REPORTING

SDG Relevance

SUSTAINABILITY REPORTING

Overview:

We, the people in Jamuna Bank Ltd.(will be called JBL), believe that sustainability or doing business sustainably does not only mean mere observance of environmental conservation, it rather signifies our effort to simultaneously uplift the entire economy, society, community while adding Financial value to the organization. By identifying the factors that influence sustainability practices and integrating a disclosure with annual report, we stepped up at a point on our sustainability journey where managing sustainability is gradually becoming part of the responsibility of every department. Our sustainability reporting provides us with an opportunity to underscore our corporate vision, beyond financial achievements. It symbolizes our desire for increasing sustainable business growth through the advancement of innovative partnerships, social initiatives and community engagement. This report also lays out the impacts, risks and opportunities of our business activity/business relationships, the sustainability strategy together with corresponding management approaches (concepts) and measures and it describes specific sustainability activities carried out for the year 2019, and the Report is published annually as part of our Annual Report.

In addition, our CSR programs and initiatives are quite in agreement with the Bank's strategy to deliver equitable and sustainable outcomes for our customers, community, people and shareholders. Every year we review the materiality aspects chosen on previous year and undertake a fresh materiality assessment so that we can match our pickings with those of stakeholders and produce a report that bears true reflection of stakeholders' choice. This helps us to evolve our strategy, supporting programs and initiatives in response.

This report has been prepared in accordance with the GRI Standards: Core option. Within these pages, we also refer to guidelines which regulate sustainable business practices globally. These include the GRI G4 Financial Services Sector Disclosures.

Approach to sustainability

We take a long-term perspective in conducting our business by incorporating environmental and social considerations so that we can impact people's lives meaningfully.

In promoting sustainable development, we have chosen to focus on six of the UN's Sustainable Development Goals (SDGs) which we believe we can make meaningful contributions to, and after taking into account the markets we operate in. Our approach to sustainability is based on following objectives:

1) **Responsible Banking**

   Taking a proactive stance to protect our customers' information, having zero tolerance for financial crime, and conducting our business in a fair and responsible manner. In promoting sustainable development, we are committed to advancing responsible financing and financial inclusion.

2) **Responsible Business Practices**

   Providing an inclusive work environment where every employee can develop professionally and personally. As a responsible organisation, we are conscious of the need to manage our direct environmental footprint and seek to influence our supply chain towards sustainable practices. We are contributing 3% pre-tax profit to Jamuna Bank Foundation for the well-being of the society and make economic contributions to the communities in which we operate.

3) **Creating Social Impact.**

   Jamuna Bank Foundation, a philanthropic organization of Jamuna Bank Limited always tries to be a responsible partner of our customers, shareholders employees, communities, and other stakeholders attaching highest priority to ethical conduct and integrity. Over the past 13(thirteen) years, Jamuna Bank Foundation (JBF) went ahead with its unwavering commitment to improve lives of the underprivileged poor and destitute. It also provides support in the education, health and well-being, environmental management besides patronizing sports, art & culture, disaster management etc. to ensure economic development of the Country. For details information please see the Corporate Social Responsibility Chapter of this report.

SUSTAINABILITY HIGHLIGHTS

Allocating
3%
of pre-tax profit for
spending on Corporate Social Responsibility through Jamuna Bank Foundation each year

0.96
million
financial inclusion customer base

206,255
No of Accounts facilitated with Mobile/SMS Banking

25.74
billion
SME Asset portfolio

135.72
billion
Corporate advances

7.18
billion
loans disbursed for retail and agriculture sector

0.28
billion
credit outstanding for 'sustainable sectors' – renewable energy and waste processing

15%
Cash Dividend
for the year 2019

10.24%
percentage
increase in Net Profit over previous year

3049
employees
As on 31 December 2019

46,768
person-hours
of employee training imparted in 2019

7.95%
percentage
increase in Total Asset Over Last year

General-Disclosures GRI-102

Organizational ProfileGRI 102-1, GRI 102-3, GRI 102-4, GRI 102-5, GRI 102-6,GRI 102-7,GRI 102-11, GRI 102-13, GRI 102-41

GRI 102-1	Name of the organization	Jamuna Bank Limited
GRI 102-2	Activities, brands, products, and services	Jamuna Bank Limited (JBL) is a Banking Company registered under the Companies Act, 1994 of Bangladesh with its Head Office currently at Hadi Mansion, 2, Dilkusha C/A, Dhaka-1000, Bangladesh. The Bank started its operation from 3rd June 2001. The Bank provides all types of support to trade, commerce, industry and overall business of the country. JBL's finances are also available for the entrepreneurs to set up promising new ventures and BMRE of existing industrial units. The bank was established by a group of local entrepreneurs who are well reputed in the field of trade, commerce, industry and business of the country. Please see the product and service chapter for details
GRI 102-3	Location of headquarter	Jamuna Bank Tower, Plot-14, Block-C, Bir Uttam A.K Khandaker Road, Gulshan-1, Dhaka.
GRI 102-4	Location of operations	Only Bangladesh. Other markets are served through liaisons.
GRI 102-5	Nature of Ownership & Legal Form	Public Company Limited by Shares
GRI 102-6	Markets served	Bangladesh. Other markets are served through liaisons.
GRI 102-7	Total number of employees	3049
	Net Revenue	BDT 11,485.86 Million
GRI 102-13	Membership of associations	Please see the Profile of the Company for details
GRI 102-41	% of employees covered by collective bargaining agreements	No employees are covered under collective bargaining agreements

Please see the **Profile of the Company** *for details and Human Capital at Management Discussion & Analysis.*

Governance:

GRI 102-18 , GRI 102-19, GRI 102-20, GRI 102-21, GRI 102-22 , GRI 102-23, GRI 102-24, GRI 102 - 25, GRI 102-26, GRI 102-27,

GRI 102-28, GRI 102-29, GRI 102-30, GRI 102-31, GRI 102-32, GRI 102-33, GRI 102-34, GRI 102-35, GRI 102-36, GRI 102-37

We are focused on shaping a more accountable culture that not only supports achievement of our business strategies, but also drives decisions that are lawful, ethical and responsible, and that lead to better customer and risk outcomes. Our governance model and operational structure are designed to support the bank's vision and guide sustainability work in the bank. Sustainability governance is therefore integrated in our operational controls at large and comprises the bank's sustainability policies, strategy, goals, implementation, monitoring and reporting. The Board of Directors is ultimately responsible for governance in sustainability and adopts its policies in the area. The Board recognizes that, together with management, it has a critical role in setting the cultural tone of the Bank. The Board seeks to guide the Bank's culture through the CEO and oversight of risk, remuneration and governance frameworks, policies and processes. The Board has three principal Committees that assist it in carrying out its responsibilities. These are the: Executive Committee of Board of Directors, Audit Committee and Risk Management Committee.

Corporate Governance segment of the report furnishes every detail in this regard.

Ethics and integrity: GRI 102-16

Our internal rules are derived from the bank's vision, purpose and values as well as the external rules imposed by legislators and regulators. Based on our vision, purpose and values, we have created a framework for sustainability issues. The framework describes our responsibility to the communities where we do business and play an important role. It defines sustainability for JBL and guides how we integrate it in our banking business. All policies are adopted by our Board. All employees are required to follow a code of conduct that covers their individual responsibilities, the bank's values and business ethics, among other things. The code places great responsibility on each employee to follow the bank's values and rules.

Stakeholder Engagement: [GRI 102-40], [GRI 102-42]

A wide spectrum of stakeholders group has to be engaged to identify issues that impact our business. This is fundamental to the way we operate, as stakeholder views provide us with valuable insights. Our approach to stakeholder engagement is guided by the GRI Standard and our Organizations standard practices.

Stakeholders Name	**Shareholders and Investors**
How identified and selected	Supplies the capital
How we engage	Financial & non-financial reporting, Newspaper/Internet briefings, AGM & EGM.
Issues Concerned	Shareholders' returns (dividends) and share price Performance and integrity of the Board and Management Business Strategies, Re-investment plan, Grievance redress. Stable rating, Public goodwill and reputation
How we respond	Shareholders always expect a stable stream of dividends throughout the tenure of their investment. Because this income supports their financial wellbeing. We believe that becoming a simpler, better bank, combined with the steps being taken to elevate governance, accountability and risk management, will fortify future shareholder returns. We are also optimizing our business and capital settings and adapting to the changing operating environment to drive financial performance and strength. We recognize that investors are increasingly looking for long-term returns that are supported by strong environmental, social and governance performance. By focusing on both the financial and non-financial drivers of shareholder value, we will deliver sustainable financial performance into the future. (for details see Stakeholder Information as well as Management Discussion and Analysis chapter)
Frequency of Dialog (GRI 102-43)	
General Meeting of Shareholders	Once in a year
Conferences	Several times
Meetings	Several times
Stock exchange and press releases	Ongoing
Contact through Internet, e-mail and phone	Ongoing

Stakeholders Name:	Customer
How identified and selected	Contributes in both procuring liabilities and distributing assets(credits)
How we engage	Multi-channel engagement, customer feedback and complaint channels, customer surveys and workshops, customer advocate, customer representatives and bodies, and external dispute resolutions
Issues Concerned	Serve customers responsibly Customer Privacy Product information, affordability and convenience Product variation according to market demand Shariah compliance in Islamic products and services
How we respond	Our prime objective is to improve the financial wellbeing of our customers and communities. We are always committed to delivering better outcomes for our customers. We do this by ▪ listening to our customers (at branch level "Customer meeting" frequently conducted). ▪ providing a range of financial services, both on loan and deposit along with standard and specified non-funded guarantees and assurances, Govt. bill collections and so on. (see our product and services chapter as well as visit our website https://jamunabankbd.com/ for details) ▪ protecting the privacy of our customers, including data protection and confidentiality. ▪ All Bank's branches are fully automated and under online operation along with several services. We are providing a broad line of services to our valued clients like Online Banking Operation and different Value Added Services (VAS) like SWIFT, ATM Operation, National Payment Switch, VISA Card, Mobile Financial Service (MFS), SMS Banking, Internet Banking service, BACH & EFTN, Trade Finance Processing Center (TFPC), RTGS & different types of utility bill collection like WASA, DPDC, BKash etc. in highly secured manner.
Frequency of Dialog (GRI 102-43)	
Branches	On a daily basis
Website	Ongoing

Stakeholders Name(G4-24):	Employees
How identified and selected (G4-25)	Operates the organization
How we engage (G4-26)	Group-wide and ad-hoc employee engagement surveys, digital and social platforms, meetings, employee events, Performance recognition and reward programs.

Stakeholders Name(G4-24):	Employees
Issues Concerned (G4-27)	Financial comforts, Job security Skill building work-life balance. Health, safety and well being
How we respond (G4-27):	We foster a culture of appreciation and togetherness for our employees. A variety of initiatives and development opportunities for our employees and optimal framework conditions for daily working life help us maintaining a higher than average employee retention percentage. In order to keep our workforce competitive we focus on the areas of standardizing financial benefits, further training levels, health insurance facilities and other long term benefits. (for details see Human Capital of Management Discussion and Analysis chapter)
Frequency of Dialog (GRI 102-43)	
Internal Meeting	Several times a year
Intranet	Ongoing
Website	Ongoing
Email	Ongoing
Events organized by the Bank and JBF	Monthly/Quarterly/Annually

Stakeholders Name(G4-24):	Regulators
How identified and selected (G4-25)	Controls the environments of business
How we engage (G4-26)	Meetings, submissions and proposals, commissions and inquiries, and financial institution associations.
Issues Concerned (G4-27)	Good Corporate Governance and business ethics, Regulatory compliances, Policy matters, Industry perspectives, Collaboration for Government affairs
How we respond (G4-27):	To earn the trust of our regulators i.e Bangladesh Bank, Bangladesh Securities and Exchange Commission (BSEC), Registrar of Joint Stock Companies and Firms (RJSC), we are committed to engaging in a way that is proactive, transparent and resolution-focused. BDT 4113.46 million contributed through payment of Tax, VAT and Excise Duty. ▪ Tax Collected and deposited at source BDT 2139.74 million ▪ VAT & Excise Duty Collected and Deposited BDT 613.73 million ▪ Tax paid on income BDT 1359.99 million
Frequency of Dialog (GRI 102-43)	
Regular Reports	Several times a year
Meetings	Several times a year
E-Mail	Ongoing
Phone Calls	Ongoing
Website	Ongoing

Stakeholders Name(G4-24):	Community
How identified and selected (G4-25)	Direct and Indirect beneficiary
How we engage (G4-26)	CSR initiatives, industry memberships, meetings, phone calls, correspondence, and support of events, summits and forums
Issues Concerned (G4-27)	Financial inclusion & Literacy, promoting improved healthcare, safety, education, enabling poverty alleviation
How we respond (G4-27):	We are contributing to our communities through our JBL Foundation grants and pro bono activities of the foundation itself. Jamuna Bank Foundation (JBF) has been playing pioneer role in the CSR activities since its inception in the year-2007. Over the past 13(thirteen) years, Jamuna Bank Foundation (JBF) went ahead with its unwavering commitment to improve lives of the underprivileged poor and destitute. It also provides support in the education, health and well-being, environmental management besides patronizing sports, art & culture, disaster management etc. to ensure economic development of the Country. **Please see the Corporate Social Responsibility Chapter for details.**
Frequency of Dialog (GRI 102-43)	
Conferences and seminar	Several times a year
Meetings	Several times a year
Website	Ongoing

Stakeholders Name(G4-24):	Suppliers & Vendors
How identified and selected (G4-25)	Environmental & Social aspects minimization
How we engage (G4-26)	Tenders & RFPs', Supplier meetings, briefings and workshops, risk assessments, Supplier Code of Conduct
Issues Concerned (G4-27)	Quality control, cost-effective product & services, environment friendly products & services
How we respond (G4-27):	We spend more than Tk.836.81 million during 2019 on products and services from our suppliers. Our processes of governing supply & procurement, selection of suppliers and vendors based on integrity and reputation and our supplier code of conduct all help us work with suppliers to minimise ESG risks such as human rights and climate change in our supply chain
Frequency of Dialog (GRI 102-43)	
Periodic Meetings	Several times a year
Phone calls and emails	Ongoing

Effectiveness of risk management processes GRI 102-30

The key components of our risk management rely on the risk governance architecture, comprehensive processes and internal control mechanism based on approved policies and guidelines. Our risk governance architecture focuses on the key areas of risk such as credit, market (including liquidity) and operational risk and quantification of these risks, wherever possible, for effective and continuous monitoring and control.

The risk management processes are guided by well-defined policies appropriate for various risk categories, independent risk oversight and periodic monitoring through the sub-committees of the Board of Directors. Overall risk appetite and philosophy is set by the Board. The Committee of Directors, the Risk Management Committee and the Audit Committee of the Board, which are sub committees of the Board, review various aspects of risk arising from the businesses of the Bank. The details are presented in the Risk Management report.

Entities included in the annual report and sustainability report GRI 102-45

The entities that have been included in the annual report are Jamuna Bank Limited and all its subsidiaries. For the context of the sustainability report, Jamuna Bank's branches and Head Office have been considered in most cases, exceptions have been stated otherwise. The reasons for omission of its subsidiaries are the fact that they are very small in operation and do not materially affect the bank's activities. So in regard to this report, only Jamuna Bank (branches and Head Office) are taken into consideration.

Defining report content and topic Boundaries GRI 102-46

While determining the issues to be evaluated we asked ourselves "what is important to our stakeholders?" which truly turns the process to "stakeholder centric". To aid the stakeholders' choice, relevant information from public domain have been made available to everyone involved in process. Of course, emphasis was given to factors/aspects which are basicto the industry. We have also asked our stakeholders to consider the current operating environment, global megatrends and emerging issues, including trust in business, technology as a disruptor, the transitioning workforce and climate change while making their choices. After a primary compilation of factors,our policy makers have made a comparative study, discussed information available and super-imposed our business strategy thereon to sort the aspects most important to the long-term survival of our core business while taking into account social, environmental and economic aspects in our operations.Participantswere free to choose from the aspects brought up by stakeholders or add new ones to find out the combination that best represents our standing towards sustainability.

List of Material topics GRI 102-47, GRI 103-1

With regards to JBL, the material aspects represent four content areas (the best interests of the customer, empowering society and the community, employees' quality of life and wellbeing, and inhabiting with the environment), which describe impacts on all of the bank's stakeholders. The details have been presented at our **Management Discussion and Analysis Chapter.**

Changes in reporting GRI 102-49

There have been no significant changes in the reporting period in the Scope and Topic Boundaries for this year. It can also been seen throughout the report that nearly all our material topics are similar to last year.

Reporting period GRI102-50	Date of Most recent pervious report GRI 102-51	Reporting cycle GRI 102-52	Reporting with the GRI Standards GRI 102-54
For the year 2019 (January to December 2019)	Annual Report 2018	Annual	This report has been prepared in accordance with the GRI Standards: Comprehensive option" and the GRI Content Index is provided at the end of the report

ECONOMIC PERFORMANCE GRI 201

The economic dimension of sustainability concerns the organization's impacts on the economic conditions of its stakeholders, and on economic systems at local, national, and global levels. The Economic Category illustrates the flow of capital among different stakeholders, and the main economic impacts of the organization throughout society. As one of the leading financial services provider in Bangladesh, Jamuna Bank Limited has an extensive role in the economy and society. Jamuna Bank makes a positive difference to society and local, regional and national economies where we operate through our community initiatives and investments. We help foster local economic development and stimulate growth and innovation through loans, credit and other financing to organizations of all sizes.

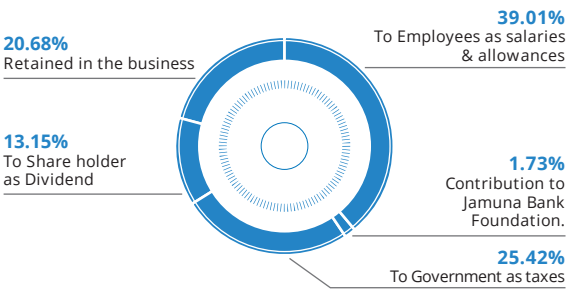
Direct economic value generated and distributed for the year ended 31 December, 2019GRI 201-1

Value added is the wealth created by Jamuna Bank through its different banking operations. The Value added statement shows the total wealth created, how it was distributed to meet certain obligations, reward those responsible for its creation and the portion retained for the continued operation and expansion of JBL.

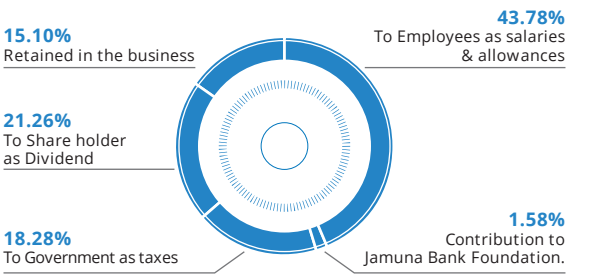
Amount in BDT Million

Particulars	2019	%	2017	%
Income from Banking services	22,150.21		18,713.54	
Less: Cost of services & Supplies	(11,391.97)		(9,656.43)	
Value added by the Banking services	**10,758.24**		**9,057.11**	
Other Operating Income	681.29		760.67	
Less:Provision for Loan and Advances, Shares, etc.	(1,061.94)		(1,023.34)	
Less: Operating expenses excluding staff costs and depreciation.	(1,834.36)		(1,744.69)	
Value added	**8,543.23**	**100%**	**7,049.75**	**100%**
Distribution of value added				
To Employees as salaries & allowances	3,332.93	39.01%	3,086.45	43.78%
Contribution to Jamuna Bank Foundation.	147.83	1.73%	111.52	1.58%
To Government as taxes	2,172.05	25.42%	1,288.99	18.28%
To Share holder as Dividend	1,123.84	13.15%	1,498.45	21.26%
Retained in the business	1,766.58	20.68%	1,064.34	15.10%
as capital and revenue reserve	1,484.02		818.23	
as Depreciation	282.56		246.11	
Total	**8,543.23**	**100%**	**7,049.75**	**100%**
Number of employees	3,049		2,592	
Value added per employee	2.80		2.72	

Distribution of Value Addition-2019



Distribution of Value Addition-2018



Economic Value Added (EVA) Statement for the year ended 31 December, 2019

Economic value addition is a measure to calculate the economic value added by the enterprise to the stakeholders.Economic value added (EVA) is a measure of a company's financial performance based on the residual wealth calculated by deducting its cost of capital from its operating profit, adjusted for taxes on a cash basis. EVA can also be referred to as economic profit, as it attempts to capture the true economic profit of a company. The aim of EVA is to provide management with a measure of their success in increasing shareholders wealth: a better measure than profit of how much the company had made for shareholders

Amount in BDT Million

Particulars	2019	2018
Net Operating profit before taxation and provision	5,841.84	4,629.01
Provision for taxes	(2,172.05)	(1,288.98)
Net Operating profit after tax (NOPAT)	**3,669.79**	**3,340.03**
Charges for capital		
Capital employed	23,536.71	22,447.62
Cost of equity (%)*	11.43%	10.44%
Capital charge	2,690.25	2,343.53
Economic Value Added	**979.54**	**996.50**
Capital Employed as on December 31		
Shareholders equity	17,160.59	18,073.50
Add: Cumulative provision for loan and off-balance sheets items	6,376.12	4374.12
Average Shareholders' Equity	**23,536.71**	**22,447.62**

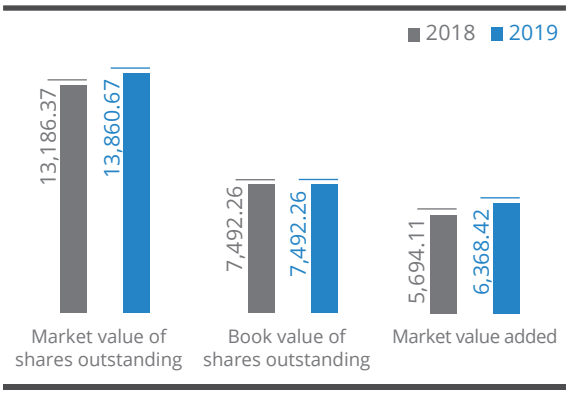
** Cost of equity refers to a shareholder's required rate of return on an equity investment. It is the rate of return that could have been earned by putting the same money into a different investment with equal risk. Interest on 20 years Government Treasury Bond plus a standard risk premium has been assumed to be the cost of equity.*

Environmental aspects

Market Value Added (MVA) Statement for the year ended 31 December, 2019

Market Value Added (MVA) is the difference between the current market value of a company and the capital contributed by the investors. Higher MVA is better for the organization. A high MVA indicates that the company has created substantial wealth for the shareholders. A negative MVA means that the value of management's actions and investments are less than the value of the capital contributed to the company by the capital market.

Particulars	2019	2018
Face value per share (BDT)	10.00	10.00
Market Value per share (BDT)	18.50	17.60
Number of shares outstanding	749,225,650	749,225,650
Total market capitalization (BDT million)	13,860.67	13,186.37
Book value of paid up capital (BDT million)	7,492.26	7,492.26
Market Value added (BDT million)	**6,368.42**	**5,694.11**



Contribution to National Exchequer

Jamuna Bank has contributed significantly to the government's effort of revenue collection. As a corporate entity, the bank pays tax and VAT on its own income according to prevailing laws of the country. Besides, the bank deducts income tax, VAT and excise duty at source from customers and suppliers and deposits the same to the national exchequer. During the year 2019, the Bank contributed Tk. 4113.46 million (Tax Collected and deposited at source BDT 2139.74 million , VAT & Excise Duty Collected and Deposited BDT 613.73 million & Tax paid on income BDT 1359.99 million) to national exchequer.

JBL contributes to society by providing innovative financial services through its network of 141 no. of branches and 295 No. of ATM's, creating jobs, purchasing local goods and services, by being a responsible taxpayer and also by contributing generously to promoting a better standard living and well-being of the community. Our financial products enable organizations and individuals achieving their goals which invariably in turn contribute to national economy. In addition, we work with communities in several different districts through actively engaging with community groups and the broader community on a number of projects and initiatives.

During the year 2019, the Company has recruited 225 new employees, which resulted in a net increase in human resource count to 3049 at the end of the year 2019, in comparison to 2824 at the end of the year 2018. During 2019, the Jamuna Bank along with its subsidiaries paid BDT 3,353.51 million as salaries and allowances to its employees.

Financial implications and other risks and opportunities due to climate change GRI 201-2

In Bangladesh, climate change affects many sectors, including water resources, agriculture and food security, ecosystems and biodiversity, and human health and coastal zones. It is estimated that rising sea levels alone will displace 18 million Bangladeshis within the next 40 years; also predicted that climate change could have a devastating impact on agriculture — a key economic driver in Bangladesh, accounting for nearly 20 percent of the GDP and 65 percent of the labor force.

As a result, the government of Bangladesh is prioritizing mainstreaming sustainability into the financial sector. Key elements of the country's inclusive socio-economic development strategy include environmental sustainability and climate change resilience. Green investments are being used in adoption of carbon emission minimizing, and energy-efficient output processes and practices, with support measures including tariff waivers, and tax holidays for renewable energy. Significant progress has already been attained including rapidly expanding solar home systems, solar irrigation pump and solar and biomass-based energy. The organic farming sector is growing fast, producing both for export and domestic consumption.

The Jamuna bank's green banking activities cover multidimensional areas which include both in-house environment management and undertaking green financing to support green economy. Jamuna Bank Limited believes that an environmentally responsible bank does not only improve its own standard but also influences other business entities to be the same. The Bank's working environment encourages usage of e-mails, relying on online communication, extensive usage of energy savings bulbs which shows bank's efforts towards supporting green banking activities

Defined benefit plan obligations and other retirement plans GRI 201-3

Jamuna Bank provides the following benefit plans for its employees upon retirement according to individual's entitlement, which are: 1) Provident Fund 2) Employee Gratuity 3) Employees' Social Security-Superannuation Fund and 4) Employees Welfare Fund. These funds are controlled by a Trustee Board, and decisions regarding investing and encashment of these funds are based on the Board's judgment. The Trustee Board works to ensure that employees on retirement will get full coverage of their portion of the fund. Provident Fund contributions are made by employees (10% of basic salary per employee) and employer (Same amount as paid by the employee). Employees' Social Security-Superannuation Fund and Welfare Fund are deducted from salary based on designation of the employee.

Indirect Economic Impacts GRI 203

Our products, services and operations have myriad indirect economic impacts:

- During the year 2019 payment made to national Ex-chequer as follows:

  BDT 4113.46 million contributed through payment of Tax, VAT and Excise Duty.

  - Tax Collected and deposited at source BDT 2139.74 million

  - VAT & Excise Duty Collected and Deposited BDT 613.73 million

  - Tax paid on income BDT 1359.99 million

- We are helping the Society/Nation by creating employment and a well-trained workforce. JBL and its subsidiary employed 3049 employees up to December 2019. During the year 2019 we have employed 225 employees.

- Through our Retail Banking business, we help people achieve their dreams, by providing relevant products and services that meet their lifecycle financial needs and aspirations.

- We are bringing millions of people into the fold of the formal banking system and helping them save, earn livelihoods and avail social security. We promote Financial Literacy as a key enabler to achieve wider financial inclusion. There is a broad consensus that a vibrant CMSME sector is one of the principal driving forces in the development of the economy of Bangladesh. CMSMEs stimulate private ownership and entrepreneurial skills and can adapt quickly to changing market situation, generate employment, help diversify economic activities, and make a significant contribution to exports and trade. Keeping this in view, Jamuna Bank Limited has formulated a comprehensive policy on CMSME financing and made significant progress in this sector. The Bank is offering congenial loan products and services so that CMSMEs can grow and contribute more to the GDP.

- Our Corporate lending business aides the overall economic expansion by supporting vital sectors of growth. The growth of the Textile, RMG and other manufacturing sectors, alongside the development of infrastructure and availability of power and energy, is directly linked with the contributions from the Bank.

- Agriculture is also another key driving force of the economy of Bangladesh. The overall economic development of the country is closely interlinked with the development of the agricultural sector. Agriculture makes the largest contribution to favorable Balance of Payment position through poverty alleviation, providing raw materials for industry, reducing imports and enhancing exports. Jamuna Bank continued its proactive policy and program support to boost up agriculture financing. Jamuna Bank also recognizes Agriculture & Rural Credit as one of the major tools for ensuring "inclusion" of the rural people into the banking activities and plays a major role in the overall economic development of the country. To promote this particular sector, Jamuna Bank Limited has disbursed Agricultural & Rural Credit of Tk.2632.51 million in the year 2019.

- Our focused community programs on Livelihoods, Education and Healthcare, undertaken by the Jamuna Bank Foundation, aid and support communities in some of the poorest districts of the country. In the year 2019, the Bank made provision for Jamuna Bank Foundation at 3.00% on pretax profit of Jamuna Bank Limited amounting Tk.147.32 million for the cause of development of destitute/underprivileged segment of the society and for socio-economic development of the country.

- Jamuna Bank Limited donated Tk.6.00 (six) crore to Prime Minister's Relief Fund to help the destitute people in the society.

- We are discouraging projects which is detrimental to the environment and health.

ENVIRONMENTAL IMPACT

Why material?

As a major player in the financial market, we impact communities, people and the environment – both directly and indirectly through our customers, suppliers and employees. We do so every day, since it is our way to contribute to a growing and sustainable society. Using Earth's resources in a sustainable and responsible way is important to us. A willingness to be proactive and conserve resources is a natural part of our daily work. Climate change is one of the most serious global challenges facing society today. Businesses have an important role to play in the transition to lower energy consumption and, consequently, lower greenhouse gas emissions. The financial sector has a big impact on the climate through investments and lending. It is important therefore to take an active role in reducing our indirect impacts and in that way contribute to a more stable climate. By reducing energy consumption, optimising business travel and lowering our direct emissions, as well as by financing and investing in companies that strive toward the same goals, we help to fight climate change and its risks.

How we respond

The primary focus areas of Jamuna Bank's environmental management initiatives are energy efficiency, material resource efficiency , renewable energy .Since inception Jamuna Bank has adopted eco-friendly banking services as a way to lower carbon footprint. We strive to reduce environmental impacts incidental to our products and services through 'Green Banking' practices. Digitisation of products, services and processes is vital for both reducing environmental impacts and providing superior customer service by enhancing the safety, ease and convenience of banking.. As part of our commitment to uphold green economy, Jamuna Bank Limited has signed a participation agreement with Bangladesh Bank under refinance scheme for lending in direct green finance products i.e. solar energy, bio- gas, effluent treatment plant brick field etc.

Energy efficiency is one of the vital components of our environmental agenda to reduce environmental and carbon footprint. Electricity drawn from grids forms the primary component of our energy consumption while we use fuels such as diesel to generate on-site electricity to supplement the energy requirements of offices and branches. Continual improvement measures such as monitoring and control of energy consumption,

green Information Technology (IT) initiatives, use of green/star-rated energy efficient equipment and exploring usage of renewable energy are undertaken to enhance energy efficiency and reduce environmental impacts.

From the commencement of the Banking operation, JBL started automated banking from our first branch at Mohakhali, Dhaka. Now at the end of 2019, the total Number of branch stands at 141 and all these branches are fully automated and under online operation along with several services.

At present, our Bank has Real Time Online Core Banking Solution and number of Value Added Services(VAS) like SWIFT, ATM Operation, National Payment Switch, VISA Card, Mobile Financial Service (MFS), SMS Banking, Internet Banking service, Mobile Banking, BACH & EFTN, Trade Finance Processing Center (TFPC), RTGS & different types of utility bill collection like WASA, DPDC, TITAS, Bkash etc. in highly secured manner.

Besides we have introduced "Justpay", a Mobile Banking Financial Application which helps you to fulfil your banking needs anywhere, anytime!. It combines an intuitive interface with powerful features. It speaks to you in a friendly and easy to understand language. This application helps you to manage your fund effortlessly. Using the app move your money and track your Transaction quick, easy access to your accounts lets you track your money and stay in control of your finances. Pay bills and make transfers whenever you've got a moment to spare. Track account activities, monitor your transactions with our Account History function. Simply login using the same username and password that you use for online banking. Track

your money and stay in control of your finances Pay bills and make transfers whenever you've got a moment to spare.

Jamuna Bank has also introduced "Jamuna Bank Sure Cash" which contains the features includes (a) Convenient (b) Faster Electronic Fund Transfer (c) Safe Payment System (d) Cash Withdrawal (e) Fund Transfer Facilities (f) Widely Available Throughout the Country (g) Simple Account Opening

JBL also providing internet banking service towards our customer which integrated features including (a) Anywhere, Anytime (b) View Account summary (c) View Account transactions (d) View and download account statement (e) View session summary (f) Change Password (g) Access your account 24/7.

At JBL Customers are encouraged to subscribe for e-statements. Frequent communications are sent to the customers on availing e-statements in an easy and secure manner. 'Green Banking' message at the ATM alerts the user to avoid printing of transaction slip, if not needed. Customers can set their debit card/credit card PIN at the Bank's ATM or through MFS applications in a secure manner, thus eliminating the use of paper for PINs sent through post.

Our 25 branches out of 141 no. branches are partially powered by Solar Energy. We are encouraging on line communication like FTP and intra-mail instead of printed documents. We are also using both side of paper for printing purpose. Energy saving bulbs are being installed and other measures are being taken for lesser use of energy.

We adopt 3R (Reduce, Reuse, Recycle) principles for managing our material consumption and waste generation. Paper is one of the key materials that is consumed in operations. Paper saving is vital aspect of our operations management. We are increasingly focusing on digitisation of banking services and internal processes to reduce the paper consumption while enhancing customer service and internal process efficiency.

Jamuna Bank always encourages the officials to consider the following green approaches while travelling: (A) Encourage employees to use Public Transport/Carpool Program. (B) Encourage employees to use eco-friendly energy for private vehicles.

In addition to the Bank's own 295 ATMs, the Bank has joined National Payment Switch Bangladesh (NPSB) network, which enabled the Debit Cardholders of the Bank to enjoy cash withdrawal facility from other ATMs under NPSB Network. Jamuna Bank has used the BACH and BEFTN mechanism for convenient payment activities which to a great extent supports the concept of green banking.

JBL is continuously conducting supporting program such as workshops and training exclusively on green banking with a view to enlightening the personnels concerning the much talked about subject namely green Banking. Most often distinguished resource persons were the key speakers at the workshops and training session. The workshops and training programs are designed in light of green banking policy guidelines as well as guidelines on environmental risk management issued by Bangladesh Bank. It is evident that employees after participating in the workshops and training session more enthusiastically strive to ensure compliance of regulatory requirement. Besides they remain meticulous in assessing a project proposal which have some environmental aspects. Environment risk rating becomes a routine exercise in JBL. In 2019, JBL conducted 4 no. of workshops on Green Banking and Environmental Risk Management. Total numbers of participants in the said workshops were 111.

Jamuna Bank Limited is very much aware about efficient use of water. As a financial institution its use of water is already very much restricted. Major consumption of water is for drinking purpose. Our bank is well aware to ensure pure and safe drinking water for its employees.

We already move to our own building "Jamuna Bank Tower" at plot#14, Block-CWS(c), Bir Uttam Ak Khandakar Road, Gulshan Model Town, Dhaka which will be a good instance of green building. The building has incorporated a multitude of green features at the design stage to help lower its environmental impacts. Some of the key features of the building include maximum use of natural light, use of renewable energy for part energy load requirement, and sensors for urinals and wash basins to regulate water use, 'Greenguard' compliant furniture/fixtures and low toxicity levels of carpets and furniture. Preference is also given for green features in the leased premises for branches and other offices.

Jamuna Bank Foundation (JBF), a charitable legal entity established by Jamuna Bank Ltd. for performing CSR activities of the Bank, arranging Tree Plantation program each year. We planted about 1500 saplings throughout the country with the participation of our branch officials in the tree plantation program held on July 2019. Besides, Jamuna Bank Foundation (JBF) also engages with communities on sustainable agriculture practices leading to environmental sustainability.

Jamuna Bank's initiative for Sustainable Financing

We aspire to promote and support environmentally-sound businesses and technologies through our lending business. All the project applications are assessed for negative screening list on environment to ensure these projects are not amongst others:

i. Dealing in banned wildlife related products

ii. Polluting industries unless the units have clearance from Department of Environment and have installed effluent treatment plants, and

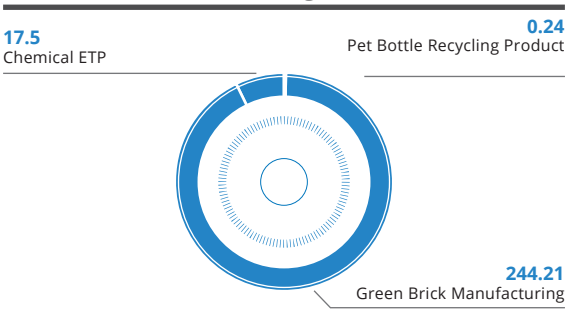
iii. Setting up new units consuming/producing Ozone Depleting Substances (ODS) such as ChloroFluoro Carbon (CFC), Halons and units manufacturing aerosol products using CFCs.

We do not finance/refinance businesses engaged in the above-mentioned products. The project appraisal stage generally includes site visit of the project to assess any adverse impact on the environment and appointment of Lenders' Independent Engineer to advise lenders, on aspects including environmental issues, if any, and its mitigation strategies. Jamuna Bank has incorporated environmental risk management as part of the existing credit risk methodology to assess borrowers through Environmental Due Diligence (EDD) checklists.

We have been actively funding projects in areas of clean technology, renewable energy, energy-efficiency and sustainable infrastructure. We have initiated the process of framing Sustainable Lending Policy andClimate change is a fundamental threat to development in our lifetime, with the potential to impact millions, threatening agricultural livelihoods, increasing the incidence of natural disasters and affecting water, energy, and food supplies

Sector	Amount (in million)
Pet Bottle Recycling Product	0.24
Green Brick Manufacturing	244.21
Chemical ETP	17.5

Product wise Green Banking information (fig. in million)



Jamuna Bank Limited has been working to reduce carbon emissions directly and also reduce the carbon emission for financing environment friendly business. Our Green Banking activities cover multidimensional areas including both in-house environment management and undertaking Green financing towards supporting Green Economy. As one of the strategic focuses of Jamuna Bank Limited is 'going green', which includes efficient energy consumption, paperless office, financing renewable energy etc. As a green bank, we tend to reduce the carbon emission which ultimately helps to ensure green environment in the society.

LABOR & SOCIAL IMPACT

Sustainable Human Resource Management

Today, Companies are becoming increasingly aware of the importance of social, ethical, and ecological objectives. In addition to financial profit, organizations are setting themselves new goals, focusing on individual, communal, and environmental-friendly performance and development. One of the disciplines that is promoting "green" organizations is Sustainable Human Resource Management (SHRM). Sustainable development goals (SDGs) are achieved through the adoption of new ecological techniques by the organization's human capital and by the integration of innovative sustainable strategies. Sustainable future in respect of human resource management upholds some qualitative attributes such as:

- Healthy and sustainable working environment
- Secured employment
- Handsome monetary benefits
- Appropriate appreciations regarding achievements
- Good training and development arrangements and
- Easy exit procedure etc.

Human Resources team on the Bank always works hard to ensure healthy sustainable working environment by initiating relevant procedures. A handsome monetary benefit is already ensured to motivate employees through a good performance evaluation practices. The details of this part has been discussed at the Human Capital under Management Discussion and Analysis chapter.

Recruitment GRI 202-2

In order to fill up the vacancies and to ensure that the additional human resources are assessed, selected and placed on-time as per required competencies, the Recruitment & Selection team works dedicatedly as per organization's 'best fit' philosophy. Jamuna Bank has a recruitment policy that clearly states the criteria and procedures to recruit fresh and lateral entrants.

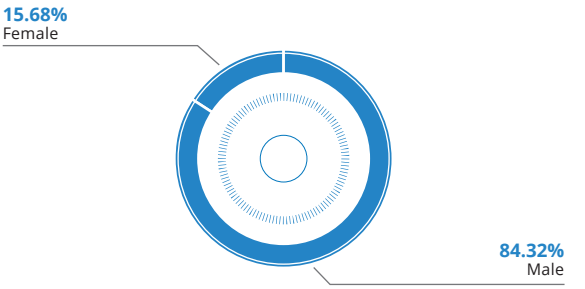
Diversity in Workplace GRI 102-8

Jamuna Bank believes that diverse, heterogeneous teams generate greater creativity, innovation and business development. An inclusive culture maintains and drives workforce diversity by fostering the exchange of ideas and collaboration among individuals and across groups.

Gender diversity among all employees:

Gender	No. of Employee	%
Male	2571	84.32%
Female	478	15.68%
Total	3049	100%

Gender diversity among all employees



Gender diversity among employees by region:

Region	No. of Employees (Female)	No. of Employees (Male)	Total No. of Employees
Barishal	2	31	33
Chattogram	35	366	401
Dhaka	383	1720	2103
Khulna	9	66	75
Mymensingh	8	47	55
Rajshahi	24	241	265
Rangpur	11	50	61
Sylhet	6	50	56
Total	**478**	**2571**	**3049**

All employees by age group:

Age group	No. of Employees	Percentage
Less than 30 years	550	18%
30 to 50 years	2367	78%
Over 50 years	132	4%
Grand Total	**3049**	**100%**

The details of this part has been discussed at the Human Capital under Management Discussion and Analysis chapter.

Anti-Corruption: GRI 103-1; GRI 103-2; GRI 103-3

We maintain a zero-tolerance stand towards any act of corruption, aligned with our Code of Business Conduct and Ethics, values and beliefs, and national and international laws in practice. Our Board of Directors, the CEO, the Head of Anti Money Laundering Department and the Head of Internal Control &Compliance Department, as well as the rest of the top management explicitly demand the organization to adhere to the fundamental values of integrity, transparency and accountability, consistently and to foster the culture of compliance in which bribery and corruption is never acceptable. The board and the top management also insist that this adherence be sustained in all domains we operate as well as in all external matters we may have to deal with. Any violation of organizations' standard in this respect may lead to disciplinary action, which could even result in termination of service. Any cases identified as violation of ethical standard are investigated and if any conduct is found in breaches of aforesaid standard, necessary sanctions are applied in accordance with organization's policy. Furthermore, those who do not comply with the legislation are liable to possible criminal sanctions.

Throughout the year, continuous internal audits are performed by the ICCD at the all the branches and Head Office Divisions of the Bank and the results of the audits and any report related to violations are submitted to the Audit Committee. The Audit Committee which directly reports to the Board of Directors and meets periodically, reviews the reports and presents its feedback when necessary to the Board of Directors. The Audit Board conducts necessary audits in order to ensure the compliance of the banking operations to the related regulations and policies and as a result of the independent reporting, makes notifications to the related departments for operational improvement. The violation of rules that may be labeled as corruption are usually treated from the overall risk assessment standpoint.

A key element of our Anti-Corruption Programme is to promote a culture where corruption or any activities that resemble the very nature thereof is never acceptable and to ensure instilling the values we are investing in our Employees' knowledge and awareness by putting in place a mandatory training.

All employees are required to participate relevant training sessions at a regular interval and new MTO's of the bank within one year of joining. The trainings incorporate information on the organization's internal rules, including details of recommended media for reporting and escalation.

To prevent the bank's payment systems from being exploited for criminal activity, we have adopted clear internal rules based on Prevention of Money Laundering Act 2012 and subsequent amendments and additionsand have established processes and support functions to ensure that we comply with applicable laws and regulations in the area. Through the bank's "Know Your Customer" process, our system support for monitoring transactions and reconciliations of customer databases against sanction lists, we minimize these risks in our operations. Employees receive mandatory training to recognize transaction patterns, behaviors and situations that could involve, or be associated with, money laundering. In this way, we can effectively fight money laundering and lay the foundation for a stable and sound financial market

Prevention of Money Laundering and Combating Terrorist Financing GRI 103-1; GRI 103-2; GRI 103-3

Bangladesh is fully committed to remain at the forefront of global efforts to fight against money laundering and terrorist financing. In line with international standards and initiatives, Bangladesh

has passed the Money Laundering Prevention Act (MLPA), 2012 and Money Laundering Prevention Rules, 2019, as well as the Anti-terrorism Act (ATA), 2009 and Anti-terrorism Rules, 2013 to stringent punishments for the offence. Jamuna Bank Limited is also committed to the effective implementation of the internationally accepted 40 recommendations as because Bangladesh is a member country of the Asia Pacific Group (APG) on money laundering and terrorist financing.

AML/CFT program of the Jamuna Bank Limited is formulated and directed by the Top Management of the Bank. The program includes sound ML/TF risk management, which are as follows:

- Assessment, understanding, management and mitigation of risks
- Customer acceptance policy
- Customer and beneficial owner identification, verification, sanction screening and risk profiling
- Ongoing monitoring of transaction/KYC
- Management information
- Reporting of suspicious transaction

Considering the size and range of activities, variability of situation, nature of operations and degree of ML & TF risk Jamuna Bank Limited has taken following measures to comply and ensure effective implementation of regulatory directives, guidance notes and instructions:

- Introducing of risk-based approach (risk register) at branch level
- Implementation of real-time automated name screening solution for sanction screening
- Implementation of negative/adverse news screening solution at head office level
- Introducing of automated National ID verification tool for customer identification
- Implementation of automated risk profiling system in CBS
- Implementation of automated transaction profile monitoring system
- Analyzing of CTR for identification of unusual transaction
- Implementation of automated vassal tracking solution to monitor cross border business

Intends of Jamuna Bank Limited is to uphold the national, international standards, legislations and recommendations. We have been examining our Anti Money Laundering strategies, goals and objectives on an ongoing basis and maintain an effective Anti Money Laundering program for the Bank's business that reflects the best practices for diversified global financial services. Management of Jamuna Bank Limited is crave to introduce a robust automated transaction monitoring system to reduce trade based money laundering and credit backed money laundering risk as well as to establish a general framework for the fight against money laundering and terrorist financing.

In this regard Management has nominated BAMLCO for each branch with assigning clear responsibilities and advised them to discharge their day-to-day business activities inconformity with the prevailing law, rules and regulatory directives. Management also nominated experienced bankers as DCAMLCO and CAMLCO at Head Office level with sufficient authority to monitor branch performance and to uphold overall AML compliance level of the bank.

COMMUNITY OUTREACH

Jamuna Bank Foundation, a philanthropic organization of Jamuna Bank Limited always tries to be a responsible partner of our customers, shareholders employees, communities, and other stakeholders attaching highest priority to ethical conduct and integrity.

Over the past 13 years Jamuna Bank Foundation (JBF) has played an important role in the field of Education & Health of underprivileged/destitute segment of the society, Disaster Management, Environment, Sports, Art and Culture etc. to ensure economic development of the Country. The Bank made provision for Jamuna Bank Foundation at 3.00% on pretax profit of Jamuna Bank Limited.

For details please visit **Corporate Social Responsibility** Chapter of this report.

PRODUCT AND SERVICE LABELING

Management Approach GRI 103-1, GRI 103-2, GRI 103-3

a. Report why the aspect is material.

Product and service labeling aspect is a material issue to the bank. The products and services of the bank includes transactional accounts, deposit accounts, deposit schemes, debit cards, credit cards, treasury services, NRB Banking services, Internet Banking, SMS Banking, as well as loans and advances for corporate, retail, SME and Agri-Customers. These asset and liability products and other services of the bank have great impact on the people and the society directly and indirectly; which pave the way of sustainable development.

b. Report how the organization manages the material aspect or its impacts.

As a focused Private Commercial Bank, Jamuna Bank offers an integrated set of products and services across retail banking, wealth management, corporate banking and investment banking. We serve individuals, small and large businesses, corporations, institutions and governments. Jamuna Bank seeks to satisfy the needs of our customers and clients by offering a well-rounded value proposition – a wide range of products and services and thereby deliver a smoother income stream and sustainable returns. We also undertake activities in selected markets in order to support the needs of customers and clients. To sale the products and services to customers of different segments, nation-wide branches and different divisions of Head Office work together through informing, attracting and serving customers using multiple media and modes.

c. Report the evaluation of the management approach:

The bank has systematic approach to evaluate all the employees of the bank particularly those who work against pre-set targets and deadlines. The back-office located at HO level can monitor the performance of branches using core banking software, in-house dash boards and audits of various nature. Everyone in the bank plays roles in achieving branch/division/unit-level goals for contributing to the common mission and vision of the bank.

Type of product and service information required by the organizations, procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements

a. Report whether the following product and service information is required by the organizations procedures for product and service information and labeling:

	Yes	No
The sourcing of components of the product or service		X
Content, particularly with regard to substances that might produce an environmental or social impact		X
Safe use of the product or service		X
Disposal of the product and environment		X
Other(social impacts)	X	

Other Social Impacts: as the bank's products and services are unlike tangible goods manufactured in factories, hence sourcing of components, content/substance affecting environment, disposal of such intangible products are not applicable to the case of banks. However, our bank's products and services including deposit and advance products have short-term and long-term, direct and indirect impacts on various stakeholders of the bank and the society as well. Our deposit products help the customers from all walks of society to build savings for them and their future generations; which in turn help the bank to support borrowers for taking loans and advances for their economic and personal ventures. This not only benefits the bank itself for earning revenue for the shareholders and employees but also contribute to the socio-economic development of the country.

b. Report the percentage of significant product or service categories covered by and assessed for compliance with such procedures

As intangible products, the service categories of our bank are not relevant for such assessment and compliance.

Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling GRI 417-2

During the reporting period, there was no incident of non-compliance with regulations and voluntary

codes that results in fine, warning etc. It may be mentioned here that our actual and potential customers are well informed of prices, charges, fees, rates about the bank's products and services. Anyone interested about product information can know well from the bank's website (www.jamunabank.com.bd), account opening forms, branch employees in person, other business touch-points, brochures and leaflets, other promotional materials etc.

MARKETING COMMUNICATIONS

Management Approach GRI 103-1, GRI 103-2, GRI 103-3

a. Report why the aspect is material.

The Bank's marketing communication is a significant activity to attract the target customers. Marketing communication creates aware-ness, perception, emotional ties within the customer's mind. Over the years, the marketing communication creates brand identity which creates goodwill of the bank. Thus, the communication efforts help to sell the products and services across all branches, corporate clients, SMEs etc.

b. Report how the organization manages the material aspect or its impacts.

The marketing mixes of the Bank are billboard, product brochures, fliers, dangler, display board, notebook, gifts materials, website etc. Each year, the marketing mix is redesigned so that new products and services have a new look. The customers become aware and avails products and services which in turn help them in their investment, savings and business. Besides, being aware of the product features, the customers can decide in which products or services to invest. Also, the customer can query about the prod-ucts and services being advertised or communicated.

c. Report the evaluation of the management approach:

In monetary way, there is no mechanism for evaluating the effectiveness of the management approach of marketing communication. However, the communication of products and services have indirect impact as the target market as well as the citizens of the country aware that such options of investment lies with the Bank. The press covers the Public Relations, Marketing Initiatives undertaken by the Bank and as such the bank's brand identity increases.

Sale of banned or disputed products GRI 102-2

Report whether the organization sells products that are:

- **Banned in certain markets**

  It is evident from our Annual Report disclosure, media, internet and available information that the organization has not taken part in any sale of banned or disrupted products. The bank also don't finance in sectors that are illegal as per regulatory guidelines and laws of the land.

- **The subject of stakeholder questions or public debate**

  The products and services are designed to help depositors and lenders achieve their personal and business objectives. The bank has list of discouraged sectors of finance and the organization complies AML regulations of Central Bank to ensure stakeholders' interests as well as to avoid any undue public debate.

Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion and sponsorship, by type of outcomes. GRI 417-3

Our bank highly prioritizes on Corporate Social Responsibility, Socio-economic development, indirect impact on poverty alleviation, job creation etc. It directly contributes part of its profits to CSR activities. The marketing communications are directed toward the target audience with specific brand guidelines, Executive Committee of the Board and Management. In the reporting period, there were no issues of non-compliance.

CUSTOMER PRIVACY

Management Approach GRI 103-1, GRI 103-2, GRI 103-3

a. Report why the aspect is material.

With constant media attention about computer virus or the daily deluge of spam e-mail, most organizations have concerned them-selves with what might come into an organization via its network, but they have ignored what might be going out. With growing news of data theft at national and global level, our bank is cautious of preventing leaks of financial, proprietary and nonpublic information of customers- both depositors and borrowers. In today's increasingly litigious and

highly competitive workplace, confidentiality is important for a host of reasons for our bank: Failure to properly secure and protect confidential customer information can lead to the loss of banking business as well as present and potential customers hurting reputation of the organization. In the wrong hands, confidential information can be misused to commit illegal activity (e.g., fraud or discrimination), which can in turn result in costly lawsuits for the employer. Hence, the aspect of ensuring customer privacy is material to our Bank.

b. Report how the organization manages the material aspect or its impacts.

At our Bank, we have a formal confidentiality policy describing both the type of information considered confidential and the procedures employees must follow for protecting confidential information. At the very least, we adopt the following procedures for protecting confidential information:

- All confidential documents are stored in locked file cabinets or rooms accessible only to those who have authority of "need-to-know."
- All electronic confidential information is protected via firewalls, encryption and passwords.
- Employees clear their desks of any confidential information before going home at the end of the day.
- Employees refrain from leaving confidential information visible on their computer monitors when they leave their work stations.
- All confidential information, whether contained on written documents or electronically, is marked as "confidential."
- All confidential information is disposed of properly (e.g., employees should not print out a confidential document and then throw it away without shredding it first.)
- Employees refrain from discussing confidential information in public places.
- Employees avoid using e-mail to transmit certain sensitive or controversial information.
- Before disposing of an old computer, the Bank uses software programs to wipe out the data contained on the computer or have the hard drive destroyed.
- Encrypting sensitive customer information when it is transmitted electronically via public networks.

Training employees to take basic steps to maintain the security, confidentiality, and integrity of customer information, including Considering notifying consumers, law enforcement, and/or businesses in the event of a security breach.

c. Report the evaluation of the management approach:

The bank at Branch and Head Office level work on their part as well as collectively to protect customer privacy. General audit, IT audit are performed to safeguard customer information. The Management of our Bank instructs formally and informally to protect customer privacy emphasizing not to disclose any confidential information to any one over phone, e-mail or someone in person other than the account holder without authentication. Hence, we have demonstrated our effectiveness of customer information including names, addresses, and phone numbers; bank and credit card account numbers; income and credit histories; and financial data etc.

Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data GRI 418-1

a. Report the total number of substantiated complaints received concerning breaches of customer privacy, categorized by:

Customers are always at the focal point of our Bank and for which the bank has active Complaint Management Cell across all the geographical divisions of the country to hear from customer and resolve their complaints. The Bank has dedicated Complaint Management Cell to address, mitigate and resolve the complaints.

b. Report the total number of identified leaks, thefts, or losses of customer data

No such identified issues have been found in case of identified leaks, thefts, or losses of customer data or any substantiated complaints.