive Risk Management Report (CRMR). Discussion on the Risk Based Capital Adequacy Report in line with Basel-III. Discussion on the Stress Testing Report. Discussion on Internal Capital Adequacy Assessment Process (ICAAP) Report under Supervisory Review Process. Discussion on Risk Appetite Statement.</p>
9	Credit Risk Management Committee	<ul style="list-style-type: none"> <li>Deputy Managing Director (CRM)</li> <li>Head of Business</li> <li>Head of CRM</li> <li>Head of Corporate</li> <li>Head of Credit Administration</li> <li>Head of Retail Banking</li> <li>Head of Monitoring</li> <li>Head of Recovery</li> <li>Head of SME</li> <li>Head of ID</li> <li>Head of Treasury</li> <li>Head of Risk Management</li> </ul>	The committee shall responsible to implement Credit Risk Management in line with Bangladesh Bank's Guidelines within reasonable time by taking initiatives.	In 2022, the Committee was watchful to identify, measure, monitor and control credit risk as part of an overall approach to risk management.
10	Sustainable Finance Committee	<ul style="list-style-type: none"> <li>Additional Managing Director</li> <li>Deputy Managing Director</li> <li>Head of CRM</li> <li>Head of Credit Administration</li> <li>Head of Monitoring</li> <li>Head of Corporate Banking</li> <li>Head of Retail Banking</li> <li>Head of International Division</li> <li>Head of Risk Management</li> <li>Head of Human Resources</li> <li>Chief Financial Officer</li> <li>Head of Finance &amp; Accounts</li> <li>Head of ICC</li> <li>Head of Card Division</li> <li>Head of G &amp; CSD</li> <li>Head of Banking Operation</li> <li>Head of Marketing &amp; Development</li> <li>Head of ICT</li> <li>Head of Treasury Division</li> <li>Head of PR &amp; BCD</li> <li>Head of SFU</li> </ul>	Monitoring/following up and evaluating activities of Sustainable Finance Unit (SFU) Fixing Yearly target regarding activities of SFU and evaluating the same	<p>Meeting held by Bank's Supervisory Review Committee: 3</p> <p>Major agenda covered in 2022 Review of Sustainable Finance activities of our Bank and recommendations to improve Sustainability Rating. Evaluating achievement of Sustainable Finance &amp; Green Banking targets and recommendations to achieve the targets Communicating latest update Ensuring proper co-ordination &amp; support of all related division of the Bank regarding activities of SFU. Miscellaneous</p>
11	Purchase Committee	<ul style="list-style-type: none"> <li>The Additional Managing Director</li> <li>The DMD &amp; Chief Information Technology Officer (CITO)</li> <li>The Head of FAD</li> <li>The Head of HRD</li> <li>The Head of GCSD</li> <li>The Head of Engineering Department</li> </ul>	The Committee is engaged with timely and promptly logistic support i.e. different types of goods/equipments like office stationeries, printing books, forms & security stationary, office furniture, vehicles, office equipments, computers and computer accessories, electric appliances, etc. and engage/procure various services such as On line connectivity, Internet connectivity, Consultancy, Cleaning service, security service as well as repairing and maintenance of the purchased items etc.	Meeting held by Bank's Purchase Committee: 76

## 8. Roles and Responsibilities of Managing Director & CEO

Prominent banker Mr. Mirza Elias Uddin Ahmed has been reappointed as the Managing Director & CEO of Jamuna Bank Limited for another term of 5(Five) years from October 21, 2022. He took over the charge of bank's MD & CEO on October 21, 2019 for his first term of 3(Three) years. Earlier Mr. Ahmed served the Bank in the capacities of Additional Managing Director and Deputy Managing Director for over 7 years. The detail information of bank's MD & CEO is given in separate part of director's profile under page no. 57 of this AIR 2022.

The main responsibilities and authorities of the Managing Director are as follows:

- Undertakes the financial, business and administrative authorities when vested on him by the Board and remains accountable for achievement of financial and other business targets by means of business plan, efficient implementation and prudent administrative and financial management.
- Ensure compliance of the Bank Company Act 1991 (amended up to 2018) and other relevant laws and regulations in discharging routine functions of the Bank and remains accountable to report to Bangladesh Bank if any violation occurs.
- At the time of presenting any memorandum by the management in the Board Meeting or Board Committee Meeting, the CEO points out if there is any deviation from the Bank Company Act, 1991 (amended up to 2018) and other relevant laws and regulations.
- Recruitment and promotion of all staffs of the bank except those in the two tiers below him rest on the CEO. He acts in such cases in accordance with the approved service rules on the basis of the human resources policy and approved delegation of employees as approved by the Board of Directors.
- The authority relating to transfer of and disciplinary measures against the staff, except those at two tiers below the CEO, rests on him that he applies in accordance with the approved service rules. Besides, under the purview of the human resources policy as approved by the Board, he nominates officers for training etc.

### 8.1 Annual Evaluation of the MD & CEO by the Board

The roles, responsibilities and duties of Managing Director & CEO of JBL has clearly defined and approved by the Board of Directors. BoDs also makes annual evaluation of MD & CEO through various reports like financial position

and performance report of the Bank, knowing update of various assignments given by the Board to the CEO and the Management from time to time and doing variance analysis of Budget with Actual result and steps taken by CEO to achieve the Budgeted target. Among the financial parameters, NPL ratio, Growth of Loan & Deposit, Cost to Income Ratio, Loans write off and its recovery, Capital Adequacy Ratio, Credit to Deposit Ratio etc. are the common ones.

### 8.2 MD or CEO of the company does not hold the same position in another listed company

Managing Director & CEO of Jamuna Bank Limited does not hold the same position in another listed company of the Country.

### 8.3 Remuneration of MD

The information relating to Managing Director's Salary and fees has been presented at Note 30 of Financial Statements of the Bank in this AR 2022.

### 8.4 Disclosure of key policies with regard to remuneration of directors, senior management and employees

All employees including the Senior Management employees are paid competitive remuneration package. The structure and level of remuneration are reviewed time to time based on Bank's performance and affordability. The remuneration also stresses on ensuring internal and external pay equity.

## 9 . Roles, Responsibilities and Duties of Head of Internal Audit and Compliance (HIAC)

**Mr. Mohammed Aminul Islam Mintu, FCCA, ACA** has appointed as Head of Internal Audit and Compliance (HIAC) of the Bank. The Head of Internal Audit and Compliance (HIAC) is responsible for Bank's strategic risk-based internal audit plan and managing the internal audit function in accordance with Bank's internal audit charter. Responsibilities include providing reasonable assurance on the effectiveness of the organization's risk management and the strength of internal controls.

### The Roles & Responsibilities of the Head of ICCD are:

- a. To lead the Internal Control & Compliance Division of the Bank as its Head for bringing a systematic & disciplined approach to evaluate and improve the effectiveness of risk management, control and

- transparent governance processes.
- b. To fix the job descriptions of the Heads of Audit & Inspection Department, Monitoring Department and Compliance Department and guide/ supervise them accordingly
  - c. To identify risks by conducting audit & inspection on all the Branches & Divisions of the Bank
  - d. To review and countersign the following Documents of the ICCD and submit the same to the competent authority:
    - Annual Audit Plan
    - Internal comprehensive Audit Reports of the Branches/Divisions
    - Special Audit Report on any Branch/Division
    - Investigation/ surprise Report on any of the Branches
    - Annual Health Report of the Bank
    - Summary of irregularities of all the Audit Reports of the year
    - Any other Report prepared by this Division
  - e. To sign all the correspondences of the Division which are required to be signed by him
  - f. To frame new policy or recommend revision of the existing policy as and when required
  - g. To hold 'Review Meeting' with the Managers on important audit findings
  - h. To arrange training program for the ICCD officials
  - i. To run the total administration of Internal Control and Compliance Division of the bank
  - j. Any other jobs as and when assigned by the higher management/ACB/Board.

Through performing the above functions the Head of ICCD will ensure the Board of Directors that the Internal Control measures set for the different Branches/Divisions/Units are effectively functioning and the Bank is running in a right direction to achieve its objectives.

## 9. Roles, Responsibilities and Duties of Chief Financial Officer (CFO)

**Mr. Uttam Kumar Saha FCA FCS** has appointed as Chief Financial Officer (CFO) of the Bank. He attends the meetings of the Board of Directors as and when require.

### Roles, Responsibilities & Duties:

- Execute the financial strategy of the company.
- Manage financial controls and accounting procedures.
- Ensure full transparency over the financial performance of the company.
- Managing the processes for financial forecasting and budgets.

- To ensure that Financial Statements of the year have been prepared
  - (a) In compliance with Securities and Exchange Rules, 1987 as well as the provisions of International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS) as applicable in Bangladesh, any departure there from has been adequately disclosed or as per requirements under the financial Reporting Act, 2015 and other rules and
  - (b) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view.
  - (c) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements.
- To certify the Board along with the Managing Director/ CEO that they have reviewed Financial Statements for the year and that to the best of their knowledge and belief:
  - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
  - (c) no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.
- Providing strategic recommendations to the CEO/ Managing Director and members of the executive management team.
- Provide advice on how to increase revenue and reduce costs.
- Advising on long-term business and financial planning.
- Establishing and developing relations with senior management and external partners and stakeholders.
- Effectively and clearly communicate potential risks in a timely manner.
- Propose action plans to ensure that annual financial objectives are attained.
- Support the CEO with the preparation of monthly and annual financial plans.
- Maintain speed and accuracy of billings and client payments.
- Coordinate and produce all tax documentation as required .
- Prepare and manage Employees' Provident Fund, Gratuity Fund, Social Security Fund

- Serve as one of the trustees and oversee administration and financial reporting of the organization's Savings and Retirement Plan.
- Assist in the design, implementation, and timely calculations of incentives, festival bonus and salaries for the employees.
- Supervises investment and raising of funds for business.
- Working as a joint custodian of cash to meet up day-to-day expenses.
- Assist the auditors of Bangladesh Bank, Statutory Auditors, Rating Agency, Income Tax & VAT officials and other regulatory bodies for conducting audit/ discharging their duties etc.
- To act in good faith in the company's interest;
- Act as an additional enquiring voice in relation to Board decisions.

#### **Responsible to the Stakeholders:**

- Timely dissemination of announcements to the market and ensuring that proper notification is made of Director's dealings.
- Maintaining relations with investors, particularly institutional Investors with regards to Corporate Governance issues and Board practices.
- Inducting new Directors into the business and explaining their roles and responsibilities.
- Ensuring compliance with all statutory filings and regulatory disclosures.
- Arranging and managing the Board meeting and General Meeting.
- Primary contract for corporate governance.

## **10. Roles, Responsibilities and Duties of Company Secretary:**

The Board has appointed Mr. M. A. Rouf as the Company Secretary and Secretary to the Board of Directors and its Committees to assist the Board in fulfilling its tasks. Duties of the Secretary include providing advice and ensuring compliance with the applicable laws and regulations, which is consistent with the Corporate Governance Notification, as well as the following services:

#### **Responsible to the Board:**

- Counselor to the Board of Directors;
- Act as channel of communication and information to Directors. He is also an important liaison between the Board of Director and Management of the Bank.
- To ensure that Board of Directors comply with statutory requirements and procedures (e.g. internal regulations, policies, competencies, recording the meetings).
- Support the Chairperson related to organizing board matters;
- Ensuring the smooth running of the Boards and Board Committees (Audit, Executive & Risk Management)
- To ensure important information is forwarded to the Board of Directors
- Act as a confidential sounding Board to the Chairman, Executive and Non-Executive Directors.

#### **Responsible to the Company:**

- Act as the "Conscience of the Company".
- Compliance with statute and other appropriate legislation;
- Authentication of accounts & documents;
- Advice on business ethics;
- Avoid conflicts of interest;
- Maintains statutory books and registers

#### **Officer of the Company**

- To planning and organizing board meeting and its committee meeting efficiently.
- To planning and organizing Annual General Meeting, Extra-ordinary General meeting and similar jobs.
- To maintain and distribute the agenda of the meetings for the board of directors and management.
- To invitations, scheduling, and organization of meetings for the board of directors and executive committee of the Board of Directors.
- To record and maintain the records of the meeting and to draft the meeting minutes.
- To provide legal advice to the board of directors and management.
- To ensure and to supervise the share related matters.
- To ensure the compliance with statutory disclosure requirements
- The responsibility for the annual report regarding the corporate governance section.

## **11. Attendance of CFO, CS and HIAC in Board Meeting**

Company Secretary of the Bank is attending the meetings of the Board of Directors regularly. Chief Financial Officer (CFO) & Head of Internal Control & Compliance Division are also attending the meeting when it is required. Provided that the CS, CFO and/or the HICC do not attend such part of a meeting of the Board of Directors which involves consideration of an agenda item relating to their personal matters.

## 12. Governance of Board of Directors of Subsidiary Company

In group concept, Jamuna Bank limited is parent company with having following two subsidiary companies:

- Jamuna Bank Capital Management Limited (JBCML), incorporated in Bangladesh - 99.99984%
- Jamuna Bank Securities Limited (JBSL), incorporated in Bangladesh - 99.99995%

The board of the parent company is aware of the material risks and issues that might affect both the bank as a whole and its subsidiaries. It exercises adequate oversight over subsidiaries while respecting the independent legal and governance responsibilities that might apply to its subsidiary boards. In accordance with condition 2 of the notification on the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission (BSEC) on 3 June 2018 (Notification No. BSEC/CMRRCD/2006-158/207/Admin/80), the Board has appointed one of its Independent Director in the Board of Jamuna Bank Capital Management Limited as well as Jamuna Bank Securities Limited. The minutes of the Board meeting of the subsidiary company were placed for review at the Board meeting of Jamuna Bank Ltd. on a regular basis. Besides, the Audit Committee of Jamuna Bank Ltd. has reviewed the financial statements of the subsidiaries of the Bank.

### Participation of Bank's Director in the Board of subsidiaries of the Bank as on 31.12.2022

Name of the Director	Position	JBCML	JBSL
Al-Haj Nur Mohammed	Chairman	Director	
Engr. A. K. M. Mosharraf Hussain	Director		
Engr. Md. Atiqur Rahman	Director		
Mr. Fazlur Rahman	Director		
Mr. Gazi Golam Ashria	Director		
Mr. Md. Saidul Islam	Director		
Mr. Robin Razon Sakhawat	Director		
Mr. Redwan-ul Karim Ansari	Director		
Mr. Md. Belal Hossain	Director		
Mr. Md. Mahmudul Hoque	Director		
Mr. Shaheen Mahmud	Director		
Mr. Md. Sirajul Islam Varosha	Director	Chairman	
Mr. Kanutosh Majumder	Director	Director	
Mr. Md. Ismail Hossain Siraji	Director		Chairman
Mr. Gazi Golam Murtoza	Director		Director
Mr. Md. Hasan	Director		
Mr. Md. Abdur Rahman Sarker	Independent Director		Director
Mr. Md. Humayun Kabir Khan	Independent Director	Director	
Mr. Md. Abdul Jabber Chowdhury	Independent Director		
Mr. M. Murshidul Huq Khan	Independent Director		

JBCML= Jamuna Bank Capital Management Limited; JBSL= Jamuna Bank Securities Limited

## 13. Ethics and Compliance

Corporate integrity, ethical conduct and accountability are fundamental to build trust between Jamuna Bank and different stakeholders. Jamuna Bank are always committed to maintain and uphold the highest standard of Corporate Governance integrity and ethics, which is embedded in the corporate culture of the Bank. Jamuna Bank Limited has written Code of Conduct for the members of the Board of Directors as well as Employees of the Bank. The Board of Directors complies with all applicable Laws and Regulations of the land and Memorandum & Articles of Association of the Bank.

The Management and employees must comply with code of conduct when interacting with the Bank's clients, shareholders, employees, and business partners/ debtors. Great emphasis is also placed on their responsibilities for environment, society and competitors, preservation of client confidentiality, honesty, fairness, professional integrity, business capacities, strict compliance with laws and regulations, as well as cooperation with regulatory agencies. In performing their duties, employees are required to adhere to the principles of good corporate governance, use good judgment, act in compliance to rules and regulations and ensure that the Bank discharges its legal and regulatory responsibilities accordingly. Alleged breaches are investigated in accordance with set procedures, and disciplinary penalties are imposed if any employee is found guilty of a breach of conduct.

### 13.1 Integrity

Employees of Jamuna Bank are judged not only in terms of competencies, but also with their integrity. The reputation and continued success of Jamuna Bank largely depend on a shared commitment to the core value of integrity. Respecting this value is the responsibility of each and every member of the organization. To motivate and inspire the employees of the Bank to form effectively ethical and moral habits in personal and professional area, the Bank formulated "Integrity Award Conferment Policy" considering instructions from the Bangladesh Bank.

### 13.2 Conflict of Interest

Conflicts of interest may arise as a result of the various activities and roles of the Bank (e.g. where the Bank extends loans to a firm while its proprietary trading function buys and sells securities issued by that firm), or between the interests of the Bank or its customers and those of the Bank's Board members or senior managers (e.g. where the Bank enters into a business relationship with an entity in which one of the Bank's Board members has a financial

interest). Conflicts of interest may also arise when a Bank is part of a broader group. 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 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 set limit.
- Audit committee regularly reviews the financial and other related statements and gives recommendation to the management regarding any changes in policy and also presents to the Board for further evaluation.
- Board of directors' approval is needed for loan re-scheduling.
- Employees are advised to take particular care when they are responsible for dealing with customers, business associates and agents on behalf of the Bank. Any failure to disclose a conflict of interest leads to a disciplinary action.

### 13.3 Effective Anti- Money laundering and antiterrorism program

Jamuna Bank is firmly committed to enforcing its compliance program covering all related areas of ML/TF considering the size and range of activities, the complexity of operations, and the nature and the degree of ML/TF risk facing by itself. The compliance program is designed to ensure that the Bank deals only with legitimate customers who perform legitimate banking transactions. A well-defined Customer Acceptance Policy has been implemented to identify potential customers. Concerned employees of Jamuna Bank are conducting CDD during onboard of customer. According to BFIU directives Jamuna Bank has implemented Risk based KYC process to assess customer risk effectively.

As per TBML Guidelines issued by BFIU, Jamuna Bank has implemented its own TBML Guidelines considering the nature of business, customer base, etc. All ADs, TFPCs, and OBU have been instructed to ensure meticulous compliance with TBML Guidelines as well as the exercise of Customer Level Risk Assessment (CLRA) and Trade Transaction Profile (CLRA) for the trade customers. In order to avoid global sanction risk a real-time automated Sanction Screening Solution has been implemented covering most of the Global sanction lists and PEP lists which are integrated with our CBS.

Bank has been subscribing to Adverse Media reports through Hawker.com. ML & TFP Division disseminates the adverse media report among the Branches and Divisions through the mail every morning. Bank has implemented Firco Compliance link through Accuity to reduce TBML risk. All parties involved in cross-border transactions along with ports, goods etc. will be screened through Firco Compliance link. Vessel tracking will also be monitored as well.

To handle the issue of over or under invoicing concerned Branches/Divisions are instructed to ensure price verification of goods from reliable open sources. ADs, TFPCs are instructed to obtain Credit Report on the Buyers/Consignees/ Suppliers/ Notify Party as applicable through International Division, Head Office, Jamuna Bank Limited. ADs/TFPCs are also instructed to ensure that remittance comes through the banking channel from the buyer with whom the contract/LC was established before realization of Export Proceeds. In case of third-party remittance, ADs/TFPCs must ensure that there is a bonafide business relationship supported by documents between the remitter and the buyer. Branches are instructed to ensure analysis of CTR in every month to identify unusual transactions.

In recent years it has been observed that Credit backed money laundering is one of the lucrative methods for launderers. Branches are instructed to submit SAR/STR in case of the borrower is absconded, does not repay the loan, and living abroad, any fraudulent activity found in mortgage activity, early settlement of loan or any suspicious transaction found during transaction monitoring of loan customers.

Jamuna Bank Limited has developed a Flier containing AML/CFT issues to create public awareness which is distributed among the Branches. The Bank has also nominated Chief Anti Money Laundering Compliance Officer (CAMLCO) who attends the CAMLCO Conference every year organized by Bangladesh Bank and Branch Anti Money Laundering Compliance Officers (BAMLCO) at Branches, who independently would make the Bank compliant on AML matters. AML Department arranges and conducts AML workshops in order to train all the employees of the Bank to meet up our regulatory requirement and most of the employees obtained AML and CFT (Combating Financing Terrorism) related training.

### 13.4 Particulars of Whistle blower Policy

Jamuna Bank is committed to the highest standards of good governance, openness, transparency, honesty, integrity and accountability. The Internal Control & Compliance Division (ICCD) of the Bank engaged in

examination of whether any fraud-forgery or irregularities is going on in the Bank. The ICCD also conducts special audit or investigations as instructed by the Board or Audit Committee of the Bank. The ICCD are submitting reports to Audit Committee regarding their finding on different issues at a regular basis.

## 14. Human Capital

Jamuna Bank Limited regards its employees as Human Capital in the sense that our people suffix the added value to organization in respect of both skill value and economic value. It is our people who are the differentiator for the organization and absolute basis for competitive advantage.

JBL feels, without creating core competencies, no organization can leapfrog than that of the competitors and it is the caliber including their knowledge and skills can only create core competencies of the organization for reaping the cutting edge.

To this effect, JBL constantly sharpen its people's knowledge and skills through continuous training and development and acquire employees embodying a set of skills which ultimately generates a stock of productive capital for our organization. We simply link between the HR practices and business performance in terms of assets.

In this backdrop, JBL polarizes the investment cost i.e. acquiring cost, training & development cost and other cost expended for the individuals from plausible outcome which is generated from the employees' concerted efforts and consequently surfaces per employee cost and income.

To conclude, our core brand has always been our employees, appreciated for their passion to perform. For us, employees are the best brand. We do not offer our employees a job, we offer them a career. We strongly believe that employees are required to work in a team to run a system smoothly and efficiently. Our efficient work force acted as the fundamental pillar to elevate the Bank at today's height of success and beyond. We are always concerned with upgrading our entire workforce to the next level of skill and efficiency through internal & external training and it is a continuous process. In line with its expansion plans, Jamuna Bank plans to acquire talents from the market to meet the customers' ever-increasing demand and to support the ever changing business scenario.

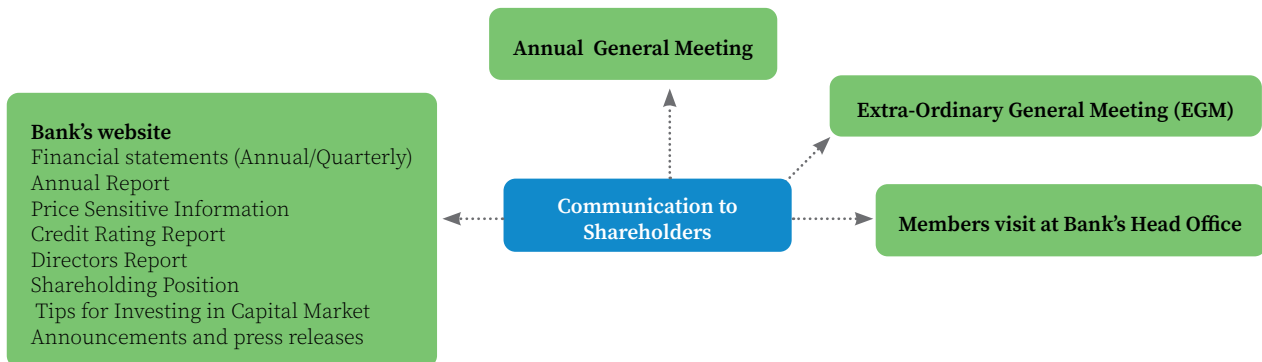
The details discussion on the bank's "Human Capital" has been presented in this annual report.



## 15. Communication to Shareholders & Investors' Relation Department

To make effective communication to the shareholders and other stakeholders of the bank, the Share Division under the Board Secretariat is playing a vital role. They are providing various services to the shareholders and other stakeholders of the Bank i.e. to allow or rejection transfer or transmission of shares, Share transfer/Buy/Sell/Gift of Shares for the Sponsors/Directors as per prevailing rules/regulations, allotment of shares issued from time to time, issue of duplicate certificates, payment of dividend, De-materialization/ Re-materialization of shares, Distribution of Annual Report, issue and dispatch of MICR Dividend/Fractional Dividend Warrants, issuance of Shareholding Certificate to the Directors/ Shareholders, allow or rejection Pledge/Un-pledge/Confiscation of shares, are under the purview of Share Division.

As per provision of regulation 44(2) (i) of the Dhaka and Chittagong Stock Exchange (Listing) Regulation, we have published the Contact number (Fax, e-mail & telephone) of the officials of Investors' Relation Department of our Bank through which the honorable shareholders and other stakeholders can communicate with us.



## 16 . Redressal of Investors Complaints

A shareholder can take up matters like non-receipt of dividend, Annual Reports and Notices of General meetings etc., either with the Share Department at the Head Office of the Bank or with the Company Secretary. The Share Department look into the redressal of shareholder/ investor complaints.

The company maintains investor grievance file in which full details of every written complaint are kept. We have 3 designated persons who look after the investor grievances within a timeframe. A letter or email is sent to the investor who has submitted written complaint by the designated person or compliance officer acknowledging receipt of the complaint and informing him/her of the process for suitable decision

To ensure equal treatment to all shareholders, the bank created various mechanisms, such as:

- Shareholders who are unable to attend the shareholders meeting are provided with proxy forms to nominate proxy to attend and vote on their behalf. The proxy forms which are in accordance with the standard format, are sent along with the annual report.
- The bank sees the importance of the consideration of transactions which may have conflict of interest or may be connected or related transactions and abides by good corporate governance principles, including the rules and regulations of the Bangladesh Securities and Exchange Commission and the Dhaka Stock Exchange Ltd. and the Chittagong Stock Exchange

**Jamuna Bank ensures equal treatment to all shareholders. The Bank does not overlook the interest of minority shareholders. However, the most important protection afforded to minority shareholders comes in the form of a statutory remedy in section 233 of the Companies Act, 1994 of Bangladesh. It protects not just the rights of minority shareholders but also their legitimate expectations.**

Ltd.

- Directors, management and those who are related persons do not participate in the consideration to approve such transactions.
- The bank continues to have regular communication with the shareholders through periodic updates of performance.
- The shareholders' meetings proceed in accordance with the order of agenda.
- At times, the investors lodge complaints. These complaints are timely resolved. Investors at times lodge complaints through DSE and CSE. Those are also timely taken up and resolved. The concerned investors and the DSE/CSE are informed of the resolution of the complaint.

- Annual Report of each year and other relevant information about Jamuna Bank may be viewed on JBL's website <http://www.jamunabankbd.com/>.
- The Bank provides copies of Annual Reports to the Bangladesh Securities and Exchange Commission, Bangladesh Bank, The Dhaka Stock Exchange Limited and The Chittagong Stock Exchange Limited for their reference. Investors may read them at public reference room or library.

Besides, Jamuna Bank Ltd. follows the following principles in dealing with the Investors:

- Fair treatment.
- Timeliness in the resolution of investors' complaints.
- Friendliness with all investors and all investor segments.
- Protection of investors' interest.

Investors' Inquiries Queries relating to shareholdings, for example, transfer of shares and payment of dividend, are to be sent to the following address:

### 17. Investors' Relation Department:

Address : Jamuna Bank Limited, Head Office : Share Division, Jamuna Bank Tower (5th Floor), Plot-14, Block-C, Bir Uttam A.K Khandakar Road, Gulshan-1, Dhaka.

Web Address : [www.jamunabank.com.bd](http://www.jamunabank.com.bd)

Name of Contact Person : Mr. Quzi Mohammad Taraquul Akbar, Head of Share Division

E-mail : [head.share@jamunabank.com.bd](mailto:head.share@jamunabank.com.bd)

Phone +8809610005678(10:00 A.M. to 5:00 P.M.)

### 18. Periodic reminders to shareholding who have not encashed their dividend

To acknowledge our valuable shareholders, we are publishing Notice of AGM (mentioning dividend, record date etc.) in two different National Dailies. Besides, Price Sensitive Information is also published in the two different national dailies and in one on-line news portal to acknowledge our shareholders regarding decision of the Board in this regard. Formal Newspaper add also published in two widely national dailies as per rule for the shareholders of the Bank to encash their dividend.

### 19. Environmental and Social Obligations

Jamuna Bank Limited being one of the third generation banks has been keeping its keen eye on any new development in the banking industry so as to enable itself to undertake profitable investment opportunities having regard to the environmental concern. Green' or in other word 'Sustainable Banking' is a major issue worldwide now. Awareness about the development of sustainable/green financial regulations has been increasing rapidly. Through protecting or preserving environment, such financial inclusion in sustainable measures result onto special jobs, economic uplift and creates a long-lasting positive

impact in a country's economy. Jamuna Bank Limited has already stepped in different arena for implementation of "Sustainable Development Goals". as per following:

- JBL has given preferences for financing in eco-friendly business activities and energy efficient industries like Effluent Treatment Plant, renewable energy project, clean water supply, waste management plan, solid & hazardous disposal plant, bio gas plant, bio-fertilized etc. The Bank has financed in Hybrid Hoffman Kiln (HHK) technology, solar panel etc.
- The Bank has started to set up energy efficient bulbs in the newly established/existing Branches. Different divisions of the Bank are disseminating operational guidelines, circulars and Management decisions as well as collecting statements through email reducing use of paper.
- We maintain negative list of sectors (adversely impacting the environment) in the credit policy as best practice.
- For setting up of Branches, Bank is emphasizing on use of renewable energy (e.g. solar), use of energy saving bulbs and other equipment, reduced water and electricity use, use of recycled water etc.
- We have introduced and practicing Green Tips to manage better In-House Environment. Some of the practices are as below:
  - Preparation & maintenance of inventory of the consumption of water, paper, electricity, energy etc. in offices and branches in different places.
  - Saving electricity and reduce water and paper consumption.
  - In place of relying on printed documents, online communication is extensively used (where possible) for office management.
  - Installing energy efficient electronic equipment's and automatic shutdown of computers, -fans, lights, air coolers etc.
  - Use of energy saving LED Bulb as much as possible.
  - Printing on reusable sheets.
  - Printing multiple pages on single sheets of paper.
  - Setting defaults to print double -sided and print on both sides
  - Printing only the pages required.
  - Use email statements, we save an enormous amount of paper.
  - Low use of cheque book or paying-in book (withdrawal & payment through Card)
  - Switching off the ACs after 6 pm (or earlier specially when not required), and maintaining the temperature of the AC over 22 Degree Celsius;
  - Switching off the lights of the common are after banking hour.
  - Switching off the computer / printer, when not in use, and air coolers inside ATM Booths every night from 12:00 midnight to 6:00 a.m. etc.
  - Putting a restrain and ensure judicious consumption of water, fuel and energy.

The details discussion on the "Sustainability Report" has been presented in this AR 2022.

# Corporate Governance Compliance Statement

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Jamuna Bank Ltd. believes that enriched corporate governance contributes to the long-term success of a company and creates trust & engagement between the company and its stakeholders. Accordingly, the Board of Directors and Management are committed to continuously striving for the highest standards in governance to ensure that the business and its affairs are in strict adherence to the doctrine and principles of sound governance such as integrity, transparency, accountability and responsible business conduct to safeguard the interests of its shareholders and stakeholders. It is the responsibility of the Company Secretary, being the highest governance official in the Company, to ensure effective compliance of rules and regulations in this respect.

As part of its corporate policy, Jamuna Bank always strives to maximize its shareholders' value and benefit. In doing so, the Bank is committed to maintaining high standards of Corporate Governance. The Company's Corporate Governance framework is directed towards achieving its business objectives in a manner that is responsible and in accordance with its high standards of honesty, reliability, transparency and accountability.

Besides, we have the pleasure to confirm that the Company has, complied with relevant provisions of the Companies Act 1994, Bank Company Act 1991, rules and regulations of Bangladesh Bank and Bangladesh Securities and Exchange Commission (BSEC) Corporate Governance Code dated 3 June 2018, listing rules of Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. and other applicable laws, rules and regulations. The Compliance Report along with the necessary remarks and disclosures is appended in this Annual Report for the year 2022. Further, a Certificate of Compliance required under the said Guidelines, as provided by **Mahfel Huq & Co., Chartered Accountants**, is also annexed to this report.

Sd/-

**M. A. Rouf**

Company Secretary

# Bangladesh Bank Guidelines for Corporate Governance: Our Compliance Status

Bangladesh Bank (BB) issued three circulars in 2013 covering following areas as follows to ensure good governance i.e. corporate governance in bank management,:

1. BRPD Circular No.11 dated 27 October 2013: Formation & Responsibilities of Board of Directors of a Bank Company.
2. BRPD Circular No.18 dated 27 October 2013: Appointment and Responsibilities of Chief Executive of a Bank-Company.
3. BRPD Circular No.19 dated 27 October 2013: Contractual appointment of Advisor and Consultant in a Bank-Company.
4. BRPD Circular letter no. 27 dated 12 May 2021: Appointment of director, contractual advisor and consultant for Bank-Company

## 20.1.1 Formation & Responsibilities of Board of Directors of a Bank Company.

Sl.	Particulars	Compliance Status
1	Formation of Board of Directors: Prior approval of Bangladesh Bank before the appointment/re-appointment of new directors including Independent Directors; director's fit & proper criteria; maximum number of directors; appointment of maximum 2(two) members from a family as director.	Complied
1.1	Appointment of New directors: Under section 15(4) of the Bank Company Act, 1991 (amended upto 2013), every banking company, other than specialized banks, at the time of taking prior approval from Bangladesh Bank for appointing/reappointing directors should furnish documents as mentioned in the BRPD Circular No.11 dated 27 October 2013 along with the application.	Complied
1.2	Vacation of office of Director	
(a)	The office of director shall be vacated according to the instructions specified in section 108(1) of the Companies Act, 1994. Besides, when a bank director becomes defaulter and does not repay the loan within two months after getting a notice under the section 17 of the Bank Company Act, 1991; provides false statement at the time of appointment; or fails to fulfill the minimum eligibility criteria, the office of the director will be vacated.	No such case
(b)	If the office of a director is vacated by a notice under the section 17 of BCA, the person will not be eligible to become a director of the bank or any other bank or any financial institution for one year from the date of repayment of the total amount due to the bank. It is mentionable here that the dues can be adjusted with the shares held by the director in that bank. When a director receives a notice under section 17 of BCA, 1991, he/she can't transfer his/her shares of that bank until he/she repays all the liabilities of the noticed bank or financial institution.	No such incident
(c)	Besides, Bangladesh Bank can remove a director or chairman of a bank, except state owned banks, for conducting any kind of activities that is detrimental to the interest of the banks depositors or against the public interest under Section 46 and can supersede the board of a banking company under Section 47 of BCA, 1991.	No such instance
1.3	Removal of Directors from office: With the prior approval of Bangladesh Bank, a bank director other than specialized banks can be removed from his office for the reason specified in its Articles of Association. For this purpose, the reason and grounds of the dismissal/removal and copy of the decision of the board and list of directors should be submitted to Bangladesh Bank. In this case, the removal will be effective from the date of Bangladesh Bank's approval.	No such instance
1.4	Appointment of Alternate Director: an alternate director can be appointed to act for a director during his absence for a continuous period of not less than three months from Bangladesh. In this context, the instructions stipulated in BRPD Circular No.11 dated 27 October 2013 should be followed.	Currently No such Director in JBL

Sl.	Particulars	Compliance Status
2	Depositor Director: As the previous provisions regarding appointment of Depositor Directors of the Bank Company Act, 1991 has been amended; appointment of director from depositors is no longer required. But, after complying regulation under sec 15(9) of the Bank Company Act, 1991 (amended upto 2013) bank can consider the tenure of existing depositor director or may appoint them as independent director.	Currently No such Director in JBL
3	Information regarding Directors: Banks are advised to take the following steps regarding director information:	
(a)	Every bank should keep an updated list of Bank Directors.	Complied
(b)	Banks should send a directors' list to other banks or financial institutions immediately after the appointment or release of director.	Complied
(c)	Banks should display a list of directors in the website and update it on a regular basis.	Complied
4	Responsibilities of the Board of Directors	
4.1	Responsibilities and Authorities of the Board of Directors:	
(a)	Work-planning and strategic management: (i) The board shall determine the objectives and goals and to this end shall chalk out strategies and work-plans on annual basis. It shall specially engage itself in the affairs of making strategies consistent with the determined objectives and goals and in the issues relating to structural change and reformation for enhancement of institutional efficiency and other relevant policy matters. It shall analyze/monitor, at quarterly rests, the development of implementation of the work-plans.	Complied
	(ii) The board shall have its analytical review incorporated in the Annual Report as regards to the success/failure in achieving the business and other targets as set out in its annual work-plan and shall apprise the shareholders of its opinions/ recommendations on future plans and strategies. It shall set the Key Performance Indicators (KPIs) for the CEO & officers immediate two tiers below the CEO, and have it evaluated from time to time.	Complied
(b)	Credit and risk management: (i) The policies, strategies, procedures etc. in respect of appraisal of loan/investment proposal, sanction, disbursement, recovery, reschedule and write-off thereof shall be made with the board's approval under the purview of the existing laws, rules and regulations. The board shall specifically distribute the power of sanction of loan/investment and such distribution should desirably be made among the CEO and his subordinate executives as much as possible. No director, however, shall interfere, direct or indirect, into the process of loan approval.	Complied
	(ii) The board shall frame policies for risk management and get them complied with and shall monitor the compliance at quarterly rests and review the concerned report of the risk management team and shall compile in the minutes of the board meeting. Theboard shall monitor the compliance of the guidelines of Bangladesh Bank regarding key risk management.	Complied
(c)	Internal control management  The board shall be vigilant on the internal control system of the bank in order to attain and maintain satisfactory qualitative standard of its loan/investment portfolio. The board will establish such an internal control system so that the internal audit process can be conducted independently from the management. It shall review the reports submitted by its audit committee at quarterly rests regarding compliance of recommendations made in internal and external audit reports and the Bangladesh Bank inspection reports.	Complied
(d)	Human resources management and development:	

Sl.	Particulars	Compliance Status
	(i) Policies relating to recruitment, promotion, transfer, disciplinary and punitive measures, human resources development etc. and service rules shall be framed and approved by the board. The chairman or the directors shall in no way involve themselves or interfere into or influence over any administrative affairs including recruitment, promotion, transfer and disciplinary measures as executed under the set service rules. No member of the board of directors shall be included in the selection committees for recruitment and promotion to different levels. Recruitment, promotion, transfer & punishment of the officers immediate two tiers below the CEO shall, however, rest upon the board. Such recruitment and promotion shall have to be carried out complying with the service rules i.e., policies for recruitment and promotion.	Complied. (BoD of JBL approves HR policy from time to time which guides all actions or decisions related to HR of JBL)
	(ii) The board shall focus its special attention to the development of skills of bank's staff in different fields of its business activities including prudent appraisal of loan/investment proposals, and to the adoption of modern electronic and information technologies and the introduction of effective Management Information System(MIS). The board shall get these programmes incorporated in its annual work plan.	Complied
	(iii) The board will compose Code of Ethics for every tier and they will follow it properly. The board will promote healthy code of conducts for developing a compliance culture.	Complied
(e)	Financial management: (i) The annual budget and the statutory financial statements shall be finalized with the approval of the board. It shall at quarterly rests review/monitor the positions in respect of bank's income, expenditure, liquidity, non-performing asset, capital base and adequacy, maintenance of loan loss provision and steps taken for recovery of defaulted loans including legal measures.	Complied
	(ii) The board shall frame the policies and procedures for bank's purchase and procurement activities and shall accordingly approve the distribution of power for making such expenditures. The maximum possible delegation of such power of expenditures shall rest on the CEO and his subordinates. The decision on matters relating to infrastructure development and purchase of land, building, vehicles etc. for the purpose of bank's business shall, however, be adopted with the approval of the board.	Complied (JBL follows a Board approved 'Procurement and disposal policy')
	(iii) The board will review whether an Asset-Liability Committee (ALCO) has been formed and it is working according to Bangladesh Bank guidelines.	Complied
(f)	Appointment of Chief Executive Officer (CEO): In order to strengthen the financial base of the bank and obtain confidence of the depositors, one of the major responsibilities of the board of directors is to appoint an honest, efficient, experienced and suitable CEO or Managing Director. The Board of directors will appoint a suitable CEO with the approval of the Bangladesh Bank.	Complied
(g)	Other responsibilities of the Board: In accordance to BB Guidelines issued from time to time.	Complied. (The BoD will do so as and when required by BB)
4.2	Meeting of Board: Board of directors may meet once or more than once in a month if necessary. But Board of directors shall meet at least once in every three months. Excessive meetings are discouraged.	Complied. (Usually JBL holds two Board Meetings in a month)
4.3	Responsibilities of the Chairman of the Board  As the chairman of the board of directors or chairman of any committee formed by the board or any director does not personally possess the jurisdiction to apply policy making or executive authority, he/she shall not participate in or interfere into the administrative or operational and routine affairs of the bank.	Complied

Sl.	Particulars	Compliance Status
	<p>The chairman may conduct on-site inspection of any bank-branch or financing activities under the purview of the oversight responsibilities of the board. He may call for any information relating to bank's operation or ask for investigation into any such affairs; he may submit such information or investigation report to the meeting of the board or the executive committee and if deemed necessary, with the approval of the board, he shall effect necessary action thereon in accordance with the set rules through the CEO.</p> <p>However, any complaint against the CEO shall have to be apprised to Bangladesh Bank through the board along with the statement of the CEO.</p>	Complied
	The chairman may be offered an office-room, a personal secretary/assistant, one peon/MLSS, one telephone at the office, one mobile phone to use inside the country and a vehicle in the business-interest of the bank subject to the approval of the board.	Complied
5	Formation of committees from the Board of Directors: Each bank company can form 1(one) executive committee, 1(one) audit committee and 1(one) risk management committee with the directors. Board can't form any other permanent, temporary or sub- committee except the above mentioned three committees.	Complied
5.1	Executive committee: Executive committee to be formed with the members of the board to continue the urgent and daily or routine works between the intervals of two board meetings. Executive committee will perform according to their terms of reference determined by the board of directors. Banks to be followed instruction of BRPD Circular No.11 dated 27 October 2013 as regards to (A) Organizational structure, (B) Qualifications of the Members & (C) Meetings of the Executive Committee.	Complied
5.2	Audit Committee: Audit committee to be formed with the members of the board to review the financial reporting process, the system of internal control and management of financial risks, the audit process, and the bank's process for monitoring compliance with laws and regulations and its own code of business conduct. Banks to be followed instruction of BRPD Circular No.11 dated 27 October 2013 as regards to (A) Organizational structure, (B) Qualifications of the Member, (C) Roles and Responsibilities of the Audit Committee & (D) Meeting of the Audit Committee.	Complied
5.3	Risk Management Committee: Risk Management committee to be formed with the members of the board to play an effective role in mitigating impending risks arising out from strategies and policies formulated by the Board and to carry out the responsibilities efficiently. After identifying and assessing several risk factors like credit risks, foreign exchange risks, internal control and compliance risks, money laundering risks, information and communication risks, management risks, interest risks, liquidity risks etc.; the risk management committee will scrutinize whether appropriate risk management measures are being put in place and applied and whether adequate capital and provision is being maintained against the risks identified. Banks to be followed instruction of BRPD Circular No.11 dated 27 October 2013 as regards to (A) Organizational structure, (B) Qualifications of the Member, (C) Roles and Responsibilities of the Risk Management Committee & (D) Meeting of the Risk Management Committee.	Complied
6.	Training for the Directors: The directors shall make themselves fully aware of the banking laws and other related rules and regulations for performing his duties properly.	Complied
7	The Chief Executive Officer will inform about this circular to the directors and other related persons.	Complied

### 20.1.3. Appointment and Responsibilities of Chief Executive of a Bank Company.

Sl.	Particulars	Compliance Status
A	Rules and regulations for appointing CEO	
1	<p>Moral Integrity: In case of appointment to the post of Chief Executive, satisfaction in respect of the concerned person should be ensured to the effects that,-</p> <ol style="list-style-type: none"> <li>He has not been convicted by any Criminal Court of Law;</li> <li>He has not been punished for violating any rules, regulations or procedures/norms set by any Controlling Authority;</li> <li>He was not associated with any such company/organization, registration or licence of which has been cancelled.</li> </ol>	Complied

Sl.	Particulars	Compliance Status
2	<p>Experience and Suitability:</p> <p>a. For appointment as chief executive, the concerned person must have experience in banking profession for at least 15 (fifteen) years as an active officer and at least 02 (two) years experience in a post immediate below the chief executive of a bank.</p> <p>b. He must at least have a Masters degree from any recognized university. Higher academic education in the field of Economics, Accounting, Banking and Finance or Business Administration will be given importance for the concerned person for appointing/re-appointing as Managing Director. No third class will be acceptable in his/her educational life. In grading system, he should have minimum GPA 3.00 in SSC and HSC levels and CGPA 2.50 out of 4.00 or 3.00 out of 5.00 in Graduation and post-graduation level from any approved University. <b>(amended on 24th December 2018 vide BRPD Circular Letter No.26)</b></p> <p>c. In respect of service, the concerned person should have excellent record of performance.</p> <p>d. Satisfaction should be ensured that the concerned person was not dismissed from service when he was chairman/director/official of any company;</p> <p>e. Any director of any bank or financial institution or any person who has business interest in the bank concerned will not be eligible for appointment to the post of chief executive.</p>	Complied
3	Transparency and Financial Integrity: As per BRPD Circular No.18 dated 27 October 2013 issued by Bangladesh Bank.	Complied
4	Age limit: No person crossing the age of 65 years shall hold the post of CEO of a bank.	Complied
5	Tenure: The tenure of the chief executive shall be for at least 03 (three) years, which is renewable. If the candidate has less than 3 years left to attain 65 years, he/she can be appointed for that period.	Complied
6	Guidelines in fixing the salary and allowances: Banks are required to follow the guidelines stipulated in BRPD Circular No.18 dated 27 October 2013 issued by Bangladesh Bank while determining the salary and allowances of the CEO and submitting such proposal to Bangladesh Bank.	Complied
7	Incentive Bonus: Subject to the payment of incentive bonuses to all stuffs/employees, the CEO will be eligible to get such bonus. However, the amount of CEO's incentive bonus will not cross Taka 10.00 (ten) lacs per year.	Complied
8	Honorarium for Board Meeting: As CEO is a salaried official of the bank, he will not get any honorarium for attending the Board meeting or the meeting of any Committee formed by the Board.	Complied
9	Evaluation Report: While reappointing CEO, an evaluation report approved by the board of directors should be submitted to Bangladesh Bank by the chairman of the Board.	Complied
10	Prior approval from Bangladesh Bank: Prior approval from Bangladesh Bank is mandatory before appointing CEO as per section 15(4) & (5) of the Bank Company Act 1991 (Amended upto 2013). For processing such approval, along with the proposal signed by the chairman of the board, the selected person's complete resume, offer letter (mentioning the direct & indirect remuneration and facilities) and copy of board's approval must be submitted to Bangladesh Bank. The selected person must also submit declarations as per Annexure-ka & Annexure-kha to Bangladesh Bank.	Complied
11	Decision of Bangladesh Bank if final The decision of BB for appointment of CEO will be treated as final and such appointed CEO cannot be dismissed, released and removed from his office without prior approval from Bangladesh Bank.	Complied
B	Duties and Responsibilities of CEO: The CEO of the bank, whatever name called, shall discharge the responsibilities and affect the authorities as mentioned in the BRPD Circular No.18 dated 27 October 2013 issued by Bangladesh Bank.	Complied

### 20.1.3. Contractual appointment of Advisor and Consultant in a Bank-Company

Sl.	Particulars	Compliance Status
A	Rules and regulations for Appointment of Advisor:-	No such advisor in JBL
	1. Experience and Suitability: As mentioned in the BRPD Circular No.19 dated 27 October 2013 issued by Bangladesh Bank.	N/A



Sl.	Particulars	Compliance Status
	2. Responsibilities: As mentioned in the BRPD Circular No.19 dated 27 October 2013 issued by Bangladesh Bank.	N/A
	3. Prior approval from Bangladesh Bank: As mentioned in the BRPD Circular No.19 dated 27 October 2013 issued by Bangladesh Bank.	N/A
	4. Remuneration and other facilities: As mentioned in the BRPD Circular No.19 dated 27 October 2013 issued by Bangladesh Bank.	N/A
	5. Tenure: As mentioned in the BRPD Circular No.19 dated 27 October 2013 issued by Bangladesh Bank.	N/A
	6. Appointment of Ex-officials: As mentioned in the BRPD Circular No.19 dated 27 October 2013 issued by Bangladesh Bank.	N/A
B	Appointment of Consultant:-	
	1. Terms of Reference: As mentioned in the BRPD Circular No.19 dated 27 October 2013 issued by Bangladesh Bank.	No such Consultant in JBL
	2. Responsibilities: As mentioned in the BRPD Circular No.19 dated 27 October 2013 issued by Bangladesh Bank.	N/A
	3. Appointment: As mentioned in the BRPD Circular No.19 dated 27 October 2013 issued by Bangladesh Bank.	N/A
	4. Tenure: As mentioned in the BRPD Circular No.19 dated 27 October 2013 issued by Bangladesh Bank.	N/A
	5. Remuneration/honorarium: As mentioned in the BRPD Circular No.19 dated 27 October 2013 issued by Bangladesh Bank.	N/A
	6. Appointment of Ex-officials: As mentioned in the BRPD Circular No.19 dated 27 October 2013 issued by Bangladesh Bank.	N/A
B.1	Compliance of BRPD Circular letter no. 27 dated 12 May 2021 regarding Appointment of director, contractual advisor and consultant for Bank-Company	
	A former Director, Managing Director or Chief Executive Officer of a banking company or an official up to the immediate two level below the Chief Executive Officer cannot be appointed as an Adviser or Consultant of the same Bank till 5 years have elapsed after retirement or expiry of the contract	N/A
	Regular or contractual officials will never be eligible to be appointed as a Director of the same Bank after retirement or expiry of the contract	N/A



**Mahfel Huq & Co.**

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## REPORT TO THE SHAREHOLDERS OF JAMUNA BANK LTD. ON COMPLIANCE ON THE CORPORATE GOVERNANCE CODE

We have examined the compliance status to the Corporate Governance Code by Jamuna Bank Limited (the Company) for the year ended on 31 December, 2022. This Code relates to the Notification No-BSEC/CMRRCD/2006-158/207/admin/80 and dated: June 03, 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

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

Place: Dhaka

Dated: 17 MAY 2023

Md. Abdus Satter Sarkar, FCA  
For and on behalf of  
**Mahfel Huq & Co.**  
Chartered Accountants

# Corporate Governance Compliance Checklist

Jamuna Bank Limited (JBL) is complying with the Corporate Governance Code vide its Notification No. BSEC/CMRRCD/2006-158/207/Admin/80; dated: 03 June 2018 Gazetted on 10 June 2018. Status of compliance of Jamuna Bank for the year ended December 2020 is as follows:

Condition No.	Title	Compliance Status		Remarks
		(Put √ in the appropriate column)		
		Complied	Not complied	
<b>1.0</b>	<b>Board of Directors</b>			
1.1	Board Size: The number of Board Members shall not be less than 5 (five) and more than 20 (twenty)	√		Number of Board members of Jamuna Bank is 20 including 4 Independent Directors
1.2	Independent Directors			
1.2 (a)	At least one fifth (1/5) of the total number of directors in the company's board shall be Independent Directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	√		
1.2 (b) (i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	√		
1.2 (b) (ii)	Who is not a sponsor and in not connected with any Sponsor/director/nominated director/shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	√		
1.2 (b) (iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	√		None of the Independent Directors is an ex-employee of the company
1.2 (b) (iv)	Does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies	√		
1.2 (b) (v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	√		
1.2 (b) (vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	√		
1.2 (b) (vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	√		
1.2 (b) (viii)	Not be an independent director in more than 5 (five) listed companies;	√		
1.2 (b) (ix)	Not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI);	-	-	N/A

Condition No.	Title	Compliance Status		Remarks
		(Put √ in the appropriate column)		
		Complied	Not complied	
1.2 (b) (x)	Not been convicted for a criminal offence involving moral turpitude	-	-	N/A
1.2 (c)	The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	√		
1.2 (d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days.	√		
1.2 (e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only. Former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]: Provided further that the independent director shall not be subject to retirement by rotation as per the Companies Act, 1994.	√		
1.3	Qualification of Independent Director (ID)			
1.3 (a)	Knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	√	-	-
1.3 (b)	Independent director shall have following qualifications:			
1.3 (b) (i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	√		Please see the Directors' profile for details
1.3 (b) (ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company; or	√		Please see the Directors' profile for details
1.3 (b) (iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law; or	√		Please see the Directors' profile for details
1.3 (b) (iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	-	-	N/A
1.3 (b) (v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	-	-	N/A
1.3 (c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	√	-	
1.3 (d)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission			No such deviation occurred
1.4	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer.			
1.4 (a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	√	-	-

Condition No.	Title	Compliance Status		Remarks
		(Put √ in the appropriate column)		
		Complied	Not complied	
1.4 (b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	√	-	-
1.4 (c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√	-	Please see the Directors' report for details
1.4 (d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/ or Chief Executive officer;	√	-	Please see the Directors' report for details (Directors' Responsibility Statement)
1.4 (e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√	-	-
1.5	The Directors' Report to Shareholders			
1.5 (i)	An industry outlook and possible future developments in the industry;	√		Please see the Directors' Report for details
1.5 (ii)	The segment-wise or product-wise performance;	√		
1.5 (iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	√		
1.5 (v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	-	-	No such event arose
1.5 (vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		Details in the Director's Report and subsequently elaborated in the note 46(A) of Audited Financial Statements
1.5 (vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;	√		
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;	-	-	N/A
1.5 (ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	√	-	Please see the Directors' Report for details
1.5 (x)	A statement of remuneration paid to the directors including independent directors;	√		Please see the Directors' Report for details
1.5 (xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	√		
1.5 (xii)	A statement that proper books of account of the issuer company have been maintained;	√		

Condition No.	Title	Compliance Status		Remarks
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
1.5 (xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	√		
1.5 (xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	√		Departure has been adequately explained in notes to the financial statements
1.5 (xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	√		Please see the Directors' Report for details
1.5 (xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	√		
1.5 (xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	√		
1.5 (xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	√		
1.5 (xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	√		Details in the Directors' Report and subsequently elaborated in the Stakeholders' Information segment of this report.
1.5 (xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	-	-	N/A
1.5 (xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	√	-	Please see the Directors' Report for details
1.5 (xxii)	The total number of Board meetings held during the year and attendance by each director;	√	-	Please see the Directors' Report for details
1.5 (xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:			
1.5 (xxiii) (a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	√		Please see the Directors' Report for details
1.5 (xxiii) (b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	√		
1.5 (xxiii) (c)	Executives; and	√		
1.5 (xxiii) (d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	-	-	Nil
1.5 (xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:			
1.5 (xxiv) (a)	a brief resume of the director;	√	-	Please see the Directors' Report for details

Condition No.	Title	Compliance Status		Remarks
		(Put √ in the appropriate column)		
		Complied	Not complied	
1.5 (xxiv) (b)	nature of his or her expertise in specific functional areas; and	√	-	
1.5 (xxiv) (c)	names of companies in which the person also holds the directorship and the membership of committees of the Board;	√	-	
1.5 (xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
1.5 (xxv) (a)	accounting policies and estimation for preparation of financial statements;	√	-	Details in the Management's Discussion and Analysis section of the Annual Report
1.5 (xxv) (b)	changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	√	-	
1.5 (xxv) (c)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	√	-	
1.5 (xxv) (d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√	-	
1.5 (xxv) (e)	briefly explain the financial and economic scenario of the country and the globe;	√	-	
1.5 (xxv) (f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	√	-	
1.5 (xxv) (g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	√	-	
1.5 (xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	√	-	Please see the Directors' Report for details
1.5 (xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	√	-	
1(6)	Meetings of the Board of Directors The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	√		
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer.			

Condition No.	Title	Compliance Status		Remarks
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
1.7 (a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	-	-	Clause # 5 of BRPD Circular no. 11 dated 27 October 2013 issued by Bangladesh Bank does not permit any bank in Bangladesh form any other committees namely, Executive Committee, Audit Committee and Risk Management Committee. Besides, Bangladesh Bank vide its letter no. BRPD (R-1)717/2021-5064 dated 16.06.2021 informed all the scheduled banks operating in the Country that there is no scope for compliance with the provisions of Corporate Governance Code, 2018 which conflict with the Banking Companies Act, 1991 and the directives issued by Bangladesh Bank.
1.7 (b)	The code of conduct as determined by the NRC shall be posted on the website of the company.	-	-	
<b>2</b>	<b>Governance of Board of Directors of Subsidiary Company.</b>			
2 (a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	✓		Jamuna Bank Limited has 02 (two) subsidiaries namely Jamuna Bank Capital Management Ltd. & Jamuna Bank Securities Ltd.  Please see the Directors' Report for details
2 (b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;	✓		
2 (c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	✓		
2 (d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	✓		
2 (e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	✓		
<b>3</b>	<b>Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)</b>			
3(1)	Appointment			
3(1) (a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓		Please see the Directors' Report for details



Condition No.	Title	Compliance Status		Remarks
		(Put √ in the appropriate column)		
		Complied	Not complied	
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	√		
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	√		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	√		
3(2)	Requirement to attend Board of Directors' Meetings The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	√		
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	√		Please see Directors' report for details
3(3)(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	√		
3(3)(a)(ii)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	√		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	√		
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√		
<b>4</b>	<b>Board of Directors' Committee.</b>			
	The Board shall have at least following sub-committees:			
	(i) Audit Committee; and	√		

Condition No.	Title	Compliance Status		Remarks
		(Put √ in the appropriate column)		
		Complied	Not complied	
	(ii) Nomination and Remuneration Committee.	-	-	Clause # 5 of BRPD Circular no. 11 dated 27 October 2013 issued by Bangladesh Bank does not permit any bank in Bangladesh form any other committees namely, Executive Committee, Audit Committee and Risk Management Committee. Besides, Bangladesh Bank vide its letter no. BRPD (R-1)717/2021-5064 dated 16.06.2021 informed all the scheduled banks operating in the Country that there is no scope for compliance with the provisions of Corporate Governance Code, 2018 which conflict with the Banking Companies Act, 1991 and the directives issued by Bangladesh Bank.
<b>5</b>	<b>Audit Committee</b>			
5(1)	Responsibility to the Board of Directors			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	√	-	
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	√	-	Please see the Directors' Report for details
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√	-	
5(2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	√	-	Number of members in Audit Committee is 5
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	√	-	Audit Committee is composed with 5 members (including 2 Independent Directors) as per provision of BRPD Circular no. 11 dated 27 October 2013 issued by Bangladesh Bank
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	√	-	

Condition No.	Title	Compliance Status		Remarks
		(Put √ in the appropriate column)		
		Complied	Not complied	
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	-	-	Not such event occurred
5(2)(e)	The company secretary shall act as the secretary of the Committee;	√	-	
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√	-	
5(3)	Chairperson of the Audit Committee			
5 (3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	√	-	
5 (3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√	-	
5 (3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM)	√	-	
5 (4)	Meeting of the Audit Committee			
5 (4) (a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	√	-	Please see the Directors' Report for details (Report of the Audit Committee)
5 (4) (b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√	-	
5 (5)	Role of Audit Committee The Audit Committee shall:			
5 (5) (a)	Oversee the financial reporting process;	√	-	
5 (5) (b)	Monitor choice of accounting policies and principles;	√	-	
5 (5) (c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	√	-	
5 (5) (d)	Oversee hiring and performance of external auditors;	√	-	
5 (5) (e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√	-	
5 (5) (f)	Review along with the management, the annual financial statements before submission to the Board for approval;	√	-	
5 (5) (g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	√	-	
5 (5) (h)	Review the adequacy of internal audit function;	√	-	

Condition No.	Title	Compliance Status		Remarks
		(Put √ in the appropriate column)		
		Complied	Not complied	
5 (5) (i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	√	-	
5 (5) (j)	Review statement of all related party transactions submitted by the management;	√	-	
5 (5) (k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	√	-	
5 (5) (l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	√	-	
5 (5) (m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:	-	-	N/A
5 (6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√		
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:			
5(6)(a)(ii)(a)	Report on conflicts of interests;	-	-	No such incidence arose
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	-	-	No such incidence arose
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	-	-	No such incidence arose
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	-	-	No such incidence arose
5(6)(b)	Reporting to the Authorities If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	-	-	No such reportable incidence arose
5(7)	Reporting to the Shareholders and General Investors Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	√	-	

Condition No.	Title	Compliance Status		Remarks
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
<b>6</b>	<b>Nomination and Remuneration Committee (NRC)</b>			Clause # 5 of BRPD Circular no. 11 dated 27 October 2013 issued by Bangladesh Bank does not permit any bank in Bangladesh form any other committees namely, Executive Committee, Audit Committee and Risk Management Committee. Besides, Bangladesh Bank vide its letter no. BRPD (R-1)717/2021-5064 dated 16.06.2021 informed all the scheduled banks operating in the Country that there is no scope for compliance with the provisions of Corporate Governance Code, 2018 which conflict with the Banking Companies Act, 1991 and the directives issued by Bangladesh Bank.
6(1)	Responsibility to the Board of Directors	-	-	
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	-	-	
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	-	-	
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	-	-	
6(2)	Constitution of the NRC	-	-	
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	-	-	
6(2)(b)	All members of the Committee shall be non-executive directors;	-	-	
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	-	-	
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	-	-	
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	-	-	
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	-	-	
6(2)(g)	The company secretary shall act as the secretary of the Committee;	-	-	
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	-	-	
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	-	-	
6(3)	Chairperson of the NRC	-	-	
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	-	-	
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	-	-	
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders;	-	-	
6(4)	Meeting of the NRC	-	-	
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	-	-	
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	-	-	

Condition No.	Title	Compliance Status		Remarks
		(Put ✓ in the appropriate column)		
		Complied	Not complied	
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2) (h);	-	-	Clause # 5 of BRPD Circular no. 11 dated 27 October 2013 issued by Bangladesh Bank does not permit any bank in Bangladesh form any other committees namely, Executive Committee, Audit Committee and Risk Management Committee. Besides, Bangladesh Bank vide its letter no. BRPD (R-1)717/2021-5064 dated 16.06.2021 informed all the scheduled banks operating in the Country that there is no scope for compliance with the provisions of Corporate Governance Code, 2018 which conflict with the Banking Companies Act, 1991 and the directives issued by Bangladesh Bank.
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	-	-	
6(5)	Role of the NRC	-	-	
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	-	-	
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	-	-	
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	-	-	
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	-	-	
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	-	-	
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	-	-	
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	-	-	
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	-	-	
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	-	-	
6(5)(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	-	-	
6(5)(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	-	-	
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	-	-	
<b>7</b>	<b>External or Statutory Auditors.</b>			
7 (1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-	✓	-	
7 (1)(i)	Appraisal or valuation services or fairness opinions;	✓	-	
7 (1)(ii)	Financial information systems design and implementation;	✓	-	

Condition No.	Title	Compliance Status		Remarks
		(Put √ in the appropriate column)		
		Complied	Not complied	
7 (1)(iii)	Book-keeping or other services related to the accounting records or financial statements;	√	-	
7 (1)(iv)	Broker-dealer services;	√	-	
7 (1)(v)	Actuarial services;	√	-	
7 (1)(vi)	Internal audit services or special audit services;	√	-	
7 (1)(vii)	Any service that the Audit Committee determines;	√	-	
7 (1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	√	-	
7 (1)(ix)	Any other service that creates conflict of interest.	√	-	
7 (2)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company:	√	-	
7 (3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√	-	
<b>8</b>	<b>Maintaining a website by the Company.</b>			
8 (1)	The company shall have an official website linked with the website of the stock exchange.	√	-	The required information are available in the Bank's website <a href="https://jamunabankbd.com">https://jamunabankbd.com</a>
8 (2)	The company shall keep the website functional from the date of listing.	√	-	
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√	-	
<b>9</b>	<b>Reporting and Compliance of Corporate Governance.</b>			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√	-	Please see Directors' Report & Corporate Governance Certificate for details
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	√	-	
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	√	-	

# Compliance Checklist in Line with the Companies Act, 1994 (Amended up to 2020)

The directors of the companies shall include the following additional statements in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994):-

Sl. No	Particulars	Compliance Status
1	State of the Bank's affairs	: A review of financial performance and position has been presented in the Directors' Report 2022 and Management Discussion and Analysis (MD&A) section with relevant analytics.
2	Any recommended reserve in the balance sheet:	: The amount of 'Statutory Reserve' (as per section 24 of Bank Company Act 1991) is equal to paid-up capital
3	Recommended dividend:	: The Board has recommended 17.50% cash dividend and 8.50% stock dividend for the completed year 2022.
4	Any event after balance sheet date which may affect company's financial condition:	: None
5	Any change in Bank's activities, subsidiaries' activities etc.:	: Jamuna Bank Securities Limited (JBSL), a fully owned subsidiary of Jamuna Bank Limited has started its share trading activities as a member of Dhaka Stock Exchange Ltd. on August 08, 2022 under TREC DSE -255. The registered office of the JBSL is situated at Chinishilpa Bhaban (2nd Floor), 3, Dilkusha C/A, Dhaka. JBSL is also both TREC and Share holder of Chittagong Stock Exchange Limited under TREC No. CSE-147.



# Report of The Shariah Supervisory Committee

For the year ended 31 December 2022

Honorable Shareholders of Jamuna Bank Limited

Assalamu Alaikum Wa Rahmatullahi Wa Barakatuhu.

All praises are due to Allah Subhanahu Wa-Ta'ala. He is the One and Second to none. Durud and Salaam are for our Prophet Mohammad (SM.) who is the best Prophet & last Messenger of Allah and the Rahmat for the creatures of the world.

We are pleased to express our appreciation to the Board of Directors, the Managing Director and all the members of the Management Team of Jamuna Bank Limited for their continuous support. We are grateful to our honorable shareholders and clients for their confidence reposed on us. Without their confidence and support, we would not be able to perform our duties properly.

The Shari'ah Supervisory Committee has participated in different meetings and discussed various issues on Islami Banking activities of the Bank in respect of the Islami Shari'ah Principles & Regulations and provided opinion and necessary directives during the year 2022. Islami Banking Division of the Bank inspected two Islami Banking Branches of the Bank during the year and submitted their reports to the Shari'ah Supervisory Committee. Irregularities/lapses as detected were reported directly to the Shari'ah Supervisory Committee for information and necessary guidance on remedial measures. Decision of the Committee was disseminated accordingly to the respective branches for compliance / non-recurrence of the irregularities/ lapses.

Mentionable here, duty of the Shari'ah Supervisory Committee is to provide independent opinion & necessary guidelines upon observing and reviewing the activities of the Bank and to conduct Shari'ah related training for the human resources of the Bank and also to make the clients aware of the issues related to Shari'ah compliance. On the other hand, the responsibility of the Islami Banking Branches is to ensure that the businesses are carried out in accordance with the rules and principles of Islami Shari'ah. As per recommendation of Shari'ah Supervisory Committee, Officials performing in Islamic Shari'ah based branches are also evaluated periodically based on their knowledge on basics and updates on Islami Banking.

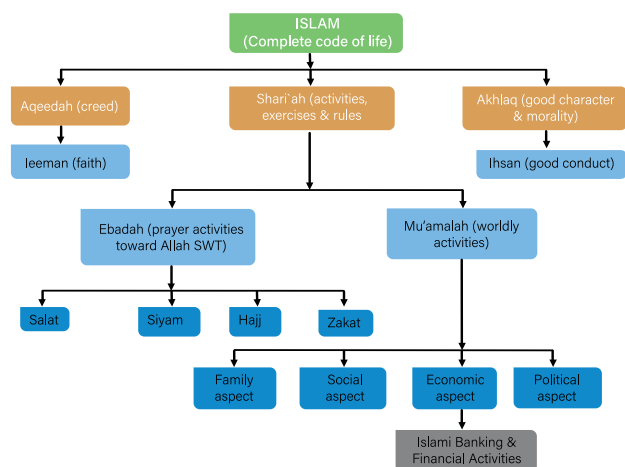
The Shari'ah Supervisory Committee had also discussed/ reviewed and opined on the following issues in their meetings at Jamuna Bank Limited during 2022:

- Shari'ah Inspection Report on the Islami Banking Branches.
- Opinion on issuing new product namely "Quard (PO)

- under SME" for Islami Banking Branches.
- Actualization of Rate of Profit for the Mudaraba Depositors of Islami Banking activities.
- Organizing Workshop / Training programs for the Officials of Islami Banking operations and Al-Ihsan Islami Banking Service Centers of the Bank.
- Arranging awareness program for compliance with the Islami Shari'ah.
- Different guidelines / policies for Islami Banking operations.

Shari'ah Supervisory Committee of the Bank has given their valuable opinion for paying Zakat on specific fund of the Islami Banking Branches. However, individual shareholders/depositors are to pay their Zakat based on their individual shareholding /deposits along with their other assets on which Zakat is due.

Shari'ah Supervisory Committee of the Bank believes to mention slight discussion on relationship between Islam & Islami Banking for all its stakeholders. Because, a minute number of us are till date confused regarding necessity of Islami Banking. They may assume that the Islam includes only Salat, Siyam, Hajj and Zakat. But the fact we may mention at a glance as following manner:



Shari'ah Supervisory Committee recommends following for active consideration of the Bank:

- To become more conscious regarding buying & selling in the buying & selling mode of Investment of the Islami Banking Branches.

- To take effective measures to operate investment in Musharaka and Mudaraba mode,
- which are superior modes of investment in Islami Banking system.
- To take necessary steps to implement the 'Maqasid-e-Shari'ah' (i.e. goal and purpose of Islami Shari'ah) in over all activities of the Islami Banking to ensure common welfare of humanity.
- To take initiative for training/workshop both of local and abroad at all levels of human resources related with Islami Banking services, which may be extended for conventional officials also.
- Finally, to take effective initiative for converting existing Bank's conventional activities into the full-fledged Islami Banking,

May Allah (SWT) give us tawfiq to achieve His satisfaction through implementing Shari'ah rules and principles in all areas of Islami Banking activities as well as our life.

Ma-assalam.



**Dr. Saikh Muhammad Mahadi Hasan**  
Chairman, Shari'ah Supervisory Committee

## RELATED PARTY TRANSACTIONS

The Bank in its ordinary course of business undertook financial transactions with some entities or persons that fall within the definition of 'Related Party' as contained in IAS 24 (Related Party Disclosures) and relevant provisions of Bank Company Act 1991 and Bangladesh Bank BRPD Circular No. 14 dated 25 June 2003. As on the reporting

date, the Bank had funded exposures with its subsidiaries and credit card limit to some of its Directors. Besides, the Bank had procured some goods and services from the entities of related parties during 2022. Details of related party transactions are furnished below

### 1. a) Funded/Non-Funded facilities

Name of the organization	Representing Directors	Nature of Interest of the Directors with the borrowing firm/ individual	Nature of facilities	Outstanding (BDT) as at 31.12.2021	Outstanding (BDT) as at 31.12.2022	Amount Overdue
Nil						

### 1. b) Credit Card facilities:

Representing Directors	Nature of interest with Jamuna Bank	Outstanding as at 31.12.2021	Outstanding as at 31.12.2022	Status
1. Al-Haj Nur Mohammed	Director	BDT 186,805	BDT 16,825	Regular
		USD 9.58		
2. Gazi Golam Murtoza	Director	USD 6,316.93	BDT 103,771	Regular
		BDT 380,641		
3. Md. Mahmudul Hoque	Director	BDT 12,130	BDT 5,637	Regular

### 2. Transactions relating to procurement, service & rent

Name of the Company Person	Related Directors of Jamuna Bank	Nature of transactions	Transaction made in 2022	Outstanding as at 31.12.2022
Samoy Media Ltd.	Fazlur Rahman	Advertisement (Electronic media)	6,90,000	-
	Md. Hasan			
Gazi Satellite Television Ltd.	Gazi Golam Murtoza	Advertisement (Electronic media)	2,300,000	-

### 3. Inter-Company balances between Jamuna Bank and Subsidiaries

Name of the subsidiaries	Nature of Account	Closing Balance as at 31.12.2022
Jamuna Bank Capital Management Ltd.	Short Notice Deposit	45,508,882
	Secured Overdraft	646,771,529
Jamuna Bank Securities Ltd.	Short Notice Deposit	1,342,820
	Secured Overdraft	9,931,694

### 4. Compensation of key management personnel (figure in BDT)

Managing Director's Salary and fees	Amount as at 31.12.2022
Basic Salary	8,388,710
Allowances	4,003,225
Bonus	2,430,000
Total	14,821,935

**Annexure-II****Meeting Attendance & Remuneration Paid to Directors Including Independent Directors:**

Chairman of the Board of Director is provided an office chamber, private secretary, peon, a telephone in office, a full time car and a mobile phone according to the provision of BRPD Circular No.11, dated: 27 October, 2013.

Directors including Independent Director are getting fees/benefits according to the provision of BRPD Circular No.11, dated: 04 October, 2015 for attending Board/its Committee meeting. The details information regarding Director Honorarium is presented in Note 31 of the Financial Statements.

Managing Director is being paid salary, allowances and other facilities according to his service contract. The details information regarding Managing Director's Salary and Fees is presented in Note 30 of the Financial Statements.

**1. Directors including Independent Director of the Bank Received Honorarium for Board Meeting during 01.01.2022 to 31.12.2022**

Sl. No.	Name	Position as on 31.12.2022	No. of meetings attended		Remuneration
			No. of meeting	Present	
1	Al-Haj Nur Mohammed	Chairman	22	21	160,000.00
2	Engr. A. K. M. Mosharraf Hussain	Director	22	20*	152,000.00
3	Engr. Md. Atiqur Rahman	Director	22	21*	160,000.00
4	Mr. Fazlur Rahman	Director	22	9*	72,000.00
5	Mr. Gazi Golam Ashria	Director	22	15*	112,000.00
6	Mr. Md. Saidul Islam	Director	22	18*	136,000.00
7	Mr. Robin Razon Sakhawat	Director	22	17*	128,000.00
8	Mr. Redwan-ul Karim Ansari	Director	22	22	168,000.00
9	Mr. Md. Belal Hossain	Director	22	17*	128,000.00
10	Mr. Md. Mahmudul Hoque	Director	22	16*	128,000.00
11	Mr. Shaheen Mahmud	Director	22	11*	80,000.00
12	Mr. Md. Sirajul Islam Varosha	Director	22	20*	152,000.00
13	Mr. Kanutosh Majumder	Director	22	19*	152,000.00
14	Mr. Md. Ismail Hossain Siraji	Director	22	17*	128,000.00
15	Mr. Gazi Golam Murtoza	Director	22	20*	152,000.00
16	Mr. Md. Hasan	Director	22	10*	72,000.00
17	Mr. Md. Abdur Rahman Sarker	Independent Director	22	20*	152,000.00
18	Mr. Md. Humayun Kabir Khan	Independent Director	22	22	168,000.00
19	Mr. Md. Abdul Jabber Chowdhury	Independent Director	12 (16.06.22 to 08.12.22)	**12	88,000.00
20	Mr. M. Murshidul Huq Khan	Independent Director	8 (25.08.22 to 08.12.22)	***8	64,000.00
21	Mr. Obaidul Kabir Khan	Ex-Independent Director	9 (01.01.22 to 15.06.22)	****9	72,000.00

Note: As per provision of the BRPD circular letter no.11 dated 04.10.2015, we did not paid honorarium against 405th Board meeting held on 28.07.22 as total 03 no. Board meeting were held in the month of July 2022.

\* Directors who could not attend the meetings were granted leave of absence by the Board.

\*\* Joined the Board of Jamuna Bank Limited on 16.06.22.

\*\*\* Joined the Board of Jamuna Bank Limited on 25.08.22.

\*\*\*\* Retired from the Office of Directors of Jamuna Bank Limited on 15-06-22.

2. Report on Attendance of members of the Executive Committee (EC) of the Board of Directors from the period 01.01.2022 to 31-12-2022.

(i) Attendance details of meetings held during 01.01.2022 to 13.06.2022

Sl.	Name	Status in the Committee	Eligible to attend /Attended	Remuneration
1	Al-Haj Nur Mohammed, Director	Chairman (01.01.22 to 31.01.22)	10/10	80,000.00
2	Engr. A. K. M. Mosharraf Hussain, Director	Chairman (01.02.22 to 31.03.22)	10/9	72,000.00
3	Mr. Md. Saidul Islam, Director	Member	10/7	56,000.00
4	Mr. Redwan-ul Karim Ansari, Director	Chairman (01.04.22 to 13.06.22)	10/10	80,000.00
5	Mr. Md. Belal Hossain, Director	Member	10/10	80,000.00
6	Mr. Md. Ismail Hossain Siraji, Director	Member	10/7	56,000.00
7	Mr. Gazi Golam Murtoza, Director	Member	10/6	48,000.00

(ii) Attendance details of meetings held during 14.06.2022 to 15.10.2022

Sl.	Name	Status in the Committee	Eligible to attend /Attended	Remuneration
1	Engr. Md. Atiqur Rahman, Director	Chairman (14.06.22 to 15.08.22)	6/6	48,000.00
2	Al-Haj Nur Mohammed, Chairman (Board) *	Member*	3/3	24,000.00
3	Mr. Md. Saidul Islam, Director	Chairman (16.10.22 to 15.12.22)	6/5	40,000.00
4	Mr. Robin Razon Sakhawat, Director	Member	6/4	32,000.00
5	Mr. Md. Sirajul Islam Varosha, Director	Member	6/4	32,000.00
6	Mr. Md. Ismail Hossain Siraji, Director	Member	6/4	32,000.00
7	Mr. Gazi Golam Murtoza, Director	Chairman (16.08.22 to 15.10.22)	6/5	40,000.00
8	Mr. Shaheen Mahmud, Director **	Member	3/1	8,000.00

\* Step down from EC on 31.07.22 as per request Mr. Shaheen Mahmud, Director for the period upto 15.10.22

\*\* Included as member of the EC for the period of 01.08.2022 to 15.10.2022

(iii) Attendance details of meetings held during 16.10.2022 to 31.12.2022

Sl.	Name	Status in the Committee	Eligible to attend /Attended	Remuneration
1	Mr. Md. Saidul Islam, Director	Chairman (16.10.22 to 15.12.22)	5/4	32,000.00
2	Al-Haj Nur Mohammed, Chairman (Board)	Member	5/4	32,000.00
3	Mr. Gazi Golam Ashria, Director	Member	5/4	32,000.00
4	Mr. Redwan-ul Karim Ansari, Director	Member	5/5	40,000.00
5	Mr. Md. Belal Hossain, Director	Chairman (16.12.22 to 15.02.23)	5/2	16,000.00
6	Mr. Kanutosh Majumder, Director	Member	5/5	40,000.00
7	Mr. Md. Hasan, Director	Member	5/0	-

Total 21 (Twenty One) meetings of Executive Committee were held during 01.01.2022 to 31.12.2022.

### 3. Report on Attendance of members of the Audit Committee (AC) of the Board of Directors from the period 01.01.2022 to 31.12.2022.

(i) Attendance details of meetings held during 01.01.2022 to 13.06.2022

Sl.	Name	Status in the Committee	Eligible to attend /Attended	Remuneration
01.	Mr. Md. Abdur Rahman Sarker, Independent Director	Chairman (01.01.22 to 13.06.22)	4/4	32,000.00
02.	Mr. Md. Mahmudul Hoque, Director	Member	4/3	24,000.00
03.	Mr. Kanutosh Majumder, Director	Member	4/4	32,000.00
04.	Mr. Obaidul Kabir Khan, Independent Director *	Member	4/4	32,000.00
05.	Mr. Md. Humayun Kabir Khan, Independent Director	Member	4/3	24,000.00

\* Retired as on 15-06-2022

(ii) Attendance details of meetings held during 14.06.2022 to 15.10.2022

Sl.	Name	Status in the Committee	Eligible to attend /Attended	Remuneration
01.	Mr. Md. Abdur Rahman Sarker, Independent Director	Chairman (14.06.22 to 15.10.22)	3/3	24,000.00
02.	Mr. Fazlur Rahman, Director*	Member	2/0	-
03.	Mr. Md. Belal Hossain, Director	Member	3/3	24,000.00
04.	Mr. Kanutosh Majumder, Director	Member	3/2	16,000.00
05.	Mr. Md. Abdul Jabber Chowdhury, Independent Director	Member	3/3	24,000.00
06.	Mr. Md. Humayun Kabir Khan, Independent Director **	Member	1/1	8,000.00

\* Mr. Fazlur Rahman, Director was the member of the Committee from 14.06.2022 to 17.08.2022.

\*\* Included as member of Audit Committee for the period of 08.08.2022 to 15.10.2022.

(iii) Attendance details of meetings held during 16.10.2022 to 31.12.2022

Sl.	Name	Status in the Committee	Eligible to attend /Attended	Remuneration
01.	Mr. Md. Abdul Jabber Chowdhury, Independent Director	Chairman (16.10.22 to 15.02.23)	1/1	8,000.00
02.	Engr. Md. Atiqur Rahman, Director	Member	1/1	8,000.00
03.	Mr. Md. Mahmudul Hoque, Director	Member	1/1	8,000.00
04.	Mr. Gazi Golam Murtoza, Director	Member	1/1	8,000.00
05.	Mr. Md. Abdur Rahman Sarker, Independent Director	Member	1/1	8,000.00

Total 8 (Eight) meetings of Audit Committee were held during 01.01.2022 to 31.12.2022.

### 4. Report on Attendance of members of the Risk Management Committee (RMC) from the period 01.01.2022 to 31.12.2022.

(i) Attendance details of meetings held during 01.01.2022 to 13.06.2022

Sl.	Name	Status in the Committee	Eligible to attend /Attended	Remuneration
01.	Engr. Md. Atiqur Rahman, Director	Chairman (01.12.21 to 31.01.22)	4/4	32,000.00
02.	Mr. Robin Razon Sakhawat, Director	Member	4/3	24,000.00

Sl.	Name	Status in the Committee	Eligible to attend /Attended	Remuneration
03.	Mr. Shaheen Mahmud, Director	Chairman (01.02.22 to 31.03.22)	4/2	16,000.00
04.	Mr. Md. Sirajul Islam Varosha, Director	Member	4/4	32,000.00
05.	Mr. Md. Hasan, Director	Chairman (01.04.22 to 13.06.22)	4/4	32,000.00

(ii) Attendance details of meetings held during 14.06.2022 to 15.10.2022

Sl.	Name	Status in the Committee	Eligible to attend /Attended	Remuneration
01.	Engr. A. K. M. Mosharraf Hussain, Director	Member	2/2	16,000.00
02.	Mr. Gazi Golam Ashria, Director	Member	2/0	-
03.	Mr. Redwan-ul Karim Ansari, Director	Member	2/2	16,000.00
04.	Mr. Md. Mahmudul Hoque, Director	Member	2/2	16,000.00
05.	Mr. Md. Hasan, Director	Member	2/1	8,000.00

(iii) Attendance details of meetings held during 16.10.2022 to 31.12.2022

Sl.	Name	Status in the Committee	Eligible to attend /Attended	Remuneration
01.	Mr. Shaheen Mahmud, Director & Chairman	Chairman (16.10.22 to 15.02.23)	0/0	-
02.	Mr. Fazlur Rahman, Director	Member	0/0	-
03.	Mr. Robin Razon Sakhawat, Director	Member	0/0	-
04.	Mr. Md. Sirajul Islam Varosha, Director	Member	0/0	-
05.	Mr. Md. Ismail Hossain Siraji, Director	Member	0/0	-

Total 06 (Six) meetings of Risk Management Committee were held during 01.01.2022 to 31.12.2022

## 5. Details of Shariah Supervisory Committee of Jamuna Bank Limited from the period 01.01.2022 to 31.12.2022.

(i) Nos. of Meeting of Shariah Supervisory Committee of Jamuna Bank Limited held from the 01.01.2022 to 31.12.2022

Sl.	Name	Status in the Committee	Eligible to attend /Attended	Remuneration
01.	Dr. Saikh Muhammad Mahadi Hasan	Chairman	3/3	24,000.00
02.	Mawlana Abdur Razzak	Member	3/3	24,000.00
03.	Hafez Mawlana Mufti Ruhul Amin	Member	3/1	8,000.00
04.	Hafez Mawlana Prof. Dr. Shahidul Islam Barakati	Member	3/3	24,000.00
05.	Dr. Ahmadullah Trishail	Member	3/3	24,000.00
06.	Dr. Md. Anwar Hosain Molla	Member	3/3	24,000.00
07.	Mr. Mirza Elias Uddin Ahmed	Member (Ex-Officio)	3/2*	-

\* Mr. A.K.M Atiqr Rahman, DMD attended the 53rd SSC meeting held on 03.02.2022 on behalf of Managing Director of the Bank

Total 03 meetings of Shariah Supervisory Committee were held during 01.01.2022 to 31.12.2022.

## Annexure-III

### Dividend Distribution Policy of Jamuna Bank Limited

#### 1. Introduction:

This Dividend Distribution Policy documents the guidelines on payment of dividends, and sets out the key considerations for arriving at the dividend payment decision. The Board of Directors will have the flexibility to determine the level of dividend based on the considerations laid out in the policy and other relevant developments/regulatory guidelines.

#### 2. Objective:

The objective of this policy is to lay down the criteria to be considered by the Board of Directors of the Bank before recommending dividend to its shareholders for a financial year.

#### 3. Authority:

The decision regarding dividend shall be taken only by the Board of Directors at its Meeting and not by a Committee of the Board or by way of a Resolution passed by circulation. Final dividend shall be paid only after approval of the Annual General Meeting (AGM) of the Bank. Shareholder approval is not required for payment of interim dividend.

#### 4. Regulatory Compliance

Jamuna Bank Limited is a public limited company incorporated under the Companies Act, 1994 and licensed as a bank under the Bank company act, 1991. The Bank has been making annual profits and declare dividend only after ensuring compliance with the Bank Company Act-1991, various regulatory guidelines on dividend declaration issued by Different regulator time to time and the provisions of the Companies Act-1994, the Rules made there under and the Bangladesh Securities and Exchange Commission (BSEC) and Listing Regulation 2015 of DSE and CSE.

#### 5. Principles for Dividend Declaration

The Board of Directors of the Bank will consider the following factors while making decision on the proposal for dividend:

##### Financial Factors:

- Financial performance of the Bank for the year for which dividend is recommended
- Any interim dividend paid
- Past dividend trends.
- Optimal Capital to Risk Weighted Asset Ratio (CRAR) subject to regulatory minimum of total and Tier I Capital.
- Expected capital requirements for planned growth.

- Additional regulatory requirements of capital in near future (if applicable).
- Cost of raising funds from alternative sources.
- Tax implications if any, on distribution of dividends.
- Reinvestment opportunities
- Corporate actions including mergers/demergers, acquisitions and additional investments including expansion plans and investment in subsidiaries/associates of the Bank
- Any applicable criteria from our legal or regulatory frameworks.
- Such other factors and/or material events which the Bank's Board may consider.

##### External Factors:

- Shareholder expectations including individual shareholders.
- Macro-economic environment including domestic and global economy, capital market conditions and dividend policy of competitors.

Since the Bank has only one class of equity shareholders, the dividend declared will be distributed equally among all Shareholders, based on their shareholding on the record date.

#### 6. Circumstances under which the shareholders may or may not expect dividend

The Board of the Bank may vary the level of dividend or not recommend any dividend based on

- The capital and reserves position of the Bank.
- The regulatory eligibility criteria for recommendation of dividend, including any regulatory restriction placed on the Bank on declaration of dividend.
- The Bank could have undertaken under the terms of perpetual non-cumulative preference shares or debt capital instruments pursuant to applicable regulations which might prohibit the Bank from declaring dividend in certain circumstances.
- The need to conserve capital.

#### 7. Dividend Distribution Process:

- 7.1 The Bank shall pay off the annual or final dividend to the entitled shareholder, within 30 (Thirty) days (or the days as advised by the regulatory bodies from time to time) of approval, provided that interim dividend shall be paid off to the entitled shareholder, within 30 (Thirty) days



(or the days as advised by the regulatory bodies from time to time) of record date.

7.2 Cash dividend shall be distribute in the following manner and procedures, namely:

i. An amount equivalent to the declared cash dividend payable for the concerned year shall be kept in a separate bank account of the Bank for compliance of regulatory requirements.

ii. The Bank shall pay off cash dividend directly to the bank account of the entitled shareholder as available in the BO account maintained with the depository participant (DP), or the bank account as provided by the shareholder through Bangladesh Electronic Funds Transfer Network (BEFTN).

Provided that the Bank may pay off such cash dividend through bank transfer or any electronic payment system as recognized by the Bangladesh Bank, if not possible to pay off through BEFTN;

iii. The Bank, upon receiving the claim in cash dividend from a stock broker or a merchant banker or a portfolio manager for the margin client or customer who has debit balance or margin loan, or as per intention of the client of stock broker or merchant banker or portfolio manager, shall pay off such cash dividend to the Consolidated Customers' Bank Account (CCBA) of the stock broker or to the separate bank account of the merchant banker or portfolio manager through BEFTN:

iv. The Bank, in case of incomplete information of bank account or if not possible to distribute cash dividend through any electronic payment system, shall issue cash dividend warrant;

v. The Bank shall pay off cash dividend to non-resident sponsor, director, shareholder or foreign portfolio investor (FPI) through the security custodian in compliance with the rules or regulations in this regard;

vi. The Bank immediately after disbursement of cash dividend and issuance a certificate of tax deducted at source, if applicable, shall intimate to the shareholder through a short message service (SMS) to the mobile number or email address as provide in the BO account or as provided by the shareholder or unit holder;

7.3 The Bank shall credit stock dividend directly to the BO account or issue the bonus share certificate of the entitled shareholder, as applicable, within 30(thirty) days (or the days as

advised by the regulatory bodies from time to time) of declaration or approval or record date, as the case may be complying all existing rules and regulations in their regard.

7.4 The Bank shall maintain a Suspense BO Account for undistributed or unclaimed stock dividend or bonus shares and shall also follow the under mentioned procedures for ensuring the rightful ownership:

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

b) The Suspense BO Account shall be held under Block Module and such undistributed or unclaimed stock dividend or bonus shares shall not be transferred in any manner except for the purpose of allotting the bonus shares as and when the allottee approaches to the issuer;

7.5 The Bank shall maintain detailed information of unpaid or unclaimed dividend and rationale thereof, as per BO account number-wise or name-wise or folio number-wise of the shareholder or unit holder; and shall also disclose the summary of aforesaid information in the annual report and shall also report in the statements of financial position (Quarterly/ annually) in a separate line item as 'Unclaimed Dividend Account';

7.6 All other regulatory requirements relating to distribution of dividends to be complied.

7.7 The Bank shall submit a compliance report to the Commission and the exchange(s) as per prescribed format provided by the respective authority on completion of dividend distribution;

7.8 The Bank shall publish the compliance report in its website.

## **8. Dividend information**

Information on dividend paid in last 3 years including dividend yield and payout ratio will be made available on the website of the Bank.

## **9. Policy amendment and review**

This Policy may be reviewed as and when required by the Board of Directors of the Bank for compliance of regulatory requirements.

The Dividend Distribution Policy will be hosted on the website of the Bank and the same would be disclosed in the Annual Report of the Bank.

## Dividend Distribution Compliance Report

Under Clause (6) of the Directive No.BSEC/CMRRCD/2021-386/03, dated 14/01/2021

1	Name of the Issuer/Securities/Mutual Funds		
2	Particulars of Issuer DP		
3	Type of Dividend (Annual/Interim) (Put tick mark (a) on the recommended option)	a) Annual <input type="checkbox"/>	b) Interim <input type="checkbox"/>
4	Whether audited or not for interim Dividend (Put tick mark (a) on the recommended option)	a) Audited <input type="checkbox"/>	b) Unaudited <input type="checkbox"/>
5	Date of recommendation of Dividend by the Board of Directors/Trustee: (Enclosed copy of PSI)		
6	Whether Dividend recommended other than directors or sponsors or any other classes (Put tick mark (a) on the recommended option)	a) Yes <input type="checkbox"/>	b) No <input type="checkbox"/>
7	Record date for entitlement		
8	Rate of Dividend recommended by the Board of Directors/Trustee		
9	Dividend recommended - Type (Put tick mark (a) on the recommended option)	a) Cash <input type="checkbox"/>	b) Stock <input type="checkbox"/>
10	Securities/mutual fund traded under which categories (Put tick mark (a) on the recommended option)	a) A <input type="checkbox"/>	b) B <input type="checkbox"/>
		c) G <input type="checkbox"/>	d) N <input type="checkbox"/>
		e) Z <input type="checkbox"/>	
11	Date of transfer to a separate bank account (Pls, mention bank details) or provisional credit of shares/units by CDBL		
12	Date of approval of Dividend at AGM		
13	Rate of Dividend approved at AGM-details at Annexure (if any change)		
14	Date of commencement of disbursement of Cash and Stock Dividend		
15	Mode of disbursement of Cash Dividend (Put tick mark (a) on the recommended option)	a) BEFTN <input type="checkbox"/>	b) Bank Transfer <input type="checkbox"/>
		c) MFS <input type="checkbox"/>	d) Dividend Warrant <input type="checkbox"/>
		e) Any other mode <input type="checkbox"/>	
16	Date of completion of disbursement of Cash and Stock Dividend(Enclose Bank statement and Corporate Action Processing Report (DP 70)		
17	Paid-up-capital of the issuer-before corporate action/entitlement	Tk.	<input type="checkbox"/>
18	Number of Securities/shares outstanding-before corporate action/entitlement		
19	Total cash in taka or stock (nos.shares) dividend as per corporate declaration		
20	<b>Distribution/ Disbursement details of Cash &amp; Stock Dividend:</b>	<b>Cash (Tk)</b>	<b>Stock (nos) Annexures</b>
	<b>A. Mode of Dividend payment/credit for the concerned year:</b>		
	a) through BEFTN or directly credited to respective BO		
	b) through Bank Transfer other than entitled BO-Margin loan		
	c) through Bank Transfer		
	d) through Mobile Financial Service (MFS)		
	e) through any other mode as approved by Bangladesh Bank		

	f) through transfer to Suspense Account for dematerialized Share (BO wise detailed with reason should be maintained and submitted)
	g) through issuance of Dividend Warrant or issue of share to Suspense Account for non-dematerialized securities
21	<b>Total Dividend paid/credited for the concerned year</b>
22	<b>Total unpaid/undistributed Dividend /accrued during the period (20-21)</b>
23	<b>Total unpaid/undistributed Dividend /accrued as on 1st day of Accounting year (as per Audited Accounts)</b>
24	Transfer to Suspense Account for Demate Share or any other reason during the concerned year
	<b>A. Mode of Dividend Receipts/ payment/credit for the previous years:</b>
	a) through BEFTN or directly credited to respective BO
	b) through Bank Transfer
	c) through Mobile Financial Service (MFS)
	d) through any other mode as approved by Bangladesh Bank
	e) through transfer to/from Suspense Account for demate Share or any other reason
	f) through issuance of Dividend Warrant or issue of share to Suspense Account for non-dematerialized securities/ securities/units
	g) transfer of cash or stocks to the Fund as prescribed or directed by Commission after 3 years or forfeit of share to Suspense Account for non-dematerialized securities
25	<b>Total Dividend paid/credited for previous years:</b>
26	<b>Total Unpaid/undistributed Dividend for previous years (23+24-25) Taka/Nos</b>
27	<b>Grand Total of Unpaid/undistributed Dividend (22+26)</b>
28	<b>Aging of grand Total of Unpaid/undistributed Dividend for previous years</b>
	<b>More than 3 years: balance</b>
	<b>More than 4 years: balance</b>
	<b>More than 5 years &amp; above: balance</b>
	<b>Total of Unpaid/undistributed Dividend for previous years</b>
	(Supporting bank statements and balances of securities with the Depository)

Note: Issuer shall maintain BO-wise detailed information for all transfers/credit to suspended Accounts.

With reasons and submit along with bank statements and other supporting documents. The issuer shall fill up all the applicable fields.