

# sustainability report 2014



unlocking  
human  
dimensions



Oxygen ( $\text{O}_2$ ) we inhale and Carbon di Oxide ( $\text{CO}_2$ ) we exhale  
Water ( $\text{H}_2\text{O}$ ) we drink the basics of lives  
Water connects us and causes economy to grow



 Bank Asia



# SUSTAINABILITY REPORT 2014

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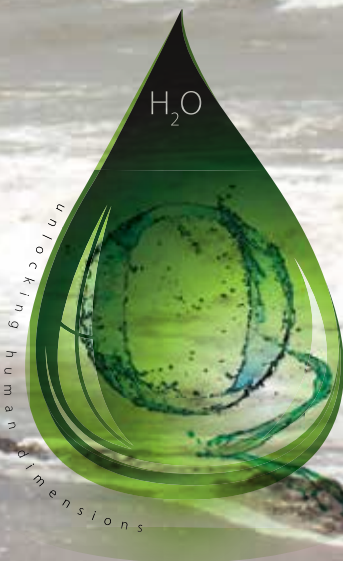
Water connects us  
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Bangladesh is a riverine country having 800 rivers constituting a waterway around 24,140 kms and coastline 710 km along the north and north-east part of the Bay of Bengal. Environmental impacts are mainly described through water pollution as it impacts fishing, agriculture, health, trade and transportation, 3 rivers now classified as biologically dead as zero dissolved Oxygen ( $O_2$ ) that includes river Buriganga flowing beside Capital Dhaka. Other major rivers are also not in good condition.

Reasons for such unbridled pollution are manifold including discharging sewer waste of 70,000 cubic meters/day, medicinal waste of 16,972 tons/year, industrial waste of 1.5 million cubic meters/day from 7,000 industrial units, solid tannery waste of 75 to 200 tons/day in river and canals. For rivers outside industrial areas rising silt level, encroachment, poor water flow (bilateral issue with neighboring country) are the main reasons. All these fatal pollutants are carried through different rivers and canals to the sea.

About 3,000 ships including oil tankers come to our ports every year. They along with several thousand mechanized trawlers and boats spill oil and dump waste into sea. The use of antibiotics and other chemicals used in shrimp fields is causing pollution in the water, which may harm other aquatic lives. Plastic bottles and other plastic products are most common forms of litter in the coastal water. Shipbreaking industry is located in Chittagong, which is also a major polluter.

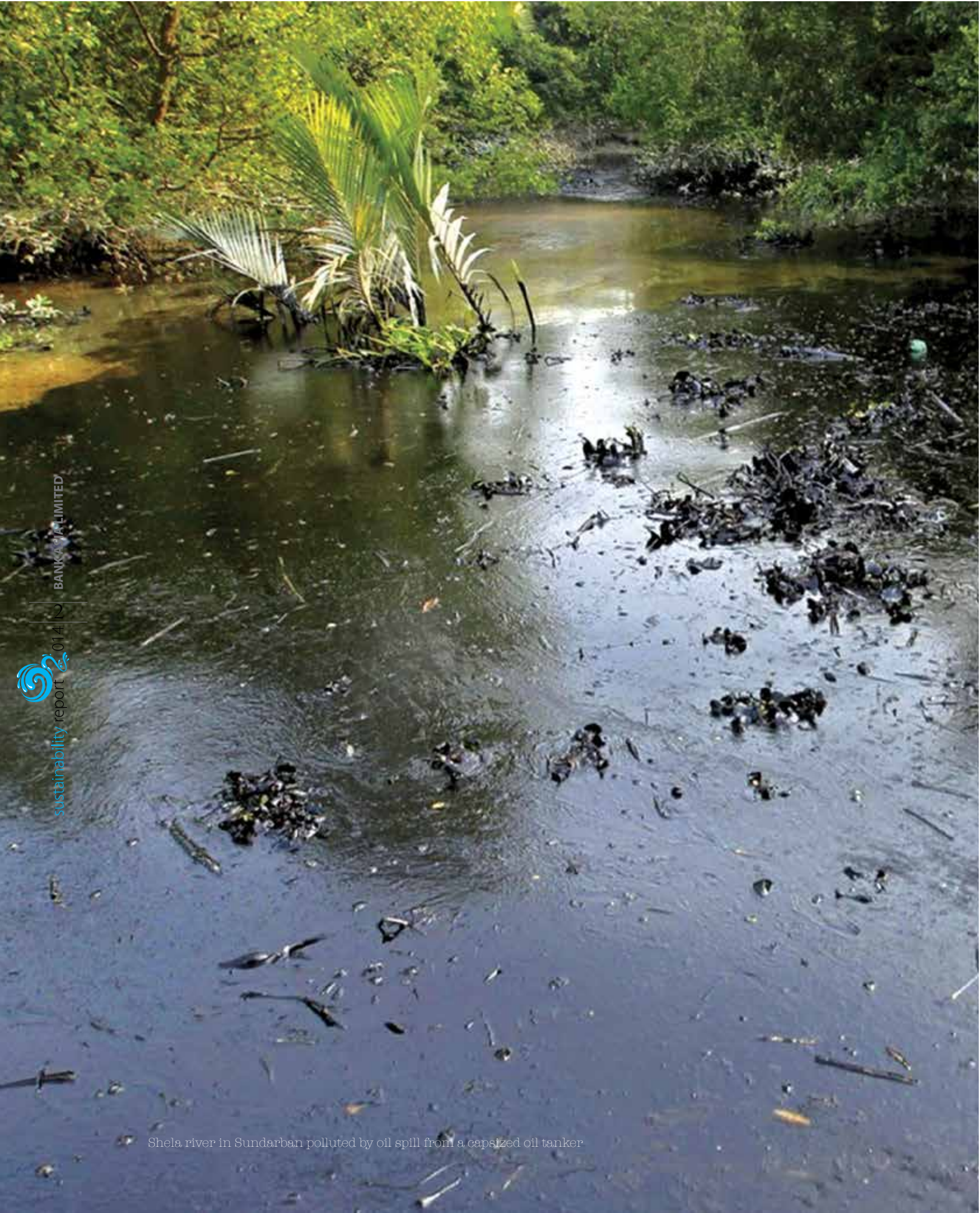
We need huge public awareness to save our rivers, coastal belt and their biodiversity. Keeping this in mind Bank Asia puts its small effort to attract attention of corporate world by way of its Sustainability Report.



 **Bank Asia**

For A Better Tomorrow





Shela river in Sundarban polluted by oil spill from a capsized oil tanker



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## vision

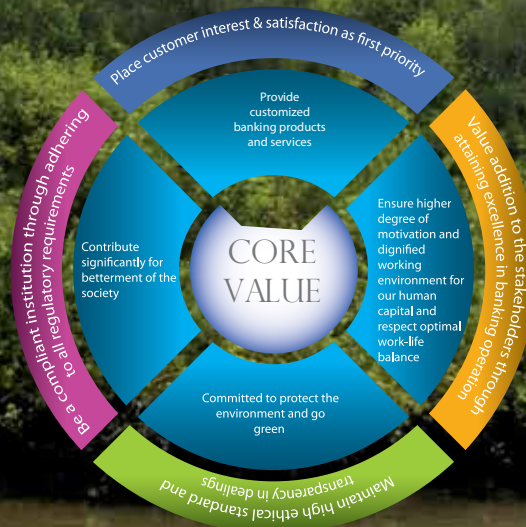
Bank Asia's vision is to have a poverty free Bangladesh in course of a generation in the new millennium, reflecting the national dream. Our vision is to build a society where human dignity and human rights receive the highest consideration along with reduction of poverty.

## mission

- To assist in bringing high quality service to our customers and to participate in the growth and expansion of our national economy.
- To set high standards of integrity and bring total satisfaction to our clients, shareholders and employees.
- To become the most sought after bank in the country, rendering technology driven innovative services by our dedicated team of professionals.







## Codes of conduct

- Employees must be open and loyal to the bank and bank's interest.
- Employees must keep confidential all bank and other matters that could provide other third parties unauthorized access to confidential information.
- Employees must observe the bank's security requirements concerning access to electronic resources and documents.
- All information and communication with the media, the public and financial markets shall be reliable and correct, maintain high professional

and ethical standards and in accordance with established guidelines and regulations.

- Customers shall be met with insight, respect, and understanding. Employees must always try to fulfill the needs of the customer in the best possible manner, within the guidelines for corporate ethics that apply to business.
- Under no circumstances, employees shall or be a part of any activity that prohibits open and fair competition of Bank Asia in breach of relevant business laws.

- Employees shall never offer or accept illegal or inappropriate gifts or other remuneration in order to achieve business or personal advantages.
- Employee's engagement in external duties must not affect his/her working relationship with Bank Asia or come into conflict with Bank Asia's business interest.
- Should an employee become aware of an infringement of Bank Asia's rules and guidelines, he/she should blow whistle raising the issue to the line management or to human resource department.



# Report parameter

Our previous two reports were based on G3/G3.1 guidelines. But this year we have prepared our report based on G4 guidelines with an effort to measure, disclose and be accountable to internal and external stakeholders in terms of governance, economic, environmental and social impacts including both positive and negative contribution.

G4-22, G4-23

## REPORTING SCOPE

This report intends to touch upon all material environmental, economic and social impacts resulting from Bank Asia's activities in the financial year 2014. This is our third sustainability report, and there is no significant changes regarding scope, boundary, or measurement methods and explanation of the effect of any restatement of information comparing to the previous report.

## IN ACCORDANCE OPTION AND EXTERNAL ASSURANCE

In Sustainability Report 2014, we have reported in accordance with the latest G4 Reporting

guidelines of Global Reporting Initiative (GRI) - 'In Accordance' Option: Core. As there is no external assurance service available in our country, our report could not be verified by external assurance.

The sustainability report will be prepared once in a year describing activities and achievements throughout the year.

G4-17

## BOUNDARY OF THE REPORT

The report boundary of the year 2014 covers only banking operation run by corporate office, its branches, SME service centers and other direct networks in Bangladesh. Impacts of the activities of our subsidiaries, NGO networks or our suppliers in other countries are not within the scope of this report.

Bank Asia has three subsidiary companies, one in Bangladesh and others in UK and USA, but no joint venture. As owner the Bank controls the activities of its subsidiaries. Bank Asia Securities Limited (BASL), a majority owned subsidiary is incorporated in Bangladesh and acts as a stock broker and stock dealer in capital market. The financial statements of the BASL are prepared on a going concern

basis under historical cost convention in accordance with Bangladesh Financial Reporting Standards (BFRS).

BA Exchange Company (UK) Ltd. a wholly owned subsidiary is incorporated in UK and primary responsibility is remittance channeling to Bangladesh from UK market. Financial statements of BA Exchange Company (UK) Ltd. are prepared on a going concern basis under the historical cost convention and in accordance with the Financial Reporting Standards for smaller entities.

In 2014 Bank launched its 2nd overseas 100% subsidiary company, BA Express USA Inc. at NY, USA & started its operation. The financial statements of the Company are prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the USA (US GAAP)

## FEEDBACK

We welcome any feedback on our sustainability reporting. For further information and comments, please contact Sustainability Reporting Team of the Bank led by Mr. Imran Ahmed, FCA, CISA, CSRS, Chief Financial Officer, Mr. Md. Bashir Uddin Ahmed, CSRS, Assistant Vice President, Finance & Accounts Division, Mr. Md. Shamim Hasnat, Senior Executive Officer, Finance & Accounts Division and Ms. Nahid Tania Khan, Officer, Finance & Accounts Division. They may be reached through

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

## Bank Asia Limited

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# Strategic FOCUS for sustainability

## GOING GREEN IN THE FUTURE OF BANKING

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

## PROMOTING FINANCIAL INCLUSION

One of the strategic priorities of Bank Asia is to promote financial inclusion for combating poverty which the Bank firmly believes to achieve by its deposit services, agricultural credit program,

small enterprise financing for productive new off farm employment of 'missing middle', Solar home system projects with NGO-MFI partners, foreign remittance of poor migrant workers channeling through partner MFIs, domestic remittance distribution through bank led as well as mobile operation led mobile banking.

## GIVING BACK

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

## CUSTOMER SATISFACTION

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



# Triple bottom line

## PEOPLE

Bank Asia always plays a very active role in contributing to the society through its CSR program, which are thoroughly illustrated in CSR section. In the context of value creation model for its employees, the bank has made footprints by achieving:

Operating profit and Net profit per employee was Tk. 3.26 million and 1.25 million respectively during 2014.

52,584 man- hours training have been provided to our employee in the year 2014.

Bank Asia works with a wide range of suppliers, vendors, agents and others. Bank Asia works with them to create value through collaboration by applying its own policy and practice for selecting these suppliers and others.

## PLANET

As one of the strategic focuses of Bank Asia, 'going green' movement includes efficient energy consumption, paperless office, financing renewable energy etc. Bank Asia's achievements in green initiatives are detailed out in other parts of the report. As greening of mind, Bank Asia provided 2 trainings on green banking under functional trainings course where 72 staffs participated. During the year 49 programs were arranged by different departments. Bank Asia also participated in " Green Finance Conference-2014" organized by Bangladesh Bank

## PROFIT

During 2014, Bank Asia generated economic profit of Tk. 309 million in the form of economic value addition.



# Sustainable banking operations

## key highlights

52,584

Man hours of training  
for development of our  
human capital

510

Students received  
support for education  
under Bank Asia's higher  
studies scholarship  
amounting to Tk. 12.72  
million

68%

Cash transactions  
done through ATM

142,701

Households of rural  
and semi-urban areas  
received remittance of  
Tk. 3,480.34 million  
through our MFIs  
network business

17

Districts covered  
through our 49 agent  
outlets for expanding  
Agent Banking in most  
geographically dispersed  
poor segment

245,700

E-statements delivered  
to customer

85,317

Farmers and rural  
people benefitted  
financially through our  
agricultural/rural  
credit

Tk.  
40,000

Disbursed for home  
solar system

10,55,579

Unbanked villagers of 21,816  
villages came under Bank  
Asia's banking service network  
through EBEK project for  
poverty alleviation.





# Chairman's message



**Banking industry continued to face difficulties in 2014 due to sluggish investment situation and excess liquidity pressure caused by political agitation. However, Bank Asia made a modest growth in core business areas.**



Deposit grew by 5.53%, loans and advances by 11.34%, import by 4.09%, export by 13.39%, inward remittance by 21.83%.

## BUILDING THE COMMUNITY

Bank Asia is always caring to the under privileged segment of the society and incorporates them in the mainstream business. The Bank spent Tk. 239.84 million in 2014 in CSR activities, which was almost 80% higher than the previous year.

The Bank initiated Higher studies scholarship program in 2005 for those students who have merit and dream to serve society, but not the means to pursue higher studies. The scholarship is given through the Bank's rural branches on the basis of Secondary (SSC) and Higher Secondary School Certificate (HSC) exam results. So far, 510 students have received the scholarship. Each of the students gets Tk. 34,000 annually as scholarship. In the year 2014, the bank spent around Tk. 12.72 million for this purpose.

Bank Asia provides scholarship and food grants to 19 graduate nursing students of Bangabandhu Sheikh Mujib Medical University (BSMMU). With a view to mitigate acute accommodation problem of all graduate nursing students of BSMMU, Bank Asia completed construction of 40,000 square feet (approx) 'Nursing Student Hostel' in 2014 with a spending of Tk. 95.90 million. The building can be further constructed up to 9th floor. To construct further to the health sector for a healthy community the bank also completed construction of 20,000 square feet (approx) Outdoor Patient Department (OPD) building for Holy Family Red Crescent Medical College & Hospital in 2014 with a spending of Tk. 53.46 million. The OPD can also be raised up to 9th floor.

Bank Asia donated Tk. 103.54 million to various social projects e.g. relief for flood and cyclone affected people (global warming effect). The Bank also sponsored Tk. 16.12 million for various arts and cultural program in 2014.

## FINANCIAL INCLUSION

During 2014 Bank Asia continued its thrive to bring the unbanked population under banking services net as part of its commitment for poverty alleviation through financial inclusion. Under EBEK project (on house one farm) the Bank is now providing banking services to more than 1,055,579 beneficiaries in 252 upazillas of 35 districts. Under its Agent Banking initiative Bank Asia has implemented 49 Agent outlets in 17 Districts in 2014. Under its mobile financial services "Hello" the Bank served 1, 87,621 customers through 12,677 agents of 80 distributors in 2014.

Bank Asia provides very low interest agri/rural credit through our own and NGO networks. Till date total 362,161 farmers have received benefit under this scheme. During 2014, the Bank disbursed SME loan of Tk. 20,514.20 million.

## GREEN BANKING

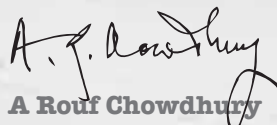
Since its inception, Bank Asia has been committed towards safe, clean and green environment which is essential for our survival. Bank Asia in principle never financed in environmentally hazardous business. The bank had decided not to finance any tobacco related business, and all offices of the bank are declared smoking free zone. We incorporated Environmental Due Diligence (EDD) checklists to assess its borrowers. Bank Asia financed Tk. 44.50 million in 8 projects

to set up Zigzag chimney, an environment friendly brick manufacturing technology and Tk. 15 million to set up Effluent Treatment Plant (ETP) for cleaning untreated waste water in 2014.

## HEALTHY WORKING ENVIRONMENT

Board and management of Bank Asia strongly believe safe and healthy work place is a precondition for sound mentality of employees to deliver desired services to valued customers. So the bank is very careful about ensuring modern, healthy and safe workplace for its employees. All the branches, SME service centers and SME/agriculture branches and every department of corporate office are well decorated having sufficient breathing spaces. Bank Asia conducted 52,584 man hours training to 2,943 employees in 2014. The Bank is providing pick and drop facility to the female employees and majority of the pool vehicles have been converted into CNG driven.

The Management and the Board of Directors are boosting up their awareness day by day although we have to go forward a long way. We are vigilant to the development and implementation of the green banking policies and manage the business in a sustained way so as to protect the stakeholders interest at large. I want to thank the Sustainability Reporting Team for their sincere efforts of presenting the banking activities under the framework of Sustainability Reporting.

  
**A Rouf Chowdhury**  
Chairman



# Message from the president and managing director



**Our commitment  
to principles  
of sustainable  
development has  
been a critical success  
factor to establish  
the Bank as a socially  
responsible corporate  
citizen, which inspires  
us to follow triple  
bottom line –people,  
planet and profit in our  
business operation**



Bank Asia is publishing the 3rd Sustainability Report that is another official milestone. Over the past years, the Bank has strengthened its reputation as a socially responsible corporate citizen. We also realize that strong sustainability practices are keys to maintaining our social commitment for a broad range of stakeholders, including our employees and our communities.

## ENVIRONMENTAL PERFORMANCE

Our commitment to responsible environmental management is also a fundamental sustainability objective of our Bank. Since inception, Bank Asia has been committed towards safe, clean and green environment. As a Bank, we play an intermediary role between economic development and conservation of the environment. Our Green Banking activities are on multidimensional areas which include both in-house green activities and external green activities towards supporting green economy. Bank Asia participated in 'Green Bankers' Conference 2014' and 'Green Finance Conference 2014' organized by Bangladesh Bank. Bank Asia uses technologies for rendering its banking services that saves energy and minimizes environmental hazards.

## ECONOMIC PERFORMANCE

Bank Asia is following triple bottom line '3 pillars of sustainability' in its business operation. Shareholders are always conscious about their return on capital invested. As a Bank, we are deeply concerned about delivery of value to all of our shareholders. In 2014, the Bank added Tk. 309 million to EVA. Another economic value

measurement method is Value added statement which depicts how much value (wealth) has been created by the bank through utilization of its capacity, capital, manpower and other resources and how it is allocated among different stakeholders i.e. employees, shareholders, government etc. In 2014, bank's net value addition stood at Tk. 6,493 million having a growth of 21% over previous year. Bank Asia has contributed significantly to the government's effort in revenue collection. As a corporate entity, the bank pays tax and VAT on its own income according to prevailing laws of the country. During the year 2014, the bank contributed Tk. 3,487.89 million to national exchequer.

## SUSTAINABLE HR DEVELOPMENT

Our employees are both our key stakeholders in our business and our most important assets. We provide our employees with opportunities for personal development and professional advancement through extensive skills training and other personal development programs. In that respect, Bank Asia conducted 52,584 man hours of training involving 2,943 participants in 2014. The current gender mix is female 25% and male 75%. Our 86% staff members are aged below 40 years which denotes that Bank Asia is in young, dynamic and capable hands.

## BUILDING THE COMMUNITY

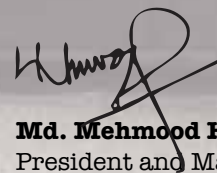
As an organization, we work to understand the priorities and challenges of the communities in which we conduct our operations so as to effectively support appropriate community programs and infrastructure

development. During the year the bank has spent Tk. 239.84 million for CSR activities against Tk. 132.97 million in 2013, exhibiting a remarkable growth of 80%. The Bank spent Tk. 13.44 million for education purpose, Tk. 90.28 million for infrastructural development in health sector. As Bangladesh is a natural disaster prone country, the Bank contributed Tk. 11.14 million for disaster management. In addition to Educational, Health, Disaster and Environment sectors, Bank Asia also donated in Art & Culture and other social projects.

## AWARDS & ACCOLADES

Bank Asia has been awarded for its Sustainability Report 2012 & 2013 by NCSR (National Centre for Sustainability Report) in Pejatan, Jakarta, Indonesia for 2nd time.

In the end I express my sincere thanks and gratitude to all stakeholders and sincerely acknowledge their active engagement towards Bank Asia's dream of a poverty free Bangladesh that is sustainable in economic, social and environmental respects.



**Md. Mehmood Husain**  
President and Managing Director



# Awards and recognition

## 2014

- Bank Asia garnered second position from the Institute of Chartered Accountants of Bangladesh (ICAB) for Best Presented Annual Reports-2013 among all the private sector banks (including cooperative banks) in Bangladesh.
- Certificate of Merit from SAFA (South Asian Federation of Accountants) for Best presented Annual Report Awards and SAARC Anniversary Awards for Corporate Governance Disclosures 2013.
- Certificate of Merit from the Institute of Cost and Management Accountants of Bangladesh (ICMAB) for Best Corporate Award-2013.
- Sustainability Reporting Award 2014(SRA 14) awarded for Most Impressive Report 2013 by NCSR (National Centre for Sustainability Reporting) Jakarta, Indonesia for Sustainability Report 2013 of Bank Asia.





Mr. Md. Mehmood Husain,  
President and Managing  
Director of Bank Asia  
receiving 'Certificate of  
Merit' for Best presented  
Annual Report Award and  
SAARC Anniversary Awards  
for Corporate Governance  
Disclosures 2013 at  
Bhubaneswar, India



## 2013

- Certificate of Merit from the Institute of Chartered Accountants of Bangladesh (ICAB) for Best Presented Annual Reports-2012 in the Private Sector Banks including Cooperative Banks.
- Certificate of Merit in the SAARC Anniversary Award for Corporate Governance from the Institute of Chartered Accountants of Bangladesh (ICAB).
- Achieved commendation for first time Sustainability Report 2012 in the 9th Sustainability Reporting Awards by National Center for Sustainability Reporting (NCSR) in Pejaten, Jakarta for Sustainability Report 2012 of Bank Asia.
- Achieved special commendation for Most Progressive Reporter 2012 by National Center for Sustainability Reporting (NCSR) in Pejaten, Jakarta for Sustainability Report 2012 of Bank Asia.
- Recognized by Bangladesh Bank as one of the top 10 commercial banks for significant contribution to green banking in Bangladesh.



Mr. Md. Mehmood Husain,  
President and Managing  
Director of Bank Asia Ltd.  
receiving the ICAB Award  
for Best Presented Annual  
Reports-2013





# Corporate profile

## BANK ASIA LIMITED

Was incorporated on September 28, 1999 as a private commercial bank with the aim of contributing for the development of the economy by bringing superior quality technology driven banking products and services. In 2001 Bank Asia set a milestone by acquiring the Bangladesh operations of the Bank of Nova Scotia of Canada, first in the banking history of Bangladesh. At the beginning of the year 2002, the bank again acquired the Bangladesh operations of Muslim Commercial Bank Limited of Pakistan.

Bank Asia has associated Islamic banking, Off-shore banking, SME financing & many more specialized services with its core banking activities. To excel in this new era of technological triumph, Bank Asia has successfully introduced mobile banking, cutting edge ICT, state of the art network solution, 24/7 ATM service & many other e-products.

Bank Asia maintains an environment of strong corporate governance that helps to maintain its excellent brand image; reflected by consistent financial performance for its stakeholders. To attain sustainability we focus more on strategic priorities measured by quantitative and qualitative determinants.

Besides maintaining a steady growth Bank Asia always prioritized in the structural and moral development of the society. From the very beginning it started its Corporate Social Responsibility (CSR) activities for the development of our country's unprivileged segments in the areas of education, health, environment, sports, arts & cultures and the likes.

## NATURE OF OWNERSHIP AND LEGAL FORM

Bank Asia Limited was formed as a public limited company under the Companies Act 1994, and governed by the Banking companies Act 1991. The Bank Obtained certificate of incorporation on September 28,1999 and banking license on October 06,1999. It went for public offering on September 23, 2003 when its share were listed with Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE).

## NUMBER OF COUNTRIES WHERE THE ORGANIZATION OPERATES

Bank Asia runs its operation only in Bangladesh. However, the bank has fully owned subsidiary named 'BA Exchange Company (UK) Limited' to facilitate speedy and dependable medium for remitting the hard-earned money of expatriates back home. It started its operation in London on May 16, 2011. Bank Asia obtained license for its 3<sup>rd</sup> subsidiary company, BA Express USA Inc. from New York State Department of Financial Services in December 2013 and started its operation on June 1, 2014.

## SCALE OF THE REPORTING ORGANIZATION

As of the end of 2014, our Bank's operating profit is Tk. 5,778.83 million and total assets Tk. 182,731 million. The Bank's capital adequacy ratio is 11.32 %.

Number of employees	1,814 (1773 of Bank & 41 of subsidiaries)
Number of branches	91
Total operating income	9,686 million
Total debt & equity	165,867 million & 16,864 million
Number of ATMs	97 own & 5000+ shared
Number of credit cards	32,880
SME centre	6
Number of VISA debit cards	264,000



## BRANCH NETWORK

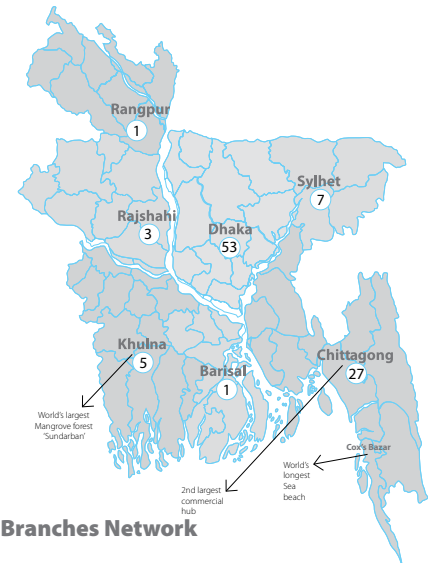
Currently we have 97 branches and SME service centers across the country spread over different zones that includes 87 branches, 4 SME agricultural branches and 6 SME service centers. Geographically 53 are placed in capital Dhaka, 27 in Chittagong the 2<sup>nd</sup> largest commercial hub after Dhaka, 7 in Sylhet zone one of the leading remittance flow area, 5 in Khulna zone the 2<sup>nd</sup> international port city and adjacent to world's largest mangrove forest, 3 in Rajshahi the silk city and world's finest mango production area, 1 in Rangpur famous for one of the oldest (1916) and best reputed college, Charmichael College and 1 in Barisal the main rice producing center of Bangladesh. All these branches and SME centers are efficiently supervised and monitored by 5 cluster mentors who take care of their overall performance indicators on a regular basis. Every year on an average 10 new branches are added to our branch network.

## MEMBERSHIP WITH ASSOCIATIONS

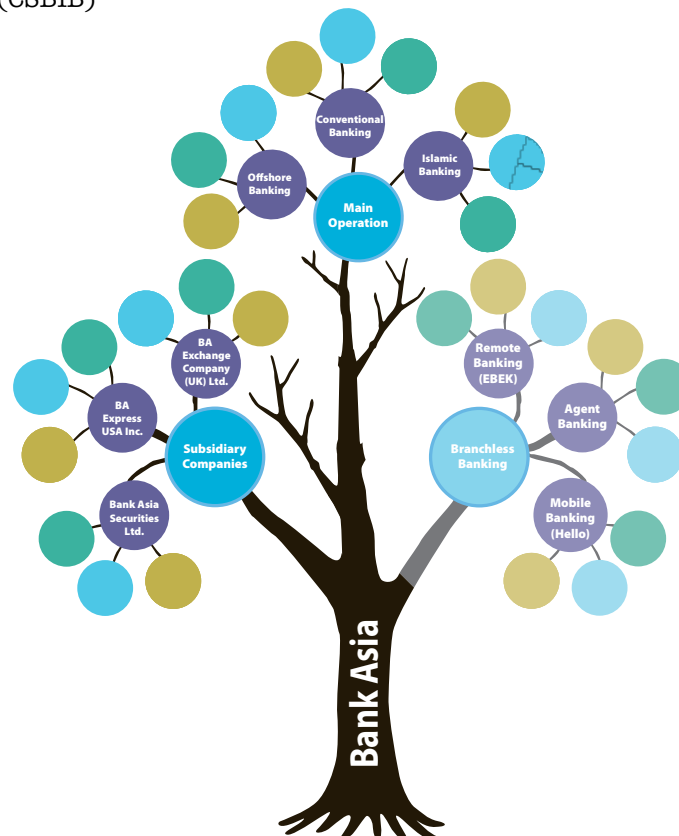
- Bangladesh Institute of Bank Management (BIBM)
- Bangladesh Associations of Banks (BAB)
- Association of Bankers Bangladesh (ABB)
- The Institute of Bankers Bangladesh (IBB)
- The American Chamber of

Commerce in Bangladesh (Am Cham)

- Bangladesh Foreign Exchange Dealers Association (BAFEDA)
- Bangladesh Association of Publicly Listed Companies (BAPLC)
- Money Market Dealers' Association
- Metropolitan Chamber of Commerce and Industry (MCCI)
- Islamic Banks Consultative Forum (IBCF)
- Central Shariah Board for Islamic Banks of Bangladesh (CSBIB)



Branches Network



# Stakeholders engagement

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

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

Impact analyses from the aspects of governance, economic, environment and social influences help us recognize and respond to emerging risks and opportunities and meet the expectations of those who shape our operating environment. Continuous engagement with stakeholders is integral to the success of our business.

We prioritize stakeholders' issues based on materiality mapping determining the level of relevance and significance on economic, environmental, social and financial impacts.

The table on the next page discusses on various aspects of stakeholders, their engagement process and our response:

## Our stakeholders





G4-24 Our stakeholders	G4-26 Ways of inclusion	Their priorities	G4-27 Our response
<b>Customers</b>	<ul style="list-style-type: none"> <li>Customer feedback management</li> <li>Ongoing market research and product innovation</li> </ul>	<ul style="list-style-type: none"> <li>Good return from deposits</li> <li>Fast services delivery with excellence</li> <li>Preferential pricing, charges and commission</li> <li>Strict Shariah compliance in Islamic products and services</li> <li>Product varieties catering market demand</li> <li>Online banking solutions with secured transactions, privacy and confidentiality</li> </ul>	<ul style="list-style-type: none"> <li>ALCO sits every month to decide pricing and rates based on market analyses</li> <li>All network nodes are run by online core banking system (CBS)</li> <li>E products like mobile banking, internet banking, tele banking, electronic fund transfer, etc. ensures hi-tech banking needs</li> <li>Separate online CBS for Islamic products</li> <li>Front desks and relationship managers ensures fast and high quality service delivery following one to one relationship.</li> </ul>
<b>Local communities</b>	<ul style="list-style-type: none"> <li>CSR activities</li> <li>Scholarship</li> </ul>	<ul style="list-style-type: none"> <li>Compensation for adverse direct or indirect impact for bank's activities</li> <li>Support to under privileged people</li> <li>Support to basic need for living</li> </ul>	<ul style="list-style-type: none"> <li>Strongly consider environmental and social impact and restrain from adverse impact upon society</li> <li>Target segment is underdeveloped and under privileged people</li> <li>Significant contribution to education, health, disaster management and environmental sector</li> </ul>
<b>Shareholders/ investors</b>	Annual general meeting (AGM), extraordinary general meeting (EGM), annual & semi annual report, publishing quarterly financials and price sensitive information (PSI) in newspapers	<ul style="list-style-type: none"> <li>Healthy return on investments and stable dividend policy</li> <li>Growing earnings</li> <li>Sound governance and risk management</li> </ul>	<ul style="list-style-type: none"> <li>Maintained attractive plough back ratio</li> <li>Timely repayment of debt with stated return</li> <li>Established superior risk management culture</li> <li>Transparency and integrity in financial reporting</li> </ul>
<b>Board &amp; management</b>	Decisions are taken based on financial and business delegation of different levels. Any major decisions must be placed to board for approval	<ul style="list-style-type: none"> <li>Governance principles, policies &amp; procedures formulation</li> <li>Strategic focus &amp; value creation</li> </ul>	At least one board meeting in every month, executive committee meeting, audit committee meeting. Board members meet management on various occasions like annual & semi- annual business conferences, bank's anniversary celebration
<b>Employees</b>	Business conferences, teleconferences, video conference etc. Training, workshops and orientation program group emails, intranet circulation	<ul style="list-style-type: none"> <li>Inflation adjustment in pay package planning</li> <li>Periodical salary review to adjust with cost of living index</li> <li>Proper job description as per individual skill set</li> <li>Regular training</li> <li>Healthy working environment and workplace safety</li> <li>Performance driven career progression</li> </ul>	<ul style="list-style-type: none"> <li>Salary package adjusted in line with market competitiveness and inflation</li> <li>52,584 man hours training for human capital in 2014.</li> <li>Well set KPIs for performance and inherent quality analysis</li> <li>All sorts of safety measures such as fire extinguishers, separate stairs are available and smoke free premise</li> <li>Ensure continuous learning and application ground for career build-up</li> </ul>

G4-24 Our stakeholders	G4-26 Ways of inclusion	G4-27	
		Their priorities	Our response
<b>Government &amp; regulatory authorities</b>	Strict compliance with applicable laws, rules and regulations	<ul style="list-style-type: none"> <li>• Proper compliance with laws &amp; regulations</li> <li>• Timely reporting as per requirement</li> <li>• Timely payment of right amount income tax and VAT</li> </ul>	We ensure proper compliance and timely reporting to government bodies and regulators
<b>Subsidiaries</b>	<ul style="list-style-type: none"> <li>• Policies formulation</li> <li>• Agreed upon strategic goals</li> </ul>	Goals & Strategic focuses are based on local environment analyses & regulatory preview	We review local market and environment before setting its strategic priorities ensuring proper representation from subsidiaries
<b>Business partners</b>	Procurement management, training and communication	<ul style="list-style-type: none"> <li>• Fair trade, fair enlistment,</li> <li>• Sustainable and stable growth of the bank</li> </ul>	<ul style="list-style-type: none"> <li>• Free from any bias or coercion from influencing quarters</li> <li>• Ensure fair play and competition to award work order</li> <li>• Timely payment to vendors</li> </ul>

G4-18, G4-20, G4-21

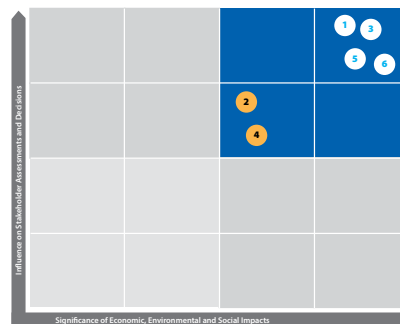
## Material aspects and boundaries

Material aspect	Boundaries inside the organization	Boundaries outside the organization
Financial Inclusion	Client base of the organization increases with diversity, tapping business opportunities, increase of revenue generation.	The community including the overall economy benefitted from reduction of poverty through augmenting economic activities in the geographically dispersed areas.
Energy Consumption	Efficient use of scarce resources.	Sequestration of carbon emission and the national GHG inventory will be reduced
Human Capital & Talent Management	Enhancement of operational level efficiency. Attaining cost savings through reducing time requirement. Customer retention rate will be higher.	The clients will be benefitted from customer friendly efficient services and more loyalty will be ensured.
Agricultural Credit	Product diversification and attachment to mainstream of the economic activity of the country.	As an agricultural country, share croppers and marginal farmers will be benefitted by lower interest rate and their poverty level will be improved.
Capital Adequacy	Business expansion and the fundamental strength of the organization are ensured.	Building confidence level to the investors as well as credit line providers.
Building the Community	Discharging our responsibility towards society to ensure sustainable balanced growth in economic, social and ecological arena.	Overall betterment of the nation through CSR activities in different sectors like health, education, sports and culture etc.



# Materiality mapping

Sln.	Major Topics/ Indicators	Priorities					Bank Asia Response	
		L	M					H
		1	2	3	4	5		
1	Financial inclusion					=	10,55,579 beneficiaries of 21,816 villages included in banking network under 35 districts of Bank Asia’s EBEK ( one house one farm) program-a government project. 17 districts through 49 agent outlets for expanding Agent banking in most geographically dispersed poor segment. Bank Asia’s mobile financial services “Hello” served 1, 87,621 customers through 12,677 agents of 80 distributors in 2014.	
2	Energy consumption			=			We are saving around 40% electricity (used for lighting purpose) by using the day light in our corporate office and a number of major branches.	
3	Human capital and talent management					=	86% of staff members are aged below 40 years and 52,584 man hours in the year 2014 which signifies that Bank Asia is in young, dynamic and capable hands.	
4	Agricultural Credit			=			During the year 2014, the Bank disbursed Agricultural credit amounting to Tk. 2,417 million to 85, 317 beneficiaries.	
5	Capital adequacy					=	11.32% capital of risk weighted assets maintained against minimum capital requirement of 10%. Bank Asia has successfully closed its 2nd Bond transaction of Tk. 3,000 million, termed as 7 Year Floating Rate (11.50% to 14.00%) Non-Convertible Subordinated Bond.	
6	Building the community					=	During the year, Bank Asia spent an amount of Tk. 239.84 million for the overall betterment of the nation.	



# Governance commitment and stakeholders

## CORPORATE GOVERNANCE

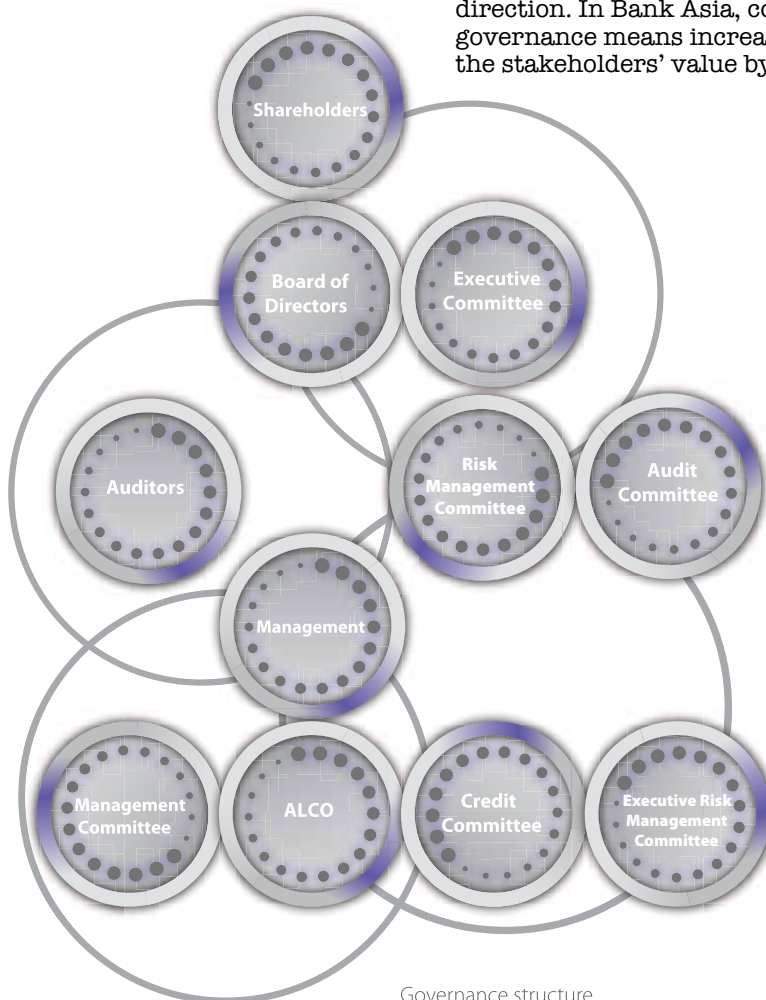
Bank Asia views corporate governance issue very seriously in every aspect of operation. Accordingly the bank has set its policies, procedures and processes establishing culture of accountability and transparency in dealing with responsibility and drive the bank to the right direction. In Bank Asia, corporate governance means increasing the stakeholders' value by being

efficient & professional to the organization, transparent and accountable to the shareholders and responsible to the society and the environment. The board of directors plays a key role in corporate governance. It is their responsibility to endorse the organization's strategy, develop directional policy, appoint and supervise senior executives and to ensure accountability of the organization to its owners and regulatory authorities.

Bank Asia Limited, as a publicly listed company, is a highly regulated company where Bangladesh Bank, Bangladesh Securities and Exchange Commission (BSEC) play a very significant role in establishment and adherence to norms and regulations. In this regard, BSEC's notification SEC/CMRRCD/2006- 158/134/ Admin/44 dated August 07, 2012 inserted many important issues like inclusion of independent directors in the board of directors and audit committee etc.

## BOARD OF DIRECTOR'S MECHANISM AND INDEPENDENCE

Bank Asia complied with relevant guidelines of Bangladesh Bank as well as Bangladesh Securities and Exchange Commission while forming its board of directors. The number of members in the board of Bank Asia is 15 (fifteen) excluding the managing director as of December 31, 2014. In the



Governance structure



Board 4 (four) members are Independent Director and all of them are highly educated, esteemed professional and/or successful businessman with long experience in banking industry. The board approves the bank's budget and business plan and reviews those on quarterly basis so as to give directions as per changing economic and market environment. The board reviews the policies and manuals of the various segments of businesses in order to establish effective risk management in credit and other key areas of operations. In 2014, 33 meetings held where 1064 memos were presented.

## EXECUTIVE COMMITTEE

The Executive Committee (EC) of the board of Bank Asia was first constituted in January 2010 to ensure efficient, competent, compliant and secured structure for approval of credit proposals and business decisions. The number of members in executive committee is 7 (Seven) nominated by the board from directors. The EC time to time reviews policies and guidelines issued by Bangladesh Bank regarding credit and other operations that are customized and adopted by the management after approval of the board of directors. EC approves credit proposals as per approved policy of the board. In 2014, 38 meetings held where 644 memos were presented.

### Meetings held by board of director's

33

#### Major agenda covered in 2014

- Approval for Revised ICT policy (Version-02) of Bank Asia Limited
- Formation of Executive Risk Management Committee
- Work environment
- Formation of Core Risk Management Committee (CRMC) and Core Risk Assessment Questioners
- Memo on Fraud Detection and Management Process
- Proposal for Revising Salary Scale of the Bank
- Approval of Grievance Handling Policy and Female Anti-Harassment Policy
- Approval for Re-constitution of "Bank Asia Shariah Supervisory Committee" (BASSC)
- Approval for Assistant Relationship Officer (ARO) Absorption Policy Relaxation for the year 2014 & Separate Career Plan & New Pay Scale of ARO
- 2 new retail deposit products for Mobile Financial Services
- Health Insurance Scheme for the employees of the Bank

### Meetings held by executive committee

38

#### Loans approval in 2014

million Taka

	Nos. of Memo	Funded	Non-funded
○ New sanction	234	2,153.36	1,694.30
○ Enhancement	75	200.78	282.17
○ Forced Loan	10	103.51	

## AUDIT COMMITTEE

The audit committee of the board of Bank Asia was first constituted in January 2003 with the objectives of generating a platform for a compliant and secured banking. In 2014, 20 meetings held where 73 memos were presented.



Water pollution due to dyeing process

#### Meetings held by audit committee

20

#### Major agenda covered in 2014

- Supervise the management and control various risk factors coming up from banking operation
- Strengthen the internal control system and to act as a connecting force between internal and external auditors in order to bring a disciplined banking operation.
- Review the financial reporting process, the system of internal control and management, the audit process, compliance with laws and regulations, and its own codes of business conduct.
- Examine the status of implementation of Bangladesh Bank guidelines and bank's own policies and manuals.
- Undertake various special audits by the audit cell of the board and the internal audit team of the bank
- Meet with the external auditors
- Discuss about audit plan, the risk management processes and preparation of the financial statements as per BAS and IAS.

## RISK MANAGEMENT COMMITTEE

To minimize risk while implementing the policies and business plan of the Bank, the Board has formed a Risk Management Committee as per the guidelines of Bangladesh Bank. The Committee will supervise whether the risks arise from credit, foreign exchange, internal control and compliance, money laundering, information technology, operation, interest rate, liquidity and other sources are identified, measured and adequate systems are in place to minimize such risks. Currently 5 (five) members are in the Risk Management Committee. In 2014, 09 meetings held where 31 memos were presented.

## Capital Structure

December 31, 2014

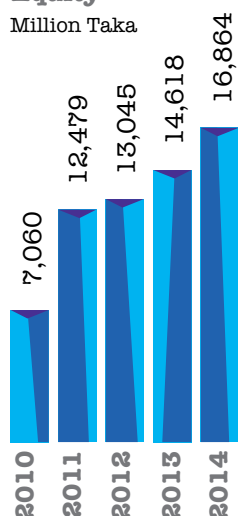
Figure in Million

Particulars	Taka	USD
Paid-up capital	7,629.96	97.20
Statutory reserve	5,051.47	64.35
Revaluation reserve	2,682.59	34.17
General reserves	8.17	0.10
Retained earnings	1,492.24	19.01
Total shareholders' equity	16,864.42	214.83

Conversion rate used 1 USD equivalent to Tk. 78.50

### Total Shareholders' Equity

Million Taka



#### Meetings held by risk management committee

09

#### Major agenda covered in 2014

- Business growth and Portfolio health
- Risk Reports and Risk Audits
- Internal Client Rating Model
- Process and Policy Developments
- Solvency and Capital Assessment

- Risk Management Model
- Core Risk Management Process
- Process/ Policy development
- Monitoring of ERM C Resolution
- Risk Management Rating





## MANAGEMENT COMMITTEE

The highest committee of Management is the Management Committee (MANCOM), which is responsible for recommending strategy and monitoring business performance of the bank and its subsidiaries. The MANCOM operates under delegated authority from the board and membership of the management committee consists of the president and managing director, deputy managing directors, c-level executives and the heads of major operational departments. The current number of MANCOM members is 17. The name of the MANCOM members and their photos can be seen at pages 26 to 27 of the Integrated Annual Report 2014.

## ALCO

The Asset Liability Committee (ALCO) comprising the senior management, take strategic decisions on fixation of asset liability pricing, on liquidity management in the context of changing market scenarios. When needed special ALCO meetings are held to respond to the unusual or seasonal market behavior or other volatile market scenarios. Proactive measures of ALCO kept the credit deposit ratio within a comfortable range that helped the bank to earn through foreign exchange and money market products of treasury line.

### Meetings held by management committee

06

#### Major agenda covered in 2014

- Foreign trade module for the system was reviewed. The PPG for agricultural/rural credit policy was approved
- ICT Security Policy was approved
- Online transactions limit reviewed and re-fixed
- A Loan Recovery Committee was recommended and formed
- Manual for "Prevention of Money Laundering and Combating Financing on Terrorism" were finalized
- SME product namely "Probaho" approved
- Policy decisions were taken on "Manual modification of tenor of term deposits" and "settlement of matured DPS having installments due"
- A structured system for holding of keys of Vault, Locker, ATM etc. was approved by the MANCOM.
- Key Performance Indicators (KPI) were discussed, reviewed and recommended
- Policy decision and operational procedures approved

### Meetings held by ALCO

11

#### Major agenda covered in 2014

- Money Market scenario , Liquidity Position and market forecast.
- Foreign Exchange Market and market forecast.
- Business outlook.
- Peer group analysis.
- Fixation of asset liability pricing.
- Ratio analysis.
- Monthly trend and variance of Deposit Advance.
- Balance Sheet Gap analysis as per time bucket.
- Review of key ALM indicators and its impact
- FC Inflow-outflow & commitments scenario
- Re-pricing gap (int. rate break down) of Asset-Liability.

## CREDIT COMMITTEE

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

Sanction type of credit committee	Number of Proposals
<b>Credit proposals processed by credit committee during 2014</b>	
○ Enhancement	139
○ Modification	803
○ New	662
○ One-time	1634
○ Renewal	587
○ Renewal with Enhancement	226
○ Renewal with Reduction	74
○ Renewal with Restructuring	17
○ Rescheduling	56
○ Restructuring	9
○ Regret	23
○ Reduction	31
○ Total	4261

## SRP COMMITTEE

The Supervisory Review Process (SRP) committee is formed under the second pillar of Basel II capital accord. Bank Asia has developed internal methodology to assess requirement of additional capital to address risks that have not been considered under minimum capital requirement (MCR), i.e.

credit risk, operational risk and market risk. The SRP committee is a representation of senior management working under board. The committee consists of 9 (nine) members: President and managing director (chairman of the committee), chief risk officer, chief operating officer, chief business officer -SMR, chief financial officer, head of internal control and compliance, head of treasury operations and head of risk management. Core responsibilities of the committee is to ensure that bank has comprehensive Internal Capital Adequacy Assessment Process (ICAAP) and adequate level of capital is maintained and reported considering appropriately the level of risk. A separate risk management committee (RMC) supervises day-to-day risk identification, mapping and mitigation.

Meetings held by SRP committee	02
<b>Major agenda covered in 2014</b>	
<ul style="list-style-type: none"> <li>○ Process /Policy Need</li> <li>○ Risk Reporting System</li> <li>○ Process review and Reengineering</li> <li>○ Risk Appetite and Management Action Trigger</li> <li>○ Identification of Process Gap and implementation of control</li> <li>○ Pillar II Capital Planning and review of assessment process</li> <li>○ Service Quality</li> </ul>	



## INDEPENDENT DIRECTOR

As part of good governance in the organization participation of independent opinion in the Board is considered as an important instrument. Independent directors in the Board exert an independent view on the policies and decisions of the Board and ensure that the policies and decisions are for the best interest of the whole bank. Bank Asia has appointed 4 (four) independent directors in the Board. They are Mr. A M Nurul Islam a renowned bureaucrat and three renowned retired bankers Mr. Mohammed Lakiotullah, Mr. Shah Md. Nurul Alam and Mr. Mashiur Rahman.

The Independent Directors are also member of the sub-committees of the Board. One of them are the members of the Executive Committee, two of them are the members of the Audit Committee, where one is acting as Chairman of audit committee and three of them are the members of the Risk Management Committee.

## POSITION OF THE CHAIRMAN OF THE BOARD OF DIRECTORS AND THE PRESIDENT AND MANAGING DIRECTOR

The functional responsibilities of the Chairman of the board and of the President and Managing Director are kept separate and independent of each other.

The Chairman is responsible for leading the board and overseeing the entire functioning of the bank is as per corporate governance framework. Mr. A Rouf Chowdhury is the current Chairman of the Board. Through his dynamic leadership, he is leading the Bank towards the success.

The Managing Director leads the bank by developing, designing and implementing the business strategic plan of the Bank. The President and Managing director, Mr. Md. Mehmood Husain is also responsible for developing long term business plans and the day-to-day operation. He is also accountable to the shareholders and the board of the bank.

## BOARD REMUNERATION AND PERFORMANCE EVALUATION

For attending the Board Meeting, Audit Committee Meeting, Executive Committee and Risk Management Committee, the Directors receive an honorarium of Tk. 5,000 each. During 2014, the expenditures incurred related to directors were Tk. 2,770,000 for Directors'

honorarium and Tk. 214,240 for Directors' Traveling purpose. During 2013, the expenditures incurred related to Directors' honorarium was Tk. 1,720,000 and for Directors' Traveling was Tk. 131,840.

## MECHANISM TO PROVIDE ADVICE TO THE BOARD

Bank Asia maintains transparent and close communication with its shareholders. With this view we publish annual & semiannual report, publishing quarterly financials and price sensitive information (PSI) in newspapers for shareholders, investors, capital market experts, and other equity participants in a complete, fair, accurate, timely and understandable manner within the framework of generally accepted accounting principles and legislation provisions. Our bank's shareholders can also use their query rights or can provide any recommendations or direction to the Board of directors at the annual general meeting and the Board answers all questions of shareholders. Prior to AGM, the meeting date, venue and agenda are announced and also the annual report is submitted to the shareholders through our bank's website or through different channels. After getting feedback from shareholders at AGM, the Board then directs the management to



Board of Directors and Senior Management participated at an exclusive workshop on Corporate Governance conducted by IFC

implement the recommendations of the shareholders. If the Management requires making any change in policy or practice, the Board approves those changes; otherwise if this authority of approval is beyond the power of the Board, this can be approved by the shareholders of Bank Asia Ltd at AGM through voting. In applicable cases extra ordinary general meeting (EGM) of general shareholders may be called. So far 15 AGMs and 9 EGMs have been successfully arranged.

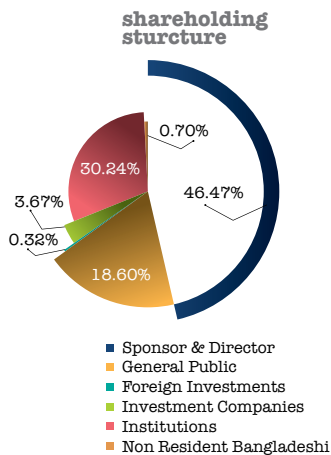
## AVOIDING CONFLICT OF INTEREST

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

- Loan to the directors is

restricted subject to full filing certain terms and conditions of regulatory guidelines.

- If there is any related party transaction, the management discloses the matter in the Annual Report and it is also approved by the general shareholders in AGM.
- Executive committee of the Board can approve loan to anyone up to a limited portion.
- Audit committee regularly reviews the financial and other related statements and gives recommendation to the management regarding any changes in policy and also presents to the Board for further evaluation.
- Board of directors' approval is needed for loan re-scheduling.



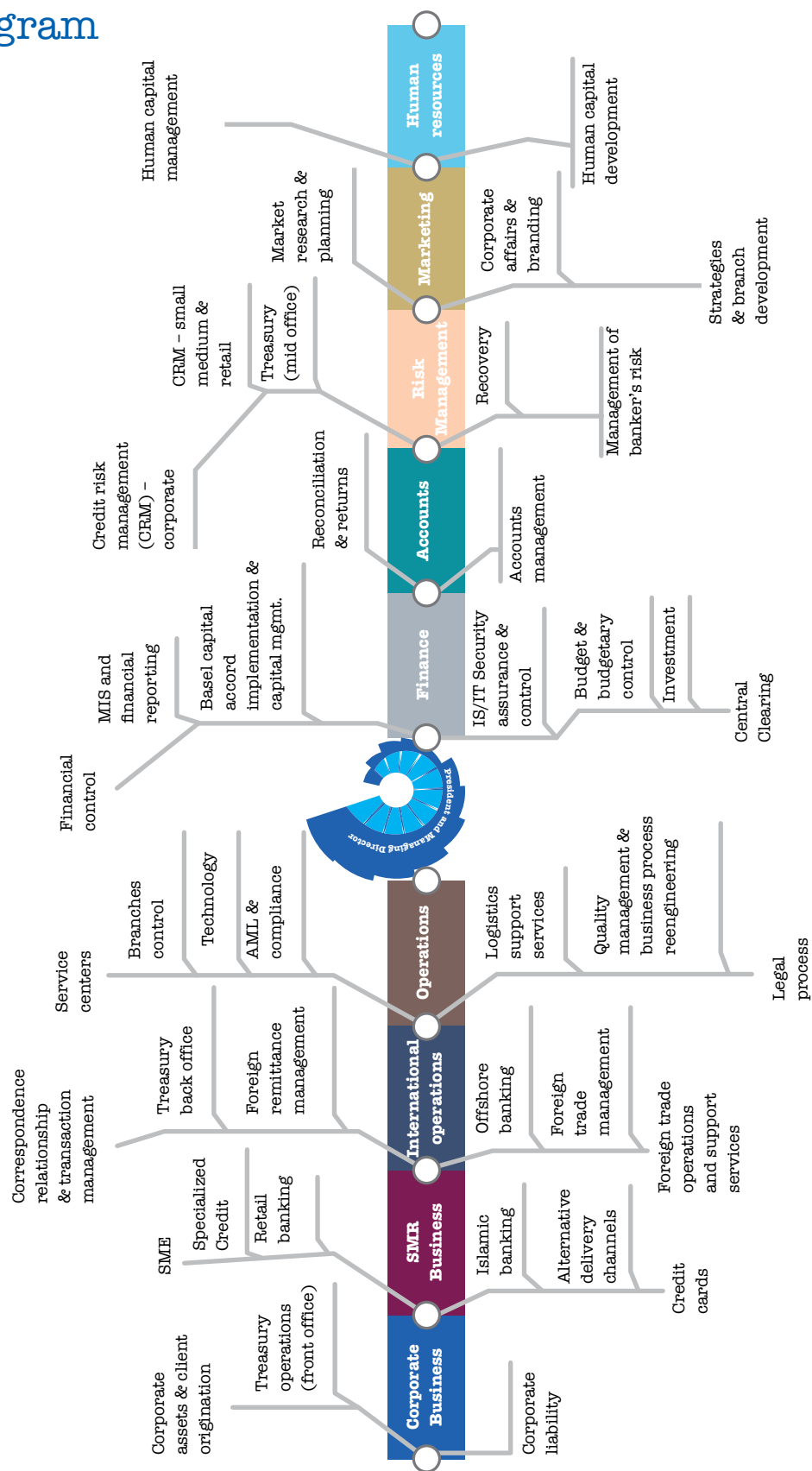
## Shareholding Structure

December 31, 2014

Category	No. of shareholders
Sponsor & Director	26
General Public	15,644
Foreign Investments	2
Investment Companies	103
Institutions	307
Non Resident Bangladeshi	129
<b>Total</b>	<b>16,211</b>



# Organogram



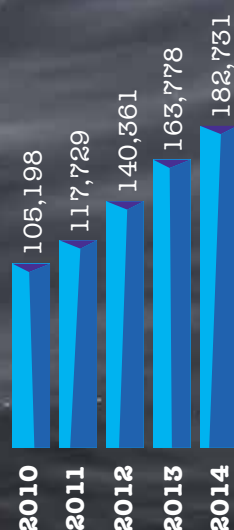
# Financial performance

## Major Financial Highlights

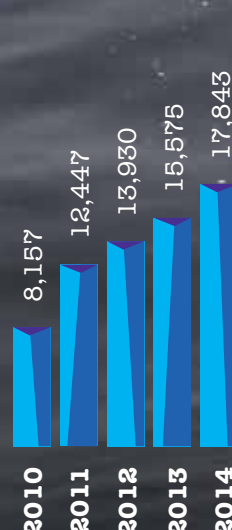
Million Taka

	2014	2013	2012	2011	2010
Paid up Capital	7,629.96	6,936.32	6,305.75	5,254.79	3,002.74
Deposits	140,869.29	133,489.37	110,061.78	95,131.10	86,365.64
Loans and Advances	116,808.85	104,911.26	92,328.82	82,819.97	79,504.23
Import	110,192.54	110,738.08	106,746.15	99,414.20	110,417.89
Export	77,646.91	71,968.83	66,478.34	74,794.50	57,281.67
Remittance (Inward)	41,732.50	34,334.40	32,110.10	21,776.70	18,441.71
Total Income	20,385.97	19,672.29	17,437.02	14,606.10	12,091.58
Total Expenditure	14,607.14	14,256.53	12,385.22	10,564.13	7,842.72
Operating Profit	5,778.83	5,415.76	5,051.80	4,041.97	4,248.86
Net Profit after Tax	2,218.69	1,459.82	908.00	1,916.21	1,929.58

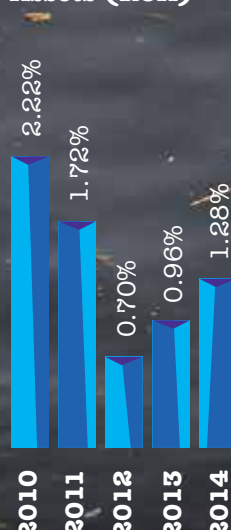
**Total Assets**  
Million Taka



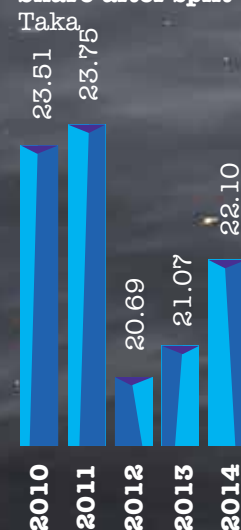
**Total Capital**  
Million Taka



**Return on Assets (ROA)**



**NAV per Share-after split**  
Taka





## Key Management Ratios

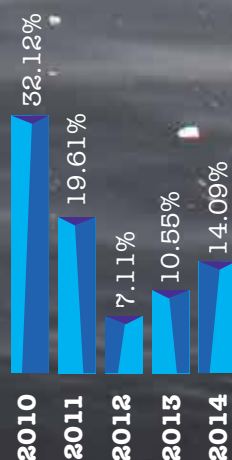
Million Taka unless otherwise specified

	2014	2013	2012	2011	2010
Credit Deposit ratio	82.92%	78.59%	83.89%	87.06%	92.06%
Cost of Deposit	7.61%	8.81%	9.49%	9.09%	7.15%
Administrative Cost	2.96%	2.63%	2.82%	2.88%	2.08%
Yield on Loans and Advances	13.62%	14.99%	15.20%	14.11%	12.72%
Spread	6.01%	6.18%	5.71%	5.02%	5.57%
Burden ratio	0.52%	0.42%	0.01%	-0.11%	-0.37%
Salary Exp. to total Overhead Exp.	46.98%	46.90%	46.74%	46.75%	42.18%
Cost to Income ratio	40.34%	36.53%	35.40%	36.88%	36.31%
Earnings Per Share	2.91	1.91	1.31	3.04	4.59
Dividend Cover ratio	1.94	2.10	1.44	1.83	1.61

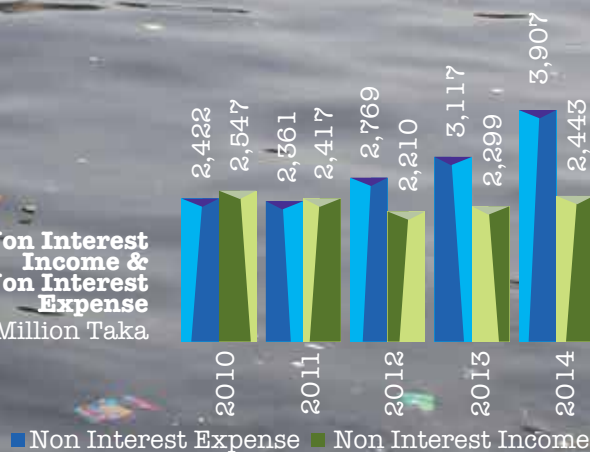
**Profit per Employee**  
Million Taka



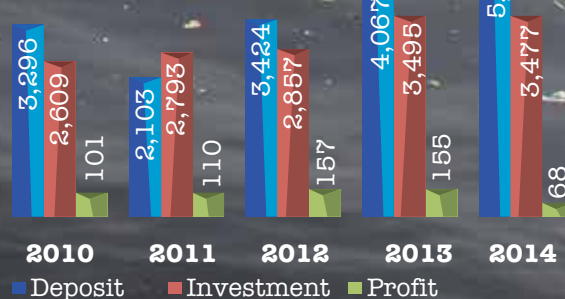
**Return on Equity (ROE)**



**Non Interest Income & Non Interest Expense**  
Million Taka



**Islamic banking**  
Million Taka



# Primary Brands products and services

## BRANDING

The corporate affairs & branding department was formed in September, 2011. Initially, the branding department focused on aligning the marketing / branding activities of all the important departments of the bank with a view to ensuring consistency of the Bank Asia brand. Eventually, the department stressed on re-branding of the Islamic window, retail deposit products, SME products etc. Gradually, starting from organizing important

business events like the AGM, EGM, annual business conference to improvising branch opening activities in and outside Dhaka were all conducted by branding in a befitting manner. In addition, branding team also launched new products through gala events working together as team with other departments. Among a number of activities that has earned the bank a very prestigious position in 2014 were the remodeling of the corporate website, re-designing of the credit cards etc.

## “PROBAHO” SME LOAN PRODUCT

During the year 2014, Bank Asia has signed an agreement with SME Foundation where Bank Asia will receive Tk.30.00 million from SME Foundation as Pre-finance for financing in Micro, Small & Medium Enterprises of Electric & Electronic products manufacturing cluster of Dhaka city and adjacent vicinity @ 9% interest rate under the product name of “Probaho”. Probaho is a collateral free single digit interest loans are given to the targeted entrepreneurs of Electrical Product Manufacturing Cluster located at Jurain, Shampur of Dhaka. This product is mainly for those small entrepreneurs who remain out of banking services due to lack of capacity, experience, documentation, collaterals etc. Under the credit wholesaling program Bank Asia will extend collateral free loans to Electric & Electronic manufacturing Micro, Small & Medium Enterprises up to Tk. 0.80 million. During the year 2014, Bank Asia disbursed Tk. 26.50 million under this product through its 40 number of accounts @ 9%.



Bank Asia financed  
Electrical goods  
manufacturing project  
under Probaho at Jurain,  
Shampur, Dhaka



## PAYONEER

For E-commerce development of the country, the Government of Bangladesh has put enormous emphasis as it entails far-reaching positive impact in the society. To make the service export related payments easier and cheaper for the beneficiaries in Bangladesh and to take banking services further ahead towards aligning with “Digital Bangladesh”. Bank Asia has come forward by making Strategic Alliance with OPGSPs. Bank Asia is the pioneer to set up strategic alliance with one of the world largest OPGSP “Payoneer” in October 27, 2014.

Payoneer is an online payment solution that allows users to transfer money and receive payments through the Internet. Since 2005, Payoneer has provided thousands of companies and millions of payees with multiple ways of payouts. Payoneer helps to empower global commerce by connecting businesses, professionals, countries, and currencies with its innovative cross-border payments platform. In today’s borderless digital world, Payoneer enables millions of

business and professionals from more than 200 countries to reach new audiences by facilitating seamless, cross-border payments. Through its service, freelancers can receive their earnings very quickly & easily. In our country about 1.5 lac freelancers are directly involved in exporting their services and routing their earnings of totaling \$ 134 million last fiscal year through different channels. Moreover, freelancers get daily exchange rate and a lower service charge for facilitating the repatriation of their remittances.

We expect remittance of \$ 18 million which shall be channeled through ‘Payoneer’ annually in the form of cash payout and crediting bank accounts. Mentionable that Bank Asia is the first and only Bank to set-up arrangement with OPGSPs in Bangladesh. With these arrangements with OPGSPs like ‘Payza’ and ‘Payoneer’; we hope to flourish further adding to the bottom-line of the Bank.



Dr. Atiur Rahman, Governor of Bangladesh Bank, launching the Online Payment Gateway Service (OPGSP) ‘Payoneer’



## AGENT BANKING

Agent banking provides banking and financial services to the under served population through engaged agents under a valid agency agreement, rather than a teller/ cashier. Agent banking is quickly becoming recognized as a viable strategy in many countries for extending formal financial services into poor and rural areas.

Agent Banking requires to overcome the following major constraints of financial inclusion:

- Long distances & Low population density: There are many areas where people and financial activity not enough to run a formal banking branch.
- High bank cost relative to income: Most of the unbanked

people have low income. Existing bank charges are high compared to their income.

- Low education & Illiteracy: Low educated and illiterate people cannot access existing financial services.
- Poor product/ channel design: Available financial products cannot cater all segments of the society as well as financial demands.

Bank Asia has taken initiative to overcome all those constraints by implementing Agent Banking in all districts of Bangladesh. Bank Asia has implemented 49 Agent outlets in 17 districts of Bangladesh.



Customer service provided by the Agent Banking booth of Bank Asia



## Transactions Details for the year 2014

SL.	Transaction Type	No. of Transaction	Amount of Trans. (Tk.)
1.	Deposit	25,299	342,610,594
2.	Withdrawal	14,769	307,622,601
3.	Fund Transfer	1,381	55,787,350
4.	Foreign Remittance	4,765	13,1034,148
5.	Utility Bill Payment	21,156	15,407,286
6.	Passport Fee Collection	4,262	14,404,900
<b>Total</b>		<b>71,632</b>	<b>866,866,879</b>

## Agent Banking Balance as on 31<sup>st</sup> December, 2014

SL.	Account Type	No. of Account	Current Balance (Tk.)
1.	Savings	13,540	62,362,043
2.	Current	980	19,552,015
3.	DPS	2,690	15,053,500
<b>Total</b>		<b>17,210</b>	<b>96,967,558</b>

Bank Asia is offering following services for agent banking:

- Account opening services
- Deposit
- Withdraw
- Transfer
- Inward Foreign Remittance
- e-Commerce
- Utility Bill Payment
- Social Safety Net cash payment
- Balance Inquiry
- Account Statement (mini)
- Insurance Premium
- Passport fee collection
- SME loan processing
- Agricultural Loan processing
- Retail Loan processing
- Support green banking initiative like Solar Home system

- Debit/ Credit card paper processing
- Card based transaction of any bank (Human ATM)

The agents are located across the country. The outlets will be used as e-Commerce hub. The producers may get services from agents for inventory management and product offerings. The agent will also help to deliver the products to the consumer. The agent is bridging the producer and consumers.

Bank Asia Agent Banking success depends on meeting the following objectives:

- Provide secured banking services to the un-banked people throughout the country
- Build agent booths all over the country and create financial service entrepreneurs
- Provide foreign inward remittance services to the families of expatriate Bangladeshies
- Provide facilities for utility bill payment, Passport fee payment, social safety net payment services, etc.
- Process Agricultural, SME & Retail loan from the agent points
- Enable e-Commerce services through the agent outlets from remote areas
- Promote school banking in the locality
- Financing solar home system and renewable energy sectors as a green banking initiative

Agent banking will play an important role for the financial inclusion of the unbanked population. In the years to come, Bank Asia will find new retail base in this area where banking will be done through remote access system like Mobile, POS, Agent etc. Bank Asia will emerge as a network bank throughout Bangladesh. Retail base is considered the only solution for sustainable low cost deposits as well as financial inclusion.



# Smart junior saver

## SCHOOL BANKING SMART JUNIOR SAVER

To expand the arena of banking service through developing relationship with next generation, Bank Asia is offering a school banking product from its Islamic Banking unit named Smart Junior Saver. It was launched in November 2011 on the eve of the 12th anniversary of the Bank. The product is designed specially for the children and students under 18 with a bundle of benefits. The benefits include higher Income Sharing Ratio, charge free account maintenance, free debit card for students, gift for intelligent/meritorious students & financial aid in case of earning guardian's death.

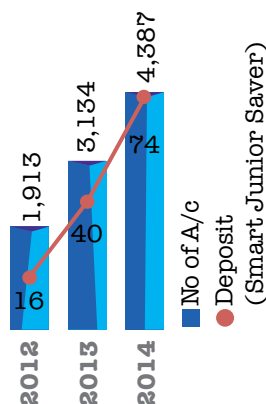
It familiarizes young generation with banking transactions and creates social awareness of savings habit among the

children. To popularize the product in the target market segment, Bank Asia is conducting different campaigns in different educational institutes. The Bank distributes prizes to students scoring bright result every year since 2012. It may be noted that to maintain the expenditure of scholarship/prize/ financial assistance related to Smart Junior Saver, a fund from Operating Profit of Islamic Banking is set aside on half yearly basis @ 0.25% p.a. on average daily balance of total deposit under the Smart Junior Saver. As on December 31, 2014, Bank Asia has more than 4,387 accounts (including MDPS) with

balance of Tk. 74.07 million.

School banking is a step towards financial inclusion and financial literacy goals taken by Bangladesh Bank, as it helps children learn about the banking system. Besides, it encourages children to develop the habit of saving. To explore the theme Bangladesh Bank initiated to organize School Banking Conferences at Divisional City and Greater District levels. In the year 2014, Bank Asia participated in the School Banking Conferences under guidance of Bangladesh Bank in Chittagong, Rajshahi, Khulna and Sylhet.

Ms. Titeersha Iqbal  
Nur of Excellent High  
School, Tongi Gazipur is  
receiving Certificate from  
Head of Islamic Window,  
Shantinagar Branch.





## MOBILE FINANCIAL SERVICES 'HELLO'

Offering a range of new and unique services, Bank Asia Limited has launched Mobile Financial Services "Hello", on May 17, 2014 with a view to carry on the global commitment towards financial inclusion and access.

Hello started with offering basic MFS features: Cash In, Cash Out, Fund Transfer, and Mobile Airtime Recharge along with innovative ones as well like inclusion of micro life insurance, micro saving products, and foreign remittance disbursement, utility bills payment, corporate salary payment, passport fees collection, and others. With increasing service coverage through distribution network expansion and incorporation of major Telecom Service providers resulting tapping of more customers, we aim to leverage these advantages to increase the revenue generation.

With distributors and agents covering the whole country, coupled with vast branch network offering the service, the Bank served 1, 87,621 customers through 12,677 agents of 80 distributors in 2014.

The bank is also preparing 'Hello' as the launch pad for rolling out some of our Unique Selling Products (USPs) so that customers have options to avail

those services using alternative channel other than core banking. Once these services are launched, they are expected to boost up both the transaction and revenue volume of 'Hello' which will eventually grab substantial MFS market share.

## DISCLOSURE ON PRODUCT PORTFOLIO

### Incorporation of environment risk in core risk management

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

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

## Introducing green finance

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

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

Our corporate clients should have ETP set up in their respective factories and if they do not have it then we may provide financing for setting up ETP. Consumer loan programs may be applied for promoting environmental practices among clients. Bank Asia is continuously working for awareness building regarding environmental and social risks and opportunities for it's borrowers as well as stakeholders. For relief of global

# Products and services

## Business Banking

- Overdraft
- Secured Overdraft
- Secured OD (Earnest Money)
- Working capital finance
- Loan against Trust Receipt
- Loan against Cash Incentives
- Bill discounting
- Loan Syndication and structured Finance
- Packing Credit
- Demand Loan
- Demand Loan (work order)
- Time Loan
- Transport Loan
- House Building Loan (Commercial)
- Term loan
- Lease Finance
- Letter of Guarantee
- Letter of Credit (Sight/Deferred/UPAS/EDF)
- Back to back Letter of Credit (Local & Foreign)
- Agriculture Financing
- Staff Loan (Car Loan, House Building Loan, Provident Fund Loan)
- Export Cash Credit

## Small and Medium Enterprise (SME)

### Term Loan

- Subidha - Unsecured Trading
- Sondhi - Secured Trading
- Sristi - Unsecured Manufacturing
- Shombridhi - Secured Manufacturing
- Shofol - Unsecured Service
- Sheba - Secured Service
- Probaho - Unsecured Trading/Manufacturing

## Over Draft

- Somadhan - Secured

## Special Products

- Utshob- Seasonal Business
- Subarno- Women Entrepreneur

## Credit Card

- VISA Platinum Card (with Priority Pass)
- VISA Classic Local Card
- VISA Classic Dual Card
- Visa Butterfly Card
- VISA Gold Local Card
- VISA Gold Dual Card
- Hajj Card
- Virtual Card
- Master Silver Card
- Master Gold Card
- SME Credit Card
- LankaBangla Card Cheque
- Gift Card

## Treasury

### Money Market

- Overnight Lending and Borrowing
- Repo and Reverse Repo
- Swap
- Sale and Purchase of Treasury Bill & Bond
- Placement of Fund
- Term Borrowing
- Investment

### Foreign Exchange

- Spot
- Forward
- Currency Swap

## Deposit Product

- Saving Account
- Current Account
- Short Notice Deposit
- Fixed Deposit
- Foreign Currency Account
- Deposit Pension Scheme
- Monthly Benefit Scheme
- Double Benefit Scheme
- Triple Benefit Scheme





For details  
**16205**

All branches and agent banking  
booths of Bank Asia are receiving  
**Passport Processing Fee.**



Online facilities:  
While filling up the online form, fees  
can also be deposited using  
• Debit Card • Credit Card  
• Bank Asia Internet Banking

- Bank Asia Sanchoy Plus
- Shonchay E Koti Poti

#### Islamic Banking

##### Deposit Products

- Al-Wadiah Current Account(AWCA)
- Mudaraba Savings Account(MSA)
- Mudaraba Special Notice Deposit Account(MSND)
- Mudaraba Term Deposit Account(MTDA) of different Tenure
- Mudaraba Hajj Savings Scheme(MHSS)
- Mudaraba Deposit Pension Scheme(MDPS)
- Mudaraba Monthly Profit Paying Deposit Scheme(MMPPDS)
- Smart Junior Saver(SJS)
- Cash Waqf

##### Investment Products

- Bai Murabaha Muajjal
- Hire Purchase Shirkatul Melk(HPSM)
- Musharaka
- Guard against Accepted Bills

#### Service Products

- ATM Services
- Remittance Service
- Locker Service
- Online Banking
- Internet Banking
- Phone Banking
- Mobile Banking
- SWIFT
- Centralized Trade Services
- Student File
- Travelers' Cheque
- E-Commerce
- E-Procurement
- Debit Card
- Contact Center (16205)
- Remote Banking (EBEK)
- Agent Banking
- Electronic Fund Transfer (EFT)

- Utility fees payment
- School, College & University fees collection
- Credit Card
- Machine Readable Passport (MRP) fees collection.

#### Off-shore Banking Unit (OBU) Products

- On-shore Import & Export Bill Discounting
- Working Capital Finance
- Trade Finance
- Loans & Advances to wholly foreign owned entities
- Term loan to local entities subject to BOI approval
- Nostro account services to other local banks

#### Capital Market Operation

- Trading (Buy-Sell) Services
- Margin Loan
- CDBL Services
- Research Services





One of the Solar powered branch of Bank Asia.



warming and air pollution, Bank Asia financed Tk. 75 million to BD Thai Cosmo Ltd. and disbursed Tk. 295.76 million to Nasir Energy Savings Lamp Ind. Ltd. Besides this, the Bank also financed Tk. 20 million to Sadma fashion for installation of Effluent Treatment Plant (ETP). In 2014, Bank Asia financed Tk. 15 million for installation of ETP at Bengal Fine Knitex Ltd.

## ASSESSING AND SCREENING ENVIRONMENTAL AND SOCIAL RISKS

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

EDD checklist guidance matrix:

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

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

## MONITORING CLIENTS' ENVIRONMENTAL AND SOCIAL COMPLIANCES

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

In 2014, Bank Asia financed Tk. 44.50 million in 8 projects to set up Zigzag chimney for better energy efficiency and lower emissions. We financed Tk. 410.01 million to Eeta & Tiles Ltd. and Tk. 147.31 million to H. Auto Bricks & Ceramics Ltd. for their brick manufacturing

businesses involved with energy efficient HHK/Tunnel Kiln technology.

## IMPROVING STAFF COMPETENCY FOR ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

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

We frequently arrange training/ workshops on ERM and green banking for our officers and executives. During 2014, total 49 training programs have been arranged by different departments regarding capacity building and awareness development program on 'Green Banking' in its own department. In addition, there are 4 external trainings was organized related to Green Banking & Environmental Risk Management, Reporting format of Green Banking activities, Financial inclusion, CSR and Green Banking.

As greening of mind, this year Bank Asia has provided four training on Green Banking under Foundation training course in its' training institute where a total of 72 staffs participated in this





Pick & drop facility availed by female employees of the Bank

training program. Our credit risk management (CRM) department has introduced e-sanction advice for the all approved credit facilities.

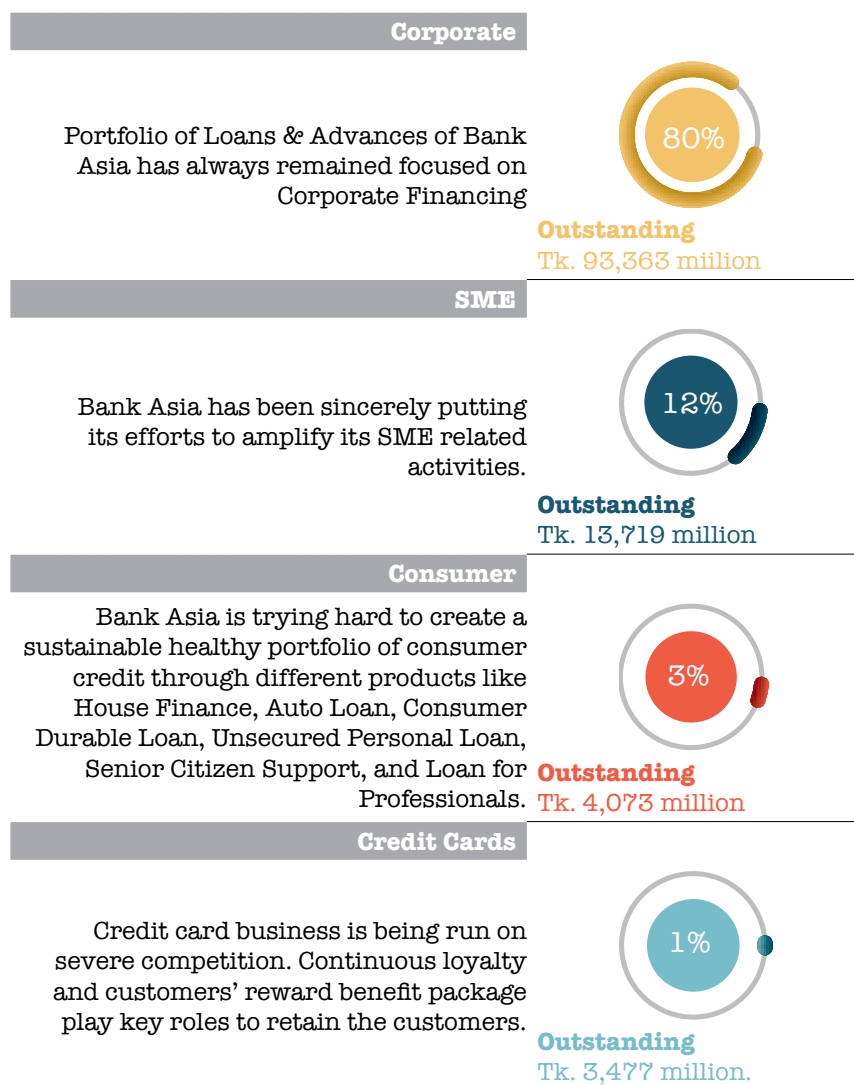
In addition to this, OCAS (Online Credit Approval System) has been developed as a part of technological improvement of the Bank. 46 branches of the Bank have been imparted extensive training on operation of OCAS in 2014. This system will reduce lead time, ensure accuracy, strengthen security and make accessibility easier. With successful implementation of OCAS, Bank Asia will make a great stride in online banking with an edge on its competitors. All the proposals of CACO (Corporate Assets & Client origination), MACO (Mid-market Assets & Client Origination), SME (Small & Medium Enterprise) & CFC (Consumer Finance Centre), specially one shot proposals are processing through OCAS.

## TRANSPORT

As part of environmental responsibility 13 out of 24 vehicles used for pick & drop facility and majority of the pool vehicles have been converted into CNG driven. Moreover, executives of the Bank are provided with car facility (298 cars) and they are encouraged to convert their cars into CNG driven (dual fuel). More than 80% of those cars have already been converted into CNG driven.

## BUSINESS PORTFOLIO

Business line wise loan outstanding summary of Bank Asia as on December 31, 2014 was as under:



Agricultural

To contribute in the rural development, Bank Asia has been working in Agricultural sector. In 2014 Tk. 2,416.69 million has been disbursed to serve 85,317 beneficiaries.

1%

Outstanding  
Tk. 1,114 million

Islamic

To achieve sustainable economic growth with justice & equity, and to serve a major segment of business under religious frame work Bank Asia now operating five Islamic Banking Windows.

3%

Outstanding  
Tk. 3,477 million

### REGION WISE PORTFOLIO

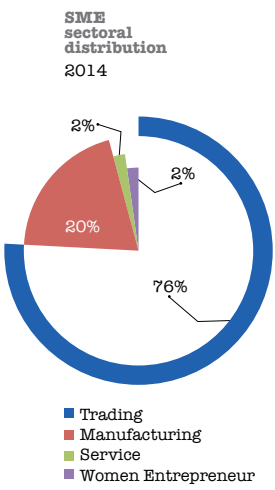
Division wise portfolio summary as on December 31, 2014 was as under:

Division	Million Taka			
	Urban	Rural	Total	%
Dhaka	79,086	4,527	83,613	71.58%
Chittagong	25,051	2,522	27,573	23.61%
Khulna	1,303	216	1,519	1.30%
Rajshahi	1,898	740	2,638	2.26%
Barisal	164	-	164	0.14%
Sylhet	900	301	1,201	1.03%
Rangpur	101	-	101	0.09%
<b>Total</b>	<b>108,503</b>	<b>8,306</b>	<b>116,809</b>	<b>100.00%</b>

### ECONOMIC ENVIRONMENTAL AND SOCIAL VALUE GENERATED THROUGH VARIOUS PRODUCTS

#### Small and medium enterprise (SME)

SMEs have historically made significant contribution in economic advancement of different countries. Due to its manifold significance in economic development, Bank Asia has taken SME financing very seriously with a view to contribute to the poverty eradication and employment generation. At the end of year 2014, the SME portfolio stood at Tk. 13,719 million.





## SECTORAL DISTRIBUTION OF CREDIT

The Bank's loans and advances portfolio increased to Tk. 116,808.85 million achieving a growth of 11.34%.

SL. No	Sectors/Sub-Sectors	2014		2013	
		Million Taka	% of Funded Loan	Million Taka	% of Funded Loan
1	Industries				
	Agriculture and Jute	1,579.11	1.35%	3,216.35	3.07%
	Cement	1,646.80	1.41%	1,046.49	1.00%
	Chemicals	1,207.93	1.03%	1,219.17	1.16%
	Electronics	392.81	0.34%	986.86	0.94%
	Food & Allied	6,878.99	5.89%	5,883.24	5.61%
	Paper	3,303.54	2.83%	3,583.73	3.42%
	Readymade Garments	6,128.24	5.25%	7,924.20	7.55%
	Real Estate	5,123.09	4.39%	3,947.28	3.76%
	Steel	11,851.85	10.15%	6,882.16	6.56%
	Textile	6,283.45	5.38%	6,985.00	6.66%
	Others	14,235.57	12.19%	15,264.79	14.55%
	Subtotal	58,631.38	50.19%	56,939.28	54.27%
2	Infrastructural				
	Power	1,498.71	1.28%	1,713.70	1.63%
	Telecom	339.40	0.29%	847.55	0.81%
	Construction	4,338.95	3.71%	3,232.80	3.08%
	Transport	3,420.20	2.93%	3,597.30	3.43%
	Sub total	9,597.26	8.22%	9,391.36	8.95%
3	Commercial Lending	37,105.86	31.77%	26,100.36	24.88%
4	Export Financing	1,765.30	1.51%	812.3	0.77%
5	House Building Loan	163.89	0.14%	204.98	0.20%
6	Consumer Credit Scheme	4,073.10	3.49%	3,326.87	3.17%
7	Small & Medium Enterprise (PPG)	2,675.51	2.29%	2,605.57	2.48%
8	Staff Loan	1,090.19	0.93%	814.29	0.78%
9	Credit Card	1,063.17	0.91%	951.9	0.91%
10	Non-Banking Financial Institutions	643.21	0.55%	3,764.36	3.59%
	<b>Total</b>	<b>116,808.85</b>	<b>100.00%</b>	<b>104,911.26</b>	<b>100.00%</b>

## Agricultural/rural credit

Bank Asia always thrives for financial inclusion through banking the un-banked. As part of this initiative we disburse very low interest agri/rural credit by its own network and NGO network to the low income groups like share croppers and marginal farmers etc. Till date total 362,161 farmers have received benefit under this scheme.

Paddy field  
financed by  
Bank Asia Ltd.



As on 31-12-2014 the status of the Agricultural/Rural Credit is as under:

Particulars	Million Taka		
	Own Network	NGO Network	Total
Disbursement (from 01-01-2014 to 31-12-2014)	755.46	1,661.23	2,416.69
Outstanding (as on 31-12-2014)	297.45	816.09	1,113.54
No. of beneficiary during 2014	3,969	81,348	85,317

## Financing solar home systems

Under a special finance program, in 2014, Bank Asia disbursed Tk. 0.04 million to 3 borrowers for installation of Solar Home Systems. This electrification program benefitted rural households by solar light. The aggregated households are 6,503 till now.

## Cultivation of maize, spice & oil-seed

During the period, we disbursed Tk. 3.88 million to 42 farmers in Bogra, Faridpur and Mohadevpur at 4% interest rate for cultivating pulse, oil seed, spice and maize directly through our rural branches. We are promoting and advertising this facility features through our branches to encourage the farmers.

## Financing Effluent Treatment Plant (ETP)

In 2014, Bank Asia has disbursed Tk. 15 million for installation of

ETP project  
financed by  
Bank Asia







Effluent Treatment Plant (ETP) that will help to reduce discharge of untreated factory waste water into the rivers.

### Financing environment friendly brick kiln

In 2014, Bank Asia financed Tk. 44.50 million in 8 projects to set up Zigzag chimney for better energy efficiency and lower emissions. We financed Tk. 410.01 million to Eeta & Tiles Ltd. and Tk. 147.31 million to H. Auto Bricks & Ceramics Ltd. for their brick manufacturing businesses involved with energy efficient HHK/Tunnel Kiln technology.

### Online payment gateway services

Multitudes of extremely talented Bangladeshis are earning foreign currencies by exporting services in nonphysical form e.g. data processing, off-shore IT service, software development, software customization, business process outsourcing (BPO) etc. Bank Asia is the first and only Bank to set-up arrangement with OPGSPs in Bangladesh like 'Payza' and 'Payoneer' to bring such hard earned money. It would give a strong competitive edge of Bank Asia over the other players in the market by catering the Banking need of an emerging sector. In 2014, we have served more than 69 beneficiaries

amounting Tk. 1.20 million through Payza and targeting to excel our service tremendously in 2015. Bank Asia started the operation of 'Payoneer Inc' on October 27, 2014 and we expect remittance of \$ 18 million which shall be channeled through 'Payoneer' annually in the form of cash payout and crediting bank accounts. With these arrangements of OPGSPs like 'Payza' and 'Payoneer'; we hope to flourish further adding to the bottom-line of the Bank.

### Audit of environmental and social compliances

The internal audit team under internal control and compliance department (ICCD) carries out audit & inspection of all branches and credit risk management (CRM) department at least once in a year and examine compliances of environmental covenants in the credit sanction memos along with other general reviews. Implementation of environmental and social policies and risk assessment procedures were also audited by external as well as Bangladesh Bank audit team every year. External auditors must cover 80% of total loan portfolio. On the other hand, the central bank covered 11 branches, OBU, 2 Islamic windows and corporate office business departments in their comprehensive audit and inspection in 2014.

### Policies for the fair design and sale of financial products and services

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

We are also committed to enhancing consumer financial capability and invest in ways to help our customers improve their financial decision-making. All our financial products are delivered by using various methods like direct selling, cross selling by branches as well as corporate office employees'. There are divisions among corporate clients based on the loan portfolio just to ensure timely and effective

services to our clients. In a way to keep pace with our objectives in mind, we have developed loan products policy. The policies are designed in a way that every rules can be well understood by the delivering channels i.e. branch as well as corporate office employees' to communicate to the customers in the most convenient way. Moreover, there are flexibility in the policies in a way so that our customers can get customized services according to their need as well as that can protect the interest of the bank.

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

### INITIATIVES TO ENHANCE FINANCIAL LITERACY BY TYPE OF BENEFICIARY

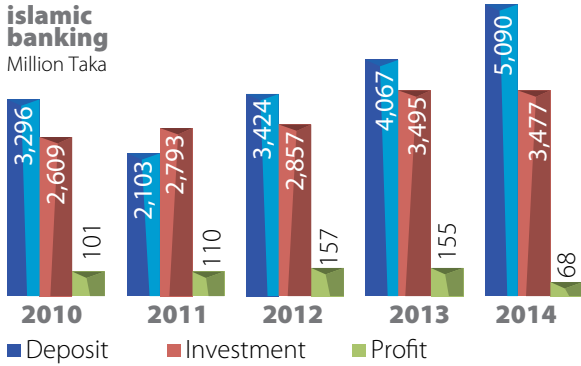
In addition to integrating better customer suitability in our product and service offerings, we are also committed to enhance the financial capability of our customers. We do this by providing insights, tools, and

advices to improve consumers' financial decision-making. By participating in various financial information fairs and formal/informal gathering with corporate customers, we try to support our customers in understanding the advantages and risks associated with financial products and services, as this can enable them to take decisions that are better adapted to their personal circumstances. Our financial experts are also taking part in various related seminars around the country where they are sharing their insights and recommendations.

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

### ISLAMIC BANKING SERVICES

Bank Asia commenced its much acclaimed islamic banking services in 2008 and the bank has 5 islamic banking windows in Dhaka, Chittagong and Sylhet divisions. We provide this service with the help of a separate Islamic banking software- Hikmah to provide real-time online banking service from our entire branches network through islamic banking service desk in every branch under salamah brand. ISR (income sharing ratio) based unique profit distribution system on mudaraba deposit has given our islamic banking services much acclaim and wide acceptance.





# Environmental performance

## ENERGY

### Energy Savings

Our new Corporate Office, where we have moved during the year 2011 has been designed to utilize maximum usage of natural lights, which reduces energy consumption substantially compared to other conventional building. Around one third of the bulbs being used in this office are of energy savings type. We are saving around 40% electricity (used for lighting purpose) by using the day light in our Corporate Office. Our electronic mail system has been operational since 2005, which is being extensively used for internal as well as external communication. Electronic communication substantially reduces paper consumption thereby reduce deforestation.

### Energy Consumption

Million Taka

Energy Type	2014
Electricity	66.80
Fuel & CNG	10.23

### Solar powered branches

We have installed solar panels in our 11 branches located at Patherhat, Madhobdi, Dohajari, Hajigonj, Faridpur, Elephant Road, Lalmatia, Sonaimuri, Bashabo SME service Centre, Bank Asia Bhaban & Nimtola Branch.

### Financing renewable energy and carbon offset projects

During the year 2014 we have disbursed agricultural credit of Tk. 2,416.69 million to 85,317 farmers, which helps sequestration of carbon.

### Reducing Energy & Resource Consumption

Instruments of Green Banking offered by Cards Division include E-Statement, SMS Banking,

SMS Alert, Net Banking, E Fund Transfer, and Digital Attendance and E Mail corresponding, which helps reducing printing paper. During 2014, our Cards Department through its digital filling system where 14,400 pages of total 1,800 files have been archived. During the period from January-December 2014 consumption of paper by Bank Asia is Tk. 14.61 million. Unlike every year, the Bank has planned to develop e-Cards for its stakeholders this year.

### Direct Energy Consumption by Bank Asia

	Consumption		Mega joules
Electricity	7,159,980	kwh	25,775,928.00
Diesel	10,342	ltrs	372,312.00
Octane	71,318	ltrs	2,282,176.00
CNG	177,478	m <sup>3</sup>	5,679,296.00
<b>Total</b>			<b>34,109,712.00</b>

### Energy Efficiency Table

Million Taka

Sl.	Instruments	Quantity	Cost of Conventional Practice	Cost of Green Banking Concept
1	E-Statement	245,700	2.46	-
2	SMS Banking	286,110	2.86	0.07
3	SMS Alert	522,720	5.23	0.13
4	Net Banking	116,530	1.16	-
5	E- Fund Transfer	60,070	0.60	-
6	Digital Attendance	730	0.01	-
7	E -Mail corresponding	175,840	1.76	-
<b>8</b>	<b>Total</b>	<b>1,407,700</b>	<b>14.07</b>	<b>0.20</b>

Net savings Tk. 13.87 million

Traditional Brick Kiln

## SOLAR HOME SYSTEMS

Bank Asia is committed to enlighten every rural home with green electricity. At present, only about 40% of the rural households in Bangladesh have access to grid electricity. For the rest of the areas are not connected to the national grid, life comes to almost a standstill there after sun-set. Giving priority in this sector, Bank Asia has been supporting to import and install solar home systems in the off grid area. During the year 2014, we have disbursed Tk. 0.04 million to 3 borrowers for installation of Solar Home Systems.

## ENERGY EFFICIENT- COMPACT FLUORESCENT LAMP (CFL)

As a part of our green banking activities, Bank Asia financed Energy Saving Lamp Industry. Energy Saving Lamp will reduce emission of CO<sub>2</sub> by replacing incandescent light which consumes 4 to 5 times more energy for same lumen. Each Energy Saving Lamp prevents production of 100 kg of CO<sub>2</sub>, a relief of global warming and air pollution. Bank Asia financed Tk. 75 million to BD Thai Cosmo Ltd. which intends to manufacture and assemble different types of power saving

electrical lights popularly known as Compact Fluorescent Lamp (CFL). Moreover, the Bank disbursed Tk. 295.76 million to Nasir Energy Savings Lamp Ind. Ltd.

## WATER USAGES

Bank Asia is very much conscious about efficient use of water. As a financial institution its use of water is already very much restricted. Major consumption of water is for drinking purpose. Our bank is also non compromising about ensuring pure and safe drinking water for its employees and visitors. But normal supply water in Bangladesh is not safe for drinking. Therefore, to overcome the situation every branches and corporate office are supplied with specially procured filtered mineral water. The management of the bank takes special care so that wastage of water is minimum. Total consumption is controlled by monitoring per employee drinking water cost per month. During 2014, Bank Asia spent Tk. 157.97 per employee per month for safe drinking water.

## WASTE MANAGEMENT

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

equipment, obsolete furniture & fixture and newspapers. Being a financial institution Bank Asia does not deal with any hazardous waste.

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

To reduce environmental pollution and operating costs as well as to achieve more effective compliance with legislation, Bank Asia financed for installation of Effluent Treatment Plant (ETP). In 2014, the Bank financed Tk.15 million for installation of Effluent Treatment Plant that will help to reduce discharge of untreated factory waste water into the rivers.

## GREENHOUSE GAS EMISSION

### Saving CO<sub>2</sub> emission

During 2014, Bank Asia implemented Video Conferencing System to connect with remote branches for strengthening relationship between Head Office and branches. By using the system, Management can save time and money as well as CO<sub>2</sub>e





Zigzag chimney of Brick Kiln

by avoiding long distance travel in order to attend meetings. Currently, the system has been implemented in few branches. The bank has a plan to cover all the branches under the system within 2015.

Bank Asia also published an advertisement in the Daily Star on the occasion of World Environment Day and granted Tk. 115,000 for building awareness of the people.

## REDUCING CARBON FOOTPRINT

Since inception Bank Asia has turned to eco-friendly banking as a way to lower carbon footprint in its' normal banking activities. As part of our commitment for our green economy we have signed a participation agreement with Bangladesh Bank under refinance scheme on August 10, 2011 for lending in solar energy, bio- gas, and effluent treatment plant & brick field using environment friendly technology like hybrid Hoffman kiln (HHK), Tunnel Kiln etc. technology. Bank Asia financed Tk. 410.01 million to Eeta & Tiles Ltd. and Tk. 147.31 million to H. Auto Bricks & Ceramics Ltd. for their brick manufacturing businesses involved with energy efficient HHK/Tunnel Kiln technology. For better energy efficiency and lower emissions, Bank Asia financed Tk. 44.50 million in 8

Bricks produced at HHK (Eeta & Tiles)



projects to set up Zigzag chimney in 2014 through Chatkhil, Sirajdikhan, Tarail, Gazipur, Kamalbazar and Mohadevpur branch.

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

Bank Asia in principle always averts financing in environment hazardous business. The bank has decided not to finance any tobacco related business, and all offices of the bank are declared smoking free zone. We incorporated environmental and climate change risk as part of the existing credit risk methodology prescribed to assess borrowers through Environmental Due Diligence (EDD) checklists.

Bank Asia Limited has been approved USD 40 Million for Global Trade Finance Program (GTFP) Guarantee facility & USD 30 Million for Short Term Finance (STF) facility by International Finance

Corporation (IFC). The programs will allow the bank to increase the volume and value of trade transactions with enhanced tenors and access to competitive pricing terms and in other way will enhance the global marketability of the Bank to the international confirming banks.

## Generally perceived negative covenants

- Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international bans, such as pharmaceuticals, pesticides/herbicides, ozone depleting substances, PCB's, wildlife or products regulated under CITES
- Production or trade in weapons and ammunitions
- Production or trade in alcoholic beverages (excluding beer and wine)



ATM



Mr. Md. Mehmood Hussain, President & Managing Director of Bank Asia and Ms. Inessa Tolokonnikova, Manager of Financial Institutions Group, IFC, South Asia are exchanging facilities agreement

- Production or trade in Tobacco
- Production or trade in radioactive materials
- Production or trade in unbounded asbestos fibers. This does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than twenty percent (20%)
- Drift net fishing in the marine environment using nets in excess of 2.5 km. in length
- Commercial logging operations for use in primary tropical moist forest
- Production or trade in wood or other forestry products other than from sustainably managed forest

## BANK ASIA AND GREEN BANKING

Since inception, Bank Asia has been committed towards safe, clean and green environment which is essential for our survival. As a Bank, we play an intermediary role between economic development and conservation of the environment. Our Green Banking activities are on multidimensional areas which include both in-house Green activities and external green activities towards supporting Green Economy.

The Bank's working environment encourages usage of e-mails, relying on online instructions for communication, extensive usage of energy savings bulbs

which shows bank's efforts towards supporting green banking activities. Our Green Banking Policy Guidelines and Green Office Guide have been circulated to all our employees for creating awareness on Green Banking activities & providing instructions about conserving energy, water, saving paper, etc. Bank Asia participated in "Green Bankers Conference 2014" and "Green Finance Conference 2014" organized by Bangladesh Bank. Bank Asia developed its own Environmental Policies and unified our sustainable operations under the "Green Banking Unit" equipped with permanent employees and reviewing by the Audit Committee of the Board.





Maximum use of daylight in the branches of the Bank

As greening of mind, this year Bank Asia has provided four training on Green Banking under Foundation training course where 72 staffs participated. During 2014 total 49 programs have been arranged by different departments regarding capacity building & awareness development program on “Green Banking”. In addition, 4 external trainings were organized related to Green Banking & Environmental Risk Management, Reporting Format of Green Banking Activities, Financial inclusion, CSR & Green Banking.

In view of highlighting our Green Banking activities and creating awareness amongst our stakeholders, our “Half Yearly Financial Position, 2014” incorporates Green Banking activities and a number of articles on Green Banking, sustainability reporting were published in different newspapers.

Bank Asia has introduced Thin Client / Virtual Desktop (required only 24W power) in few branches at Teller area dramatically reduce power consumption, Carbon emissions and space consumption as well as reduces electronic garbage significantly.

Like the previous year, Bank Asia has published ‘Sustainability Report 2013’ and awarded for

Most Impressive Report 2013 by NCSR (National Centre for Sustainability Reporting) Jakarta, Indonesia.

### Online Banking

Bank Asia has been one of the pioneers in introducing Online Banking and in 2014, it covers 91 branches, 6 SME centers, 97 own ATMs, more than 5,000+ shared ATMs and others. Clients can also have access to their accounts through Internet & Mobile Banking (Hello) via Smartphone’s which can be used for internet based applications for transactions. Online banking system is a great way to reduce wastage of paper.

Bank Asia has implemented most advanced solution in receiving WASA, DESCO bill payment and Passport fee collection systems through online system which enables payment in a smooth and hassle free manner.

In our banking system recently ‘e-Commerce’ has incorporated for its valued customer where account holders can shop online through internet banking, Debit Card or Credit Card with less expense & in faster time from any time anywhere. Through SSL, A/C holders of Bank Asia can purchase products & services from 175+ Merchant websites.

### Others

Bank Asia spent Tk. 104 million on different social project including message on International Mother Language Day, Bangabondhu Sheikh Mujibur Rahman Memorial Trust, different socio-cultural and religious program during the year 2014.

### Compliance

During 2014, Bank Asia has not faced any penalties for non-compliance with applicable laws and regulations concerning the impacts of its operations on communities.

### Green House Gas Emission Table

Source	Consumption	Co2 Emission
Electricity	7,159,980 kwh	6,229.18 tons
Diesel	10,342 ltrs	27.92 tons
Octane	41,318 ltrs	96.68 tons
CNG	177,478 m <sup>3</sup>	367.21 tons
Air Travel	2,762,030 km	237.30 tons
Road Travel	4,143,044 km	236.15 tons
Paper	28,574 reams	92.49 tons

#### Source

[www.carbonneutral.com.au/carbon-calculator.html](http://www.carbonneutral.com.au/carbon-calculator.html)

[www.eecabusiness.govt.nz/wood-energy-sources/co2-emission-calculator](http://www.eecabusiness.govt.nz/wood-energy-sources/co2-emission-calculator)



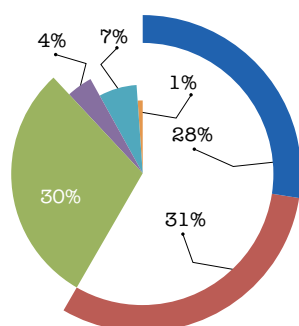
# Economic performance

## BANK ASIA'S VALUE ADDITION DURING 2014

Value added statement shows how much value (wealth) has been created by the bank through utilization of its capacity, capital, manpower and other resources and how it is allocated among different stakeholders like employees, shareholders, government etc.

In the year 2014, bank's net value addition was Tk. 6,493 million; 28% distributed to employees as salaries, 31% to shareholders as dividend & reserve, 30% to government as income tax and rest of the amount used for business expansion and growth.

value added statements  
2014



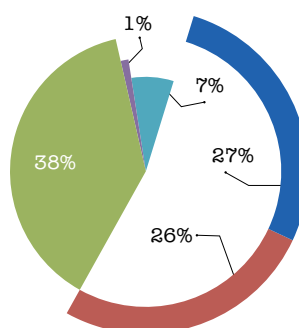
- To employees as salaries
- To providers of capital as dividend & reserve
- To Government as income tax
- Retained profit
- Depreciation
- Deferred Taxation

## Value Added Statements

Million Taka

Items	2014	2013
Income from banking services	20,386	19,672
Less: Cost of services & supplies	(12,331)	(12,415)
Value added by banking service	8,055	7,257
Non-banking income		
Provision for loans & Off-balance sheet exposure & others	(1,562)	(1,895)
<b>Total</b>	<b>6,493</b>	<b>5,362</b>

Distribution of value addition	Year			
	2014		2013	
	Amount	%	Amount	%
To employees as salaries	1,836	28%	1,462	27%
To providers of capital as dividend & reserve	1,988	31%	1,398	26%
To Government as income tax	1,947	30%	2,042	38%
To expansion & growth				
Retained profit	231	4%	62	1%
Depreciation	441	7%	379	7%
Deferred Taxation	51	1%	19	0%
	723		460	
<b>Total</b>	<b>6,493</b>	<b>100%</b>	<b>5,362</b>	<b>100%</b>



value added statements  
2013

- To employees as salaries
- To providers of capital as dividend & reserve
- To Government as income tax
- Retained profit
- Depreciation
- Deferred Taxation

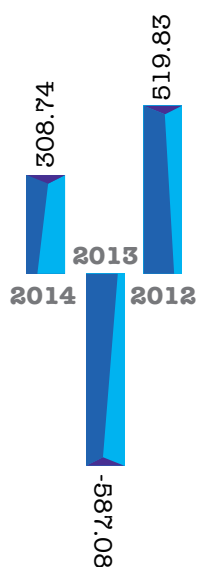


## ECONOMIC VALUE ADDITION DURING THE YEAR

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

### Economic Value added

Million Taka



## Economic Value Added Statement

Million Taka

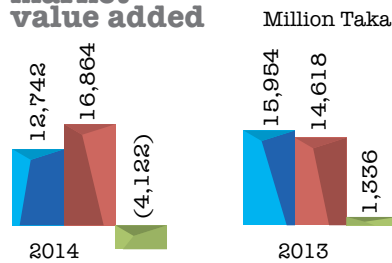
Particulars	Year		
	2014	2013	2012
Invested fund by shareholders			
Shareholders' equity	16,864.42	14,617.70	13,045.17
Add: Cumulative Provision for loans/ investment/ off-balance sheet items, offshore banking units & others	6,280.52	5,100.99	4,392.28
Total invested fund by shareholders	23,144.94	19,718.69	17,437.45
Average invested fund by the shareholders [A]	21,431.82	18,578.07	16,151.03
Earnings for the year			
Profit after taxation	2,218.69	1,459.82	907.99
Add: Provision for loans/ investment, off-balance sheet items and Offshore banking units	1,561.88	1,895.17	2,328.81
Less: written off during the year	471.38	1,341.14	455.83
Earnings for the year [B]	3,309.19	2,013.85	2,780.97
Average cost of equity (based on Shanchay Patra rate issued by the Government of Bangladesh) plus 2% risk premium [C]	14%	14%	14%
Cost of average equity [D= A x C]	3,000.45	2,600.93	2,261.14
<b>Economic Value Added [B-D]</b>	<b>308.74</b>	<b>(587.08)</b>	<b>519.83</b>



## MARKET VALUE ADDITION DURING THE YEAR

Market value added statement shows the difference between the market value of the bank and the capital contributed by shareholders i.e. book value of equity. During the year 2014, total market value of the bank was Tk. 12,742.10 million and total book value of equity is Tk. 16,864.42 million i.e. addition of market value was Tk. (4,122.32) million.

### market value added



- Total Book Value of Equity
- Market Value Added
- Total Market Value of Equity

## Market Value Added Statement

Particulars	No. of shares (in million)	Share price (in Taka)	(Taka in million)
Market value	763.00	16.70	12,742.10
Book value	763.00	22.10	16,864.42
<b>Market Value Added</b>			<b>(4,122.32)</b>

## CONTRIBUTION TO NATIONAL EXCHEQUER

Bank Asia 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 2014, the bank contributed Tk. 3,487.89 million to national exchequer.

## Contribution To National Exchequer

Particulars	Year	
	2014	2013
Income tax payment on bank's earnings	1,497.00	2,206.97
Income tax, VAT, and Excise duty deducted at source from various payment and services by the bank	1,932.67	1,982.34
Income tax payment by the employees	58.22	57.73
<b>Total Payment</b>	<b>3,487.89</b>	<b>4,247.04</b>

A 160 TEU container vessel being built at its shipyard for a local enterprise



## SUPPORTING SHIPBUILDING BY BANK ASIA

Bangladesh has been emerged as a new global destination for oceangoing shipbuilding industry and local shipbuilders eye to bag one percent of the global market for small ships that sizes about USD 400.00 billion. And it is our





Bank Asia's participation in the SME Banking match making Fair 2014

pride that Bank Asia has got ties with Western Marine Shipyard Ltd. (WMSHL), the country's premier shipbuilder, since 2005.

Apart from continued support to Western Marine Shipyard Ltd., the premier and leading shipbuilder of the country, through regular credit facility of Tk. 1,090.00 million and specific finance of Tk. 1,700.69 million against contracts with JGH Marine A/S, Denmark and Chittagong Dry Dock Ltd., the Bank has recently financed the contract with JSW Jaigarh Port Ltd. [an enterprise of JSW Group that is a part of O.P. Jindal Group], India for construction of two RSV Type IV Bulk Carriers with contract price of USD 12.43 million equivalent to Tk. 969.54 million. The Bank is eyeing to render more support for the country's shipbuilding in the near future as Western Marine Shipyard Ltd. is set to build 6 bulk carriers in a row of two in the first phase out of the contract

signed with JSW Group for 10 bulk carriers worth USD 62.15 million prompting it considerably be the highest worth contract ever signed with an Indian venture.

## SUPPORTING THE ENTREPRENEURS THROUGH SME SERVICE CENTERS

A key agenda of our fair banking is reaching more people with a wider array of financial solutions. Our commitment in providing financial service to any viable business of any size or nature drives us in flourishing in Corporate, Agro/SME financing etc. Our SME banking service is playing a key role in making sure that our service reaches to all stratum of society. With 6 SME Service Centers & 91 branches in urban & rural areas Bank Asia provides its services for promoting and expansion of businesses which ultimately

created productive new off-farm employment during 2014 Bank Asia disbursed SME loan of Tk. 20,514.20 million

We continue to support the promising small entrepreneurs till last year through SME and micro financing and other sophisticated products and services tailored to their specific needs, impacting the lives of mass people.

## EMPOWER COMMUNITIES THROUGH AGRICULTURE/ RURAL CREDIT

Bank Asia has disbursed Tk. 2,416.69 million (Tk. 755.46 million through own network and Tk. 1,661.23 million our NGO Network) as short and long-term credit in agricultural/ rural sectors during 2014. This financing helped to create enormous employment opportunities in farms, especially in the fields of crops & fisheries. Total number of beneficiaries was 85,317.

We introduced 4 fully agricultural branches to widen the access to finance and assist our agro community with the most specialized and innovative banking solution available.



EBEK Projects



Cultivated  
potato  
financed by  
Bank Asia  
Ltd.

## FINANCIAL INCLUSION IN ECONOMICALLY DISADVANTAGED AREAS

### EBEK (Ektee Bari Ektee Khamar)

Bank Asia limited is the leading Bank of implementing Ektee Bari Ektee Khamar (EBEK) a government project for the ultra-poor people of Bangladesh focusing Poverty eradication and reducing poverty level up to 10% within 2021. Bank Asia started Ektee Bari Ektee Khamar in June 2012. With online banking services through this EBEK project to unbanked people with good reputation in Bangladesh. Bank Asia is now operating EBEK Banking services in 35 districts having 252 upazillas and serving more than 1,055,579 beneficiaries under this project.

### EBEK Services at a Glance

Particulars	December- 2014	December- 2013
Districts	35	32
Upazila	252	231
Union	2,424	2,251
Villages	21,816	20,259
No of Agents	448	347
No of Samitees	21,816	20,243
Total Beneficiary enrolled	1,055,579	601,352
Total Transactions (Tk.in million )	14.50	0.22
Government Grant Disbursement (Tk. in million)	2,352	882.46
Number of Loan Disbursement	600,000	93,127
Total Deposit (Tk. in million )	5,216.00	2,034.74



Bank Asia  
financed  
Project  
through  
EBEK





Agent Banking Booth



## AGENT BANKING

Bangladesh bank decided to promote the poor segment of the society with financial services especially geographically dispersed locations. Bank Asia has also taken initiative to implement Agent Banking in all districts of Bangladesh. Bank Asia has implemented 49 Agent outlets in 17 Districts. Within short time the deposits amount of the transaction become Tk. 342.61 million. Within the aim of agent banking implementation, 64 districts, 485 upazilas, 4,146 unions and 68,000 villages where 6 million account holders will avail their banking services in 5,000 agent points by 2015.

A Rouf Chowdhury, Chairman of Bank Asia Ltd. launches the bank's Agent Banking outlet at Sholla Bazar, Nawabganj



## MOBILE FINANCIAL SERVICES 'HELLO'

Offering a range of new and unique services, Bank Asia Limited has launched Mobile Financial Services "Hello", on May 17, 2014 with a view to carry on the global commitment towards financial inclusion and access.

Hello started with offering basic MFS features: Cash In, Cash Out, Fund Transfer, and Mobile Airtime Recharge along with innovative ones as well like inclusion of micro life insurance, micro saving products, and foreign remittance disbursement, utility bills payment, corporate salary payment, passport fees collection, and others. With increasing service coverage through distribution network

expansion and incorporation of major Telecom Service providers resulting tapping of more customers, we aim to leverage these advantages to increase the revenue generation.

With distributors and agents covering the whole country, coupled with vast branch network offering the service, the Bank serves 1, 87,621 customers through 12,677 agents of 80 distributors in 2014.

The bank is also preparing 'Hello' as the launch pad for rolling out some of our Unique Selling Products (USPs) so that customers have options to avail those services using alternative channel other than core banking. Once these services are launched, they are expected to boost up both the transaction and revenue volume of 'Hello' eventually grabbing substantial MFS market share.

## FOREIGN REMITTANCE

Total inflow of Inward Remittance of Bank Asia in 2013 was USD 536 million (Taka 41,732.50 million), a 21.82% growth over the previous year. Bank Asia's position is 8th in 2014 in comparison with 9th in 2013 among all banks in Bangladesh.

First ever in Bangladesh history,

Bank Asia started to disburse remittance from retail shops like Singer (Bangladesh) Limited on May 14, 2014 initially from its nationwide 370 locations. In addition we have launched Foreign Remittance software “e-Remit” in 2014 for the departmental automated operation. Gradually, we have included all branches Direct Account Credit, BEFTN and ELDORADO through e-Remit. FRD has been successful in yearlong pursuit to introduce for the first time in Bangladesh D2B (Direct-to-Bank Account) Western Union Account Credit Service. Under this arrangement, WU have agreed to route Account Credit Payments from all over the world to all banks in Bangladesh through Bank Asia. Bank Asia is the first and only Bank to set-up arrangement with OPGSPs (Online Payment Gateway Services) in Bangladesh like ‘Payza’ and ‘Payoneer’. It

would give a strong competitive edge to Bank Asia over the other players in the market by catering the banking need of an emerging sector.

## COMMUNITY INVESTMENT STRATEGY

### Indirect economic impacts

As one of the leading financial services provider in Bangladesh, Bank Asia has an extensive role in the economy and society. Bank Asia 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. In particular, Bank Asia is a major supporter of SMEs across Bangladesh and invests in community programs, which enable youth and

those less fortunate, to create brighter economic futures for them. During 2014, Bank Asia disbursed SME loan of Tk. 20,514.20 million.

### Financial assistance from government

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

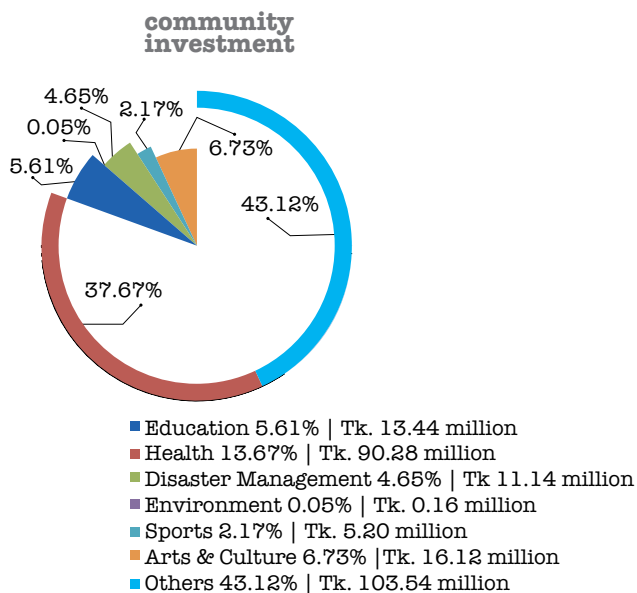
### Community investment

One of the major strategic focuses of Bank Asia to attain sustainability is giving back to the community where it operates through donations under its corporate social responsibility (CSR) programs. Bank Asia’s CSR expenditures (donations) have consistently grown in last couple of years. In the year 2014 its CSR expenditures were Tk. 239.84 million, which was 80.% higher than previous year. All the donations made under CSR program had noble social cause. Bank’s stakeholders were immensely benefitted by way of its community based social programs; education support health support, disaster management, environment, patronizing sports, art & culture and others.



Launching of payment through retail outlets of Singer Bangladesh Limited





## COMPLIANCE

Bank Asia is very much conscious about legal and regulatory compliances. The bank reports regularly to the central bank, the Bangladesh Securities and Exchange Commission, tax & VAT authorities on required compliance issues. During 2014, the bank has not faced any significant penalties for non-compliance with applicable laws and regulations for running its economic activities in Bangladesh.

## grievance handling policy

With a view to resolve undesirable issues at the workplace in the most effective manner Bank Asia has formally promulgated Grievance Handling Policy in 2014. The policy equally applies to all permanent and contractual employees for grievances related to promotions, transfer and posting, compensation package, incentive bonus, working environment etc. Under this policy complaints are resolved informally where possible, and through a formal grievance procedure where necessary.

## female anti harassment policy

Bank Asia follows a zero tolerance approach to harassment of any kind to any female employees as the Bank feels harassment seriously weakens the working atmosphere. The policy guides about personal measures of affected female employees in addressing a complaint, role of management, investigation procedures and disciplinary measures. The policy also guides management about its role in case of false complaint.

# Sustainable HR development

## EMPLOYEE PROFILE

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

## SALARY POLICY

We target a fair human resources management by using a performance based system. Our salary policy is the same in all branches and service points for the beginner level. In addition, to drive further development of individual skill sets and competencies, speaking foreign languages is compensated. There is no incident of discrimination has been occurred in terms of remuneration provided to male and female employees.

## BENEFITS TO EMPLOYEES

Every employee is paid salary on monthly basis, which is a combination of basic salary, fringe benefits and other benefits disbursed on 25th of each month or previous working day if 25th is holiday. Bank Asia's benefit schemes are as follows:

### Fringe benefit schemes

- House rent allowance
- Conveyance allowance
- Medical allowance
- Entertainment allowance
- House maintenance allowance
- Utilities allowance
- Car maintenance allowance

### Other benefit schemes

- Group health insurance
- Benevolent
- Leave fare assistance
- Furniture allowance
- House building loan (HBL)
- Car loan
- Provident fund loan
- Mobile phone allowance (talk time)
- Mobile handset allowance
- Ex-gratia payment

### End service benefit plans

Bank Asia provides the following benefit plans to its employees on severance or retirement according to individuals' entitlement

- Provident fund
- Gratuity
- Superannuation
- Leave encashment

## MINIMUM NOTICE PERIOD REGARDING OPERATIONAL CHANGES

Minimum notice period before switching job is 3 months for regular employees and 1 month for contractual employees. Minimum notice period before changing department is 1-30 days as per situation or demand of concern branch/department.

## TOTAL EMPLOYEE

Out of total 1,773 employees, 440 employees are female and rest 1,333 employees are male. As such, a profound commitment to balanced gender mix of employees is reflected in the Bank's employment policy and service rules. All employees are permanent in nature. But support staffs like messengers, cleaners, security guards are recruited through outsourcing. Besides this, some specific departments like Alternative Delivery Channel (ADC), Consumer Finance, Cards, SME, Islamic window employ ARO (Assistant Relationship Officer) who can be treated as contractual employee and the number was 317 in 2014. Bank's employees are mainly concentrated on branches in terms of number and in 2014 total employees' composition in branch and corporate office was 74% and 26% respectively.

### Total employee distribution

Offices	2014		2013	
Corporate office	466	26.28%	434	27.12%
Branches	1,307	73.72%	1166	72.88%



## NEW EMPLOYEE

262 new employees were recruited during 2014, among which 74% for branches as a part of network expansion of the bank and remaining 26% for corporate office to ensure effective and timely support to branches.

## EMPLOYEES BY DIVERSITY

Bank Asia ensures equal opportunity as an employer irrespective of locality, gender or ethnicity. Local employees (99.66%) dominated in diversity composition.

## EMPLOYEES BY REGION

Bank's employees are mainly spread over to Dhaka and Chittagong. It retains the highest number of employees in Dhaka, which was 86.15% in 2014 for corporate office and branches in Dhaka city.

## GENDER POSITIONING

Bank Asia has been maintaining a very balanced male and female ratio, which was not only reflected in the board of directors but also in the bank management at different levels. Among our female colleagues 1 is in top level management, 15 in mid level and 424 in low level management.

## New Employee distribution

Offices	2014		2013	
Corporate office	69	26.34%	54	25.71%
Branches	193	73.66%	156	74.29%

## Employee distribution by diversity

Offices	2014		2013	
Local	1,767		1,595	
Indigenous	6		5	

## Employee distribution by Region

Region	2014		2013	
Dhaka	1,269		1,144	
Chittagong	335		299	
Sylhet	68		66	
Rajshahi	43		39	
Barisal	7		8	
Khulna	45		38	
Rangpur	6		6	

## Gender positioning of directors

Board Level	2014		2013	
	Male	Female	Male	Female
Directors	10	5	9	5

- No minority group membership in the Board
- All the directors are local, no indigenous individual sits in the Board

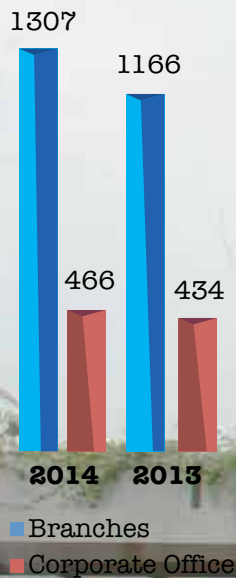
## Gender positioning of employees

Management Tier	2014		2013	
	Male	Female	Male	Female
Top Level	33	1	30	1
Mid-Level	245	15	206	13
Low Level	1,055	424	940	410

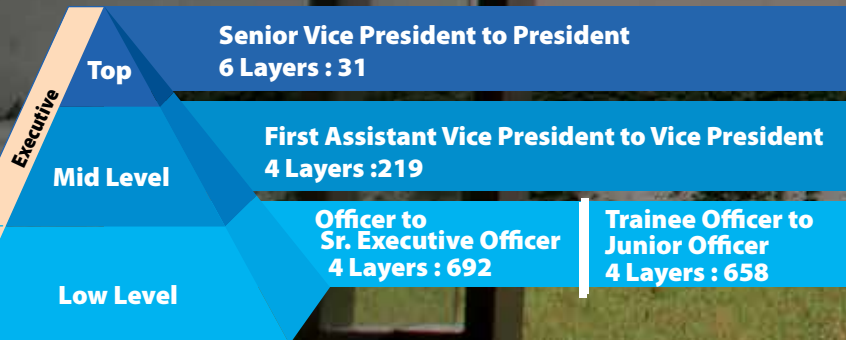
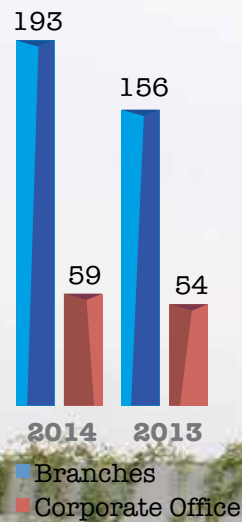


# Human capital distribution

## Total Employee Distribution



## New Employee Distribution



295

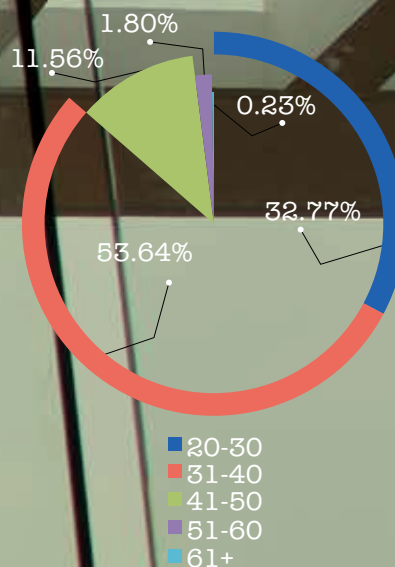
claims of Insurance received of Tk. 19.07 million in 2014



111

female employees availing pick and drop facilities among 320 non-executive female employees in Dhaka region

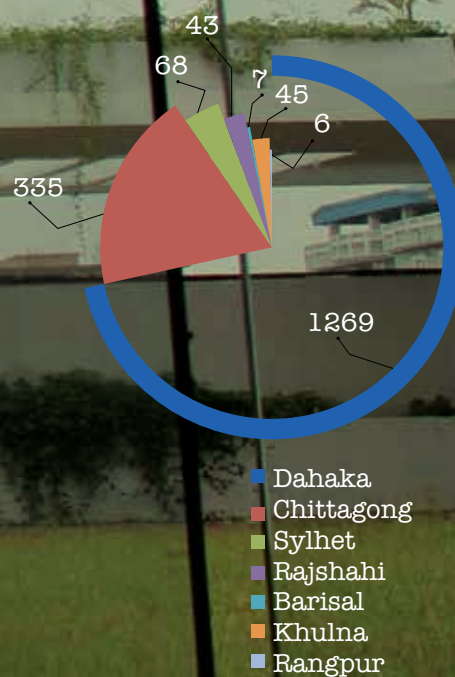
## Age Distribution



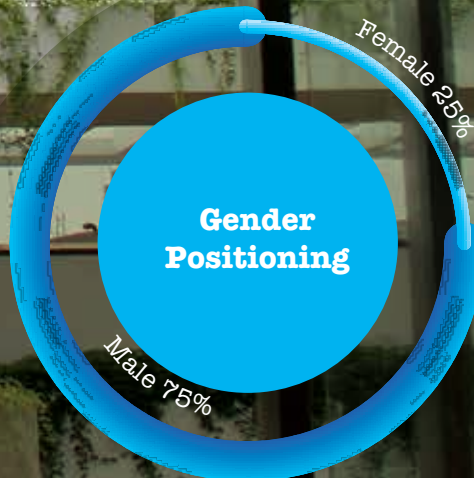
## Employee by Position



## Regional Distribution of Employees



## Gender Positioning



Male employees are dominating executive level which is around 95%. Comparatively female employees mainly belong to nonexecutive level and holds 29%. 86 % of staff members are aged below 40 years which signifies that Bank Asia is in young, dynamic and capable hands.

## AGE DISTRIBUTION

As mentioned in page 22-25 Board of Director's plays key roles in corporate governance of the bank, i.e, Board is the highest governance body.

## EMPLOYEE TURNOVER RATE BY GENDER

Male and female employees turnover rate is almost equal in terms of percentage. Overall employee turnover rate is very low in the Bank which is around 3.44% of total employees in 2014.

## EMPLOYEE TURNOVER RATE BY REGION

Male and female employees' turnover rate is almost equal in terms of percentage. Overall employee turnover rate is very low in the Bank which is around 3.44% of total employees in 2014.

## Gender positioning by position

Position	2014		2013	
	Male	Female	Male	Female
Executive	278	16	236	14
Non-Executive	1,055	424	940	410

## Gender positioning by employment level

Employment Level	2014		2013	
	Male	Female	Male	Female
Parmanent	1,333	440	1,176	424

## Age Distribution of Employees

Age Group	Male	Female	Total
30 & Below	417	164	581
31-40	692	259	951
41-50	190	15	205
51-60	30	2	32
61+	4	0	4
Total	1,333	440	1,773
Percentage	75%	25%	100%

## Turnover Rate of Employees by Gender

Gender	2014		2013	
	No.	%	No.	%
Male	47	3.53%	64	3.78%
Female	14	3.18%	26	1.53%

## Turnover Rate of Employees by Region

Region	2014	2013
Dhaka	45	67
Chittagong	12	16
Sylhet	0	3
Rajshahi	0	0
Barisal	0	0
Khulna	2	4
Rangpur	2	0



## PERFORMANCE MANAGEMENT SYSTEM

Bank Asia is solely depending on the contribution of its existing talents. From the year 2013, Bank Asia introduced a real-life SMART KPI to evaluate the contribution of all individuals in a transparent manner to assess quantitative and/or qualitative performance vis-à-vis set target of a given year. We have infused 80/20 strategy in performance measurement system; as such 80% Objective and 20% Organizational & Personnel behavior factors are introduced. The benefits of using KPI are the followings:

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

## PARENTAL LEAVE

Return to work after parental leave is 100% for both male and female.

### Maternity leave

As per bank's policy, any employee who has been in the continuous service of the bank for at least one year is entitled to get 6 months maternity leave with regular salary and allowances. An employee can avail this leave more than two occasions during the entire period of service. The employee's annual KPIs (Key Performance Indicators) and thereby increment, promotion are not affected for this long term leave.

### Maternity leave availing in 2014

No. of female employees	Average leave at a stretch
40	7 Months

### Paternal leave

As per bank's policy, any employee who has been in the continuous service of the bank for at least one year is entitled to get 5 working days paternal leave. An employee can avail this leave more than two occasions during the entire period of service. In 2014, every entitled employee has availed paternal leave facility.

## LEARNING & DEVELOPMENT

Knowledge & skill development is a continuous process and to keep our employees abreast of all the latest developments in the banking sector, the bank continues to organize training & workshop to the officers & executives in an effort to improve their professional efficiency. The bank always lays the highest importance on training of its employees as a continuous process of human resources development.

Bank Asia is maintaining its own training institute which is equipped with all modern study aid and course materials.

52,584

man hours of training for human capital development



# Human capital

Bank Asia has always been very vibrant about human capital management and cautious to set up HR applications and best practices for developing employee talent and leveraging employee skills in the organization. Bank Asia significantly considers human resources management at corporate level, professional level, social level and overall national level. In this process Bank Asia tries to identify and report investment made in human resources.

The total value of Human Capital has been ascertained Tk. 12,031 million in the year 2014 and Tk. 10,205 million in 2013 in present value of future earning model (Lev & Schawrtz) by discounting total benefits payable to employees, which was considered minimum expected earnings from them up to retirement.

40

Female employees availed 8,400 days maternity leave during 2014

## staff strength



Category wise break down is presented in the table below:

Million Taka

Category	2014			2013		
	No. of Employee	Per Capita Value	Total Value	No. of Employee	Per Capita Value	Total Value
Executive	294	12.89	3,791	250	12.71	3,177
Officers	1,479	5.56	8,227	1,350	5.20	7,018
<b>Total</b>	<b>1,773</b>		<b>12,018</b>	<b>1,600</b>		<b>10,195</b>

Golden fibre of Bangladesh and traditional method of jute processing



As per model we have capitalized the total value of employees as Human Capital. 17.89% growth in the value of human capital in 2014 over 2013 was due to net addition of 173 head counts of experienced and fresh recruitments that was required for the expansion of the business and for ensuring the better quality of the service and customer satisfaction. In this process Bank Asia increased its year to year training expenditure to excel employee performance.

## Balance Sheet Including Human Capital

abridged for banking operation

Million Taka

	31-Dec-14	31-Dec-13
<b>Assets</b>		
Cash	10,951	9,709
Balance with other banks	743	1,363
Money at call & short notice	300	-
Investment	38,683	33,933
Loans & Advances	116,809	104,911
Fixed Assets	5,214	5,288
Human Assets:		
Individuals' value	12,018	10,195
Value of investments	13	9
Other assets	10,031	8,573
<b>Total Assets</b>	<b>194,762</b>	<b>173,983</b>
<b>Capital &amp; Liabilities</b>		
Borrowing	7,846	1,945
Subordinate bond	449	600
Deposits	140,869	133,489
Shareholders' equity	16,864	14,618
Human Capital	12,031	10,205
Other liabilities	16,702	13,126
<b>Total Capital &amp; Liabilities</b>	<b>194,762</b>	<b>173,983</b>

## Training by gender

Gender	2014		2013	
	Persons	Hours	Persons	Hours
Male	2,231	39,766	1,354	24,538
Female	712	12,818	389	7,685

## Training by position

Position	2014		2013	
	Persons	Hours	Persons	Hours
Executive	518	8,914	340	3,887
Non- Executive	2,425	43,670	1,403	28,336

## Training by different institutes

Particulars	Year 2014	
	Persons	Hours
In House Training	2,611	46,520
Bangladesh Bank	70	840
BIBM	55	1,104
Overseas / Foreign Training	17	496
Training by other institute	190	3,624
<b>Total</b>	<b>2,943</b>	<b>52,584</b>

Bank has organized 4 (four) foundation training courses each 3 weeks long for entry level employees to improve knowledge base and proficiency in banking.

## LEARNING VALUE CHAIN

LVC is a value creation framework for learning and knowledge enhancement as strategic levers.

Bank Asia believes that without proper training the value of human capital can never be

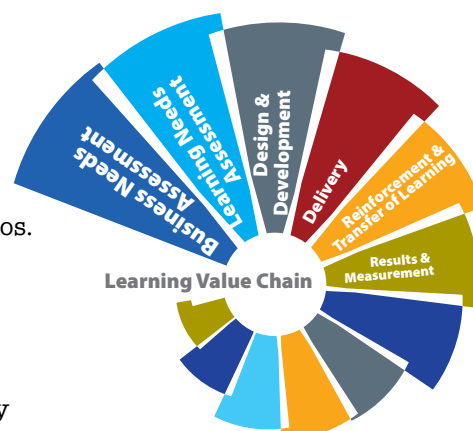
augmented. Considering this the bank has arranged 52,584 man hours of local and foreign training in 2014. Some of the major trainings are referred below:

- Prevention of Money Laundering and Combating Financing on Terrorism- 15 nos.
- Foundation Training- 4
- OCAS, Credit & Credit Risk Management & loan Documentation-14
- Foreign Exchange & Foreign Trade including Documentary

- Credit ,UCP - 600 & ISBP-17
- BEFTN, Policy, Guidelines & Operation-5
- Treasury operation & Fund Management in Banks-5
- Customer Service Intelligence -4
- Islamic Banking-7
- Green Banking- 6
- Managerial Competence & Leadership Development-4
- Integrated Supervision System-3
- Corporate Governance & Internal Control & Compliance-3

## SUSTAINABILITY TRAINING

As greening of mind, this year Bank Asia has provided a number of training on Green Banking under Foundation training course in its' training institute. A total of 72 staffs participated in this training program. During 2014 total 49 programs have been arranged by different departments. Among





all the knowledge development initiatives the followings are significant:

- For highlighting Green Banking activities and creating awareness amongst the stakeholders, our “Half Yearly Financial Position, 2014” incorporates Green Banking activities which reflect the major activities of Green Banking and the key activities of Sustainable Banking Operations.
- The Articles on Green Banking, sustainability reporting were published in different newspapers which reflect our Green initiatives to our employees, our stakeholders and all subscribers of those newspapers.
- One of our employees of Bank Asia Ltd. attended a GRI G4 Certified Training on Sustainability Reporting at Kuala Lumpur, Malaysia from May 6-8, 2014 jointly organized by NCSR (National Center for Sustainability Reporting), Jakarta and SHEMSI (Safety, Health and Environmental Management Services International), Malaysia.
- Commitment to sustainability reporting development

As per Bangladesh Bank policy on green banking, banks are to publish independent sustainability report as per GRI format under the third phase.

Mr. Imran Ahmed, FCA, CISA who is also a Certified Sustainability Reporting Specialist had been invited by Singapore Compact for CSR as one of the speakers at the 6<sup>th</sup> International Singapore Compact CSR 2014 Summit held on October 16-17, 2014 at Marina Bay Sands, Singapore. The theme of the summit was “CSR: For Sustainable Growth- Balancing Profit, People & Planet”. Mr. Ahmed’s session was on the second day of the summit where he spoke on measuring and reporting of sustainability returns, drivers and roadblocks of sustainability reporting and why business are still undecided on reporting.

Speaker  
in the 6th  
International  
Singapore  
Compact CSR  
2014 Summit in  
Singapore



## OCCUPATIONAL HEALTH, SAFETY AND ENVIRONMENT

Board and management of Bank Asia strongly believe safe & healthy work place is a precondition for sound mentality of employees to deliver desired services to valued customers. So the bank is very careful about ensuring modern, healthy & safe workplace for its employees. All the branches, SME service centers and SME/agriculture branches and every department of corporate office are well decorated having sufficient breathing spaces. A team of logistics supports and services department of the bank is specially entrusted to visit regularly to monitor cleanliness, safety measures and other amenities remains ensured in all outlets. If found any deviation, take prompt steps and thus ensuring modern, healthy and safe workplace for its employees.



## HUMAN RIGHTS, CHILD LABOR & OTHER ISSUES

Human Right issue is particularly relevant for organizations that operate in industries/regions where the protection of human rights is of significant concern. As this is a significant concern for a business to be sustainable in long term, we integrated the human right issue in all our economic decisions. Including human right provision in all kinds of investment agreements is a part of our strategy to reduce the risks of investment. And also we do not make any investment agreements and contracts that violate human rights. Bank Asia also does not tolerate child, forced or compulsory labor. In 2014, no incident of discrimination and violation involving rights of indigenous people and forced & child labor has been recorded.

### Anti corruption training

AML/CFT Training	Number of employees attended on AML/CFT training
Training organized by Anti Money Laundering Department including refresher training	1566
Training with Foundation course and other related courses	619

## ANTI MONEY LAUNDERING TRAINING

Bank Asia is committed to preventing money laundering and terrorist financing. We recognize our obligations to prevent the financial channels and products from being used by money launderers and terrorist organizations for illicit purposes. Bank Asia is also against any actions of soliciting, collecting or provisioning funds that come with the intention to support terrorist acts or organizations. To create AML & CFT awareness, our employees have attended 12 AML training courses where 514 officials are attended. Anti Money Laundering Department (AMLD), Corporate Office always arranges and conducts AML workshops to train all the employees of our Bank and more than 96% of total employees (Branch/Corporate Office) obtained AML & CFT related training. As a result, officials become aware and conscious regarding AML & CFT matters.

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

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

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

Selection of supplier is managed centrally by the corporate office. The bank applies its own policy and practice for selecting these suppliers. It mainly takes into account the following criteria before selection:

- Status of compliance with government rules and regulation by the suppliers.
- Our bank doesn't make any collaboration with suppliers





Bank Asia is against child, forced or compulsory labor

that employs child labor, creates environmental hazards, violates human rights etc.

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

## STATEMENT ON COMPLIANCE

In the year 2014, Bank Asia has been able to comply with all the regulations of Bangladesh government regarding use of product and services, information about product and services, marketing, communications, advertising, promotion. No incidents of fines/ penalties have been recorded this year concerning the above mentioned issues. Our bank always maintained the fundamental principle of business regarding protecting customer privacy. Customer's information/ data is not available to anyone other than the client himself and the Banks concerned personnel who is responsible for maintaining the data. We haven't received any complaints relating to breaches of customer privacy and losses of data in 2014.

## GRIEVANCE HANDLING & FEMALE ANTI HARASSMENT POLICY

Bank Asia is committed to provide a safe and harmonious, gender sensitive working environment for an employee, free from unfair treatment, discrimination, harassment, conflict and others.

Throughout the year 2014, we received a few number of requests regarding the grievance of human rights and female harassment related issues and take necessary actions to solve the matters immediately.

## BRIEF ECONOMIC ENVIRONMENTAL AND SOCIAL PERFORMANCE

<b>Economic responsibility</b>	No of loans accounts	<b>+18%</b>
	Deposit customer account	<b>+13%</b>
	Savings customer account	<b>+15%</b>
<b>Environmental responsibility</b>	Electricity consumed	<b>7,159,980 kwh</b>
	Oil	<b>51,660 ltrs</b>
	CNG	<b>177,478 m3</b>
	Local business travel	<b>6,905,074 km</b>
<b>Social responsibility</b>	Paper used	<b>27,574 reams</b>
	Staff strength	<b>+10.81%</b>
	Benefits and emoluments	<b>+25%</b>
<b>Shareholder's responsibility</b>	Profit after tax	<b>2,219 million BDT</b>
	Shareholder's Fund	<b>16,864 million BDT</b>
	Share price	<b>16.70 BDT</b>

# customer satisfaction survey

One of the top priorities of the Bank is to ensure customer service excellence by delivering high quality service. Acquiring of new clients, doing more business with existing clients, maintaining high client retention rate and lower client attrition rate all are correlated to customer service standard of the bank. With this view in mind, a new customer service policy approved by the Board has been introduced in May, 2014. But assessing real situation on the ground always remains a challenge. And many a times outcome could be opposite to our expectation.

Properly constructed customer satisfaction surveys may provide the insights that are very much essential for feeling the real pulse and set service strategies accordingly. In this regard, Finance and Accounts Division took initiative for a customer survey by developing a set of questionnaires based on five categories of customers. Later, Risk Management Division carried out a pilot survey in 2014 with smaller sample size. This report gives brief idea about the outcome of the survey which may not be fully representative of the overall service standard of the bank because of the smaller sample size

## CUSTOMER SERVICE QUALITY ASSESSMENT OBJECTIVE

The aim of the assessment was to investigate the quality of client service delivery of Bank Asia to find out clients' expectation. Using the survey method, data was collected from randomly selected respondents with the following objectives.

- To investigate the quality of service delivery by banks to client
- To assess client's awareness of products and services available
- To find out the gap between client expectation and service delivery
- To identify factors that may cause client dissatisfaction, and
- To identify the new trends in client expectations

## SURVEY METHODOLOGY & STRUCTURE

The survey was conducted based on-

- Carefully designed assessment questionnaire
- Data collected from direct (face to face) interview
- Existing and prospective clients of the Bank were brought under the survey





- 3 branches were chosen for the pilot survey
- Survey observations had been analyzed using descriptive statistical method mainly frequency table

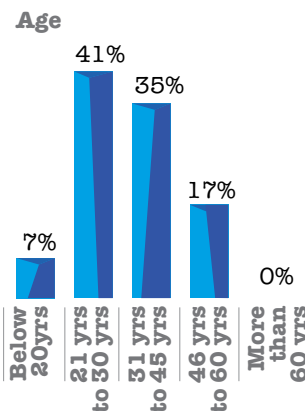
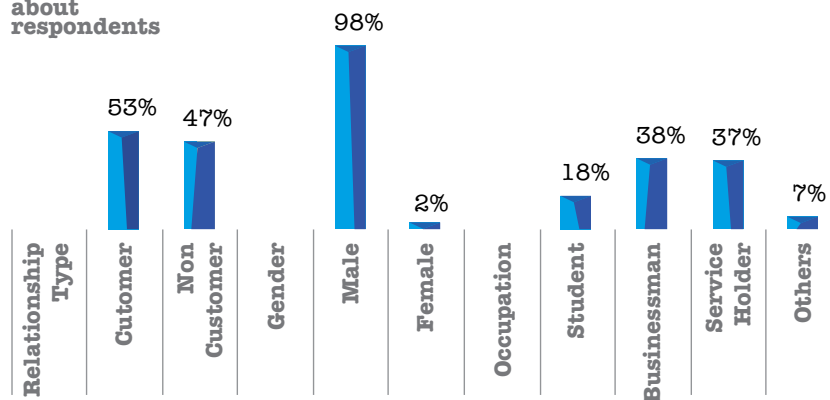
The assessment questionnaire is categorized into five parts.

- brief idea about the respondents (age, gender, account holding information, occupation etc)
- client's perceived values about Bank's service standard and level of agreement (Strongly agree, Agree, Disagree, Strongly disagree and N/A-for no comments).
- different service quality level such as ATM, POS, Cash Counter, Credit Card, Fees/Bill payments, Client care service of branch etc. which measured in level of satisfactions (Very Good, Good, Average, Poor, Very poor and N/A for no comments).
- identify respondent's awareness about new products, services (e.g. passport fees payment, WASA, flexi load etc. mobile financial service 'Hello' etc) of the bank and any specific reason for dissatisfactions etc.
- respondent's recommendations (if any) for improving the service quality or any other area.

## INFORMATION ABOUT THE RESPONDENTS

The above tables and charts represent the findings from the survey. As the survey was a pilot study, the recommendations and comments of the respondent was not incorporated in the document. The same will be incorporated after completing the large scale survey.

about respondents



## CUSTOMER AWARENESS ABOUT NEW PRODUCT

Criteria	Aware	Not Aware
I am aware about new products, services (e.g. passport fees payment, WASA, flexi load etc.)	8%	92%
I am aware about mobile banking service (Hello) of the bank	8%	92%

Criteria	Yes	No
Respondents recommend Bank Asia to others	85%	15%
I am aware about mobile banking service (Hello) of the bank	8%	92%



## OVERALL CUSTOMER SATISFACTION SURVEY RESULTS

Based on the pilot survey regarding customer satisfaction, overall weighted average score is 2.90 i.e. customer service quality rating becomes 'Average'.

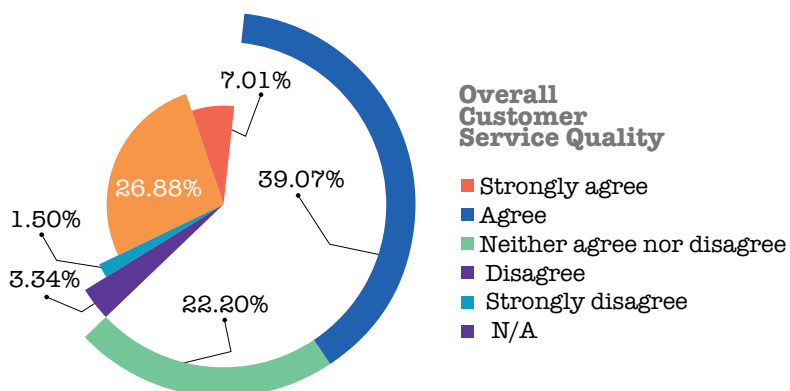
Though rating of the pilot survey is not representative, the Bank management has taken seriously and forcing to take this necessary actions for service improvement like rigorous training to customer service team members, so far 720 hours of trainings has been given covering 90 employees in 2014.

### Customer Satisfaction Survey Results: 2014

Survey Criteria	Result
Responded	
Overall Customer Service Quality Rating Weighted Average Score	2.90
Rating	Average
Response	
Strongly agree	7.01%
Agree	39.07%
Neither agree nor disagree	22.20%
Disagree	3.34%
Strongly disagree	1.50%
N/A (Customer has no idea or, no comments of the service)	26.88%

Improved customer satisfaction remains a key prerequisite for achieving our long-term goals. In 2014, we saw a satisfactory development in several markets and business units. While we are on target in some areas, we still have long way to go in others, however. We expect the improvement to continue, as we maintain a firm focus on delivering value to our customers and on executing our strategy

to become a more customer-centric, simple and efficient bank. The management expects that a larger scale survey carried out by professionals would give proper insight on customer service quality based on which customized service strategies will be introduced to cater the need of our demanding customers.





# Capital management

Implementation of risk based capital adequacy (RBCA) in line with Basel II capital accord was started by Bangladesh Bank, the central bank of Bangladesh, from the year 2009 as parallel reporting with Basel I capital reporting. Since January 01, 2010 Basel II guidelines on RBCA fully came into force as a regulatory compliance to be reported under

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

Bank Asia is very much serious to maintain capital adequacy and continuously plan its capital requirements considering risks and shocks of financial market movement. It has implemented automated calculation process for MCR in the form of capital adequacy ratio (CAR) and regularly report to the central bank. We also publish Pillar III Market Discipline Statement in annual reports and upload the same into bank's website on yearly basis.

Bank Asia also prepared its ICAAP documents based on 2011, 2012 and 2013 and submitted to Bangladesh Bank. SRP-SREP

dialogue under Pillar II based on 2011 and 2012 already conducted between Bank Asia and Bangladesh Bank.

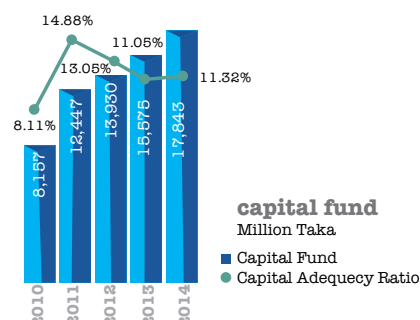
Besides, Bank Asia is taking preparation for capital management under BASEL III as Bangladesh Bank has already set a road map for implementation of BASEL III by 2019.

According to the roadmap, BASEL III will start from 2015 with minimum capital

requirement 10% which will gradually increase upto 12.50% in the year 2019. Leverage ratios will by 3%, liquidity coverage ratio will be  $\geq 100\%$  and net stable funding ratio will be  $> 100\%$ . An additional countercyclical capital buffer will also be required from January 2016. BASEL III also brings some regulatory adjustment of capital, e.g. revaluation gain etc., which will be 40% in 2015 and will be gradually increased to 100% in 2019.

	Million Taka	
	2014	2013
Tier-1: Core capital	14,174	11,904.15
		76.43%
Tier-2:		
Supplementary capital	3,669	3,670.70
		23.57%
Capital Fund	17,843	15,574.85
RWA	157,575.00	140,977.00
Capital adequacy ratio (CAR)	11.32%	11.05%

- Standard MCR is 10% on risk weighted assets (RWA)
- Bank Asia is in the process of raising Tk. 3,000 million tier 2 capital by issuing 7 year floating rate non convertible subordinated debt through private placement, which is expected to be closed in Q<sub>4</sub>/2014.



# Building the community

Bank Asia is always aware of its Corporate Social Responsibility (CSR) with an aim to ensure the Bank as a socially responsible corporate entity contributing towards quality of life of the society at large without compromising an ecological condition. During the year, Bank Asia spent an amount of Tk. 239.84 million for the overall betterment of the nation.

Bank Asia Ltd, from the very beginning, concedes CSR activities as a part of its culture, identity and business practice. The basic driver of our CSR practice consists of values that have been taken place within business where our efforts continues to look beyond short-term quantitative gains, and

concentrate on issues that make the bank a socially responsible institution. We are committed to social and environmental well being and strive to ensure sustainable balanced growth in

economic, social and ecological arena. In the year 2014, Bank Asia has performed various CSR activities which are presented below.

## Donation in Social projects

Initiatives	Donation (Taka)	Beneficiaries
Education	13,444,278	529 students(approx)
Health	90,279,076	Not Numbered
Disaster Management	11,136,670	Not Numbered
Environment	115,000	Not Numbered
Sports	5,200,000	Not Numbered
Art & Culture	16,124,000	Not Numbered
Others	103,540,763	Not Numbered
<b>Total</b>	<b>239,839,787</b>	



Donated 25,000 pieces of blankets to Prime Ministers Relief and Welfare Fund





Bank Asia higher studies scholarship awarding program at Sirajdikhan, Munshigonj

## EDUCATION

### Bank Asia Higher Studies Scholarship

Higher Study Scholarship program for rural poor and meritorious students, who are studying in public universities, is the major CSR activity of Bank Asia Ltd. The Bank initiated the program in 2005 for those students who have merit and dream to serve society, but not the means to pursue higher studies. The scholarship is given through the Bank's rural branches on the basis of SSC and HSC results. So far, 510 students have been provided the scholarship. Each of the students gets Tk. 34,000 annually as scholarship. In the year 2014, Bank Asia Ltd spent around Tk. 12.72 million for this purpose.

### Scholarship to Graduate Nurses of the BSMMU

Bank Asia under its CSR program provides scholarship and food grant to 19 graduate nursing students of Department of Graduate Nursing in Bangabandhu Sheikh Mujib Medical University (BSMMU) from 2011 to help the nurses lead a healthy life and continue their studies peacefully. A total of Tk. 0.62 million was provided to them as scholarship during the year 2014. With Bank Asia scholarship first batch students of Graduating Nursing

Department completed their graduation and some of them have been absorbed in the same medical university as fresh nurse.

## HEALTH

### Bank Asia supports construction of a Nurse Hostel in the BSMMU

Bank Asia as a part of corporate social responsibility is extending entire financial support for construction of 40,000 square feet (approx) Nursing Student Hostel' at Bangabandhu Sheikh Mujib Medical University (BSMMU) to mitigate acute accommodation problem of graduate nursing students. The total cost of the project has been earmarked Tk. 95.90 million where Bank Asia spent around Tk. 50.08 million for this purpose in 2014.

### Bank Asia supports construction of OPD of HFRCMCH

Bank Asia is also extending financial support for construction of 20,000 square feet (approx) Outdoor Patient Department (OPD) building for Holy Family Red Crescent Medical College & Hospital at the premises at New Eskaton Garden Road in the capital city Dhaka. The total cost of the project has been earmarked Tk. 53.46 million where Bank Asia spent around Tk. 39.95 million for this purpose in 2014.

### Blood Donation program

As part of socially responsible people, the members of Bank

Blood donation program on 15<sup>th</sup> Anniversary of Bank Asia





# Community investment

## Education

Initiatives	Taka
Bank Asia Higher Studies Scholarship	12,722,878
Scholarship of Graduate Nursing Students of the BSMMU	6,21,400
Munshigonj Girls High School	100,000
<b>Total</b>	<b>13,444,278</b>

## Health

Initiatives	Taka
Cancer patient	200,000
Construction of Graduate Nursing Hostel at BSMMU	50,082,934
Construction of OPD of HFRCMCH	39,951,142
BADHAN Blood Donor Org	45,000
<b>Total</b>	<b>90,279,076</b>

## Disaster Management

Initiatives	Taka
Prime Minister's Relief & Welfare Fund	7,500,000
Support to victim army family in BDR carnage	480,000
Support to cold-hit people	3,156,670
<b>Total</b>	<b>11,136,670</b>

## Environment

Initiatives	Taka
Awareness building on World Environment Day	115,000
<b>Total</b>	<b>115,000</b>

## Sports

Initiatives	Taka
ICC T-20 world cup	5,200,000
<b>Total</b>	<b>5,200,000</b>

Water pollution by Tannery waste



## Art and Culture

Initiatives	Taka
Chandraboti Academy	1,000,000
Support to published green banking book	30,000
Bangla Barsha Bidaya O Barsha Baron, chittagonj	20,000
Barsha Baron, Dhaka	21,000
Wrishizo Nattya Goshthi	25,000
Anondo Niketon, sylhet	28,000
Lakho konthe Sonar Bangla tohobil	15,000,000
<b>Total</b>	<b>16,124,000</b>

## Other Social Project

Initiatives	Taka
Bangabondhu Sheikh Mujibur Rahman Memorial Trust	100,000,000
Rotary Club	86,000
Message on International Mother Language	1,061,450
Donate to Bankers Bangladesh	100,000
Lok Nattya Dal	50,000
Lions Club (District 315)	23,000
National School Science Debate competition	500,000
National Science Olympiad	200,000
Aytijhyo Pakundia	118,008
Notre Dame Debating Club	75,008
Anaondo Sangskritik Angon	10,000
Sandhani	28,750
Blood Donation Program	329,986
Bangladesh Shishu Shahittyo Academy	20,000
Parents Waiting Shed at Motijheel Model High School & College	420,000
Waiting Shed for Industrial Police at KEPZ	518,561
<b>Total</b>	<b>103,540,763</b>





Asia formed Bank Asia Donor Group. The objectives of the group are to donate blood when and where necessary, donate eye posthumously, promote and encourage all levels of people to come forward to this priceless donation. Already about 100 members formally joined the donor group platform and started donating blood. On the occasion of celebrating 15th anniversary, Bank Asia with support from Bangladesh Red Crescent Society organized blood donation programs in Dhaka and Chittagong simultaneously where employees of the bank donated blood.



Bank Asia distributed warm cloths among cold-hit people in different parts of the country

### Other health related donations

Bank Asia donated Tk. 200,000 to a cancer patient and Tk. 45,000 to Badhan,

a volunteer blood donor organization. The Bank also extended support to individuals and institutions as a part of its CSR activities.



Handing over a cheque to Prime Minister's Relief & Welfare Fund

Tk.  
**2**  
Million

Bank Asia donates to one of our employees for medical treatment against a fatal disease named Guillain Barre Syndrome (GBS)

## DISASTER MANAGEMENT

As a responsible corporate citizen, Bank Asia is committed to the welfare of the community at large. The Bank responds promptly to support the affected humanity. In 2014, Bank Asia donated Tk. 7.5 million to the Prime Minister's Relief & Welfare Fund to help government carry out its humanitarian activities smoothly.

It also donated Tk. 0.48 million to a victim family of BDR carnage as a part of regular support. The Bank also distributed warm cloths among cold-hit people in different parts of the country during severe cold spell of December and January.

## ENVIRONMENT

During the year 2014, Bank Asia spent Tk. 0.12 million to protect the environment and city beautification purposes.

## SPORTS

During the year 2014, Bank Asia contributed Tk. 5.20 million for organizing events of ICC T-20 World cup, Golf Tournament, Corporate Cricket Tournament and others.

## ARTS & CULTURE

Bank Asia always supports promotion of art and culture. The Bank sponsored Tk. 16.12 million for various arts and cultural program including Chandraboti

Academy, Support to published green banking book, Bangla Barsha Bidaya O Barsha Baron, Wrishizo Nattyta Goshthi, Anondo Niketon, Lakho Konthe Sonar Bangla Tohobil, and others.

## OTHER SOCIAL PROJECTS

Bank Asia donated/sponsored/ spent Tk. 103.54 million on the occasion of social project including Bangabondhu Sheikh Mujibur Rahman Memorial Trust, National Science Olympiad, Rotary Club, Message on International Mother Language Day, Lok Nattyta Dal, Lions Club (District 315), National School Science Debate competition, Sandhani, Blood donation program and others.



Bank Asia contributes for ICC T-20 World Cup & Lakho Kanthe Sonar Bangla Tahobil





# GRI G4 Content Index

## ‘In Accordance’ Option: Core General Standard Disclosures

	Disclosure	Page no.	Comments	External Assurance
	<b>Strategy &amp; Analysis</b>			
G4-1	Statement from the most senior decision-maker of the organization	10-13		No
	<b>Organizational Profile</b>			
G4-3	Name of the organization.	16		No
G4-4	Primary brands, products, and services	32		No
G4-5	Report the location of the organization's headquarters.	6		No
G4-6	"Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report"	16		No
G4-7	Nature of ownership and legal form	16		No
G4-8	Markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries)	16-17		No
G4-9	Scale of the organization	16		No
G4-10	Total number of employees by type	60-63		No
G4-11	Percentage of total employees covered by collective bargaining agreements		No private commercial Bank in Bangladesh has trade union	No
G4-12	Supply chain	70		No
G4-13	Significant changes during the reporting period	6		No
G4-14	Precautionary approach	25-26		No
G4-15	External charters, principles, or other initiatives		Policy set by Bangladesh Bank regarding environmental risk management, green banking are adopted by Bank Asia	No
G4-16	Membership associations	17		No

	Disclosure	Page no.	Comments	External Assurance
	<b>Identified Material Aspects &amp; Boundaries</b>			
G4-17	Entities included in the organizations's consolidated financial statements	6, 29		No
G4-18	Process for defining report content and the aspect Boundaries	18, 20		No
G4-19	Material aspects	21		No
G4-20	Material aspect boundaries within the organization	20		No
G4-21	Material aspect boundaries outside the organization	20		No
G4-22	Effects of any restatements	6		No
G4-23	Significant changes during the reporting period	6		No
	<b>Stakeholder Engagement</b>			
G4-24	Stakeholder groups engaged by the organization	19-20		No
G4-25	Basis for identification and selection of stakeholders	18		No
G4-26	Approach to stakeholder engagement	19-20		No
G4-27	Key topics raised during stakeholder engagements	19-20		No
	<b>Report Profile</b>			
G4-28	Reporting period	6		No
G4-29	Date of most recent previous report	6		No
G4-30	Reporting cycle	6		No
G4-31	Contact point for questions regarding the report	6		No
G4-32	In accordance option chosen	6		No
G4-33	Policy regarding report assurance	6		No
	<b>Governance</b>			
G4-34	Governance structure of the organization	22-28		No
	<b>Ethics &amp; Integrity</b>			
G4-56	Organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics	4-5		No

## Specific Standard Disclosures

### Disclosures on Management Approach (DMAS)

	<b>Product profile</b>			
FS1	Policies with specific environmental and social components applied to business lines	37-40		No
FS2	Procedures for assessing and screening environmental and social risks in business lines	40		No
FS3	"Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions"	40		No
FS4	Processes for improving staff competency to implement the environmental and social policies and procedures as applied to business lines	40-41		No
FS5	"Interactions with clients/investees/business partners regarding environmental and social risks and opportunities"	40		No
	Audits	45		No



	Disclosure	Page no.	Comments	External Assurance
Aspects	<b>Economic (EC)</b>			
	Economic Performance	49, 52-60, 76-81		No
	Market Presence	54-59		No
	Procurement Practices		All our suppliers are local	No
Aspects	<b>Environmental (EN)</b>			
	Energy	47		No
	Emissions	48-49, 51		No
	Effluents and Waste	48		No
	Products and Services	49		No
	Compliance	51		No
	Transport	41		No
	Overall	49		No
	Environmental Grievance Mechanisms		We faced no grievances in 2014	No
Aspects	<b>Labor Practices and Decent Work (LA)</b>			
	Employment	60-65		No
	Labor/Management Relations	60		No
	Occupational Health and Safety	69		No
	Training and Education	65-68		No
	Diversity and Equal Opportunity	61-64		No
	Equal Remuneration for Women and Men	60		No
	Labor Practices Grievance Mechanisms	59, 71		No
Aspects	<b>Human Rights (HR)</b>			
	Investment	70		No
	Child Labor	70		No
	Forced or Compulsory Labor	70		No
	Security Practices	70-71		No
	Indigenous Rights	70-71		No
	Human Rights Grievance Mechanisms	59-71		No
Aspects	<b>Society (SO)</b>			
	Anti-corruption	58-70		No
	Compliance	59-71		No
	Grievance Mechanisms for Impacts on Society		We faced no grievances in 2014	No
Aspects	<b>Product Responsibility (PR)</b>			
	Product and Service Labeling	38-39, 46, 71-74		No
FS15: Policies for the fair design and sale of financial products and services		45-46		No
Aspects	Marketing Communications	71		No
	Customer Privacy	71		No
	Compliance	71		No
	<b>Product Portfolio</b>			
FS6	"Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/ large) and by sector"	41-42		No
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	42-46		No

	Disclosure	Page no.	Comments	External Assurance
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	42-46		No
	<b>Audit</b>			
FS9	"Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures"	45		No
<b>Category: Economic</b>				
	<b>Economic Performance</b>			
G4-EC1	Direct economic value generated and distributed	52-59 76-81		No
	"FSS: Commentary added to the value generated by the organization's community investment programs and breakdown of community investment by theme"			
G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	49		No
G4-EC3	Coverage of the organization's defined benefit plan obligations	60		No
G4-EC4	Financial assistance received from government	58		No
	<b>Market Presence</b>			
G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation		Bank Asia practices competitive salary package in all level in line with the industry best practices	No
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation		All the employees of Senior Management are hired from Bangladesh	No
G4-EC7	Development and impact of infrastructure investments and services supported	54-59		No
G4-EC8	Significant indirect economic impacts, including the extent of impacts	58		No
	<b>Procurement Practices</b>			
G4-EC9	Proportion of spending on local suppliers at significant locations of operation		All our suppliers are local	No
<b>Category: Environmental</b>				
	<b>Energy</b>			
G4-EN3	Energy consumption within the organization	47		No
G4-EN6	Reduction of energy consumption	47		No
G4-EN7	Reductions in energy requirements of products and services	47		No
	<b>Emissions</b>			
G4-EN15	Direct greenhouse gas (ghg) emissions (scope1)	51		No
	"FSS: Commentary added to invite reporting on greenhouse gas emissions relating to business travel"			
G4-EN19	Reduction of greenhouse gas (ghg) emissions	48-49		No
	<b>Effluents and Waste</b>			



	Disclosure	Page no.	Comments	External Assurance
G4-EN23	Total weight of waste by type and disposal method "FSS: Commentary added to specify primary types of waste streams being paper and waste IT for financial institutions."	48		No
	<b>Products and Services</b>			
G4-EN27	Extent of impact mitigation of environmental impacts of products and services	49		No
	<b>Compliance</b>			
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	51		No
	<b>Transport</b>			
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce	41		No
	<b>Overall</b>			
G4-EN31	Total environmental protection expenditures and investments by type	49		No
	<b>Environmental Grievance Mechanisms</b>			
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms		We faced no grievances in 2014	No
<b>Category: Social</b>				
<b>Sub Category: Labor Practices and Decent Work</b>				
	<b>Employment</b>			
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	61-64		No
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or parttime employees, by significant locations of operation	60		No
G4-LA3	Return to work and retention rates after parental leave, by gender	65		No
	<b>Labor/Management Relations</b>			
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	60		No
	<b>Occupational Health and Safety</b>			
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	69		No
G4-LA8	Health and safety topics covered in formal agreements with trade unions		No private commercial bank in Bangladesh has trade union	No
	<b>Training and Education</b>			
G4-LA9	Average hours of training per year per employee by gender, and by employee category	68		No
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	68		No

	Disclosure	Page no.	Comments	External Assurance
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category <b>Diversity and Equal Opportunity</b>	65		No
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity <b>Equal Remuneration for Women and Men</b>	61-64		No
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation <b>Labor Practices Grievance Mechanisms</b>	60		No
G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	59, 71		No

## Category: Social

### Sub Category: Human Rights

	<b>Investment</b>			
G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening "FSS: Commentary added to report on investment agreements for the financial services"	70		No
G4-HR3	Total number of incidents of discrimination and corrective actions taken <b>Child Labor</b>	70		No
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor <b>Forced or Compulsory Labor</b>	70		No
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor <b>Security Practices</b>	70		No
G4-HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations <b>Indigenous Rights</b>	70-71		No
G4-HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken <b>Human Rights Grievance Mechanisms</b>	70-71		No
G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	59, 71		No

## Category: Social

### Sub Category: Society

	<b>Local Communities</b>			
FS13	Access points in low-populated or economically disadvantaged areas by type	56-58		No



	Disclosure	Page no.	Comments	External Assurance
FS14	Initiatives to improve access to financial services for disadvantaged people	56-58		No
<b>Anti-corruption</b>				
G4-S04	Communication and training on anti-corruption policies and procedures	70		No
G4-S05	Confirmed incidents of corruption and actions taken		After proper investigation corrective actions were taken against corruption in 2014	No
G4-S06	Total value of political contributions by country and recipient/beneficiary	58		No
<b>Compliance</b>				
G4-S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	59, 71		No
<b>Grievance Mechanisms for Impacts on Society</b>				
		No		
G4-S011	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms		We faced no grievances in 2014	No
<b>Category: Social</b>				
<b>Sub Category: Product Responsibility</b>				
<b>Product and Service Labeling</b>				
G4-PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	38-39		No
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	71		No
G4-PR5	Results of surveys measuring customer satisfaction	72-74		No
FS16	Initiatives to enhance financial literacy by type of beneficiary	46		No
<b>Marketing Communications</b>				
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	71		No
<b>Customer Privacy</b>				
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	71		No
<b>Compliance</b>				
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	71		No







#### YOUR FEEDBACK

If you have any feedback on our sustainability approach and reporting, we would like to hear from you.



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