



# Sustainability Reporting

# Sustainability at Jamuna Bank



## 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 2020, 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

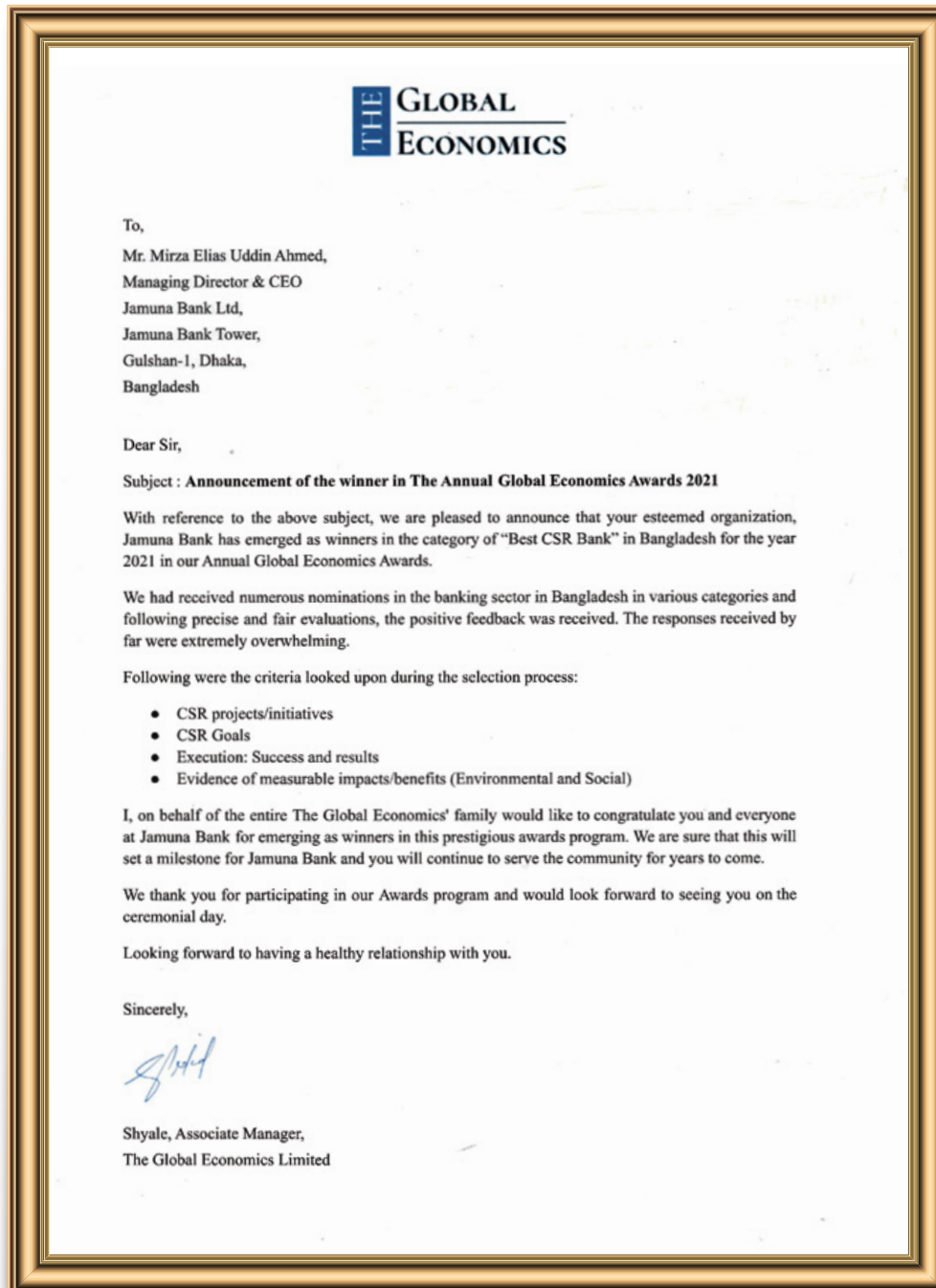
Taking a proactive stance to protect our customers' information, having zero tolerance for financial crime, and conducting our business in a fair and responsible manner. In promoting sustainable development, we are committed to advancing responsible financing and financial inclusion.

### 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 5% 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.



**Jamuna Bank has been awarded 'Best CSR Bank' in Bangladesh by 'The Global Economics'**

# Sustainability Highlights

5%

ALLOCATING OF PRE-TAX PROFIT FOR SPENDING ON CORPORATE SOCIAL RESPONSIBILITY THROUGH JAMUNA BANK FOUNDATION EACH YEAR

0.97 million

FINANCIAL INCLUSION CUSTOMER BASE

226,880

NO OF ACCOUNTS FACILITATED WITH MOBILE/SMS BANKING

BDT 21.53 billion

SME ASSET PORTFOLIO

BDT 125.17 billion

CORPORATE ADVANCES

BDT 8.68 billion

LOANS DISBURSED FOR RETAIL SECTOR

BDT 3.14 billion

CREDIT OUTSTANDING FOR 'SUSTAINABLE SECTORS'

BDT 1.16 billion

LOANS DISBURSED FOR SUSTAINABLE CMSMES SECTOR

BDT 1.99 billion

LOANS DISBURSED FOR AGRICULTURAL SECTOR

17.5%

CASH DIVIDEND FOR THE YEAR 2020

2.41%

PERCENTAGE INCREASE IN NET PROFIT OVER PREVIOUS YEAR

BDT 344.10 million

SPENT FOR CORPORATE SOCIAL RESPONSIBILITY RELATED ACTIVITIES IN THE YEAR 2020

3,096

EMPLOYEES AS ON 31 DECEMBER 2020

15,710

PERSON-HOURS OF EMPLOYEE TRAINING IMPARTED IN 2020

280

NUMBER OF BORROWERS WITH SUSTAINABLE FINANCE

# General-Disclosures GRI-102

## Organizational Profile

Jamuna Bank Limited was incorporated as a public company in Bangladesh under Companies Act 1994 with the registered office of the company at Jamuna Bank Tower, Plot-14, Block-C, Bir Uttam A.K Khandakar Road, Gulshan-1, Dhaka. It commenced its banking business with one branch from June 03, 2001 under the license issued by Bangladesh Bank. Please see the Profile of the Company for details and Human Capital at Management Discussion & Analysis.

## Statement from the most senior decision-maker of the organization GRI 102-14

Please see the **Chairman's Statement** and **Message from the Managing Director & CEO** for details.

## 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**.

## 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.

## 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.

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



Stakeholder relationships are of the utmost priority at the Bank. Our vision and strategy is shaped by evolving stakeholder preferences and requirements. Over the years, we have developed various formal and informal engagement mechanisms to provide active communication pathways and channels. These aid our stakeholders to find a forum to express their expectations and concerns. Stakeholder relationships are of the utmost priority at the Bank. Our vision and strategy is shaped by evolving stakeholder preferences and requirements. Over the years, we have developed various formal and informal engagement mechanisms to provide active communication pathways and channels. These aid our stakeholders to find a forum to express their expectations and concerns. The channels of communication are customised for each individual stakeholder group based on considerations like individual stakeholder profiling and ease of engagement. They are also supplemented by a host of initiatives to proactively assess the feedback at multiple levels within the Bank. The analysis delivers actionable insights and differentiated understanding, helping us to devise a more streamlined and concentrated strategy to meet stakeholder expectations. The stakeholder engagement map presented below provides an overview of our continual efforts towards proactively engaging with key stakeholder groups:

Stakeholders Name	How identified and selected	How we engage	Issues Concerned	How we respond	Frequency of Dialog (GRI 102-43)	Performance 2020								
 <p>Shareholders and Investors</p>	<p>Supplies the capital</p>	<p>Financial &amp; non-financial reporting, Newspaper/ Internet briefings, AGM &amp; EGM.</p>	<ul style="list-style-type: none"> <li>Shareholders' returns (dividends) and share price</li> <li>Performance and integrity of the Board and Management</li> <li>Business Strategies, Re-investment plan, Grievance redress.</li> <li>Stable rating, Public goodwill and reputation.</li> <li>Sound governance and risk management performances</li> <li>Asset Quality</li> </ul>	<p>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.</p>	<table border="1"> <tr> <td>General Meeting of Shareholders</td> <td>Once in a year</td> </tr> <tr> <td>Conferences</td> <td>Several times</td> </tr> <tr> <td>Meetings</td> <td>Several times</td> </tr> <tr> <td>Stock exchange and press releases</td> <td>Ongoing</td> </tr> </table>	General Meeting of Shareholders	Once in a year	Conferences	Several times	Meetings	Several times	Stock exchange and press releases	Ongoing	<ul style="list-style-type: none"> <li>Total number of shareholders 21,084</li> <li>EPS: BDT 3.56</li> <li>Dividend: 17.5 % Cash</li> <li>105 shareholder queries received and resolved</li> <li>271 honorable shareholder attendees at 19th Annual General Meeting</li> <li>202 honorable shareholder attendees at 13th Extra-Ordinary General Meeting</li> <li>Transparency &amp; integrity in financial reporting</li> <li>Established risk management culture</li> </ul>
General Meeting of Shareholders	Once in a year													
Conferences	Several times													
Meetings	Several times													
Stock exchange and press releases	Ongoing													
 <p>Customer</p>	<p>Contributes in both procuring liabilities and distributing assets(credits)</p>	<p>Multi-channel engagement, customer feedback and complaint channels, customer surveys and workshops, customer advocate, customer representatives</p>	<ul style="list-style-type: none"> <li>Serve customers responsibly</li> <li>Customer Privacy</li> <li>Product information, affordability and convenience</li> </ul>	<p>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</p> <ul style="list-style-type: none"> <li>listening to our customers (at branch level "Customer meeting" frequently conducted).</li> <li>providing a range of financial services, both on loan and</li> </ul>	<table border="1"> <tr> <td>Branches</td> <td>On a daily basis</td> </tr> <tr> <td>Website</td> <td>Ongoing</td> </tr> </table>	Branches	On a daily basis	Website	Ongoing	<ul style="list-style-type: none"> <li>0.97 million Customer Base</li> <li>Front desks and relationship managers ensure fast and high quality service delivery following one to one relationship</li> <li>Encourage clients to use E-products like internet banking,</li> </ul>				
Branches	On a daily basis													
Website	Ongoing													


Stakeholders Name	How identified and selected	How we engage	Issues Concerned	How we respond	Frequency of Dialog (GRI 102-43)	Performance 2020						
		and bodies, and external dispute resolutions	<ul style="list-style-type: none"> <li>Product variation according to market demand</li> <li>Preferential pricing, charges and commission</li> <li>Good returns from deposits</li> <li>Shariah compliance in Islamic products and services</li> </ul>	<ul style="list-style-type: none"> <li>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 <a href="https://jamunabankbd.com/">https://jamunabankbd.com/</a> for details)</li> <li>protecting the privacy of our customers, including data protection and confidentiality.</li> </ul> <p>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 &amp; EFTN, Trade Finance Processing Center (TFPC), RTGS &amp; different types of utility bill collection like WASA, DPDC, Bkash etc. in highly secured manner.</p>		<ul style="list-style-type: none"> <li>mobile apps(JustPay), SMS banking, E-commerce etc.</li> <li>0.50 million (estimated) page views for <a href="http://www.jamunabank.com.bd">www.jamunabank.com.bd</a></li> <li>Encourage clients to use cards as contactless modality in Covid19 pandemic.</li> <li>At Branch Level "Customer meeting" Frequently conducted.</li> </ul>						
 Employees	Operates the organization	<ul style="list-style-type: none"> <li>Business conferences, teleconferences, video conference etc.</li> </ul>	<ul style="list-style-type: none"> <li>Serve customers responsibly</li> <li>Customer Privacy</li> </ul>	<p>We foster a culture of appreciation and togetherness for our employees. A variety of initiatives and development opportunities for our employees</p>	<table border="1"> <tr> <td>Internal Meeting</td> <td>Several times a year</td> </tr> <tr> <td>Intranet</td> <td>Ongoing</td> </tr> <tr> <td>Website</td> <td>Ongoing</td> </tr> </table>	Internal Meeting	Several times a year	Intranet	Ongoing	Website	Ongoing	<ul style="list-style-type: none"> <li>3,096 employees</li> <li>77 training Program</li> <li>15,710 man hours of training to 3,486</li> </ul>
Internal Meeting	Several times a year											
Intranet	Ongoing											
Website	Ongoing											

Stakeholders Name	How identified and selected	How we engage	Issues Concerned	How we respond	Frequency of Dialog (GRI 102-43)	Performance 2020			
	<ul style="list-style-type: none"> <li>Digital and social platforms, meetings, employee events, performance recognition and reward programs.</li> <li>Training, workshops and orientation program, Internal meeting, Group emails, Intranet circulation,</li> </ul>	<ul style="list-style-type: none"> <li>Product information, affordability and convenience</li> <li>Product variation according to market demand</li> <li>Preferential pricing, charges and commission</li> <li>Good returns from deposits</li> <li>Shariah compliance in Islamic products and services</li> <li>Financial comforts,</li> <li>Job security</li> <li>Skill building</li> <li>work-life balance.</li> <li>Health, safety and well being</li> </ul>	<p>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)</p>	<table border="1"> <tr> <td data-bbox="244 667 285 846">Email Events organized by the Bank and JBF</td> <td data-bbox="244 483 285 667">Ongoing</td> </tr> <tr> <td data-bbox="285 667 419 846"></td> <td data-bbox="285 483 419 667">Monthly/ Quarterly/ Annually</td> </tr> </table>	Email Events organized by the Bank and JBF	Ongoing		Monthly/ Quarterly/ Annually	<ul style="list-style-type: none"> <li>participants in 2020 also Virtual Training with employees to raise their awareness on COVID-19 and prevention measures</li> <li>34 branches &amp; 03 divisions have been awarded with "Chairman Award-2020" at 'Annual Business Conference' for their outstanding performance.</li> <li>Providing a competitive pay package to the employees</li> <li>Formulated standard work policy for our employees</li> <li>Offering a happy work place environment</li> <li>Yearly performance bonus and festival bonus for employee motivation.</li> <li>All sorts of safety measures such as automatic fire alarm, separate stairs are available in our Jamuna Bank Tower</li> <li>Facilities employees work from home for safety concern in COVID 19 situation.</li> </ul>
Email Events organized by the Bank and JBF	Ongoing								
	Monthly/ Quarterly/ Annually								



Stakeholders Name	How identified and selected	How we engage	Issues Concerned	How we respond	Frequency of Dialog (GRI 102-43)	Performance 2020										
 <p>Regulators</p>	<p>Controls the environments of business</p>	<p>Meetings, submissions and proposals, commissions and inquiries, and financial institution associations.</p>	<p>Good Corporate Governance and business ethics, Regulatory compliances, Policy matters, Industry perspectives, Collaboration for Government affairs</p>	<p>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 4,135.09 million contributed through payment of Tax, VAT and Excise Duty.</p> <ul style="list-style-type: none"> <li>• Tax Collected and deposited at source BDT 1,839.50 million</li> <li>• VAT &amp; Excise Duty Collected and Deposited BDT 615.97 million</li> <li>• Tax paid on income BDT 1,679.62 million</li> </ul>	<table border="1"> <tr> <td>Regular Reports</td> <td>Several times a year</td> </tr> <tr> <td>Meetings</td> <td>Several times a year</td> </tr> <tr> <td>E-Mail</td> <td>Ongoing</td> </tr> <tr> <td>Phone Calls</td> <td>Ongoing</td> </tr> <tr> <td>Website</td> <td>Ongoing</td> </tr> </table>	Regular Reports	Several times a year	Meetings	Several times a year	E-Mail	Ongoing	Phone Calls	Ongoing	Website	Ongoing	<ul style="list-style-type: none"> <li>• Regular coordination with Bangladesh Bank, Bangladesh Securities and Exchange Commissions (BSEC), Registrar of Joint Stock Companies and Firms (RJSC), DSE &amp; CSE.</li> <li>• We ensure proper compliance and timely reporting to regulatory bodies as per requirement.</li> <li>• Contributed BDT 4,135.09 million to national Exchequer which significantly contributed to Government's revenue collection.</li> </ul>
Regular Reports	Several times a year															
Meetings	Several times a year															
E-Mail	Ongoing															
Phone Calls	Ongoing															
Website	Ongoing															
 <p>Community</p>	<p>Direct and Indirect beneficiary</p>	<p>CSR initiatives, industry memberships, meetings, phone calls, correspondence, and support of events, summits and forums</p>	<p>Financial inclusion &amp; Literacy, promoting improved healthcare, safety, education, enabling poverty alleviation</p>	<p>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</p>	<table border="1"> <tr> <td>Conferences and seminar</td> <td>Several times a year</td> </tr> <tr> <td>Meetings</td> <td>Several times a year</td> </tr> <tr> <td>Website</td> <td>Ongoing</td> </tr> </table>	Conferences and seminar	Several times a year	Meetings	Several times a year	Website	Ongoing	<ul style="list-style-type: none"> <li>• 0.87 mn beneficiaries of Jamuna Bank Foundation (JBF)</li> <li>• Contributing 5% pre-Tax profit to Jamuna Bank Foundation to conduct its CSR activities.</li> <li>• Spent total BDT 344.10 million in various sector for the well being of the society in the year 2020.</li> </ul>				
Conferences and seminar	Several times a year															
Meetings	Several times a year															
Website	Ongoing															

Stakeholders Name	How identified and selected	How we engage	Issues Concerned	How we respond	Frequency of Dialog (GRI 102-43)	Performance 2020
				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.		<ul style="list-style-type: none"> <li>Conducted larger scale CSR activities through the foundation operation.</li> <li>Significant contribution to education, health, disaster management, Art &amp; culture, environmental and Sports sector.</li> <li>During the COVID-19 pandemic, JBL tried its utmost to help the suffering segment of society. Therefore, we have provided BDT 15.62 million in relief funds through the Deputy Commissioners and Local Administrations of various districts across the country. Additionally, we have distributed relief of BDT 12.50 million (constituted of rice, pulses, potatoes, oil, etc.) through different branches of our bank among the poor, helpless, and jobless people</li> </ul>

Stakeholders Name	How identified and selected	How we engage	Issues Concerned	How we respond	Frequency of Dialog (GRI 102-43)	Performance 2020				
 Suppliers & Vendors	Environmental & Social aspects minimization	Tenders & RFPs, Supplier meetings, briefings and workshops, risk assessments, Supplier Code of Conduct	Quality control, cost-effective product & services, environment friendly products & services	We spend more than BDT 1,887.09million during 2020 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	<table border="1" data-bbox="915 495 1058 842"> <tr> <td data-bbox="915 674 986 842">Periodic Meetings</td> <td data-bbox="915 495 986 674">Several times a year</td> </tr> <tr> <td data-bbox="986 674 1058 842">Phone calls and emails</td> <td data-bbox="986 495 1058 674">Ongoing</td> </tr> </table>	Periodic Meetings	Several times a year	Phone calls and emails	Ongoing	<ul style="list-style-type: none"> <li>With the initiative and funding of Jamuna Bank Foundation and Al-Haj Nur Mohammed Trust rice, pulses, potatoes, onions, oil, sugar, salt, chickpea, and parched rice were distributed to each of the 900 helpless poor families in Munshiganj on the occasion of the holy month of Ramadan.</li> </ul> <p>(for details please see Corporate Social Responsibility Chapter of this report)</p> <p>17 supplier auctions conducted through Procurement Team</p>
Periodic Meetings	Several times a year									
Phone calls and emails	Ongoing									

## 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.

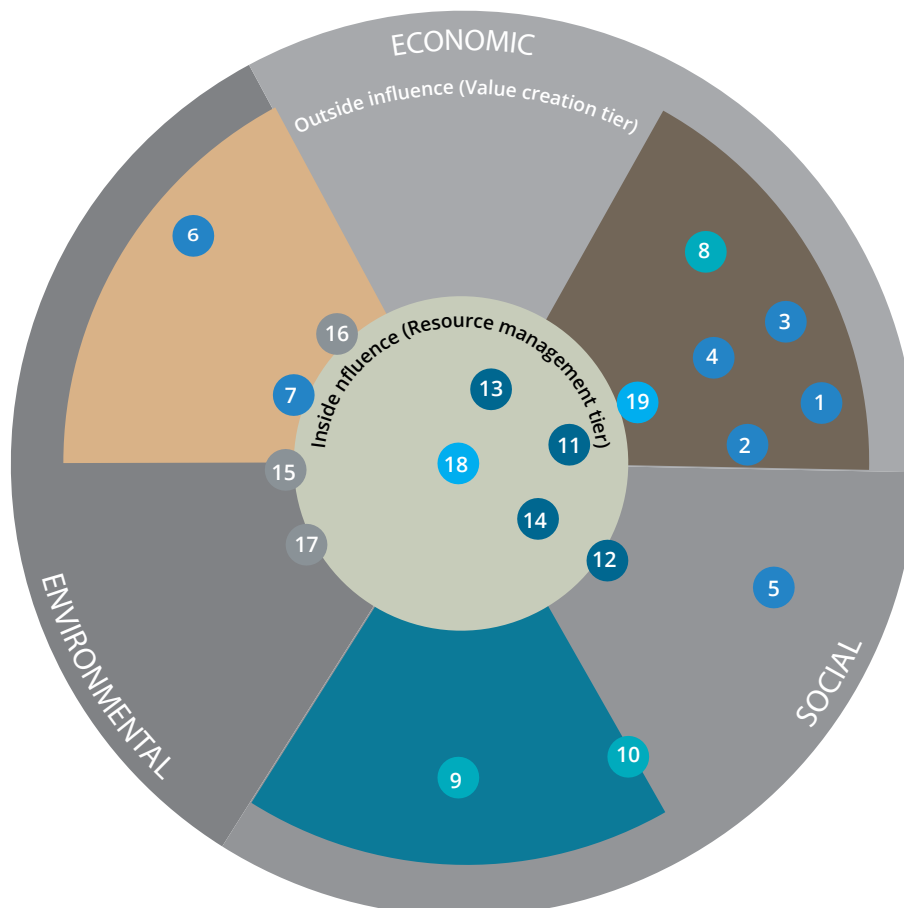
## Defining report content and topic Boundaries GRI 102-46

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 basic to 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. Participants were 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 for Sustainability Reporting at Jamuna Bank Limited GRI 102-47, GRI 103-1

With regards to Jamuna Bank, the material topics 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. Material issues are those that reflect our organization's most significant environmental, social and governance impacts, or those that influence the assessments and decisions of our internal and external stakeholders. As a result of our materiality process, we have identified 19 material sustainability issues. The material issues for the sustainability report are listed below:





### Customers

1. Promotion of financial independence for customers
2. Customer diversity and promotion of sectors within the Bangladesh economy
3. Attaining financial freedom in a multichannel world
4. Serving a diverse range of clients
5. Availability
6. Evolving products and services to encourage environmental sustainability
7. Analyzing environmental risks in financing



### Community

8. Responsible supply chain management
9. Growing our area of influence
10. Community action



### Employees

11. Encouraging a culture of conversation and openness with employees
12. Promoting diversity, equal opportunities, and clarity
13. Personal development and training
14. Supporting an appropriate work environment



### Environment

15. Power consumption management and energy efficiency
16. Controlling of paper resources
17. Decreasing environmental impacts



### Ethics

18. Corporate governance and ethics
19. Prevention of corruption and money laundering

## 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 be seen throughout the report that nearly all our material topics are similar to last year.

### Reporting period GRI 102-50

For the year 2020 (January to December 2020)

### Date of Most recent pervious report GRI 102-51

Annual Report 2019

### Reporting cycle GRI 102-52

Annual

### Reporting with the GRI Standards GRI 102-54

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, 2020 GRI 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	2020	%	2019	%
Income from Banking services	20,718.71		22,150.21	
Less: Cost of services & Supplies	(10,465.70)		(11,391.97)	
Value added by the Banking services	10,253.01		10,758.24	
Other Operating Income	607.69		681.29	
Less: Provision for Loan and Advances, Shares, etc.	(738.50)		(1,061.94)	
Less: Operating expenses excluding staff costs and depreciation.	(1,686.63)		(1,834.36)	
<b>Value added</b>	<b>8,435.57</b>	<b>100%</b>	<b>8,543.23</b>	<b>100%</b>
<b>Distribution of value added</b>				
To Employees as salaries & allowances	3,545.10	42.03%	3,332.93	39.01%
Contribution to Jamuna Bank Foundation.	228.96	2.71%	147.83	1.73%
To Government as taxes	1,679.63	19.91%	2,172.05	25.42%
To Share holder as Dividend	1,311.14	15.54%	1,123.84	13.15%
Retained in the business	1,670.74	19.81%	1,766.58	20.68%
as capital and revenue reserve	1,359.56		1,484.02	
as Depreciation	311.17		282.56	
<b>Total</b>	<b>8,435.57</b>	<b>100%</b>	<b>8,543.23</b>	<b>100%</b>

**Number of employees**

**3,096**

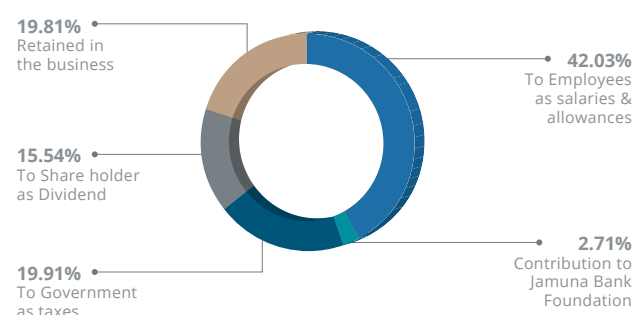
**3,049**

**Value added per employee**

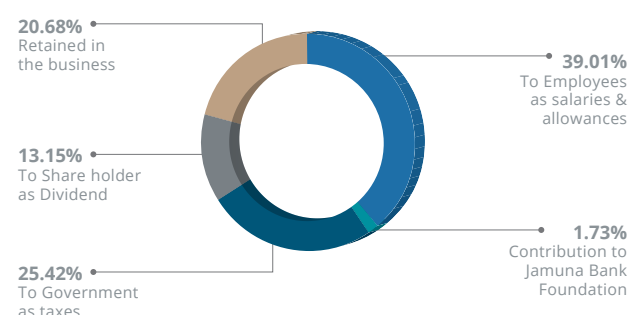
**2.72**

**2.80**

### Distribution of Value Addition-2020



### Distribution of Value Addition-2019



## Economic Value Added (EVA) Statement for the year ended 31 December, 2020

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

Particulars	Amount in BDT million	
	2020	2019
Net Operating profit before taxation and provision	5,088.83	5,841.84
Provision for taxes	(1,679.63)	(2,172.05)
Net Operating profit after tax (NOPAT)	3,409.20	3,669.79
<b>Charges for capital</b>		
Capital employed	29,632.51	22,530.62
Cost of equity (%)*	9.06%	11.43%
Capital charge	2,684.71	2,575.25
<b>Economic Value Added</b>	<b>724.49</b>	<b>1,094.54</b>
<b>Capital Employed as on December 31</b>		
Shareholders equity	24,144.71	17,160.59
Add: Cumulative provision for loan and off-balance sheets items	5,487.80	5,370.03
<b>Average Shareholders' Equity</b>	<b>29,632.51</b>	<b>22,530.62</b>

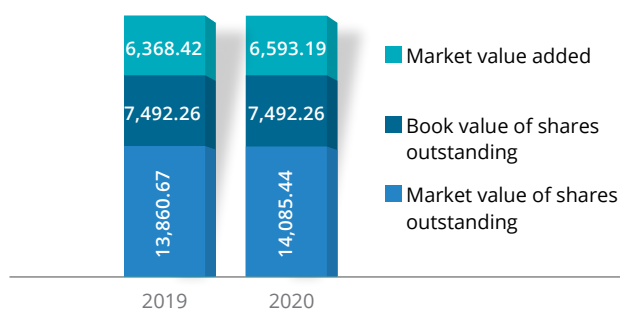
\* Cost of equity refers to a shareholder's required rate of return on an equity investment. It is the rate of return that could have been earned by putting the same money into a different investment with equal risk. Interest on 20 years Government Treasury Bond plus a standard risk premium has been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

## Market Value Added (MVA) Statement for the year ended 31 December, 2020

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	2020	2019
Face value per shaer (BDT)	10.00	10.00
Market Value per share (BDT)	18.80	18.50
Number of shares outstanding	749,225,650	749,225,650
Total market capitalization (BDT million)	14,085.44	13,860.67
Book value of paid up capital (BDT million)	7,492.26	7,492.26
Market Value added (BDT million)	6,593.19	6,368.42



## 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 2020, the Bank contributed BDT 4,135.09 million (Tax Collected and deposited at source BDT 1,839.50 million, VAT & Excise Duty Collected and Deposited BDT 615.97 million & Tax paid on income BDT 1,679.62 million) to national exchequer.

JBL contributes to society by providing innovative financial services through its network of 149 no. of branches, 28 Sub-branches, 15 Collection booth/Speed Center and 314 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.

Despite the pandemic, the Company has recruited 164 new employees during the year 2020, which resulted in a net increase in human resource count to 3,097 at the end of the year 2020, in comparison to 3,049 at the end of the year 2019. During 2019, the Jamuna Bank along with its subsidiaries paid BDT 3,553.93 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:

- 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 BDT 1,991.09 million in the year 2020.
- 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 2020, the Bank made provision for Jamuna Bank Foundation at 5.00% on pretax profit of Jamuna Bank Limited amounting BDT 228.96 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 BDT 130.00 million 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.



# Supply Chain Management

Now a days modern banking company needs a number of specialized support services which also needs to be arranged, managed and provided in a very disciplined way so that bank can function smoothly. General & Common Services Division (GCSD) is a major organ of Jamuna Bank. It has a significant role in development and business growth of the Bank. GCSD is engaged in the task of arranging, managing and providing such specialized support services to various functional divisions and branches of the bank so that they can function smoothly and can achieve the institutional goals in a desired and expected manner.

## **Sustainable Procurement**

Jamuna Bank realizes procurement practices have both economic and environmental impacts on communities and are therefore committed to supporting local and environmentally-responsible suppliers.

## **Sustainability Screening of Our Suppliers**

The engagement and scrutiny of a substantial number of suppliers requires considerable resources, however, Jamuna Bank have introduced checkpoints through its procurement processes so as to ensure a minimized impact on environment in addition to cost reductions. The General & Common Services Division (GCSD) often engages with suppliers to achieve these objectives and values through raising awareness to sustainable procurement and moreover through supporting them in their social and environmental contributions. Jamuna Bank has its procurement policy and outlines the requirements for suppliers to conduct their business in alignment with the Bank's ethical standards. This policy includes clauses covering employment, health and safety, as well as environmental standards.

## **Supporting Local Procurement**

The Bank continued to support the national economy in 2020 by contracting with locally based suppliers. In 2020, our local suppliers represented 98% of our total spending on suppliers.

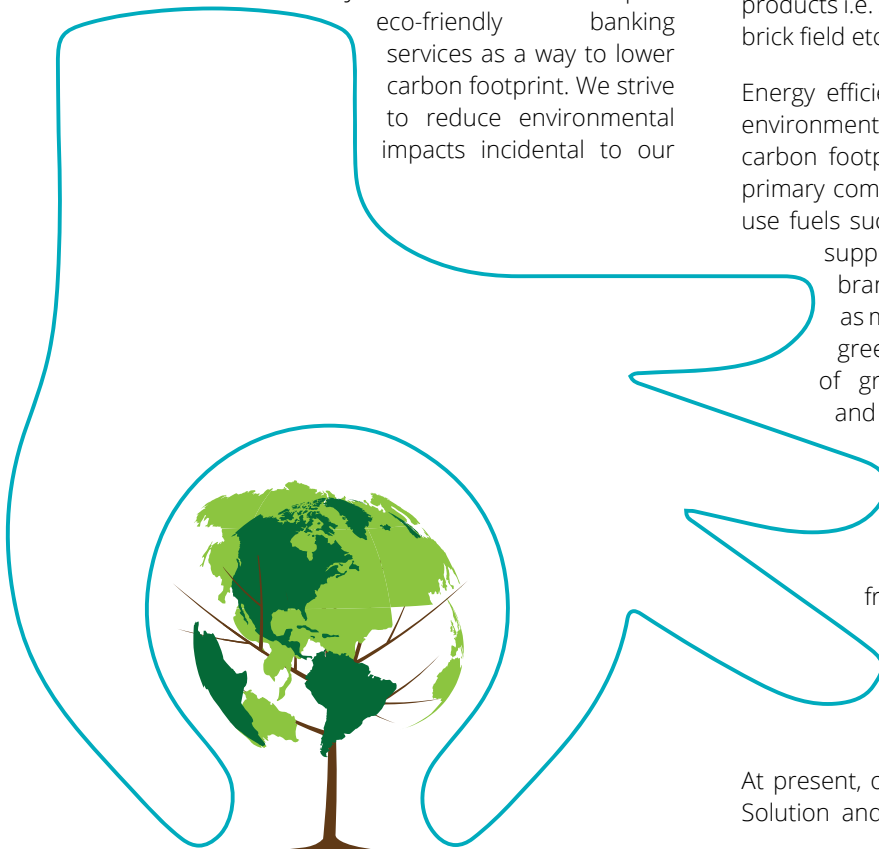
# Environmental Impact

## Why material?

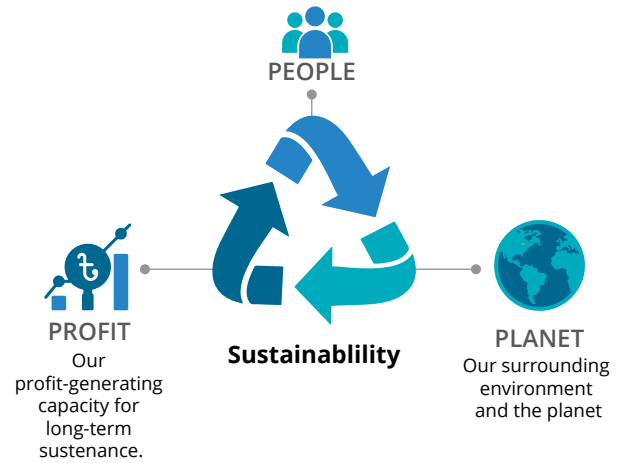
As a major player in the financial market, we impact communities, people and the environment – both directly and indirectly through our customers, suppliers and employees. We do so every day, since it is our way to contribute to a growing and sustainable society. Using Earth's resources in a sustainable 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



Our stakeholders with whom we engage for our business and the community where we live



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 2020, the total Number of branch stands at 149 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.

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 our 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 314 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 workshop 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 2020, JBL conducted 2 no. of workshops on Green Banking and Environmental Risk Management. Total numbers of participants in the said workshops were 50.

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 have moved to our own building "Jamuna Bank Tower" at plot#14, Block-C, Bir Uttam Ak Khandakar Road, Gulshan-1, Dhaka which is 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. 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.

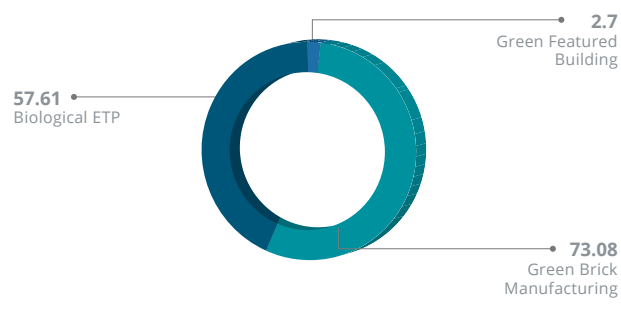
We have been actively funding projects in areas of clean technology, renewable energy, energy-efficiency and sustainable infrastructure. We have initiated the process of framing Sustainable Lending Policy and Climate change is a fundamental threat to development in our lifetime, with

the potential to impact millions, threatening agricultural livelihoods, increasing the incidence of natural disasters and affecting water, energy, and food supplies.

Product Name	Outstanding as on 31.12.2020 (BDT in million)
Green Featured Building	2.7
Green Brick Manufacturing	73.08
Biological ETP	57.61

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.

### Product-wise Green Banking Activities of our Bank as on 31.12.2020



# 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

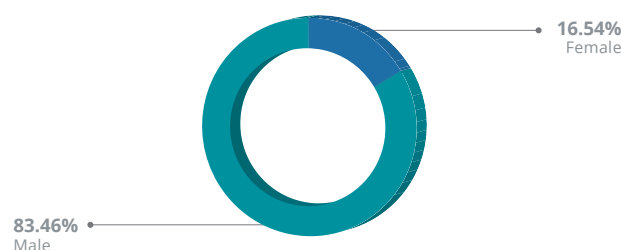
In order to fill up the vacancies and to ensure that the additional human resources are assessed, selected

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 diversity among all employees

Gender	No. of Employee	%
Male	2,584	83.46%
Female	512	16.54%
Total	3,096	100%

## Gender diversity among employees by region

Region	No. of Employees (Female)	No. of Employees (Male)	Total No. of Employees
Barishal	2	31	33
Chattogram	37	372	409
Dhaka	409	1,694	2,103
Mymensingh	11	56	67
Khulna	10	90	100
Rajshahi	18	209	227
Rangpur	18	89	107
Sylhet	7	43	50
<b>Total</b>	<b>512</b>	<b>2,584</b>	<b>3,096</b>

## All employees by age group

Age group	No. of Employees	Percentage
Less than 30 years	427	13.79%
30 to 50 years	2,520	81.39%
Over 50 years	149	4.82%
<b>Grand Total</b>	<b>3,096</b>	

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 additions and 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

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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 5.00% 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 awareness, 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 products 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.