



ANNUAL REPORT 2023

"Towards Smart Economy"



ফার্স্ট সিকিউরিটি ইসলামী ব্যাংক পিএলসি.
FIRST SECURITY ISLAMIC BANK PLC.
ফার্স্ট সিকিউরিটি ইসলামী ব্যাংক بی السی

Towards Smart ECONOMY

In congruence with the manifesto of People's Republic of Bangladesh, First Security Islami Bank PLC. is striving Towards Smart Economy. In this respect, the Bank is continuing efforts toward modernization of its modus operandi by developing new solutions of banking through apps and other digital means. As such, our clients are now able to accomplish maximum banking tasks by finger touch at anytime, staying anywhere and saving their valuable time & energy.

We always try to give our clients ease of operation and access to banking on 24/7 basis with a view to satisfying and retaining them to ensure sustainability of our development. Our dedicated and motivated workforce endeavors to offer need-based and timeliness products and services based on Islamic Shari'ah and supported by highly sophisticate technologies. But the security and confidentiality of information is one of our important priorities. Our aim is to ensure smart banking services at the door step to the people of the country and immigrants with the help of technology by complying rules and regulations of the regulatory bodies.



ব্যবসা সংক্রান্ত

পবিত্র কুরআন ও হাদীসের বাণীঃ

পবিত্র কুরআনের বাণীঃ

১. বলো, ‘আল্লাহ তাঁর বান্দাদের জন্য যেসব সুশোভন বস্তু ও বিশুদ্ধ জীবিকা সৃষ্টি করেছেন, তা কে নিষিদ্ধ করেছে? বলো, পার্থিব জীবনে, বিশেষ করে কিয়ামতের দিনে এসব তাদের জন্য, যারা ঈমান আনে। এভাবে জ্ঞানীদের জন্য নির্দেশনাসমূহ বিশদভাবে বর্ণনা করি। আপনি বলুন, নিশ্চয় আমার প্রতিপালক হারাম করেছেন প্রকাশ্য ও গোপন অশ্লীলতা। আর পাপ ও অন্যায়ভাবে সীমালংঘন এবং কোনো কিছুকে আল্লাহর সঙ্গে শরীক করা, যার কোনো প্রমাণ তিনি নাযিল করেননি। আর আল্লাহ তায়ালা সম্বন্ধে এমন কিছু বলা যা তোমরা জানো না। প্রত্যেক জাতির জন্য একটি নির্দিষ্ট সময় আছে। যখন তাদের সময় আসবে তখন তারা এক মুহূর্ত দেরি করতে পারবে না এবং এগিয়েও আনতে পারবে না। (সূরা আ’রাফ- ৩২-৩৪)

Say, “Who has forbidden the adornment of Allah which He has produced for His servants and the good things of provision?” Say, “They are for those who believe during the worldly life [but] exclusively for them on the Day of Resurrection.” Thus, do We detail the verses for a people who know. Say, “My Lord has only forbidden immoralities, what is apparent of them and what is concealed, and sin, and oppression without right, and that you associate with Allah that for which He has not sent down authority, and that you say about Allah that which you do not know.” And for every nation is a term. So, when their time has come, they will not remain behind an hour, nor will they precede. (Sura A’raf: 32-34)

২. “হে ঈমানদারগণ, জেনে শুনে আল্লাহ ও তাঁর রাসুলের সঙ্গে বিশ্বাস ভঙ্গ করো না এবং তোমাদের নিজেদের পরস্পরের আমানত সম্পর্কেও বিশ্বাস ভঙ্গ করো না।” (সূরা আনফাল- ২৭)

O believers! Do not betray with Allah and the Messenger, nor betray your trusts knowingly. (Sura Anfal: 27)

৩. “হে মু’মিনগণ! তোমরা একে অপরের সম্পত্তি অন্যায়ভাবে গ্রাস করো না; কিন্তু পরস্পরে রাজী হয়ে তোমাদের ব্যবসা করা বৈধ। আর একে অপরকে হত্যা করো না। নিশ্চয়ই আল্লাহ তোমাদের প্রতি পরম দয়ালু।” (সূরা নিসা- ২৯)

O believers! do not devour one another’s wealth illegally, but rather trade by mutual consent. And do not kill each other. Surely Allah is ever merciful to you. (Sura Nessa: 29)

“হে ঈমানদারগণ, তোমরা আল্লাহকে ভয় করো এবং যে পরিমাণ সুদ অবশিষ্ট রয়েছে তা পরিত্যাগ করো, যদি তোমরা মুমিন হয়ে থাকো” (সূরা বাকারাহ- ২৭৮)

O believers! fear Allah, and give up outstanding interest if you are true believers. (Sura Bakarah: 278)

৪. হে মুমিনগণ, তোমরা চক্রবৃদ্ধি হারে সুদ গ্রহণ করো না। আর তোমরা আল্লাহকে ভয় করো, যাতে সফল হতে পারো। (সূরা আলে ইমরান- ১৩০)

O believers! do not consume interest, multiplying it many times over. And be afraid of Allah, so that you may become successful. (Sura Al Imran: 130)

৫. “তোমরা আল্লাহর ইবাদত করো, কিছুতেই তাঁর শরীক করো না এবং মাতা-পিতা, আত্মীয়-স্বজন, ইয়াতিম, অভাবগ্রস্থ, নিকট প্রতিবেশী, দূর প্রতিবেশী, সাথী, মুসাফির এবং তোমাদের আয়ত্বাধীন দাস-দাসীদের সঙ্গে সদ্যবহার করো, নিশ্চয় আল্লাহ সেসব লোকদেরকে ভালোবাসেন না যারা অহংকারী দান্ডিক” (সূরা নিসা- ৩৬)

Worship Allah alone and associate none with Him. And be kind to parents, relatives, orphans, the poor, near and distant neighbors, close friends, needy travelers, and those bonds people in your possession. Surely Allah does not like whoever is arrogant, boastful. (Sura Nessa: 36)

ব্যবসা সংক্রান্ত

পবিত্র কুরআন ও হাদীসের বাণীঃ

হাদিসের বাণী :

১. হযরত আব্দুল্লাহ ইবনে আব্বাস (রা:) থেকে বর্ণিত, রাসূলুল্লাহ সাল্লাল্লাহু আলাইহি ওয়াসাল্লাম বলেছেন-নিজে ক্ষতিগ্রস্ত হওয়া এবং অন্যের ক্ষতি করা কোনটিই উচিত নয়। (ইবনে মাজাহ, হাদিস নং- ২৩৪১)

Abdullah bin Abbas reported: The Messenger of Allah, (peace and blessings be upon him,) said, "You should neither be harmed nor reciprocating harm to others. (Ibn Majah, Hadith No. 2341)

২. হযরত আবু হুরায়রা (রা:) বর্ণনা করেন যে, একদিন রাসূল সাল্লাল্লাহু আলাইহি ওয়াসাল্লাম বাজারে গিয়ে একজন খাদ্য বিক্রেতার পাশ দিয়ে অতিক্রম করছিলেন, তিনি খাদ্যের ভিতরে হাত প্রবেশ করে দেখলেন ভিতরের খাদ্যগুলো ভেজা বা নিম্নমান। এ অবস্থা দেখে রাসূল সাল্লাল্লাহু আলাইহি ওয়াসাল্লাম বললেন, হে খাবারের পণ্যের মালিক, এটা কী? লোকটি বলল, হে আল্লাহর রাসূল, এতে বৃষ্টি পড়েছিলো। রাসূল সাল্লাল্লাহু আলাইহি ওয়াসাল্লাম বললেন, তুমি সেটাকে খাবারের উপরে রাখলে না কেন; যাতে লোকেরা দেখতে পেত? "যে ধোকা দেয় সে আমার উম্মত নয়"। (মুসলিম: হাদিস নং- ১০২)

It is narrated on the authority of Abu Huraira that the Messenger of Allah, (peace and blessings be upon him), happened to pass by a food seller. He thrust his hand in the heap of corn and his fingers were moistened. He said to the owner of that heap of eatable corn. What was that? He replied: "Messenger of Allah, these have been drenched by rainfall". He (the Holy Prophet) remarked: "Why did you not place this (the drenched part of the heap) over other corn so that the people could see it? He who deceives is not of me (is not my follower). (Muslim, Hadith No. 102)

৩. হযরত আব্দুল্লাহ ইবনে আমর (রা:) থেকে বর্ণিত, রাসূলুল্লাহ সাল্লাল্লাহু আলাইহি ওয়াসাল্লাম বলেছেন- চারটি গুণ যখন তোমার মধ্যে থাকবে, তখন দুনিয়াদারী সব খুঁয়ে গেলেও তোমার কোনো ক্ষতি করতে পারবে না। আমানত সংরক্ষণ, কথায় সততা, উত্তম চরিত্র, হালাল খাদ্য। (মুসনাদে আহমাদ, হাদিস নং-৬৬৫২)

Abdullah ibn Amr reported: The Messenger of Allah, (peace and blessings be upon him), said, "If you have four qualities, you will not worry about what you missed in the world: trustworthiness, truthfulness, good character and restraint on food. (Musnad Ahmad, Hadith No. 6652)

৪. হযরত আব্দুল্লাহ ইবনে উমার (রা:) হতে বর্ণিত- এক লোক নবী সাল্লাল্লাহু আলাইহি ওয়াসাল্লাম এর কাছে উল্লেখ করলো যে, সে বেচাকেনার সময় প্রতারণা করে যায। তিনি তাকে বললেন, তুমি যখন বেচাকেনা করবে তখন বলবে, কোনো ধোঁকাবাজি নেই। (বুখারী, হাদিস নং- ৬৯৬৪)

Narrated by Abdullah bin 'Umar: A man mentioned to the Prophet (peace and blessings be upon him), that he had always been cheated in bargains. The Prophet (SM) said, "Whenever you do bargain, say, 'No cheating. (Bukhari, Hadith No. 6964)

৫. হযরত জাবের ইবনে আব্দুল্লাহ (রা:) থেকে বর্ণিত, রাসূলুল্লাহ সাল্লাল্লাহু আলাইহি ওয়াসাল্লাম বলেছেন, আল্লাহ তার প্রতি দয়া বর্ষণ করুক যে বিক্রির সময়, ক্রয়ের সময় এবং অভিযোগের সময় সদয় থাকে। (বুখারী, হাদীস নং- ২০৭৬)

Narrated by Jaber bin Abdullah: The Messenger of Allah, peace and blessings be upon him, said, "May Allah's mercy be on him who is lenient in his buying, selling, and in demanding back his money." (Bukhari, Hadith No. 2076)

৬. হযরত আবু হুরাইরা (রা:) থেকে বর্ণিত, রাসূলুল্লাহ সাল্লাল্লাহু আলাইহি ওয়াসাল্লাম বলেছেন- সাতটি ধ্বংসকারী কর্ম থেকে দূরে থাকো। সকলে বললো, হে আল্লাহর রাসূল! সেগুলো কি কি? তিনি বললেন- আল্লাহর সাথে শিরক করা, যাদু করা, ন্যায়সঙ্গত অধিকার ছাড়া আল্লাহ যে প্রাণকে হত্যা করা হারাম করেছেন তা হত্যা করা, সুদ খাওয়া, এতিমের মাল ভক্ষণ করা, যুদ্ধক্ষেত্র থেকে পলায়ন করা এবং সতী মুমিনা নারীর চরিত্রে মিথ্যা কলঙ্ক লেপন করা। (বুখারী: হাদিস নং- ২৭৬৬)

Narrated by Abu Hurairah, the Messenger of Allah, may God bless him and grant him peace, said, "Avoid the seven destructive actions." They all said, "O Messenger of God! What is that?" He said, "Associating partners with Allah, practicing magic, killing a life which Allah has forbidden without right, taking usury, eating the wealth of orphans, fleeing (from the battlefield) on the day of war, and being indifferent to chastity. Giving false stigma to the character of believer women. (Bukhari: Hadith No. 2766)

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FIRST SECURITY ISLAMI CAPITAL & INVESTMENT LTD.

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LETTER OF TRANSMITTAL

All Respected Shareholders of First Security Islami Bank PLC.
Bangladesh Bank
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange PLC.
Chittagong Stock Exchange PLC.

Annual Report for the Year ended on 31st December 2023.

Muhtaram,

Assalamu-alaikum,

We are glad to present a copy of the Annual Report 2023 along with Auditor's Report, Directors' Report and Financial Statements for the year ended on 31 December 2023 of First Security Islami Bank PLC. before you including notes thereto and its Subsidiary Company for your kind information and record.

Ma-assalam,



Oli Kamal FCS
Company Secretary

NOTICE OF THE 25TH ANNUAL GENERAL MEETING

Notice is hereby given that the **25th Annual General Meeting (“AGM”)** of the Members of First Security Islami Bank PLC. (“the Bank”) will be held on **Monday, June 24, 2024 at 10:00 a.m.** by using **Digital Platform** through the link **<https://fsibplc.virtualagmbd.com>** to transact the following business:

1. To receive, consider and adopt the audited Financial Statements of the Bank for the year ended on December 31, 2023 along with the Reports of the Directors and the Auditors thereon.
2. To declare 5% Cash Dividend and 5% Stock Dividend (bonus shares) for the year 2023 as recommended by the Board of Directors.
3. To elect/re-elect Directors.
4. To appoint Auditor of the Bank and fix remuneration.
5. To appoint Practicing Professional Accountant or Secretary for certification on the compliance of conditions of Corporate Governance Code (CGC) for the year 2024 of the Bank and fix remuneration.
6. To approve reappointment of Independent Director.

All members are requested to participate in the AGM virtually by using above link well in time.

Date: **June 2, 2024**
Dhaka.



QR Code for Virtual AGM Link



Link of Annual Report

By order of the Board of Directors
Sd/-

Oli Kamal FCS
Company Secretary

NOTES:

1. The “**Record Date**” was **May 26, 2024** in compliance with the Regulation 23 of both DSE & CSE Listing Regulation, 2015. The valued shareholders whose names were appeared in the Depository Register as members of the Bank on the “Record Date” would be eligible to participate & vote in the AGM and be entitled to Dividend if approved by the shareholders.
2. A Member eligible to participate and vote in the AGM may appoint a Proxy to participate and vote on his/her behalf. The Proxy Form, duly completed and stamped with a Revenue Stamp for Tk.20, must be deposited at the Registered Office of the Bank at least 48 hours before the time fixed for the AGM.
3. As per BSEC Letter No. BSEC/ICAD/SRIC/2024/318/87 dated March 27, 2024, the imminent 25th AGM of the Bank shall be conducted through **Digital Platform** with **live streaming**.
4. The members are requested to participate 01 (one) hour before the commencement of the AGM by using the link **<https://fsibplc.virtualagmbd.com>** and putting respective **16 digits BO ID number** as **user name** and **number of shares** (on record date) as **password** to log into the system of AGM. The members will be able to submit e-vote from 25 (twenty five) hours before the commencement of AGM as well as during AGM by using aforementioned link.
5. The link of virtual AGM and detail procedures to participate in the AGM shall also be notified to the valued shareholder's respective email address and contact number in due course and these will also be available on Bank's website at **www.fsibplc.com**.
6. The shareholders are requested to update their respective BO accounts with mailing address, email address, contact number, bank details and 12 digits Taxpayer Identification Number (TIN) through Depository Participant.
7. As per Bangladesh Securities and Exchange Commission's notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated June 20, 2018, soft copy of the Annual Report-2023 along with the Attendance Slip, Proxy Form and the Notice will be forwarded to all the Members at their respective email address available with us as per CDBL record, these are also available in the Bank's website at **www.fsibplc.com** and may be collected from Share Department, registered address of the Bank in writing beforehand, if required.
8. In compliance with the Bangladesh Securities and Exchange Commission's Circular No. SEC/CMRRCD/2009-193/154 dated October 24, 2013 and listing regulations of Stock Exchanges, **No Gift/Gift Coupon/Food Box shall be distributed at the ensuing 25th AGM.**

About Us



Vision

To be the premier financial institution in the country based on Islamic Shari'ah by providing high quality products and excellence in services backed by latest technology and a team of highly motivated personnel to deliver excellence in Banking Services.



Mission

1. Make a positive contribution to society and care for the environment by attaining the highest level of satisfaction through the extension of services by dedicated and motivated professionals.
2. Provide solutions for the community to the needs of Islamic banking services to maintain continuous growth of market share by ensuring corporate ethics and transparency in all levels.
3. Provide optimal investment value for investors by ensuring sustainable growth and establish full value of the honorable shareholders and above all, to contribute effectively to the national economy.
4. Create the best rides as a place of pride for the work and achievement for employees as a manifestation of worship.
5. Provide comfortable access through various means anytime and anywhere by allowing individuals to improve the quality of life and bring peace of mind.



Strategic OBJECTIVES



1. Employing, retaining local qualified personnel, and continually develop their skills and expertise to provide banking services and manage operational risks in line with industry best practices. Applying equal opportunity employment principle to encourage personnel to grow within the bank.
2. Establishing a set of managerial succession and adopting technological changes to ensure development of an Islamic Bank as a stable financial institution.
3. Achieving financial strength and growth, including expanded market share, and generating income for its shareholders through strengthening trust and partnership with our customers and an on-going focus on providing professional and quality customer service.
4. Designing suitable products and services which are very responsive to meet the client's financial needs and aspirations as well as ensuring adequate risk-adjusted return for the bank through delivering services with the implementation of world class IT infrastructure.
5. Introducing existing products into a new market and new products to new and existing markets with our innovative service approach and conforming to monetary laws and regulations.
6. Developing and implementing a promotional plan to drive increased business.
7. Investing in infrastructure that unlocks the potential of the private sector, championing gender equally and community participation. It will help improve skills for competitiveness, ensuring that those skills better match the opportunities and requirements of local job markets.
8. Contributing actively to the national economy growth through attractive foreign investment, financing investment projects in the country and promoting foreign trade with locals.
9. Ensuring corporate governance in conformity with laws and regulations and undertaking all our activities honestly, responsibly and ethically.
10. Devising suitable programs and action plans to accelerate our recovery drive and cost rationalization initiatives.
11. Pursuing earnings growth by increasing its penetration in the banking services market, while maintaining its focus on asset quality.
12. Continual pursuing its international expansion program to gain both market share and protecting itself through geographical and economic diversification.
13. Promoting sustainable development in the country through continuous corporate sponsoring of social activities.
14. Ensuring 'Green Banking' in the context of prevailing regulations of central bank. Establish one new strategic alliance annually.



Core VALUES

01. We trust in the Almighty Allah.
02. We adhere to the spirit of Islamic Shari'ah.
03. We believe in integrity, transparency and accountability.
04. We ensure our clients' expectations by anticipating their needs and responding with a sense of urgency.
05. We approach business decisions with an emphasis on long term growth and sustainable profit.
06. We communicate with candor and transparency to provide the best services.
07. We believe that commitment to our faith and families is fundamental to the overall culture of our institution.
08. We share business plan and encourage two way communications.
09. We work together as a team internally and collaborate externally with our customers to meet or exceed their expectations and help them reach their goals.
10. We believe that acting with integrity, servicing our clients with utmost care and working with them in a collaborative way bring respect, loyalty and trust.
11. We encourage our team members to take initiatives by creating an environment that encourages employees to lead and make decisions based on the best interest of the customer and bank.
12. We provide for the welfare of our customers and team members not only physical safety, but financial safety and security as well.
13. We work for the economic emancipation and alleviation of poverty from our country.
14. We contribute to the economic development and nation-building activities of our country.
15. We upload the name and fame of the bank and the country through international trade.
16. We work for value additional to the investment of the valued shareholders.



ETHICS

Code of CONDUCT

Guidance Notes

All employees of the bank have to maintain the Code of Conduct and demonstrate highest Ethical standards in conformity with Islamic Shari'ah, sources of which are the holy Quran and Sunnah. These are the core values employees must follow and nurture. The basic principle of this code of conduct is that each employee, while on the payroll of FSIB, shall place FSIB ahead of his/her personal interests.

Further Guidance

Further guidance has been elaborated in this manual in details. If anyone has any practical questions arising from this document, the Human Resources Division should be contacted for further clarification.

Property and Information of Bank

Property of Bank

All employees of the bank is to protect and safeguard the Bank's property, not to use it for personal purposes/gain/use and abide by the followings-

- a. Every employee of the Bank shall follow the operational and IT security manual meticulously while using property of the Bank;
- b. He/she needs to ensure the fair value of assets while these are acquired and disposed of if an employee works as member of asset acquiring/disposal committee.
- c. He/she shall not participate in the name of other person in the supplying of materials to bank or selling bank's old assets.
- d. He/she shall protect the pilfering of stationeries, stealing, embezzling or misappropriating money, funds or anything from the Bank.
- e. He/she shall apply own judgment and ethical concerns in using Bank's phones, electronic mail or computing systems for personal requirement.
- f. He/she shall refrain from using the Bank's Letter Head Pad for personal correspondence.

Information Security

Every employee shall take reasonable care to keep secure of Bank's information from unauthorized disclosure and exchange. Any confidential information or any details of the transactions of clients shall be preserved with utmost security. Unless asked by any lawful and competent court/authority, exchanging or disclosing of information will be treated as a serious violation of ethical standard, and shall be treated as a breach of contract.

Invisible Property

- An employee shall not use the corporate brand and goodwill of the Bank for non-official purposes like taking house rent, renewal of car license, buying own flat and other assets.
- The use of official designation for any personal gain should be strictly prohibited.

Intellectual Property of Others

An employee shall be cautious about the intellectual property rights of others. For example, he/she shall not provide performance report of one customer to other, not use logo of third party in purposes which are not allowed in the franchise agreement, not use the CIB report of third party and refrain from plagiarism of other bank's credit analysis for personal gains or purposes.

Bank's Information

- While performing the official task, an employee of the Bank may have access to information that is not generally available to the public or that is considered confidential for managerial or administrative purposes. This may include information related to banks, customers, suppliers and current and former employees as well as system- and bank-related information. He/she shall not disclose this information unless authorized by competent authority.
- No employee shall provide any information to third party without prior approval of competent authority. He/she shall not disclose the unpublished and sensible information of the Bank related to its performance, strategy, system, policies etc.

Customer Information

An employee should uphold the privacy of the customer's affairs and shall not use customers' information excepting related business purposes. He/she shall protect the confidentiality and security of customer information.

Information of Government Agencies'

Any information of govt. agencies like ACC, NBR, BB, BSEC etc. shall not be disclosed without prior approval of competent authority.

Employee Information

An employee shall keep all information of the Bank, either current or old, secret and confidential.

Suppliers' Information

An employee shall keep information about the purchase of goods or services confidential. Price quoted, methods, business policy etc. of the vendors should not be disclosed.

Use of Position

All employees of the Banks shall have to abide by their respective Code of conduct for the sake of both institutional and national integrity. It is expected that an official shall use his/her position and delegated power to do his/her jobs appropriately. Any deviations of this shall be treated as abuse of position and power. Generally such deviations are found out for following two reasons:

Private Gain

An employee is supposed to exercise his/her power attributed to his/her position for the benefit of the Bank as well as the country. But it becomes injurious and illegal if the exercise of his/her power relating to his/her position is led towards personal benefit. It is tantamount to corruption or misuse of power and position and it is quite contradictory to national integrity. Therefore, the use of position of an employee for any private gain is strictly prohibited.

Endorsement

The endorsement of one's position is also similar to the abuse of position. Sometimes, dignitaries may not directly take any benefit by using their power and position. However, they may pave the path for benefits for other persons by making such unlawful use and authorization of position and power. The aim of a dignitary should be serving the people or nation without bias. If any activity makes his/her own people benefited unusually and thereby frustrates the others, it shall be treated as partiality and nepotism. So, a dignitary shall not be involved in such activities.

Conflicts of Interest

The conflict of interest is often a very strong hurdle on the way of implementation of integrity strategy. When an employee thinks of his/her personal interest from his/her official position, a question of conflict of interest arises. The statute allows him/her to serve his/her own gain, or interest at the cost of Bank. It is a statutory as well as an ethical obligation for an employee to keep himself/herself away from the personal interest.

Whatsoever the circumstances, the employees must avoid the conflict of interest as long as they hold positions in the Bank. Availing any kind of undue or illegal benefit/facilities irrespective of forms, shall be treated as deviation from the required standard of services. An employee shall have to refrain from doing the following:

- a. Performing his/her duties with a view to preserve/protect his/her own benefits at the cost of his/her employer.
- b. Involving in any kind of financial activities relating to his personal gain.
- c. Giving any advice, consultancy, direction or suggestion to anybody or to any institution that may cause for losses to his employer;
- d. Any practice/exercise that may benefit him/her at the cost of institution's assets either monetary or non-monetary;
- e. Doing anything that may damage the goodwill, image and reputation of the Bank;
- f. Doing anything that may hamper the secrecy and privacy of any affairs/information of the Bank;
- g. Involving or taking part in any business dealing like shareholding, profit sharing, partnership of any business company or manufacturing industry or servicing center for their personal benefit;
- h. Getting any unusual or illegitimate benefits directly, or indirectly for himself/herself and family or family members, and relatives either explicitly, or implicitly by disguising identity;

- i. Receiving any charitable contribution from others and/or make any charitable contribution to his/her family members and relatives if those charitable contributions are made by/under his power and position;
- j. Receiving any gift (in cash or kind) from those who are directly benefited or assisted by the office or by his/her power and position.

The above noted issues are least in the list, but not exhausted. Any unusual act made/done by the employee(s) shall be considered within the trap of conflict of interest and be reviewed within the purview of offences

Engagement in Other Employment

No employee shall:

- a. Engage himself/herself in any commercial activity or pursue such activity either on his/her own account or as agent of others ;
- b. Accept any outside employment, honorary or stipendiary, without prior approval/consent of the competent authority of the Bank; and
- c. Undertake part time work except those, which may be requested to be accepted or undertaken by the competent authority.

Private Trade or Employment

Subject to the other provisions of this Code of conduct, no employee shall, except with the previous permission of the competent authority, engage in any trade or undertake any employment or work, other than his/her official duties.

With prior permission from the competent authority, an employee may undertake honorary work in social, religious or charitable organizations and also may engage in occasional work of a literary or artistic character/nature, which may include publication of one or a few literary or artistic works, provided that his/her official duties do not hamper/suffer thereby. But the competent authority of the Bank, at any time, may forbid him to undertake it or ask to abandon it if there exists valid reason(s) to do so.

Procedure for Applying in Outside Employment

In case of employment opportunities in other organization in home and abroad, the employee must pay his/her liabilities with the Bank and thereafter, submit resignation letter abiding by concerned rules and regulations of the Bank. When an employee is released for outside employment and the question of lien arises, such an issue shall be governed by the Employees' Service Rules of the Bank. The Bank may depute/transfer its any employee to any work or any unit of the Bank in Bangladesh and abroad.

Teaching, Speaking & Writing

Employee considering authorship or publication of a book, article etc. and speaking in front of the media which is not commissioned by the Bank but which could in any way be connected with their work or employment at the Bank should seek guidance from the management through HR before entering into any commitment. Any publication or public speaking of an employee should not tarnish the image of the Bank vis-à-vis regulatory bodies of the country. The same considerations are applicable to the publication of material on the world-wide web and social media. No employee shall make any communication regarding the affairs of the Bank to the press or any other media, nor publish any article containing data, comments or opinions on the Bank or other affairs in any newspaper which may involve the Bank, without obtaining prior approval of the competent authority.

External Pressure/Approach to Member of Parliament, Political Leader, Board Members etc.

No employee shall, directly or indirectly, approach any Member of Parliament or use any political or other type of influence or attempt to bring any influence of the Board of Directors or Management of the Bank for his/her employment, increment, promotion, transfer or any other personal gain.

Acceptance of Gifts and Foreign Awards

No employee shall, without prior permission of the competent authority, accepts by himself/herself, or permit any of his/her family member to accept any gift from any person that makes him/her obligated in official position to the gift providers. If anyone sends gift items via postal or courier services, those may be received but will immediately be handed over to the higher authority for disposal.

If any question arises whether the receipt of a gift under any form of official obligation to the donor, the authority will take action against such activity.

If any gift is offered by the head or representative of a foreign state, the employee concerned should attempt to avoid acceptance of such a gift. If, however, he/she cannot do so, he/she shall accept the gift and shall report to the authority for orders as to its disposal.

No employee shall accept a foreign award, title or honor without the approval of the competent authority.

Fair Treatment of Counter-parties

All relationships with external counter-parties should be conducted in professional and impartial manner. Vendor selection and hiring decisions shall be made objectively and in the best interest of the Bank based on evaluation of integrity, suitability, price, delivery of goods/service, quality and other pertinent factors. Employees should commit to fair contract and payment terms with them in return of good service at a good price supplied; in a responsible manner.

Employees' personal relationship with contractors, suppliers and vendors if any, shall be disclosed to the Top Management at the time of entering into the negotiation and should not influence decisions made on behalf of the Bank. Negotiations with customers and potential customers shall be conducted in a professional manner and subsequently comparison of Cost & Benefit is to be presented to the competent authority.

Vendors or suppliers shall not be used for any personal purposes, so as to have any conflict of interest while dealing with them.

Anti-Money Laundering

Money Laundering legislations criminalize money laundering in respect of several crimes including drug trafficking, terrorism, theft, tax evasion, fraud, handling of stolen goods, counterfeiting and blackmail etc. It is also an offence to undertake and/or facilitate transactions with individuals and entities involved in criminal activities.

The Bank shall not do business with drug traffickers, money launderers and other criminals. All employees will follow meticulously the Anti-Money Laundering Policy formulated by the Bank following regulatory body's guidelines. Employees shall exercise requisite diligence in selecting those with customers/counter-parties while conducting business. They shall adhere to processes in place for checking

the credit and character of customers and counter parties. These processes ensure customer's due diligence and ongoing monitoring of their customers to detect suspicious transactions during the entire period of the relationship.

Accuracy of Records and Reporting

An employee shall ensure that records, data and information owned, collected, used and managed by him/her for the Bank are accurate and complete. Records shall be maintained as per the policy of the Bank in sufficient details so that these may reflect accurately the Bank's transactions.

An employee shall assist in maintenance of appropriate records so as to ensure that financial transactions are prepared in accordance with generally accepted accounting principles and that they fairly present the financial conditions and result of the Bank. He/she shall observe standards of good flavor regarding content and language when creating business records and other documents (such as weekly/ monthly/quarterly statement, e-mail etc.) that may be retained by the Bank.

Non-maintenance of these records that come into employee's notice and any misappropriation or tampering of records, needs to be reported to the relevant authority. An employee shall not represent any report/claim for his/her personal gain or to protect himself/herself.

Fraud, Theft or Illegal Activities

Employees shall be vigilant about the frauds, theft or illegal activities and shall not engage in such activities at any cost. If any such activity comes into any employee's notice, he/she shall immediately report the same to his/her immediate superior/s or management to protect the interest of the Bank. He/she shall act as a whistle blower thereby.

Working Environment

All employees of the Bank are responsible to keep the workplace friendly, congenial, transparent, free from harassment & corruption etc. and ensure the cohesiveness among the colleagues.

Team Work

Teamwork and co-operation is an important aspect of the work ethics in the organization. Every employee shall leverage on the dynamics of collective skills, knowledge and experience to achieve the best for the stakeholders.

If any conflict arises in the workplace, employees will seek amicable resolution of contentious issues in a manner that is constructive, open, honest and ultimately beneficial to all parties involved.

Diversity

The Bank should respect all employees as unique individuals with fundamental human rights and supports for the cultural and ethnic diversity. Creating a work environment enables to attract, retain and fully engage diverse talents and leads to enhanced innovation and creativity in the services of the Bank.

Employees' Grievance

If employees have a grievance, they should try to resolve this informally first. But, if the complainant feels unable to tackle the complaint informally, and cannot reach a satisfactory conclusion through the informal process, he/she may pursue a formal grievance mitigation application.

Compliance with Laws, Rules and Regulations

Employees should comply with the laws, rules and regulations governing the Bank's business vis-à-vis regulatory bodies. No individual is expected to know the details of all applicable laws, rules and regulations, but individuals shall be knowledgeable about specific laws, rules and regulations that are applicable to their areas of duties and responsibilities.

Fair & Equal Employment Opportunity

Equal opportunity in employment on the basis of individual merit and personal qualifications to employees and applicants for employment shall be ensured. Every individual has the right to work in a professional atmosphere that promotes equal and legal employment opportunities where discriminatory practices, including harassment are prohibited.

Harassment

The Bank will provide a work environment where all employees can work free from harassment on ground of religion, age, gender, family background, ethnicity, personal appearance etc. The Bank will not tolerate any type of harassment by employees, supervisors or others. All employees shall treat each other with respect and courtesy. Harassment in any form including verbal and physical conduct, visual displays, threats, demands and retaliation is strictly prohibited.

The Bank will create an environment which is free from all forms of harassment and discrimination towards women. Any harassment or discriminatory behavior directed at female employees based on their background, gender, religion, race, color, ethnicity, national origin, age, marital status, physical condition, personal appearance, and status shall be dealt with appropriate disciplinary action. Harassment towards female colleagues may include making derogatory or provocative comments, physical violence, inappropriate jokes, and unwanted physical contact, use of epithet, comments or innuendo, obscene or harassing telephone calls, inappropriate content exchange through e-mails, letters, SMS, notes or any other forms of communication.

Zero Tolerance to Violence Whistle Blower in the Workplace

Any acts of violence or threats of violence by any employee against any other person at any time is strictly prohibited. Mutual understanding and respect toward all employees is an essential element for excellence in professionalism, existence of safe and healthy work place, and maintenance of a corporate culture, which serves the needs of the community. The Bank will show zero tolerance for violence against any member of the workforce or its property.

Customer Complaints and fair treatment

All employees should give priority in solving customer complaints quickly, fairly, and record them accordingly. Employee must thank them for bringing the problem to them. Customer complaints should be handled with care and sincerity. Customer should go home with happiness along with the solution. In this regards-

- a. We should allow the customer to vent their anger;
- b. We have to listen attentively to the customers complaints with a positive frame of mind;
- c. We should exude empathy by responding to the customer feelings;
- d. We should acknowledge the inconvenience caused to the customer by speaking politely;
- e. We should apologize if we are at fault;
- f. We should ask direct questions to pinpoint the problem;
- g. We will solve the problem right way if outside help is required, customer should be explained and time must be taken to resolve it;

- h. We have to entertain the customer while he/she waiting for the solution;
- i. We must show our gratitude towards the customer for bringing the issue to the bank; and
- j. We should provide quality customer service, deliver service level promises and handle complaints in an efficient, prompt and friendly manner.

Privacy and Security of Clients/Stakeholders Information

- i. In order to provide financial services, employees will collect, maintain and use the personal information of clients in a manner which allows them to provide better and more tailored products and services and better meet the clients' financial needs and objectives. All information gathered from customers/clients during the course of providing service shall be considered confidential.
- ii. All information of an individual's employment in a bank shall be considered confidential unless it is clearly stated otherwise (or the situation arises whether he/she has been authorized to do so) and shall be used only for the performance of said job duties in line with all rules, regulations, laws and other policies governing the individual's employment. Furthermore, the information shall be kept confidential and secure even after leaving the Bank.

Transparency and Accuracy of Financial, Tax and other Reporting

The Bank will ensure that its reports and communication are true, complete and accurate and shall not be misleading. It shall maintain transparency in its business operations and dealings with clients, stakeholders and regulators

Interaction in Print, Electronic and Social Media

All media (print, electronic and social) inquiries shall be forwarded to personnel from Public Affairs and Brand Communication Division which has been authorized to initiate contact with the media on behalf of the Bank. The Bank shall be ensured that a consistent message in compliance with the governing laws and regulations is broadcast.

Social media sites and tools will be used (if necessary) by the employees and management of the Bank responsibly and with good judgment in compliance with the Bank's policies which restrict the disclosure of confidential information about the Bank, its operations, policies and procedures, employees, customers and other stakeholders or any other information that compromises internal controls and safety requirements.

Guidelines for 'Speak Up Policy'

The Bank adopts a 'Speak up Policy' to uphold its commitment to the code and to maintain a culture of strong ethics and integrity. Any misconduct by any employee serves to harm not only the reputation and financial performance of the Bank but also ultimately undermines trustworthiness of the industry itself.

Personal Investments and Insider Trading

Employees of the Bank are prohibited from partaking in trading of publicly traded securities (including the securities of their place of employment) excepting investment of personal savings in shares for tax purpose for personal gain (or for the gain of the members of their household) if they possess material non-public information about the security or the issuer. It is to be noted that insider trading also encompasses giving 'tips' to another person, encouraging anyone else to deal or dealing on behalf of anyone else based on other non-public 'inside' information. Furthermore, employees of the Bank shall not make any personal investment in an enterprise (including in a public or private company that does business transactions or is

a supplier or competitor of their place of employment) if the result of this investment affects or appears to affect his/her ability to make any unbiased business decisions in favor of his/her employment as thus resulting in a conflict of interest.

Arranging Seminar/Workshop/Training

The Bank used to organize and sponsor seminars/workshops/debates and discussions in order to promote ethics, integrity and compliance standards within the Bank in specific and the financial services industry in general.

Automation/Digitalization of Business Process

The concerned employee shall take necessary steps to ensure that any advancement like automation/digitalization does not compromise the integrity of information security and that the guiding principles of the Code of conduct are duly complied with.

Employee Conduct outside the Office Premises

Employees shall exercise caution while interacting with outside entities so as not to be perceived negatively by the media, society or the communities in which they operate. Moreover, affiliations with certain entities which may result in conflict of interest or disclosure of confidential information are to be strictly avoided.

Grooming, Etiquette and Compliance with the Dress Code

The Bank has an official grooming standard which is suitable to the culture and values of Bangladesh. For relationship managers and other front office personnel (or sometimes even back office personnel) it is important to realize that he/she is often the first point of contact for any customer and as such his/her conduct, grooming, etiquette, proficiency and overall service quality will reflect on their place of employment. It is therefore important not only to make a great first impression, but also to continue to repeat such behavior throughout all interactions with the customers which must be abide by all employees of the bank.

Post-Employment Activities and Responsibilities

Some employees of the Bank may be privy to sensitive information about the company, customers and other stakeholders and business processes which can be confidential in nature and also of proprietary nature for the particular organization. As per the Code of conduct (as well as the exit clauses of their employment contracts) employees shall act with highest standard of integrity and refrain from divulging such information.

Recognition & Award

The Bank used to continue reward programs that take into account not only the performance of the employees but also the way how the performance was achieved.

Disciplinary Procedures and Actions

The Bank has a laid down disciplinary procedure which is in compliance with local laws and ensures fair treatment to employees. Employees' disciplinary matters are judged fairly, transparently, consistently and proportionately, using appropriate processes and achieving fair outcomes. Any disciplinary actions undertaken shall be taken into account the gravity of the misconduct, previous records (if any) and any other extenuating or aggravating circumstances which may exist.

Compliance with the Code of Conduct

- i. All new employees joining in the Bank as well as existing employees are required to commit to the code of conduct and duly sign a statement of compliance attesting the same.
- ii. At all times employees shall act in a professional and ethical way and uphold the highest standards of honesty, trust, fairness, integrity and diligence through their following activities:
 - a. Consider and value the risks and implications of each employee's actions, make them accountable for works to be performed, and for the impact their actions may have on others;
 - b. Comply with all current regulatory and legal requirements, and endeavor to follow best industry practice;
 - c. Keep scope to adopt/incorporate with future changes in this code of conduct and in or any part/paragraph/point of this code of conduct;
 - d. Make information reliable and appropriate, and use them with confidentiality and sensitivity;
 - e. Be alert to and manage potential conflicts of interest which may arise whilst performing their role, motivate them not act for personal gain or advantage;
 - f. Treat all customers, colleagues and counterparties with respect and take responsibility for the advice and services provided to them;
 - g. Senior staffs should lead by example and act as positive role models to others; and
 - h. Continuously develop and maintain technical and professional skill and knowledge and competence of the work force; and
 - i. Uphold the name and reputation of the Bank and the profession.

PROFILE OF THE BANK

| | |
|--|--|
| Registered Name of the Company | : First Security Islami Bank PLC. |
| Legal Form | : A Schedule Commercial Bank incorporated under the Companies Act, 1994 as a Public Limited Company and licensed under the Bank Companies Act, 1991 |
| Registered Office | : 23, Dilkusha C/A, Dhaka – 1000, Bangladesh Tel: 88-02-55045706, 22335643, E-mail: share@fsibld.com |
| Head Office | : Rangs RD Center, Block # SE (F), Plot # 03, Gulshan Avenue, Gulshan-1, Dhaka-1212, Bangladesh. Tel: 88-02-55045700 (Hunting), Fax: 88-02-55045696, E-mail: info@fsibld.com |
| Bank Web-address | : www.fsibplc.com |
| SWIFT | : FSEBDDH |
| Certificate of Incorporation Number | : C-38464 (422) / 99, Date: August 29, 1999 |
| Certificate of Commencement of Business Number | : Issue No. 3060, Date: September 29, 1999 |
| Bangladesh Bank Approval Number | : No. BRPD (P) 744 (73)/99-2931, Date: September 22, 1999 |
| Listing Date with Dhaka Stock Exchange PLC. & Chittagong Stock Exchange PLC. | : September 22, 2008 |
| Commencement of Trading Date with Dhaka Stock Exchange PLC. & Chittagong Stock Exchange PLC. | : September 22, 2008 |
| VAT registration No. | : 000397534-0101 |
| Tax Payer's Identification No. | : 35777328548/Tax Circle & Zone – LTU (Tax) |
| External Auditor | : Khan Wahab Shafique Rahman & Co., Chartered Accountants Head Office: Rupali Bank Bhaban, 7, Rajuk Avenue, Motijheel, Dhaka. |
| Legal Advisor | : The Legal Point, Green City Edge, Level-10, Suit- A-1, 89 Kakrail, Dhaka-1000 |
| Tax Consultants | : K. M. Hasan & Co., Chartered Accountants Home Tower Apartment, 87, New Eskaton Road, Dhaka-1000 |
| Practicing Professional for Certification of CGC | : Haruner Rashid & Associates, Chartered Secretaries 66, Dilkusha C/A, Dhaka-1000 |
| Credit Rating Agency | : Emerging Credit Rating Ltd. |
| Number of Branch | : 205 |
| Number of Sub-branch | : 172 |
| Number of ATM & CRM Booth (own) | : 250 |
| Number of Agent Banking Outlet | : 105 |
| Number of Employees & Staff | : 5324 |
| Number of Directors | : 11 |
| Chairman | : Mohammed Saiful Alam |
| Vice-Chairman | : Mohammed Abdul Maleque |
| Managing Director | : Syed Waseque Md. Ali |
| Chief Financial Officer | : Muhammad Khalid Mahmud FCMA |
| Head of Internal Control & Compliance Division | : Rafiq UI Alam |
| Company Secretary | : Oli Kamal FCS |
| Subsidiary Companies | : 1. First Security Islami Capital & Investment Limited 2. First Security Islami Exchange Italy, SRL |

CORPORATE MILESTONE

| Year | Achievement/Performance |
|------|--|
| 1999 | Incorporation as a modern private commercial bank Obtained license from Bangladesh Bank Get Certificate for Commencement of Business Started operation by opening 1st branch |
| 2003 | Got registration to work as custody with Central Depository Bangladesh Ltd. (CDBL) |
| 2008 | Got permission for Initial Public Offering Enlisted with Dhaka Stock Exchange PLC. & Chittagong Stock Exchange PLC. Started trading with Dhaka Stock Exchange PLC. & Chittagong Stock Exchange PLC. |
| 2009 | Converted from Conventional Bank to Islami Bank |
| 2010 | Started operation of First Security Islami Capital & Investment Limited, a subsidiary of the Bank Received CSR Award from Bangladesh Bank |
| 2011 | Started operation with BankUltimus, the Core Banking Solution Started Mobile Financial Services |
| 2012 | Started operation of First Security Islami Exchange Italy, SRL, a subsidiary of the Bank Opened the 100th Branch Opened 1st ATM Booth Shifted Bank's Head Office from Dilkusha to Gulshan Achieved "Best Rated Bank" Award |
| 2013 | Received Award from Bangladesh Bank for outstanding contribution in School Banking Introduced Central Procurement Technical Unit (CPTU) Received 'Arthakantha Business Award 2013' for best CSR provider Received Business Asia Award as First Best CSR Provider |
| 2014 | Published "Practical Banking Dictionary" |
| 2015 | Established Disaster Recovery Site (DRS) at Savar Achieved "Award of Excellence" from Bangladesh Bank Received "Best Sponsor Award" Received Special Honor for Financial Services Awareness Campaign |
| 2016 | Opened 150th Branch Started Agent Banking Operation |
| 2018 | Launched EMV Featured VISA Debit Card |
| 2019 | Shifted Bank's Head Office to its own premises Launched Mobile Apps "FSIB CLOUD" and "YELLOW PAGE" Achieved "1st Position for collecting highest amount of bill of Dhaka WASA" |
| 2020 | Achieved "Best Corporate Award-2019" awarded by ICMA Achieved "1st Position for collecting highest amount of bill of Dhaka WASA" |
| 2021 | Achieved "1st Position for collecting highest amount of bill of Dhaka WASA" Obtained award as 'Shari'ah Compliant Modern Bank of the Year' Obtained ISO 27001:2013 Certificate Opened 1st CRM ATM Booth Opened 200th ATM Booth Launched Mobile App "FREEDOM" |
| 2022 | Opened 200th Branch Achieved 'The 2022 TradeAssets eMarketplace Champion Award' Launched FirstPay SureCash Service Achieved Award for being one of the highest taxpayers in banking sector for 2021-22 fiscal year at the Large Taxpayers Unit (LTU) Achieved 'Global Brands Digital Banking Award-2022' Won the Trophy of Corporate Cricket Tournament, Season-3 Achieved 'Shari'ah Compliant Modern Bank of the Year' in Bangladesh Excellence Award-2021 Achieved 1st position for collecting the highest amount of bill of Dhaka WASA" (3rd Time) |
| 2023 | Launched Digital Financial Service 'dCloud' Changed name as First Security Islami Bank PLC. 'Green Transformation Fund' Agreement Signing with BB Achieved VISA Payment Excellence Award-2023 Achieved 1st position for collecting the highest amount of bill of Dhaka WASA" (4th Time) |

FORWARD LOOKING STATEMENT

Forward looking is something with an eye to the future and a focus on what is coming or happening. It often predicts expected future business and financial performance. A forward looking statement naturally addresses matters that are, to certain degree, uncertain and may not happen. In most cases, a forward looking statement been made in respect of company's expected income, business growth, horizontal expansion, cost structure, capital structure, dividend etc.

Usually, industry forward looking statements is based on hypothesis as well as certain conditions and changes that might impact on business. Our forward-looking statement of Annual Report 2023 has involved numerous assumptions, inherent risks and uncertainties, both general and specific as well as predictions. These factors include, but not limited to, volatility of profit rates, capital markets instability, changes in national political and socio-economic conditions, changes in government policies, Ukraine-Russia War, price hike, sanction in trade and/or shortage of energy etc. Hence forward-looking statement may not prove to be always true in course of time. Readers are cautioned, not to consider our forward looking statement as something universal or unalterable since any change of national and global scenario is beyond our control. The Bank will not stand accountable to update the amended information in the Annual Report once it is already published.

Forward looking statement was made based on some assumptions about future events which may happen or may not happen. The following major factors that may affect overall business conditions of the Bank:



Due to change of profit rate in deposit, the amount of deposit in banks may increase. On the contrary, clients may be reluctant to take investment from the Banks.



Recovery of investments will be in a big challenge due to slowing down of production activities for high price and shortfall of fuel or energy.



The growth or maintenance of pace of growth will depend largely on the adequacy of foreign currencies for payment against import of raw materials, machineries, fuel and other commodities.



Income from facilitating foreign trade activities, in banking industry, will face a challenge due to shortfall of foreign currency.



Since the Russia-Ukraine War is continuing, bleak performance of country's foreign trade business would continue and it will hit banks profitability as it is the key source of banks' fee, commission and exchange gain business.



The increase of commodity price will lower the living standard as a result some banked people will be turned into unbanked.



There may have adverse effect in banking industry due to unstable condition in capital market.



Trend of saving and power of saving of small and medium savers will change due to change of purchasing power of consumers owing to high commodity pricing globally.



OUTLOOK OF FSIB IN 2024

FSIB being a third generation progressive Islamic Shari'ah Based private commercial bank, it always emphasizes on the development of its manpower to provide quality services to its clients. It believes that the factors which help the banks to survive and differentiate it from other banks are closely interlinked with the quality of services and satisfaction of clients and these depend on the employees' efficiency & effectiveness of work as well as use of modern technology with greater access to all maintaining security, safety and confidentiality. Considering present situation, the management of the Bank has focused on the following issues for the year 2024:

- Accelerating digital on board for different operational procedures and customer service.
- Developing technology to increase customer base, improve efficiencies, fight against financial crimes and enhance service excellence.
- Optimizing capital structure through injection of additional Tier-II capital for sustainable growth and maximization of value of shareholder's equity.
- Focusing on recovery of non-performing investments (NPIs) and non-degradation of existing asset quality.
- Developing workforce to provide services in efficient and cost effective ways.
- Introducing new products and services based on Islamic Shari'ah focusing on present market demand of the country.
- Digitalizing, modernizing and reviewing Islamic banking practices in our all operations.
- Diversifying investment portfolio cautiously without compromising asset quality for minimizing risk.
- Ensuring prudent management of investment risk to offset risk arising out of concurrent environment.
- Focusing on expansion of its banking services among un-banked people through Sub-branches, Agent Outlets, Mobile Financial Services and other Digital Banking Services.
- Reengineering business processes for increasing dynamism and efficiency in services.

ACHIEVEMENTS & Awards



First Security Islami Bank achieved 1st position for collecting the highest bill amongst 34 banks selected by Dhaka WASA to collect bill in the financial year 2021-2022. It is the 4th time to place 1st position consecutively for First Security Islami Bank in collecting Dhaka WASA bill. Chief Guest Mr. Md. Tazul Islam, MP, Honorable Minister, Ministry of Local Government, Rural Development and Cooperatives handed over the certificate and crest to Mr. Syed Waseque Md. Ali, Managing Director, First Security Islami Bank PLC.



First Security Islami Bank PLC. (FSIB) has been awarded for being one of the highest taxpayers in banking sector for 2022-23 fiscal year at the Large Taxpayers Unit (LTU). Mr. Syed Waseque Md. Ali, Managing Director of the First Security Islami Bank PLC. received the award of recognition from Mr. Syed Mohammad Abu Daud, Member (Tax Administration and HRM), NBR.



First Security Islami Bank achieved prestigious 'VISA Payment Excellence Awards-2023' for the category of 'Excellence in Debit Cards' among the associated members of VISA Inc. Mr. M. A. Mannan, MP, Honorable Minister, Ministry of Planning handed over the award to Mr. Md. Masudur Rahman Shah, Deputy Managing Director of First Security Islami Bank PLC. in the program of 'VISA Leadership Conclave 2023' held Dhaka.



DIRECTORS' **PROFILE**



MOHAMMED SAIFUL ALAM

Chairman

Mohammed Saiful Alam was born in Chattogram in the year 1960. He comes from a very prominent and highly respectable family of Bangladesh. He is a man with distinctive vision, dynamism, commitment and innovative ideas. As a chairman of First Security Islami Bank PLC., he has brought along with him a vast wealth of experience and expertise of managing a good number of organizations of his own throughout the country.

He is a very successful entrepreneur and an eminent industrialist of the country. He is the Chairman of the Board of Directors of First Security Islami Capital & Investment Limited, Aviva Finance Limited, S. S. Power I Limited, Norinco Engineering Limited, C & H Power Management Company Limited, Aviva Equity Management Limited, Ekushey Television Limited and Karnaphuli Prakritik Gas Limited. He is the Managing Director of S. Alam Steels Limited, S. Alam Brothers Limited, S. Alam Hatchery Limited, S. Alam Trading Company (Pvt.) Limited, S. Alam Bag Manufacturing Mills Limited, S. Alam Soyaseed Extraction Plant Limited, S. Alam Refined Sugar Industries Limited, S. Alam Luxury Chair Coach Services Limited, S. Alam Tank Terminal Limited, S. Alam Properties Limited, Sonali Cargo Logistics (Pvt.) Limited, Fatehabad Farm Limited, Portman Cements Limited, Nexus Television & Media Network Limited, Pavilion International Limited, Crest Holdings Limited, Virgin Assets Limited, Noor Islamic Holdings Limited, Disney Business Solution Limited and the Director of Northern Islami Insurance Co. Limited and S. Alam Cold Rolled Steels Limited. He is also Sponsor Shareholder of Al-Arafah Islami Bank PLC., S. Alam Super Edible Oil Limited, S. Alam Vegetable Oil Limited, S. Alam Cement Limited and S. Alam Power Generation Limited. He is also Shareholder of Padma Islami Life Insurance Limited and Global Islami Bank PLC.. He is the Proprietor of S. Alam & Co.

In addition to his business, Mr. Alam is associated with many philanthropic activities in the country. Mr. Mohammed Saiful Alam has travelled many countries around the world for business purposes.

DIRECTORS' PROFILE



MOHAMMED ABDUL MALEQUE

Vice-Chairman

Mohammed Abdul Maleque was born in Chattogram in the year 1953. He comes from a very respectable family of Bangladesh. He is a renowned business man. He obtains vast experiences during the business career he involves in his life. He has participated in various seminars and symposium in the country and abroad.

Mr. Maleque is the Chairman of ABM Tower Ltd., Chairman & Managing Director of Kharana Fish & Poultry Ltd. He is the Director of First Security Islami Capital & Investment Ltd., former director of Chittagong Chamber of Commerce & Industry. He is also the Proprietor of M/S. Bengal Corporation, M/S. Bengal Trading and M/S. Lucky Electronics.

He has travelled many countries around the world for business purposes.

DIRECTORS' PROFILE



MRS. FARZANA PARVEEN
Director

Mrs. Farzana Parveen was born in Chattogram in the year 1971. She has enriched her experience through the onerous work in business. In addition to her expertise in the business, she is a person of wide vision. Her epoch-making decision in the business makes her renowned.

Mrs. Farzana Parveen is the Chairman of Nexus Television & Media Network Limited and Managing Director of Dewan Assets Limited. She is the Director of First Security Islami Capital & Investment Limited, Aviva Equity Management Limited, S. Alam Vegetable Oil Limited, Prasad Paradise Resorts Limited, S. Alam Power Plant Limited, S. Alam Properties Limited, Sonali Cargo Logistics (Pvt.) Limited, Norinco Engineering Limited, Affinity Assets Limited, Wesco Limited, Noor Islamic Holdings Limited, Artsy Holdings Limited and Shining Assets Limited. She is also Shareholder of S. Alam Steels Limited, S. Alam Cold Rolled Steels Limited, Union Bank Limited, Aviva Finance Limited, Ekushey Television Limited, Padma Islami Life Insurance Limited and Global Islami Bank PLC.. She is also the Proprietor of Fairy Trade International.

Mrs. Farzana parveen has travelled many countries around the world for business purposes.

**DIRECTORS'
PROFILE**



MRS. ATIKUR NESSA
Director

Mrs. Atikur Nessa was born in Chattogram in the year 1969. She is the Proprietor of Atikur Nisa Enterprise and Ideal Filling Station, Partner of Rafe Enterprise and Khorshed Paribahan Sangstha and Shareholder of Aviva Finance Limited.

Mrs. Atikur Nessa is also associated with various social and philanthropic activities. She has travelled many countries in the world for business purposes.

DIRECTORS' PROFILE



MRS. RAHIMA BEGUM

Director

Mrs. Rahima Begum was born in Chattogram in the year 1971. She is the Chairman of Marsa Aviation Limited, M/s. Mortoza Assets Limited, Marsa Transport Limited and the Managing Director of Marsa Fishing Limited. She is also the Director of Marsa Food & Beverage Limited and Parkview Hospital Limited.

Mrs. Rahima Begum is associated with various social activities. She has travelled many countries around the world for business purposes.

DIRECTORS' PROFILE



MOHAMMED ABDULLAH HASAN

Nominated Director

Mohammed Abdullah Hasan was born in Chattogram in the year 1976. He is a member of prestigious Muslim family in the country. He is a successful business entrepreneur. His spontaneous participation in the business makes him renowned to the young entrepreneurs.

Mohammed Abdullah Hasan is the Managing Director of Hasan Abasan (Pvt.) Limited and Modern Property Limited. He is the Director of First Security Islami Capital and Investment Ltd., S. Alam Luxury Chair Coach Services Ltd., S. Alam Brothers Ltd., Portman Cements Ltd., S. Alam Soyaseed Extraction Plant Ltd., S. Alam Refined Sugar Industries Ltd., Sonali Cargo Logistics (Pvt.) Ltd., S. Alam Tank Terminal Ltd. and Fatehabad Firm Ltd. He is also shareholder of S. Alam Steels Ltd., S. Alam Vegetable Oil Ltd., S. Alam Super Edible Oil Ltd. and S. Alam Cement Ltd. He is the proprietor of M/s. Abdullah Hasan and M/s. Bering Sea Lines.

In addition to his business, Mohammed Abdullah Hasan is involved in benevolent activities in the country. He has travelled many countries around the world for business purposes.

DIRECTORS' PROFILE



KHANDKAR IFTEKHAR AHMAD
Nominated Director

Khandkar Iftekhar Ahmad was born in Pabna in the year 1951. He is a retired Air Commodore of Bangladesh Air Force. During his service period, he served different important positions in Bangladesh Air Force and abroad. After retirement, he has served in several higher positions in various reputed Civil Organizations in the country. He is also the Chairman of Aeronautical Institute of Bangladesh and Global Airport Assisting Services Limited.

Khandkar Iftekhar Ahmad has attended various national and international seminars in the country and abroad. He has travelled many countries around the world for service purposes.

**DIRECTORS'
PROFILE**



MD. RUHUL AMIN

Independent Director

Md. Ruhul Amin was born in Gopalganj in the year 1961. He is a retired bureaucrat and a former Chairman of Petro-bangla. During his service period he has been appointed to several Government organizations. He has enriched his experience with versatile knowledge obtaining from his service in the country. Md. Ruhul Amin has been reappointed for the 2nd tenure by the Board of Directors with approval of Bangladesh Securities and Exchange Commission and Bangladesh Bank.

Mr. Md. Ruhul Amin has traveled many countries around the world.

DIRECTORS' PROFILE



MOHAMMAD MASUM KAMAL BHUIYAN

Independent Director

Mohammad Masum Kamal Bhuiyan was born in Chattogram in the year 1960. He was a prominent official in the Central Bank of Bangladesh with pleasant personality and amiable disposition. He served 35 years in Bangladesh Bank and finally as the Executive Director. During his prolonged & colorful banking career, he served various Departments of the Central Bank, supervised and monitored the activities of Banks and Non-bank Financial Institutions. His distinct knowledge and wide vision in relevant sector make him renowned. He underwent good number of Trainings and Workshops in home and abroad. He served as the Director of Probashi Kallyan Bank and Observer to the Board of Directors of United Commercial Bank PLC., Islami Bank Bangladesh PLC., Rupali Bank PLC. and Sonali Bank PLC.. He also served as the Project Director of Equity Entrepreneurship Fund of Bangladesh Bank.

Mohammad Masum Kamal Bhuiyan has traveled many countries around the world for acquiring knowledge by participating rigorous trainings, workshops and seminars.

DIRECTORS' PROFILE



PROFESSOR MD. KAMAL UDDIN, PHD

Independent Director

Professor Md. Kamal Uddin, PhD was born in Bramanbaria in the year 1967. He has completed PhD in Development Economics, Osaka University, Japan, 2002 (recipient of the best PhD thesis award); M. Econ (Osaka University, 1999); M.Com in Marketing (1st Class, 1st Position), DU; B.Com in Marketing (1st Class, 1st Position), DU; Advanced Course on Economics and Quantitative Techniques (M. Phil Equivalent, BIDS, 1993). He is the Chairman and Professor of the Department of International Business, University of Dhaka. He has enriched his experience by attending different workshops and seminars arranged by national and international organizations in the country and abroad. In addition to his service in the University, he held several positions in the financial and non-financial institution in the country. He also holds professional memberships in various organizations. He has obtained expertise on research and consultancy work related to Finance and Economics in the country and abroad.

He has travelled many countries around the world for professionalism.

DIRECTORS' PROFILE

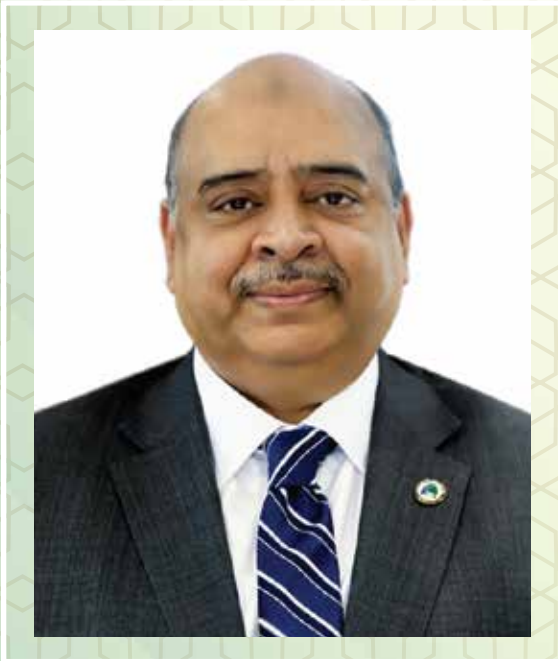


ASHRAFUL MOSTAFA CHOWDHURY
Nominated Director

Ashraf Mostafa Chowdhury was born in Chattogram in the year 1995. He is a member of prestigious Muslim family in the country. He is a young business entrepreneur. His spontaneous participation in the business makes him renowned to the other young entrepreneurs in the country. He is the Managing Director of JMC Shipping Lines (Pvt.) Ltd. And JMC Builders (Pvt.) Ltd. He is the Director of Moon Express (Pvt.) Ltd.

In addition to his business he explores to enrich experience from the various sectors of business in the country and abroad. He has travelled few countries around the world for business and personal purposes.

**DIRECTORS'
PROFILE**



SYED WASEQUE MD. ALI

Managing Director

Syed Waseque Md. Ali was born in Dhaka, Bangladesh in 1962. He started his banking career with IFIC Bank PLC. in 1983. Mr. Ali, a dynamic leader and a seasoned banker, having more than 39 years of extensive and versatile banking experience with diversified, welfare and next generation banking business. He has joined First Security Islami Bank PLC. as Senior Executive Vice President in 2008 and he has been promoted to Deputy Managing Director in the year 2011. He has been appointed as the Managing Director in the year 2015 and re-appointed in the year 2018. He has been re-appointed further in the year 2021. Prior to his joining with FSIB, he served several managerial positions in different banks in Bangladesh.

During his long Banking Career, he has undergone various training and participated in many multifaceted professional and international seminars, workshops & symposiums on Banking and Finance both in the country and abroad. Mr. Ali was President of Rotary Club of Dhaka North and presently serving as Convener of Gulshan Society Zone-6, Dhaka. He is also a life member of Gulshan Society, Gulshan Youth Club, Gulshan Health Club, Dhaka, Bangladesh. He is associated with a number of institutions and communities in the country.

He has traveled many countries around the world.

DIRECTORS' PROFILE

BOARD OF DIRECTORS, SPONSORS & PLACEMENT SHAREHOLDERS

| SL | BOARD OF DIRECTORS |
|----|---|
| | NAME OF SHAREHOLDER DIRECTORS |
| 1 | Mohammed Saiful Alam |
| 2 | Mohammed Abdul Maleque |
| 3 | Mrs. Farzana Parveen |
| 4 | Mrs. Atikur Nessa |
| 5 | Mrs. Rahima Begum |
| | NAME OF NOMINATED SHAREHOLDER DIRECTORS |
| 6 | Mohammed Abdullah Hasan |
| 7 | Khandkar Iftekhar Ahmad |
| 8 | Ashraful Mostafa Chowdhury |
| | NAME OF INDEPENDENT DIRECTORS |
| 9 | Md. Ruhul Amin |
| 10 | Mohammad Masum Kamal Bhuiyan |
| 11 | Professor Md. Kamal Uddin, PhD |

| SL | NAME OF SPONSOR SHAREHOLDERS |
|----|------------------------------|
| 1 | Ms. Sharmin Fatema |
| 2 | Mortuza Siddique Chowdhury |
| 3 | Didarul Alam |
| 4 | Sarwar Jahan Maleque |

| SL | NAME OF PLACEMENT SHAREHOLDERS |
|----|--------------------------------|
| 1 | Marzina Sharmin |
| 2 | Farzana Begum |
| 3 | Ms. Shahana Ferdous |
| 4 | Shamshad Jahan |
| 5 | Abdul Awal |
| 6 | Mohammed Solaiman |
| 7 | Arshadul Alam |
| 8 | Md. Sharif Hussain |

COMMITTEES AND COUNCIL

EXECUTIVE COMMITTEE

| S.I. | Name of Directors | Position |
|------|-----------------------------|--------------------|
| 1 | Mr. Mohammed Saiful Alam | Chairman |
| 2 | Mr. Mohammed Abdul Maleque | Member |
| 3 | Mrs. Farzana Parveen | Member |
| 4 | Mr. Mohammed Abdullah Hasan | Member |
| 5 | Mr. Syed Waseque Md. Ali | Ex- Officio Member |

AUDIT COMMITTEE

| S.I. | Name of Directors | Position |
|------|----------------------------------|----------|
| 1 | Mr. Mohammad Masum Kamal Bhuiyan | Chairman |
| 2 | Mr. Md. Ruhul Amin | Member |
| 3 | Professor Md. Kamal Uddin, PhD | Member |

RISK MANAGEMENT COMMITTEE

| S.I. | Name of Directors | Position |
|------|--------------------------------|----------|
| 1 | Mr. Mohammed Abdul Maleque | Chairman |
| 2 | Mr. Khandkar Iftekhar Ahmad | Member |
| 3 | Professor Md. Kamal Uddin, PhD | Member |

SHARI'AH COUNCIL

| S.I. | Name of Directors | Position |
|------|--|------------------|
| 1 | Professor Dr. Mohammad Gias Uddin Talukder | Chairman |
| 2 | Mufti Sayeed Ahmad | Vice -Chairman |
| 3 | Muhammad Shamaun Ali | Member Secretary |
| 4 | Moulana Abdus Shaheed Naseem | Member |
| 5 | Mohammad Azharul Islam | Member |
| 6 | Dr. Md. Ruhul Amin Rabbani | Member |
| 7 | Mufti Mohammad Muhibbullahil Bagee | Member |
| 8 | Obaid Ullah Hamzah | Member |
| 9 | Mohammed Abdul Maleque | Observer Member |

SENIOR EXECUTIVES

| | |
|---------------------------------|---------------------------------|
| Managing Director | Mr. Syed Waseque Md Ali |
| Additional Managing Director | Mr. Muhammad Mustafa Khair |
| Deputy Managing Director | Mr. Md. Masudur Rahman Shah |
| Principal, Training Institute | Mr. Md Habibur Rahman |
| Senior Executive Vice President | Mr. Md. Tahurul Haque |
| | Mr. Md. Abdur Rahman |
| Executive Vice President | Mr. Mohammed Hafizur Rahman |
| | Mr. Kazi Motaher Hossain |
| | Mr. Salah Uddin Ahmed |
| | Mr. S.M. Azharul Islam |
| | Mr. Md. Abdur Rashid |
| | Mr. Rafiq Ul Alam |
| | Mr. Mohammad Kamal Uddin |
| | Mr. Khondaker Shaheed Hassan |
| | Mr. Oli Kamal FCS |
| | Dr. Mohammad Jahangir Alam |
| | Mr. Md. Masudur Rahman |
| | Mr. Mohammed Masud Parvez |
| | Mr. Kayser Imtiaz |
| | Mr. Muhammad Khalid Mahmud FCMA |

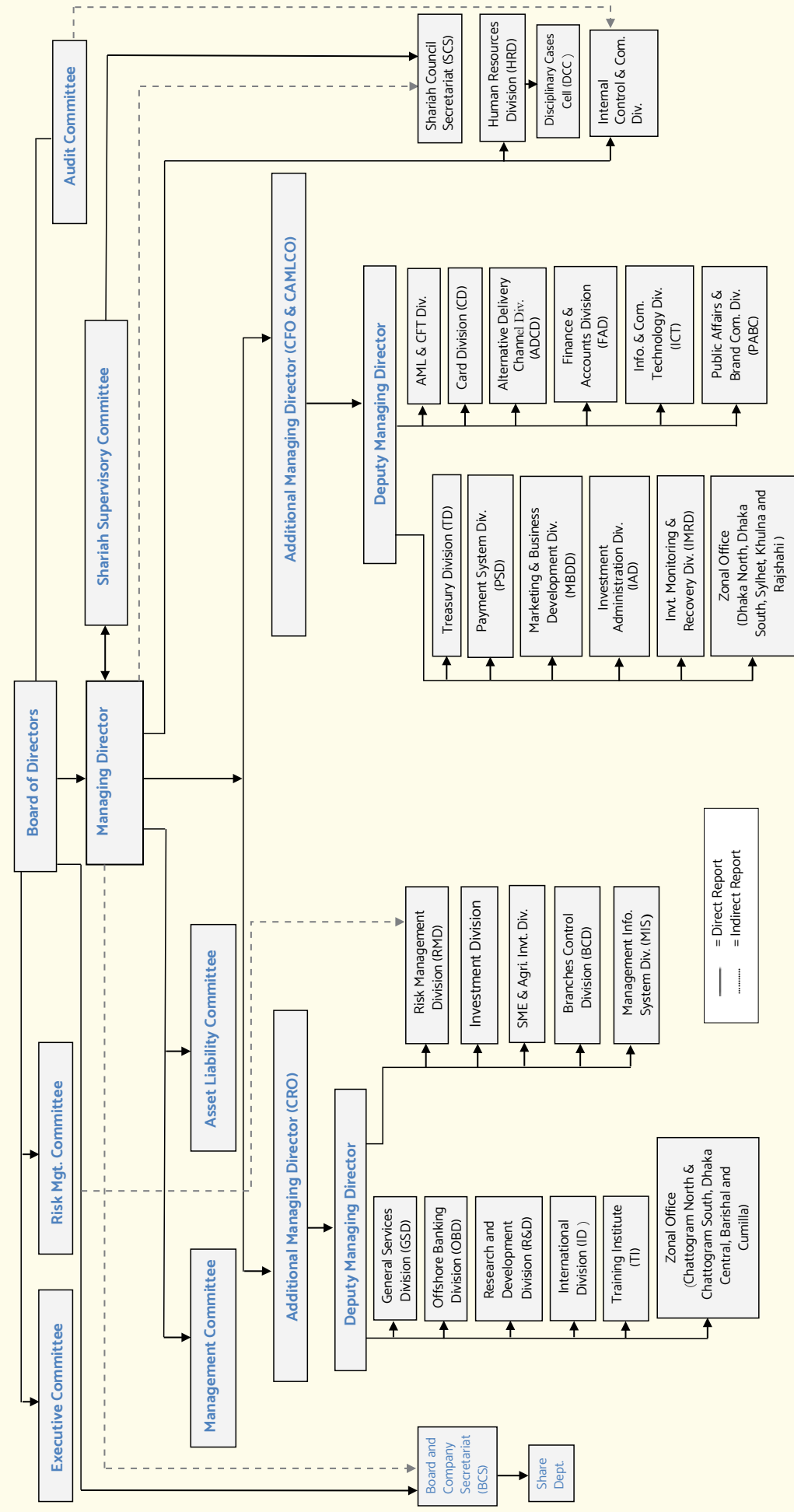
| | |
|------------------------------|----------------------------------|
| Senior Vice President | Ms. Purbani Roy |
| | Dr. Md. Shahazada Basunia |
| | Mr. Shafaiat Ahmed Chowdhury |
| | Mr. Ali Nahid Khan |
| | Mr. Md. Alamgir Hossain |
| | Mr. K.B.M. Ismail Chowdhury |
| | Mr. Md. Rukunuzzaman |
| | Mr. Ahmed Ashique Raazi |
| | Mr. Mohammad Masudur Rahman |
| | Mr. K.M. Khalid Taimur Rana |
| | Mr. Mohammad Marufur Rahman Khan |
| | Mr. Md. Aminul Islam |
| | Mr. Abdul Halim |
| | Mr. Muhammed Helal Uddin |
| | Mr. Md. Rezaul Islam |
| | Mr. Hasanuzzaman Malek |
| | Mr. Mohammad Nasim Gawhar |
| | Mr. Mohammad Yamin |
| | Mr. Abdullah Al Noman |
| | Mr. A.K. Mohammad Jawadul Haque |
| | Mr. Khundker Shamim Ahmed |
| | Mr. Thanbir Ahamed Chowdhury. |
| | Mr. Md. Mushfiqur Rahman |

| | |
|----------------|---------------------------------|
| Vice President | Mr. Abdul Mannan |
| | Mr. Md. Ashraful Alam |
| | Mr. Mohd Shafiqul Alam |
| | Mr. Mosharraf Hossain Chowdhury |
| | Mr. Md. Shafiqul Islam |
| | Mr. Md. Faridur Rahman Jalal |
| | Mr. Foysal Ahmed |
| | Mr. Mohammad Jamil Akhtar |
| | Mr. Md. Fazlul Karim |
| | Mr. Md. Abdur Rouf |
| | Mr. Syed Shajahan Ali |
| | Mr. Mohammed Mostafa |
| | Mr. Abul Kalam Mojibur Rahman |
| | Mr. Md. Mahfuzul Hasan |
| | Mr. Abdullah Al Mamun |
| | Mr. Kazi Shahidul Hoq |
| | Mr. Md. Waliur Rahman |
| | Mr. Mohammad Shahriar Kabez |
| | Mr. Mohammad Mustafa Sharif |
| | Mr. Shahid Mujtaba Jamal |
| | Mr. Mohammad Imtiaz Hassan |
| | Mr. Md. Emdadul Hassan |
| | Mr. Mohammad Mizanur Rahman |
| | Mr. Mohammad Osman |
| | Mr. Md. Shadat Hussain |
| | Mr. Faizul Islam |
| | Mr. Muhammad Imran Alam |
| | Mr. Md. Nasir Uddin Ahmed |
| | Mr. Muhammad Amir Hussian |



Organogram of **FSIB**

ORGANOGRAM OF FIRST SECURITY ISLAMI BANK PLC.





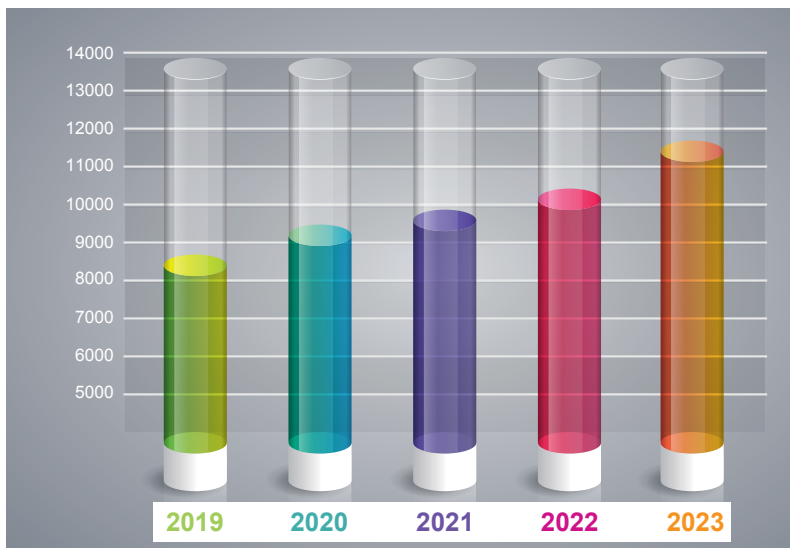
KEY PERFORMANCE HIGHLIGHTS

01

Paid-up Capital

Amount in Million Tk.

| Year | Total |
|------|-----------|
| 2019 | 8,625.09 |
| 2020 | 9,487.60 |
| 2021 | 9,961.98 |
| 2022 | 10,460.08 |
| 2023 | 11,506.09 |

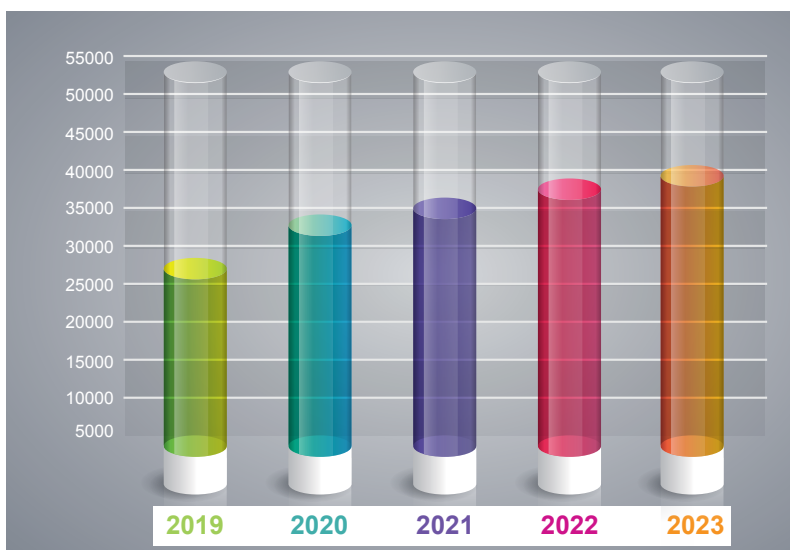


02

Total Regulatory Capital

Amount in Million Tk.

| Year | Total |
|------|-----------|
| 2019 | 27,472.21 |
| 2020 | 34,915.07 |
| 2021 | 36,675.12 |
| 2022 | 38,705.47 |
| 2023 | 40,896.43 |

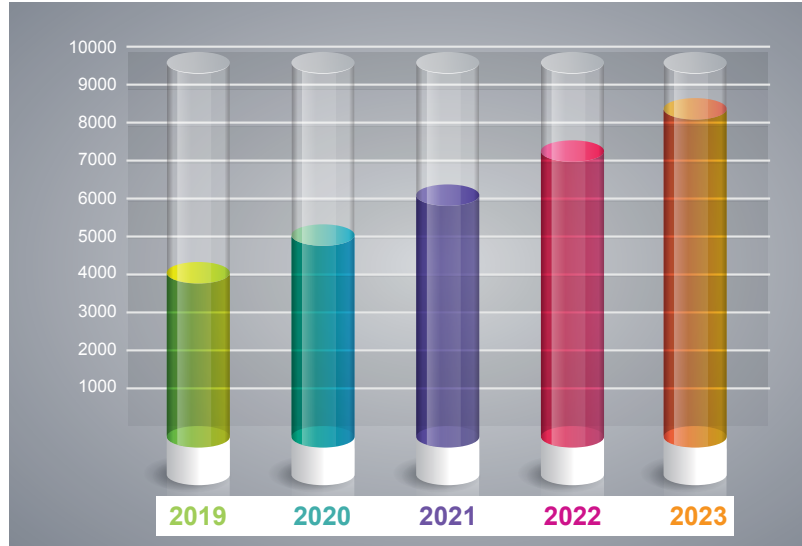


03

Statutory Reserve

Amount in Million Tk.

| Year | Total |
|------|----------|
| 2019 | 4,339.99 |
| 2020 | 5,293.57 |
| 2021 | 6,456.66 |
| 2022 | 7,550.14 |
| 2023 | 8,743.76 |

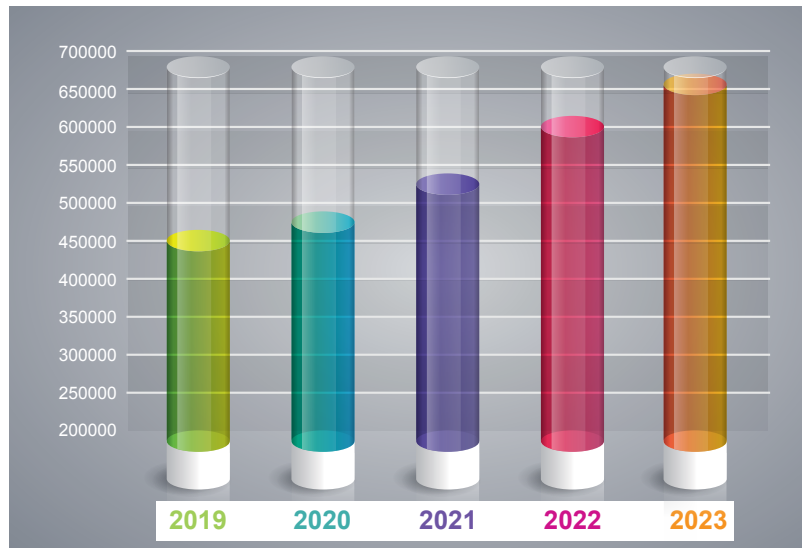


04

Total Assets

Amount in Million Tk.

| Year | Total |
|------|------------|
| 2019 | 437,646.63 |
| 2020 | 497,250.79 |
| 2021 | 544,795.19 |
| 2022 | 616,453.58 |
| 2023 | 660,110.64 |

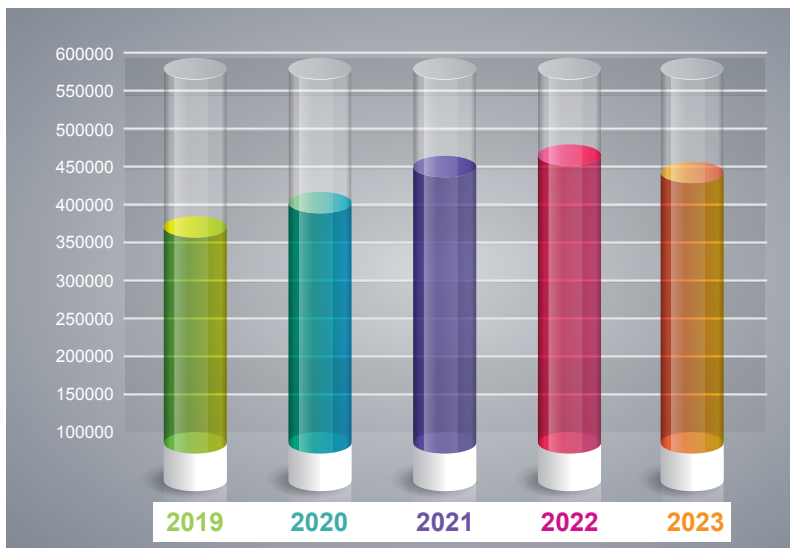


05

Total Deposits

Amount in Million Tk.

| Year | Total |
|------|------------|
| 2019 | 376,609.70 |
| 2020 | 428,687.22 |
| 2021 | 469,035.38 |
| 2022 | 473,025.03 |
| 2023 | 455,151.17 |

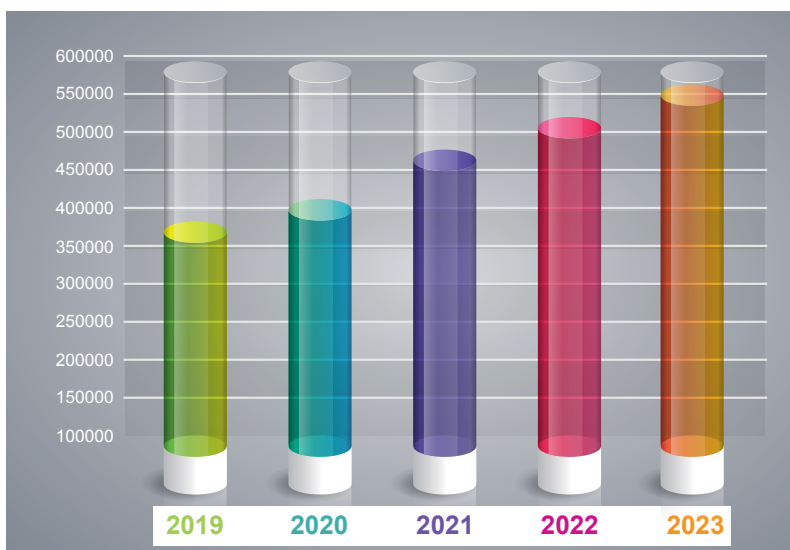


06

Total Investment

Amount in Million Tk.

| Year | Total |
|------|------------|
| 2019 | 364,029.96 |
| 2020 | 414,780.69 |
| 2021 | 455,850.14 |
| 2022 | 523,944.39 |
| 2023 | 569,324.14 |

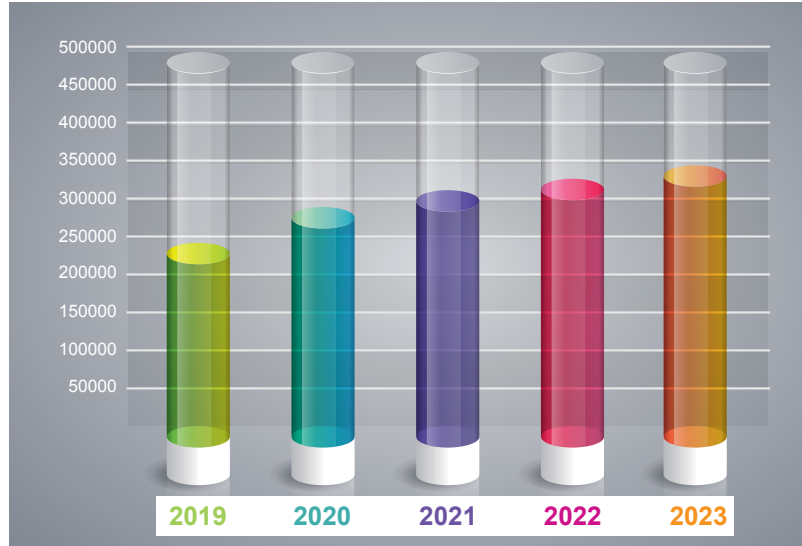


07

Total Risk Weighted Assets

Amount in Million Tk.

| Year | Total |
|------|------------|
| 2019 | 240,730.41 |
| 2020 | 287,963.44 |
| 2021 | 302,924.48 |
| 2022 | 320,643.95 |
| 2023 | 345,476.86 |

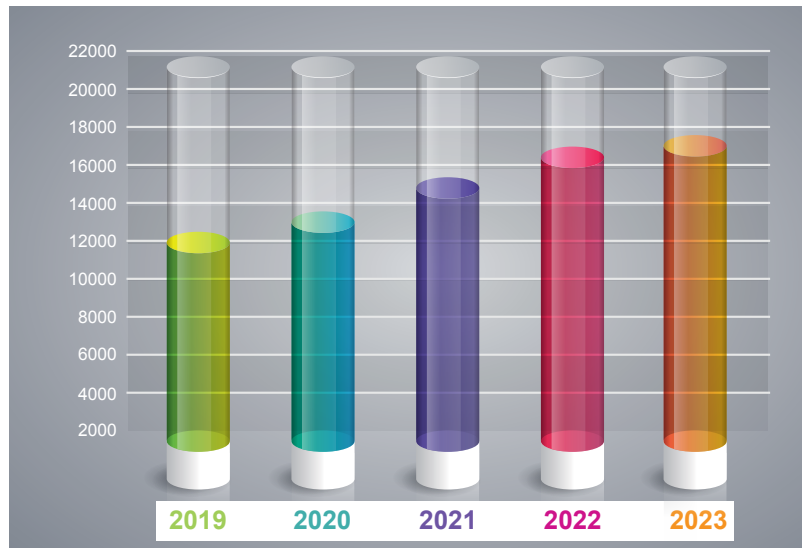


08

Operating Income

Amount in Million Tk.

| Year | Total |
|------|-----------|
| 2019 | 12,380.79 |
| 2020 | 13,460.49 |
| 2021 | 15,145.71 |
| 2022 | 16,915.29 |
| 2023 | 17,819.81 |

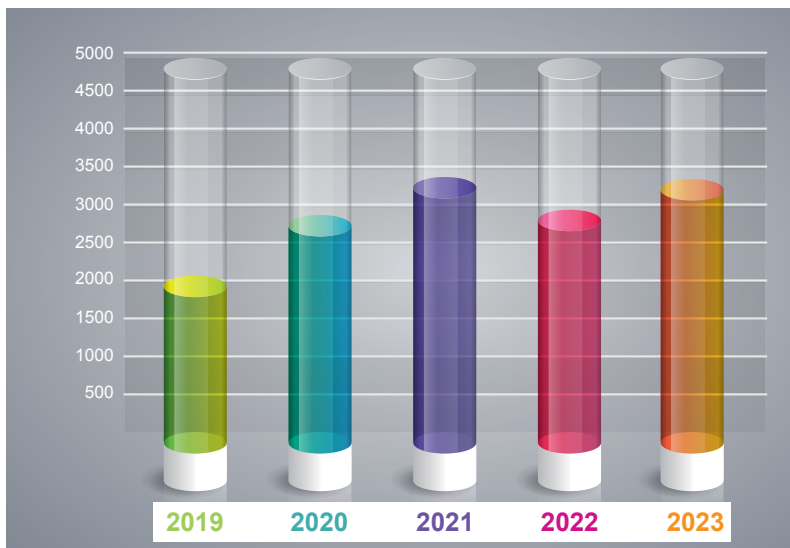


09

Net Profit

Amount in Million Tk.

| Year | Total |
|------|----------|
| 2019 | 2,091.89 |
| 2020 | 2,792.58 |
| 2021 | 3,365.20 |
| 2022 | 2,961.50 |
| 2023 | 3,311.67 |

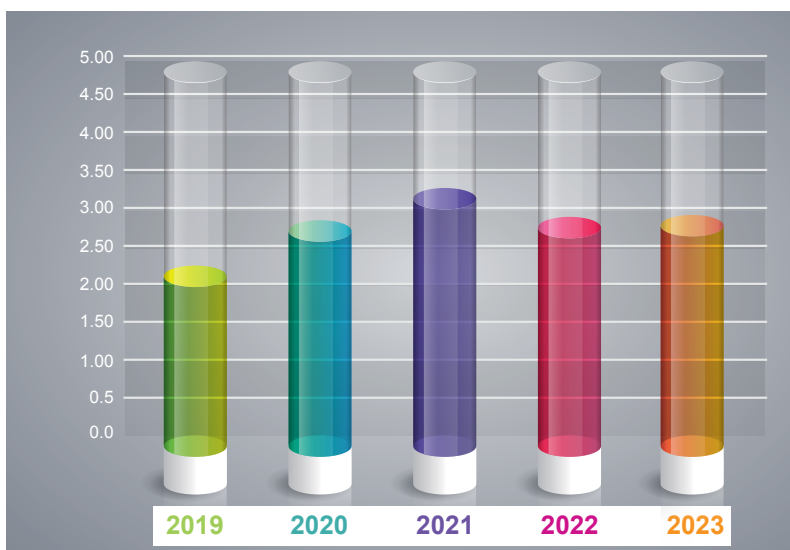


10

Earnings Per Share

Amount in Tk.

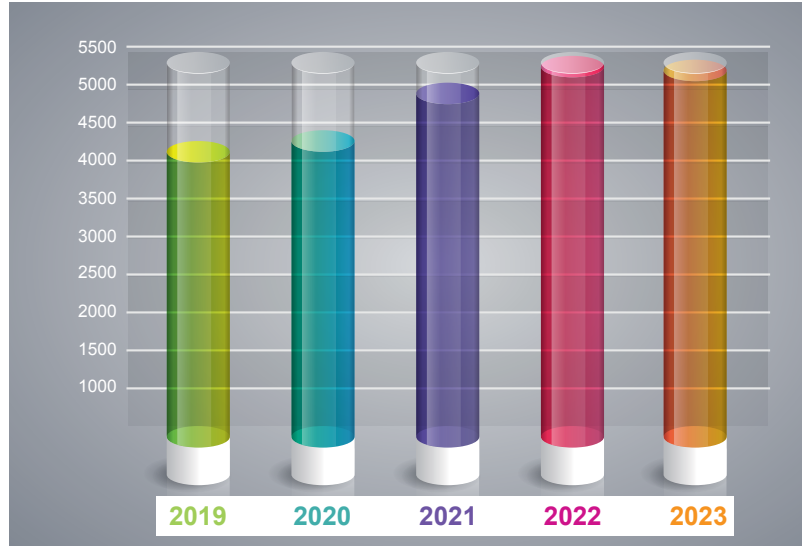
| Year | Total |
|------|-------|
| 2019 | 2.19 |
| 2020 | 2.80 |
| 2021 | 3.20 |
| 2022 | 2.81 |
| 2023 | 2.85 |



11

Number of Employees

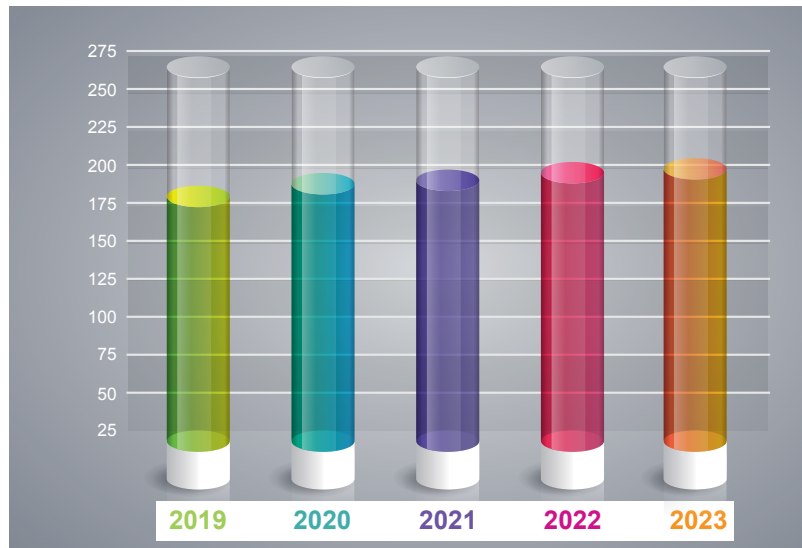
| Year | Nubmer Total |
|------|-----------------|
| 2019 | 4,203 |
| 2020 | 4,419 |
| 2021 | 5,086 |
| 2022 | 5,406 |
| 2023 | 5,324 |



12

Number of Branches

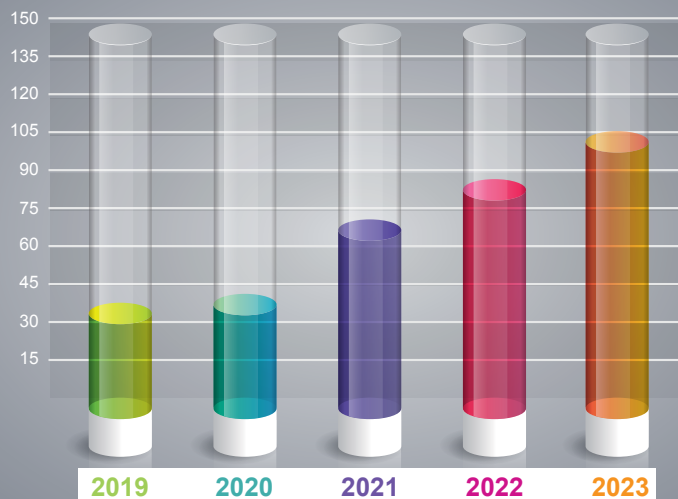
| Year | Number Total |
|------|-----------------|
| 2019 | 184 |
| 2020 | 190 |
| 2021 | 196 |
| 2022 | 204 |
| 2023 | 205 |



13

Number of Agent Banking Outlet

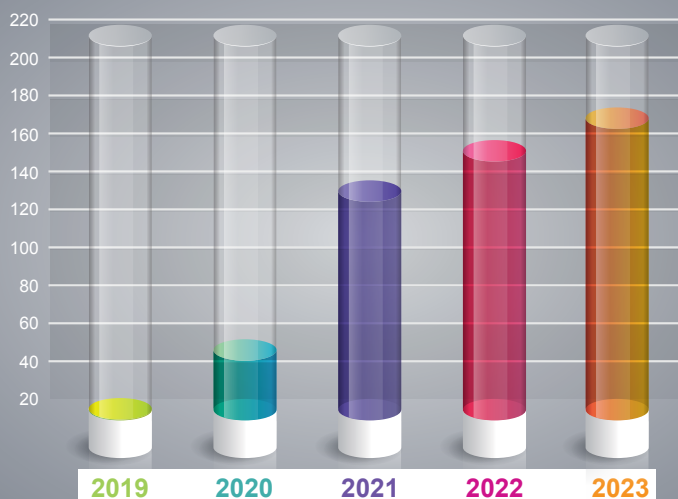
| Year | Number Total |
|------|--------------|
| 2019 | 36 |
| 2020 | 41 |
| 2021 | 70 |
| 2022 | 86 |
| 2023 | 105 |



14

Number of Sub-Branches

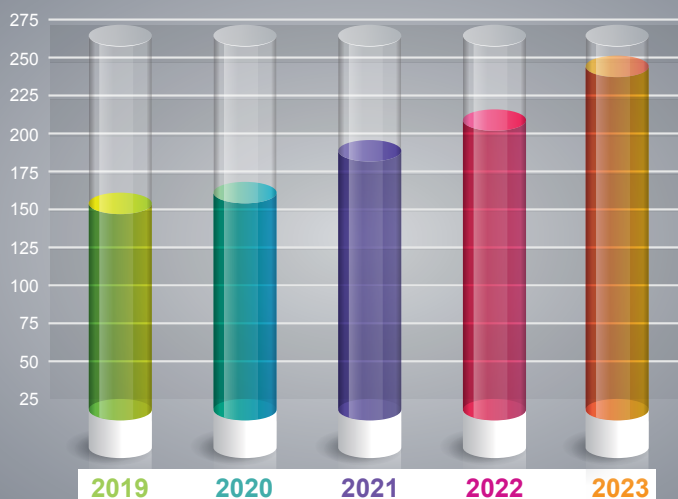
| Year | Number Total |
|------|--------------|
| 2019 | 1 |
| 2020 | 50 |
| 2021 | 136 |
| 2022 | 157 |
| 2023 | 172 |



15

Number of ATM

| Year | Number Total |
|------|--------------|
| 2019 | 154 |
| 2020 | 165 |
| 2021 | 195 |
| 2022 | 215 |
| 2023 | 250 |



DIRECTORS' & MANAGEMENT'S **REVIEWS AND REPORTS**



পরিচালকমন্ডলী ও ব্যাংক ব্যবস্থাপনা কর্তৃপক্ষের
পর্যালোচনা এবং প্রতিবেদন

A close-up photograph of a person's hands holding a black smartphone. The person is wearing a dark suit jacket. The background is a warm, orange-toned bokeh. Numerous yellow-outlined envelope icons, representing messages, are floating in the air around the phone. Some icons are larger and more prominent, while others are smaller. The overall atmosphere is one of digital communication and connectivity.

“MESSAGE”



চেয়ারম্যান মহোদয়ের বাণী

বিস্মিল্লাহির রাহমানির রাহিম ।

সম্মানিত শেয়ারহোল্ডারবন্দ,
আসসালামু আলাইকুম ।

আমাদের আমন্ত্রণে সাড়া দিয়ে ফাস্ট সিকিউরিটি ইসলামী ব্যাংক পিএলসি. এর ২৫তম বার্ষিক সাধারণ সভায় উপস্থিত হওয়ার জন্য আপনাদের সবাইকে জানাই আন্তরিক ধন্যবাদ । আন্তরিকভাবে আশা করছি আপনারা সবাই সুস্থ ও নিরাপদে আছেন । ২০২৩ সালে এফএসআইবি সফলতার সাথে ২৪তম প্রতিষ্ঠাবার্ষিকী উদযাপন করেছে । যা আমাদের জন্য একটি গুরুত্বপূর্ণ মাইলফলক । আগামী বছরগুলোতেও ধারাবাহিকভাবে সফলতার সাথে এগিয়ে যাওয়ার আশা ব্যক্ত করছি । ব্যাংকের প্রতি অবিচল আস্থা ও সমর্থন ধরে রাখার জন্য আমি এবং পরিচালনা পর্ষদের পক্ষ হতে আপনাদের আন্তরিক ধন্যবাদ ও কৃতজ্ঞতা জ্ঞাপন করছি । করোনা মহামারি ও রাশিয়া-ইউক্রেন যুদ্ধ এবং পরবর্তীতে গাজা-ইসরাইলের যুদ্ধের ফলে পুরো বিশ্বে সংকটময় পরিস্থিতি সৃষ্টি হয়েছে । এই সংকটকালে আমাদের নিরলস মনোযোগ ছিল গ্রাহক বান্ধব ডিজিটাল ব্যাংকিং সেবা জোরদার করা, সময়োপযোগী সুচিন্তিত ও বিচক্ষণ ব্যবসায়িক কৌশলের সঙ্গে আধুনিক ও টেকসই ডিজিটাল সেবা আমাদের ব্যবসায়িক কার্যক্রমকে গতিশীল ও স্বাভাবিক ধারায় ফিরিয়ে আনতে অগ্রণী ভূমিকা পালন করেছে ।

আর্থিক ক্রিয়াকলাপের ভূমিকা:

বিগত বছরগুলোতে করোনা মহামারির কারণে বিশ্ব অর্থনীতি হুমকির মধ্যে পড়েছিল । সেটা মোকাবেলা করে উঠতে না উঠতে রাশিয়া ইউক্রেন যুদ্ধ পুরো অর্থনীতি ব্যবস্থাকে ধুকতে থাকা দাবানলে যেন আগুনের ফুলকি ছুঁড়ে দিল এবং সেটা আরও জোরদার করল গাজা-ইসরাইলের যুদ্ধ । ফলশ্রুতিতে সারা বিশ্বে নানান সংকট শুরু হয় । অন্যান্য দেশের মত আমাদের দেশও ডলার সংকট, ভোজ্যতেল সংকটসহ নানামুখী অর্থনৈতিক ঝুঁকির মধ্যে পতিত হয় । কেন্দ্রীয় ব্যাংকের রিজার্ভ নেমে আসে বিগত বছরগুলোর মধ্যে সর্বনিম্ন পর্যায়ে । এতসব সমস্যার মাঝেও বাংলাদেশ সগৌরবে এগিয়ে চলছে । সরকারের সাহসী মনোভাব আর সদিচ্ছার কারণে বাংলাদেশ বিশ্বের অনেক উন্নয়নশীল দেশের তুলনায় অনেকাংশে এগিয়ে আছে ।

২০২৩ সাল শেষে আমাদের ব্যাংকের মোট সম্পদের পরিমাণ প্রায় ৭.০৮ শতাংশ বৃদ্ধি পেয়ে টাকার পরিমাণ অংকে দাঁড়িয়েছে ৬৬.০১ বিলিয়ন টাকা । পাশাপাশি, পরিশোধিত মূলধন ১০ শতাংশ বৃদ্ধি পেয়ে ১,১৫০ কোটি বা ১১.৫০ বিলিয়ন টাকায় দাঁড়িয়েছে; ফলে ব্যাংকের মূলধন আরও শক্তিশালী হয়েছে । বছর শেষে শেয়ার প্রতি আয় হয়েছে ২.৮৫ টাকা ।

আর্থিক নিরাপত্তা ও নীরিক্ষা:

বর্তমান বিশ্ব অর্থনীতি দ্রুত গতিতে পরিবর্তিত হচ্ছে । নগদ লেনদেনের স্থান দখল করে নিচ্ছে ইলেক্ট্রনিক মানিতে । সময়ের পরিক্রমায় আর্থিক অবস্থার উন্নতির সাথে সাথে মানুষের চাহিদারও উন্নতি হচ্ছে । ফলে মানুষ এখন বিভিন্ন ক্ষেত্রে স্মার্ট অর্থনীতিতে বিশ্বাস করতে শুরু করেছে । মানুষের চাহিদা বিবেচনায় নিয়ে আমাদের ব্যাংকের কার্যকলাপও পরিবর্তন-পরিবর্ধন করা হয়েছে । ডিজিটাল ইকোনমির সুবিধা মানুষ এখন ঘরে বসেই ভোগ করতে পারছে আমাদের FSIB Cloud সেবার মাধ্যমে এবং এই সেবাকে আরাও প্রসারিত করছে FSIB D-Cloud । FSIB Cloud এর Freedom সুবিধার মাধ্যমে ঘরে বসেই হিসাব খুলতে পারছে । বিকাশ, নগদ থেকে শুরু করে মোবাইল রিচার্জ এর মত সেবাও মানুষ এখন ঘরে বসেই ভোগ করছে । তাছাড়া i-Banking, First Cash, POS Machine, ডেবিট কার্ড, ক্রেডিট কার্ডসহ বিবিধ ইলেক্ট্রনিক ব্যাংকিং সুবিধা মানুষ এখন অনায়াসে ভোগ করার সুযোগ পাচ্ছে । অদূর ভবিষ্যতে সমসাময়িক অন্যান্য ব্যাংকের তুলনায় যুগোপযোগী আরও নানান সুবিধা ও সেবা নিশ্চিত করার জন্য আমরা আমাদের সর্বাঙ্গিক প্রয়াস চালিয়ে যাচ্ছি ।

আস্থার প্রত্যয়:

আমাদের ব্যাংকের প্রধান লক্ষ্য হলো যথাযথ শরী'য়াহ মেনে গ্রাহককে সর্বোচ্চ সুরক্ষা নিশ্চিতকরনের মাধ্যমে তাদের আস্থা ও বিশ্বাস ধরে রাখা । তাছাড়া আমানতকৃত অর্থের যথাযথ বিনিয়োগ করতে পারার উপর ব্যাংকের মুনাফা নির্ভর করে । তাই আমানতগুলোর সঠিক বিনিয়োগই হবে আমাদের সামনে এগিয়ে চলার হাতিয়ার । বর্তমান বিশ্ব অর্থনীতির কথা বিবেচনা করে আমাদের আগামী ব্যাংকিং সম্পর্কে অবগত হতে হবে । বিশ্ব অর্থনীতির চাপ মোকাবেলা করতে পারার মত পর্যাণ্ড সুযোগ-সুবিধা ও সেবার মান নিশ্চিত করতে হবে ।

গুদ্বতা:

ব্যাংক আমানতকারীর আমানতকে যথাযথ ব্যবহারের মাধ্যমে নিজের এবং গ্রাহকের মুনাফা নিশ্চিত করার চেষ্টা করে। ব্যাংক যদিও গ্রাহকের আমানতের উপর ভিত্তি করে পরিচালিত হয় তবুও ব্যাংকে যেন মানি লন্ডারিং আইনের কোন শর্ত ভঙ্গ না করে সেটা নিশ্চিত করতে বিভিন্ন ধাপে পরীক্ষা করা হয়। আমাদের ব্যাংকের KYC তে গ্রাহকের যাবতীয় তথ্য যেমন নাম, ঠিকানা, মোবাইল নং, জাতীয় পরিচয় পত্র নং, পাসপোর্ট নং, তারিখ, লেনদেনের উদ্দেশ্য, অর্থের উৎস কি ইত্যাদি লিপিবদ্ধ করা হয় যাতে পরে কোন অনৈতিক আয় ডিপোজিট করে তা শনাক্ত করা গেলে সাথে সাথে উক্ত ব্যক্তির যাবতীয় তথ্য যাচাই করা যায়।

মানব সম্পদ:

দক্ষ মানব সম্পদ যেকোন প্রতিষ্ঠানের জন্য আশীর্বাদ। আমাদের দক্ষ কর্মী বাহিনীর যথাযথ ব্যবহারের কারণে গত এক বছরে অর্থনৈতিক চাপ সহ্য করেও ব্যাংক দাঁড়িয়ে আছে স্ব-মহিমায়। দক্ষ কর্মী বাহিনী থাকার প্রধান সুবিধা হলো সময়ের যথার্থ ব্যবহার করে যে কোন পরিস্থিতিতে মানিয়ে নিয়ে সামনে এগিয়ে যাওয়ার পথকে সুগম করা যায়। আমাদের ব্যাংকের কর্মীরা গ্রাহক সেবার এই মানকে ধরে রেখে সামনে আরও ভাল কিছু করার প্রচেষ্টা অব্যাহত রাখবেন এই আশাবাদ ব্যক্ত করছি।

সেবার মানদণ্ড:

বর্তমানে অর্থনৈতিক পরিমন্ডল অনেক পরিবর্তিত হয়েছে। সেসব পরিবর্তনের সাথে পাল্লা দেয়ার জন্য আমাদের ব্যাংকের বিভিন্ন সেবামূলক পণ্য সরবরাহ অব্যাহত রাখা হয়েছে। “সবার জন্যে সবসময়” শ্লোগানকে মাথায় রেখে মহিলা ও বয়স্ক ব্যক্তিদের জন্য আলাদা সঞ্চয় স্কীম করা হয়েছে। মানুষ এখন হাতের কাছে সব পেতে চায়। অদূর ভবিষ্যতে মানুষ আরও স্মার্ট সুবিধা পেতে চাইবে। এসব বিষয় বিবেচনায় রেখে আমাদের বেশ কিছু পরিকল্পনা হাতে রয়েছে। পরিবর্তিত অর্থনৈতিক পরিমন্ডলের সাথে যাতে আমাদের সেবার মান যুগোপযুগী ও সুবিধাজনক হয় সেই দিকটাতে সতর্ক মনোযোগ দেয়া হচ্ছে।

এগিয়ে চলার প্রত্যয়:

সমসাময়িক পরিস্থিতিতে আমাদের দেশীয় ইকোনমীর উন্নয়নে অবদান রাখার জন্য আমাদের ব্যাংক সর্বদা কাজ করে যাচ্ছে। বিশ্ব অর্থনীতির এই ক্রান্তিলগ্নে সরকারের পাশাপাশি আমাদেরও কিছু অবদান রাখা জরুরী। প্রবাসী আয় যাতে সঠিক পথে আসে তার জন্য বাংলাদেশ ব্যাংক কর্তৃক আরোপিত বোনাস গ্রাহককে সরাসরি দেওয়া হচ্ছে। নগদ বোনাস ছাড়াও আমাদের ব্যাংক বিভিন্ন উপহার সামগ্রী বিতরণ করে যাচ্ছে। সাধারণ মানুষ বিষয়টিকে খুবই ইতিবাচক হিসেবে নিয়েছে। তাছাড়া ব্যাংক খাতের উন্নয়নের প্রত্যয়ে আমরা ইতোমধ্যে কিছু উদ্যোগ গ্রহণ করেছি। শরী'য়াহ পরিপালনের পাশাপাশি শরী'য়াহ আইনের প্রচলন বৃদ্ধি করাও আমাদের উদ্দেশ্য।

ব্যাংকের বিস্তৃতি:

ফার্স্ট সিকিউরিটি ইসলামী ব্যাংক পিএলসি. সারা দেশে ব্যাপকভাবে বিস্তৃত। আমাদের ২০৫ টি শাখা, ১৭২ টি উপশাখা, ২৫০ টি এটিএম, ১০৫ টি এজেন্ট আউটলেট ও ২৮ টি কালেকশন বুথ নিয়ে সারা দেশে সেবা দিয়ে যাচ্ছে। ব্যাংকিং কার্যক্রম আরও বিস্তৃত করার উদ্দেশ্যে আমরা দেশের গুরুত্বপূর্ণ স্থানে আরও শাখা-উপশাখা, এটিএম, এজেন্ট ব্যাংকিং আউটলেট ও কালেকশন বুথ করার চেষ্টা চালিয়ে যাচ্ছি। আমাদের প্রধান উদ্দেশ্য দেশের প্রান্তিক পর্যায় পর্যন্ত ব্যাংকিং সেবা পৌঁছে দেয়া। বর্তমানে অনেক প্রত্যন্ত অঞ্চলে আমাদের শাখা-উপশাখা বিদ্যমান রয়েছে। পরিবেশ পরিস্থিতি ও অর্থনৈতিক দিক বিবেচনায় নিয়ে আমাদের ব্যাংকিং পরিষেবা আরও বিস্তৃত করার উদ্দেশ্যে আমরা সর্বাঙ্গিক প্রচেষ্টা চালিয়ে যাচ্ছি।

বিশ্ব অর্থনীতি:

রাশিয়া ইউক্রেন যুদ্ধের ফলস্বরূপ বিশ্ব অর্থনীতিতে যে প্রভাব পড়েছে তাতে মূদার মান কমাসহ নানান রকম অর্থনৈতিক জটিলতা সৃষ্টি হয়েছে। মদ্রাস্থীতি বৃদ্ধির কারণে সারা বিশ্বে এক প্রকার অর্থনৈতিক সংকট তৈরি হয়েছে। উন্নত অর্থনীতিতে বাণিজ্য উত্তেজনা সহ ভূ-রাজনৈতিক অনিশ্চয়তা দেখা দিয়েছে। করোনা মহামারীর সংকট এখনও সারা বিশ্বে বিদ্যমান। তার উপর এই কৃত্রিম মহামারী বিশ্ব অর্থনীতিকে অনেকটা স্থবির করে দিয়েছে। যার ফলস্বরূপ শ্রীলংকার মত দেশ অর্থনৈতিকভাবে বিপর্যস্ত হয়ে পড়েছে। বাংলাদেশেও ব্যাপকভাবে এর প্রভাব পড়েছে। অর্থনৈতিক এই সমস্যা থেকে উত্তরণের জন্য এফইডি, আইএমএফ, এডিবি, বিশ্ব ব্যাংক সহ বিভিন্ন অর্থনৈতিক সংস্থা কাজ করে যাচ্ছে।

আমাদের সক্ষমতা:

ফার্স্ট সিকিউরিটি ইসলামী ব্যাংক পিএলসি. ৩য় প্রজন্মের ব্যাংকসমূহের মধ্যে অন্যতম সফল একটি ব্যাংক। ইসলামী ধারার ব্যাংকিং ইন্ডাস্ট্রিতেও এটি যথেষ্ট সফল। বাংলাদেশের ব্যাংকিং ইন্ডাস্ট্রিতে এফএসআইবি এর অবস্থান অনেক দৃঢ় আর সময়োপযুগী। ২০২৪ সালেও আমরা আমাদের সক্ষমতা ধরে রাখার আশা ব্যক্ত করছি। দেশের অর্থনৈতিক চাহিদার কথা বিবেচনা করে আমরা আমাদের সেবার মান আরও উন্নত ও পরিবর্তনের চেষ্টা চালিয়ে যাচ্ছি। যুগোপযুগী পণ্য সরবরাহ ও গ্রাহক সেবার মান বৃদ্ধিসহ মানব সম্পদ উন্নয়ন ও সুষ্ঠু ব্যবহারের দিকেও আমাদের সর্বদা সজাগ দৃষ্টি ও পর্যাপ্ত বিনিয়োগের প্রক্রিয়া চলমান।

স্মার্ট ইকোনমি:

বর্তমান সমসাময়িক অর্থনীতি ব্যবস্থায় স্মার্টনেস অনেক গুরুত্বপূর্ণ। বাংলাদেশ সরকার ২০৪১ সালের মধ্যে বাংলাদেশকে একটি স্মার্ট দেশ হিসেবে গড়ে তোলার ঘোষণা দিয়েছেন। এই স্মার্ট বাংলাদেশের লক্ষ্য বাস্তবায়নে সরকার চারটি ভিত্তি নির্ধারণ করেছেন-স্মার্ট সিটিজেন, স্মার্ট ইকোনমি, স্মার্ট গভর্নমেন্ট ও স্মার্ট সোসাইটি। সরকারের এই লক্ষ্য বাস্তবায়নের জন্য আমরা বদ্ধ পরিকর। স্মার্ট ইকোনমি বাস্তবায়ন করার জন্য আমরা আমাদের যাবতীয় কার্যকলাপ সেই আলোকে নির্ধারণ করার প্রক্রিয়া চালিয়ে যাব। আমরা মানব সম্পদের দক্ষতা বৃদ্ধির পাশাপাশি স্মার্ট ব্যাংকিং এর প্রশিক্ষণও দিয়ে আসছি। পণ্য ও সেবার ক্ষেত্রেও সময়োপযোগী সিদ্ধান্ত নেয়া হচ্ছে যা সরকারের স্মার্ট বাংলাদেশ গড়ার ক্ষেত্রে সহায়ক হবে বলে আশা ব্যক্ত করছি।

পরিশেষে আমাদের উপর আস্থা ও বিশ্বাস রাখার জন্য আমি সম্মানিত গ্রাহক ও শেয়ারহোল্ডারদের আন্তরিকভাবে ধন্যবাদ জানাচ্ছি। দীর্ঘ সময়ের পথ চলায় বরাবরের মত বাংলাদেশ ব্যাংক, সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, ঢাকা ও চট্টগ্রাম এক্সচেঞ্জসহ অন্যান্য নিয়ন্ত্রক ও সম্পৃক্ত কর্তৃপক্ষের সার্বিক সহযোগিতার জন্য আন্তরিক কৃতজ্ঞতা প্রকাশ করছি। ব্যাংকের কাজক্ষিত লক্ষ্যমাত্রা ধরে রাখার পাশাপাশি সেবার মান ধরে রাখার জন্য ব্যাংকের ব্যবস্থাপনা কর্তৃপক্ষ ও সর্বস্তরের কর্মকর্তা-কর্মচারীদের প্রতিও ধন্যবাদ জ্ঞাপন করছি।

আব্বাস হাফেজ,



মোহাম্মদ সাইফুল আলম

চেয়ারম্যান



MESSAGE FROM CHAIRMAN

Bismillahir Rahmanir Rahim.

Dear Shareholders,
Assalamu Alaikum.

Thank you all for responding to our invitation and attending the 25th Annual General Meeting of Fastr Security Islami Bank PLC.. Sincerely hope you are all healthy and safe. FSIB successfully celebrated its 24th anniversary in 2023. Which is an important milestone for us. I hope to move forward with success in the coming years. On behalf of the Board of Directors, I express our sincere thanks and gratitude to you for your continued trust and support towards the Bank. The Corona pandemic and the Russia-Ukraine war and the Gaza-Israel war across the border have created a critical situation all over the world. Our unrelenting focus during this crisis was to strengthen customer friendly digital banking services, modern and sustainable digital services along with timely well thought out and prudent business strategy played a leading role in bringing our business operations back to dynamic and normal flow.

Introduction to Financial Operations:

In the past years, the world economy was under threat due to the corona epidemic. Unable to deal with it, the Ukraine war fueled the economy and fueled the Gaza-Israel conflict. As a result, various crises started all over the world. Like other countries, our country also falls under various economic risks including dollar crisis, edible oil crisis. Central Bank reserve fell to their lowest level in years. Despite all these problems, Bangladesh is moving forward with pride. Due to the bold attitude and goodwill of the government, Bangladesh is far ahead of many developing countries in the world.

At the end of 2023, the total assets of our bank increased by 7.08 percent and reached 66.01 billion taka. Also, paid up capital increased by 10 percent to 1,150 crore or 11.50 billion taka; As a result, the bank's capital has become stronger. Earning per share at the end of the year was Tk 2.85.

Financial security and auditing:

The current world economy is changing at a rapid pace. Electronic money is taking the place of cash transactions. With the passage of time, along with the improvement in the financial condition, the needs of the people are also improving. As a result people are now starting to believe in smart economy in various fields. Considering the needs of people, the activities of our bank have also been changed and expanded. People can now enjoy the benefits of the digital economy from their homes FSIB service and FSIB dCloud is expanding this service even further. Client is able to open accounts at home through FREEDOM facility. From development, cash to mobile recharge, people are now enjoying services at home. Moreover, people are now getting the opportunity to enjoy various electronic banking facilities including debit card, credit card. In the near future, we are continuing our all-out efforts to ensure more up-to-date facilities and services compared to other contemporary banks.

Affirmation of Trust:

The main objective of our bank is to retain the trust and confidence of our customers by ensuring maximum protection in accordance with proper Shari'ah. Moreover, the profitability of the bank depends on the proper investment of the deposited money. Therefore, proper investment of deposits will be the tool for us to move forward. Considering the current global economy, we need to be aware of the future of banking. Adequate facilities and quality of services should be ensured to cope with the pressure of global economy.

Purity:

The bank tries to ensure its own and the customer's profit by proper utilization of the depositor's deposits. Although the bank is run on the basis of customer deposits, it is checked at various stages to ensure that the bank does not violate any provisions of the Money Laundering Act. All customer information such as name, address, mobile number, national identity card number, passport number, date, purpose of transaction, source of money etc. are recorded in our bank account so that any illegal income deposit can be identified immediately. All information can be verified.

Human Resources:

Skilled human resources are a boon for any organization. Due to the proper utilization of our skilled workforce, the bank has stood tall despite the financial stress in the past one year. The main advantage of having a skilled workforce is that the way ahead can be facilitated by adapting to any situation with proper use of time. We hope that the employees of our bank will continue to strive to do better in the future by maintaining this standard of customer service.

Service Standard:

Today the economic environment has changed a lot. To keep pace with those changes, our bank has continued to offer various service products. Keeping in mind the slogan “সবার জন্যে সবসময়”, separate savings schemes have been introduced for women and senior citizens. People now want to have everything at their fingertips. In the near future, people will want to get smarter facilities. Keeping these things in mind we have several plans in hand. Careful attention is being paid to ensure that our quality of service is contemporary and convenient with the changing economic environment.

Affirmation to move forward:

Our bank is always working to contribute to the development of our domestic economy in the contemporary situation. Along with the government, it is important for us to make some contribution in this transition period of the world economy. The bonus imposed by Bangladesh Bank is being paid directly to the customers so that expatriate income comes in the right direction. Apart from cash bonus, our bank is distributing various gift items. Common people have taken the matter very positively. Moreover, we have already taken some initiatives to ensure the development of the banking sector. In addition to Shari'ah compliance, our aim is to increase the prevalence of Shari'ah law.

Bank Extension:

Fast Security Islami Bank PLC. widely spreaded across the country. We have 205 branches, 172 sub-branches, 250 ATMs, 105 Agent Banking Outlets and 28 collection booths serving all over the country. In order to expand our banking activities, we are trying to set up more branches, sub-branches, ATMs, agent banking outlets and collection booths in important places of the country. Our main objective is to provide banking services to the marginal stage of the country. Currently we have branches in many remote areas. We are making every effort to expand our banking services with environmental and economic considerations.

World Economy:

The impact on the world economy as a result of the Russia-Ukraine war has created various economic complications, including the depreciation of the currency. Due to the increase in inflation, a kind of economic crisis has been created all over the world. Geopolitical uncertainty, including trade tensions, has emerged in advanced economies. The crisis of corona epidemic is still present all over the world. Moreover, this artificial epidemic has brought the world economy to a standstill. As a result of which countries like Sri Lanka have become economically distressed. It has also had a great impact in Bangladesh. Various economic organizations including FED, IMF, ADB, World Bank are working to overcome this economic problem.

Our Capabilities:

Fast Security Islami Bank PLC. is one of the most successful 3rd generation banks. It is also quite successful in the Islamic banking industry. FSIB's position in the banking industry of Bangladesh is very strong and timely. We hope to maintain our capacity in 2023 as well. Considering the economic needs of the country, we continue to improve and expand the quality of our services. Along with increasing the quality of modern products and customer service, we are always keeping a watchful eye and adequate investment in the development and fair use of human resources.

Smart Economy:

Smartness is very important in today's contemporary economy. Bangladesh government has announced to make Bangladesh a smart country by 2041. To implement this Smart Bangladesh goal, the government has defined four pillars - Smart Citizen, Smart Economy, Smart Government and Smart Society. We are committed to implement this goal of the government. We will continue to frame all our activities in that light to implement the Smart Economy. We have been imparting training in smart banking along with human resource skill development. Timely decisions are also being taken in terms of products and services which will help the government in building a smart Bangladesh, I hope.

Finally I sincerely thank our respected customers and shareholders for their trust and faith in us. As always, Bangladesh Bank, Securities and Exchange Commission, Dhaka and Chittagong Stock Exchanges and others, I express my sincere gratitude for the overall cooperation of the regulatory and concerned authorities. I would also like to express my thanks to the bank's management authorities and all levels of officials for maintaining the desired target of the bank as well as maintaining the quality of service.

Allah Hafez,



Mohammed Saiful Alam
Chairman



ব্যবস্থাপনা পরিচালকের বার্তা

বিস্মিল্লাহির রাহমানির রাহিম ।

সম্মানিত শেয়ারহোল্ডারবন্দ,
আসসালামু আলাইকুম,

ফার্স্ট সিকিউরিটি ইসলামী ব্যাংক পিএলসি. এর ২৫তম বার্ষিক সাধারণ সভায় আপনাদের সবাইকে জানাই আন্তরিক অভিবাদন । ২০২৩ সালের আর্থিক বিবরণীর বিস্তারিত তথ্য-উপাত্ত উপস্থাপন করতে পেরে আমি আনন্দিত । বৈশ্বিক মুদ্রাস্ফীতি ও দ্বাদশ জাতীয় সংসদ নির্বাচনপূর্ব প্রভাব কাটিয়ে এবং ব্যাংকিং খাতের বিভিন্ন সংকটের মধ্যেও সফলতার সাথে বছরটি অতিক্রম করতে পারায় আমি সর্বশক্তিমান আল্লাহর প্রতি কৃতজ্ঞতা প্রকাশ করছি এবং আপনাদের সক্রিয় সমর্থন ও সহযোগিতার জন্য আন্তরিক ধন্যবাদ জ্ঞাপন করছি । মূলত আপনাদের সহযোগিতা, পরিচালনা পর্ষদের যথোচিত দিকনির্দেশনা এবং আমাদের নির্বাহী ও কর্মকর্তাবৃন্দের প্রচেষ্টা ও মানসম্পন্ন গ্রাহকসেবার ফলেই ব্যাংকের ব্যবসায়িক কর্মকাণ্ডে উত্তরোত্তর সফলতা অর্জিত হচ্ছে ।

রাশিয়া-ইউক্রেন যুদ্ধের কারণে বৈশ্বিক চাপ, মূল্যস্ফীতির প্রভাব এবং ডলার সংকটের পর দেশের আমদানি বাজার এবং দেশীয় অর্থনীতিতে ব্যাপকভাবে বাধা সৃষ্টি হয় । ডলার সংকট সৃষ্টির কারণে দেশের আমদানি বাণিজ্যে ঘাটতি তৈরী হয় । এলসি খুলতে শুরু হয় নানান জটিলতা এবং রিজার্ভ সংকট এর কারণে দেশের অর্থনীতিতে নেতিবাচক প্রভাব পড়েছে ঠিকই কিন্তু অর্থনীতি একেবারেই বিপর্যস্ত হয়ে পড়েনি । বিভিন্ন অর্থনৈতিক সমস্যা সত্ত্বেও সরকারের আন্তরিক প্রচেষ্টার ফলে বৈশ্বিক এই আর্থিক সংকট কাটিয়ে ২০২৪ সালে বাংলাদেশের অর্থনীতি অতি দ্রুত সম্প্রসারিত হবে । সরকার ও বাংলাদেশ ব্যাংকের তত্ত্বাবধানে বাংলাদেশের ব্যাংকগুলো সেই লক্ষ্যেই কাজ করে যাচ্ছে । আমি দৃঢ়ভাবে বিশ্বাস করি অর্থনৈতিক সংকটগুলো উত্তরণে ব্যাংকই বড় ভরসা । বর্তমান চ্যালেঞ্জগুলো মোকাবিলায় পাশাপাশি আমাদের সামনে যে সমস্ত সুযোগ এসেছে সেগুলোকে পরিপূর্ণভাবে কাজে লাগাতে পারলেই বাংলাদেশের ব্যাংকিং সেক্টর দেশের অর্থনৈতিক উন্নয়নে এবার তার ঐতিহাসিক ভূমিকাটা রাখতে পারবে ।

আমি সবসময় বিশ্বাস করি যে, আমাদের সমাজের ইতিবাচক পরিবর্তনের জন্য ব্যাংককে অর্থায়ন করতে হয় এবং দেশের উন্নয়নের চিত্র সমৃদ্ধ করার সব সঠিক উদ্যোগে সমর্থন জানাতে হয় । আমি আপনাদের এটা জানাতে পেরে অত্যন্ত আনন্দিত যে আমাদের ব্যাংক সঠিক পদ্ধতিতে ব্যবসা এবং প্রকৃত অর্থনীতিতে ব্যাপকভাবে সম্পৃক্ত হওয়ার মাধ্যমে এসব বৃহত্তর স্বার্থের প্রতি সমর্থন অব্যাহত রেখেছে । বৈধ পথে রেমিটেন্স গ্রহণ, আমদানি-রপ্তানি, অর্থনীতি পরিচালনাসহ বিভিন্ন অগ্রগামী কাজের জন্য ব্যাংকিং অর্থনীতি গুরুত্বপূর্ণ ভূমিকা পালন করে আসছে ।

ব্যাংকের গ্রাহকদের ক্রমবর্ধমান চাহিদা বিবেচনায় নিয়ে প্রতিনিয়ত আমরা বিভিন্ন প্রযুক্তিনির্ভর পণ্য ও সেবার উন্নয়নসাধন করে যাচ্ছি । অনলাইন ব্যাংকিং এর মাধ্যমে গ্রাহক এখন ঘরে বসে ব্যাংকিং কার্যক্রমের পাশাপাশি কেনাকাটার কাজও অনায়াসে সম্পন্ন করছে । ব্যাংকের গ্রাহকদের ক্রমবর্ধমান চাহিদা বিবেচনায় নিয়ে প্রতিনিয়ত আমরা বিভিন্ন প্রযুক্তি নির্ভর পণ্য ও সেবার উন্নয়ন সাধন করে যাচ্ছি । মানুষের চাহিদা বিবেচনায় নিয়ে আমাদের ব্যাংকের কার্যকলাপও পরিবর্তন-পরিবর্ধন করা হয়েছে । ডিজিটাল ইকোনমির সুবিধা মানুষ এখন ঘরে বসেই ভোগ করতে পারছে আমাদের FSIB Cloud , dCloud সেবার মাধ্যমে । FSIB Cloud এর Freedom সুবিধার মাধ্যমে ঘরে বসেই হিসাব খুলতে পারছে । বিকাশ, নগদ থেকে শুরু করে মোবাইল রিচার্জ এর মত সেবাও মানুষ এখন ঘরে বসেই ভোগ করছে । তাছাড়া i-Banking, POS Machine, ডেবিট কার্ড, ক্রেডিট কার্ডসহ বিবিধ ইলেক্ট্রনিক ব্যাংকিং সুবিধা মানুষ এখন অনায়াসে ভোগ করার সুযোগ পাচ্ছে । বর্তমানে ২০৫ টি শাখাই কেন্দ্রীয়ভাবে নিয়ন্ত্রিত কোর-ব্যাংকিং ব্যবস্থার আওতায় পরিচালিত হচ্ছে ।

ব্যাংকিং ব্যবস্থায় আধুনিক প্রযুক্তি, দক্ষ ব্যবস্থাপনা, সর্বোচ্চ গ্রাহক সেবা ও আস্থা অর্জনের মাধ্যমে আমানত এবং বিনিয়োগের পরিমাণ দিন দিন বৃদ্ধি পাচ্ছে। প্রযুক্তি ভিত্তিক কার্যক্রম ও শৃঙ্খলিত বিপণন কর্মকাণ্ডের মাধ্যমে ব্যাংক লাভবান হয়েছে। এগুলো সম্মিলিতভাবে আমাদের গ্রাহক ও সেবা বাড়ানো সহজ করেছে। সাময়িক রিজার্ভ সংকট ও মুদ্রাস্ফীতি দেশের অর্থনীতিতে নেতিবাচক প্রভাব পড়েছে ঠিকই কিন্তু অর্থনীতি একেবারে বিপর্যস্ত হয়ে পড়েনি। বছর শেষের খেলাপি ঋণের হ্রাস পুরো ব্যাংকিং খাতের জন্য বেশ আশা জাগানিয়া। আশা করা যাচ্ছে, ২০২৪ সাল অর্থনীতিতে সমৃদ্ধশালী হবে এবং দেশ এগিয়ে যাবে।

২০২৩ সালে সারাবিশ্ব অর্থনৈতিক চাপে ছিল। খাদ্য পণ্য, জ্বালানী সংকটের মধ্যে পরেছিল সারাবিশ্ব। স্বর্ণের দাম স্মরণকালের সর্বোচ্চ হয়েছে। এসবের প্রভাব পড়েছে অনুন্নত ও উন্নয়নশীল দেশগুলোতে। খাদ্যপণ্য ও অন্যান্য জিনিসপত্রের দাম বৃদ্ধির কারণে দৈনিক ব্যয় বেড়ে গেছে। মূল্যস্ফীতির কারণে মানুষের জীবন যাত্রার ব্যয় বেড়ে গেছে। এর মধ্যেও নতুন সংকট দেখা দিয়েছে। ইজরাইল ও ফিলিস্তিন আবার নতুন করে যুদ্ধ বিগ্রহে জড়িয়ে পড়েছে। যার মূল্য দিতে হয় আমাদের মত উন্নয়নশীল দেশগুলোকে। এই বিশ্ব রাজনীতির প্রভাব অনেকটাই পড়ে আমাদের উপর। তবুও আমরা আশা করবো, নতুন বছরে আমরা এসব সংকট মোকাবেলা করে অর্থনীতির চাকা সচল রাখতে পারবো।

বর্তমানে আমাদের সারাদেশে শাখা, উপশাখা নিয়ে ব্যাংকিং সেবা পরিচালিত হচ্ছে। দেশের সর্বস্তরে আমাদের ২০৫টি শাখা, ১৭৬টি উপশাখা, ১০৫টি এজেন্ট ব্যাংকিং আউটলেট, ২৮টি কালেকশন বুথ এবং ২৫০টি এটিএম ও সিআরএম মাধ্যমে আমাদের সেবার বিস্তৃতি সারা দেশব্যাপী। পাশাপাশি ব্যাংকিং সেবা গ্রাহকদের দোরগোড়ায় পৌঁছে দিতে এসএমএস ব্যাংকিং, ইন্টারনেট ব্যাংকিং, মোবাইল ব্যাংকিং, ইত্যাদি আধুনিক সেবার পরিসরের সুবিস্তৃতি চলমান রয়েছে। মুনাফা বৃদ্ধির জন্য কমিশনভিত্তিক সেবা বৃদ্ধির জন্য আমরা প্রচেষ্টা অব্যাহত রেখেছি।


ফাস্ট সিকিউরিটি ইসলামী ব্যাংক পিএলসি. ব্যাংকিং ব্যবসায় শরী'য়াহ নীতিমালা পরিপালনে বদ্ধ পরিকর। এফএসআইবি একটি ইসলামী শরী'য়াহ ভিত্তিক ব্যাংক। ব্যাংকিং খাতে অবদানের পাশাপাশি শরী'য়াহ আইন মেনে ব্যাংকিং কার্যক্রম পরিচালনা করা আমাদের মূল লক্ষ্য। তাই শরী'য়াহ পরিপালনকারী ব্যাংক হিসেবে নিজেদের প্রতিষ্ঠা করার প্রয়াসে আমরা সর্বাঙ্গিক প্রচেষ্টা অব্যাহত রেখেছি। কেন্দ্রীয় ব্যাংকের গ্রীন ব্যাংকিং নীতিমালার আলোকে আমাদের ব্যাংক বিনিয়োগ প্রক্রিয়ায় সামাজিক, নৈতিক এবং পরিবেশবান্ধবের বিষয়টিকে গুরুত্বসহকারে বিবেচনা করে থাকে। তাছাড়া, দক্ষতার সাথে ব্যাংকের সকল ঝুঁকি মোকাবেলার জন্য ঝুঁকি ব্যবস্থাপনা বিভাগ সর্বাঙ্গিক প্রচেষ্টা অব্যাহত রেখেছে।

পুরস্কার যে কোন কাজের অনুপ্রেরণা হিসেবে কাজ করে। পুরস্কার মানেই স্বীকৃতি। ভাল কাজের স্বীকৃতি হিসাবে পুরস্কার দেয়া হয়। এফএসআইবি এর ২০২৩ সালের অর্জনে ব্যাংকের সফলতা রয়েছে। ব্যাংকিং ক্ষেত্রে সর্বোচ্চ করদাতার পুরস্কার-২০২৩, ভিসা পেমেন্ট এক্সিলেন্স অ্যাওয়ার্ড-২০২৩, পরপর চারবার ঢাকার সর্বোচ্চ ওয়াসা বিল সংগ্রহে প্রথম ইত্যাদি অর্জন এফএসআইবি এর অর্জনের ঝুলিকে সমৃদ্ধ করেছে।

২০২৩ সালের শেষ নাগাদ পর্যন্ত ব্যাংকের মোট ৪১৭ জন নির্বাহী, ৪০০০ জন কর্মকতা এবং ৯০৭ জন স্টাফ কর্মরত রয়েছেন। ব্যাংকিং বিষয়ে জ্ঞান বিকাশের জন্য আমাদের নিজস্ব প্রশিক্ষণ ইনস্টিটিউট বিভিন্ন কোর্স পরিচালনা করেছে। পাশাপাশি, ব্যাংকের সুবিধার জন্য প্রয়োজনীয় মডেল ও কৌশল ডিজাইনের জন্য জাতীয় এবং আন্তর্জাতিক বিষয়গুলোর সাথে সম্পর্কিত প্রয়োজনীয় বিষয়গুলো খুঁজে বের করার জন্য আমাদের গবেষণা ও উন্নয়ন বিভাগ সদা সর্বদা নিবেদিত রয়েছে।

পরিশেষে, আমি ব্যাংক ব্যবস্থাপনার পক্ষ হতে অভিজ্ঞ ও বিচক্ষণ পরিচালনা পর্ষদ, প্রতিশ্রুতিশীল সহকর্মীবৃন্দ, বাংলাদেশ ব্যাংক ও অন্যান্য সম্পৃক্ত সংস্থাসমূহ যথা- বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন, ঢাকা ও চট্টগ্রাম স্টক এক্সচেঞ্জদ্বয়, সম্মানিত শেয়ারহোল্ডার ও গ্রাহকবৃন্দের নিয়মিত সমর্থন, পৃষ্ঠপোষকতা, সহযোগিতা ও মূল্যবান দিকনির্দেশনার জন্য কৃতজ্ঞতা প্রকাশ করছি। আমি আন্তরিকভাবে বিশ্বাস করি, সর্বশক্তিমান আল্লাহর অসীম রহমতে এবং আপনাদের ঐকান্তিক সহযোগিতা ও সমর্থনে ফার্স্ট সিকিউরিটি ইসলামী ব্যাংক পিএলসি. অগ্রগতির ধারা অব্যাহত রেখে অদূর ভবিষ্যতে বাংলাদেশে একটি আধুনিক কল্যাণমুখী ইসলামী ব্যাংক হিসেবে শ্রেষ্ঠত্ব অর্জন করবে, ইনশাআল্লাহ।

আল্লাহ হাফেজ,



সৈয়দ ওয়াসেক মোঃ আলী
ব্যবস্থাপনা পরিচালক



MESSAGE FROM THE MANAGING DIRECTOR

Bismillahir Rahmanir Rahim

Honorable Shareholders,
Assalamu Alaikum,

Greetings to all of you on the 25th Annual General Meeting of First Security Islami Bank PLC. I am pleased to present the details of the 2023 financial statements. I express my gratitude to Almighty Allah for overcoming the pre-effects of Global Inflation and 12th National Parliamentary Elections and passing the year successfully despite the various crises in the banking sector. Success after success in the business activities of the Bank is mainly due to your cooperation, appropriate guidance of the Board of Directors and the efforts and quality customer service of our executives and officers.

After the Russia-Ukraine war, global pressures, inflationary effects, and the dollar crisis, the country's import market and domestic economy were severely disrupted. Due to the dollar crisis, there is a deficit in the country's import trade. It is true that the economy of the country has had a negative impact due to the

various complications and reserve crisis that started to open the LC, but the economy has not crashed at all. Despite various economic problems, as a result of the government's sincere efforts, we will overcome this global financial crisis and the economy of Bangladesh will expand very rapidly in 2024. The banks of Bangladesh are working towards that goal under the supervision of the government and Bangladesh Bank. I strongly believe that banks are the big hope for overcoming economic crises. The banking sector of Bangladesh will be able to play its historic role in the economic development of the country only if we can fully utilize the opportunities that have come before us in addition to facing the current challenges.

I have always believed that the Bank should finance positive changes in our society and support all the right initiatives to enrich the development picture of the country. I am very happy to inform you that our Bank continues to support these larger interests by engaging in the right way of doing business and the real economy. Banking economy has been playing an important role for various pioneer functions including receiving remittances through legal channels, import-export, managing the economy.

Considering the growing needs of the bank's customers, we are constantly developing various technology-based products and services. Through online banking, customers are now completing banking activities as well as shopping at home with ease. Considering the growing needs of the bank's customers, we are constantly developing various technology-based products and services. Taking into account the needs of people, the activities of our bank have also been changed and expanded. People can now enjoy the benefits of the digital economy from the comfort of their homes through our convenient services. From the development of FSIB Cloud & dCloud, people are now enjoying services like bKash, Nagad and Mobile Recharge at home. Moreover, people are now getting the opportunity to enjoy various electronic banking facilities including debit cards, credit cards, etc. At present all 205 branches are operated under the centrally controlled core banking system.

Deposits and investments are increasing day by day through modern technology, efficient management, excellent customer service and trust in the banking system. Bank has benefited through technology-based activities and disciplined marketing activities. Together, these have made it easier for us to grow our customers and services. The temporary reserve crisis and inflation have had a negative impact on the country's economy, but the economy has not completely collapsed. The decline in non-performing loans/investments at the end of the year has given hope to the entire banking sector. It is expected that the year 2024 will be prosperous in the economy and the country will move forward.

Food products and Fucler were in the crisis of all over the world. Gold prices hit record hight. All these have affected underdeveloped and developing countries. The daily expenditure has also increased due to increase in the prices of food items and other commodities. Due to inflation the cost of human life has gone up. Meanwhile, a new crisis has arisen. Israel, Palestine are once again involved in war. Developing countries like us have to pay the price. The influence of this world politics affects us a lot. However, we hope that in the new year we will be able to deal with these crises and keep the economic wheels moving.

At present, our banking services are being operated with branches and sub-branches all over the country. Our service coverage is nationwide through our 205 branches, 176 sub-branches, 105 agent banking outlet, 28 collection booths and 250 ATMs and CRMs across the country. Besides, the range of modern services such as SMS banking, internet banking, mobile banking, etc. is ongoing to bring banking services to the doorsteps of customers. We continue to strive to increase commission-based services to increase profitability.

First Security Islami Bank PLC. is committed to complying with Shari'ah principles in banking business. FSIB is an Islamic Shari'ah based bank. Besides contributing to the banking sector, our main aim is to conduct banking activities in compliance with Shari'ah laws. Therefore, we continue to make every effort to establish ourselves as a Shariah compliant bank. In the light of Central Bank's Green Banking policy, our bank takes social, ethical and environmental aspects seriously in its investment process. Moreover, the Risk Management Department continues to make every effort to effectively address all the risks of the Bank

Awards act as motivation for any work. Award means recognition. Awards are given in recognition of good work. FSIB has achievement in the year 2023. Best Taxpayer Award in Banking-2023, Visa Payment Excellence Award-2023, First in Dhaka's Best Wasa Bill Collection four times in a row etc. have enriched the portfolio of achievements of FSIB.

By the end of 2023, a total of 417 executives, 4000 employees and 907 staff are working in the Bank. Our own training institute has conducted various courses to develop knowledge on banking and various ethical issues.

Besides, our Research and Development Division is always dedicated to find out the necessary issues related to national and international to design the relevant models and strategies for the benefit of the bank.

Finally, on behalf of the bank management, I would like to thank the experienced and prudent Board of Directors, hardworking colleagues, Bangladesh Bank and other related organizations namely- Bangladesh Securities and Exchange Commission, Dhaka and Chittagong Stock Exchanges, respected shareholders and customers for their constant support, patronage, cooperation and valuable guidance. Expressing gratitude, I sincerely believe that by the infinite mercy of Almighty Allah and with your unwavering cooperation and support, Fast Security Islami Bank PLC. will continue to progress and excel as a modern welfare-oriented Islamic bank in Bangladesh in the near future, InshaAllah.

Allah Hafez,



Syed Waseque Md Ali

Managing Director



পরিচালকমন্ডলীর প্রতিবেদন

বিস্মিল্লাহির রাহমানির রাহিম ।

সম্মানিত শেয়ারহোল্ডারবৃন্দ,
আসসালামু আলাইকুম ।

আমি অত্যন্ত আনন্দের সাথে ফার্স্ট সিকিউরিটি ইসলামী ব্যাংক পিএলসি. এর পরিচালনা পর্ষদের পক্ষ থেকে শেয়ারহোল্ডারবৃন্দের ২৫তম বার্ষিক সাধারণ সভায় আপনাদের সবাইকে স্বাগত জানাচ্ছি এবং পরিচালকমন্ডলীর ও নিরীক্ষকবৃন্দের প্রতিবেদনসহ ৩১শে ডিসেম্বর ২০২৩ সমাপ্ত বছরের নিরীক্ষিত আর্থিক বিবরণী উপস্থাপন করছি, যেখানে ব্যাংকের সাফল্য, ভবিষ্যৎ সম্ভাবনা এবং বিশ্ব অর্থনীতির বিভিন্ন উল্লেখযোগ্য বিষয়সহ বাংলাদেশের অর্থনীতির সাফল্যের বিভিন্ন দিক অন্তর্ভুক্ত করা হয়েছে ।

২০২৩ সালের বিশ্ব অর্থনীতি

সামগ্রিকভাবে, ২০২৩ সালে বৈশ্বিক অর্থনীতি ১.৬% বৃদ্ধি পাবে, যা ভারত এবং অন্যান্য উদীয়মান অর্থনীতিতে শক্তিশালী প্রত্যাশিত প্রবৃদ্ধির পরে, চীনের দীর্ঘ সময়ের লকডাউন পুনরায় খোলার দ্বারা চালিত হয়েছে । ২০২৩ অর্থবছরে বাংলাদেশের মোট দেশজ উৎপাদন (জিডিপি) ৫.৩% বৃদ্ধি পাবে বলে আশা করা হচ্ছে, গত তিন বছরে কোভিড-১৯ মহামারীর প্রভাব এবং ক্রমবর্ধমান প্রতিকূলতার কারণে

২০২৩ সালে বৈশ্বিক অর্থনৈতিক প্রবৃদ্ধি অত্যন্ত অনিশ্চিত রয়ে গেছে। ইউক্রেনে চলমান রাশিয়ার যুদ্ধের প্রভাবে ওয়ার্ল্ড ইকোনমিক আউটলুক এপ্রিল ২০২৩-এ, আন্তর্জাতিক মুদ্রা তহবিল (আইএমএফ) আশা করেছে যে, বিশ্ব অর্থনৈতিক প্রবৃদ্ধি ২০২২ সালের ৩.৪ শতাংশ থেকে ২০২৩ সালে ২.৮ শতাংশে নেমে আসবে। বৈশ্বিক কভিড-১৯ এবং চলমান রাশিয়া-ইউক্রেন যুদ্ধের প্রভাব মোকাবেলায় সরকার কৃষি উৎপাদনশীলতা সম্প্রসারণ অব্যাহত রেখে দেশের জনগণের জন্য খাদ্য নিরাপত্তা বজায় রাখার জন্য স্বল্প, মধ্যম ও দীর্ঘমেয়াদী কর্মপরিকল্পনা গ্রহণ করেছে। বৈশ্বিক অনিশ্চয়তার সময়েও বাংলাদেশের প্রবৃদ্ধি ও উন্নয়নের শক্তিশালী ট্র্যাক রেকর্ড রয়েছে। একটি শক্তিশালী জনসংখ্যাগত লভ্যাংশ, শক্তিশালী তৈরি পোশাক (আরএমজি) রপ্তানি, স্থিতিস্থাপক রেমিট্যান্স প্রবাহ এবং স্থিতিশীল সামষ্টিক অর্থনৈতিক অবস্থা গত দুই দশক ধরে দ্রুত অর্থনৈতিক প্রবৃদ্ধিকে সমর্থন করেছে। এই লাভ সত্ত্বেও, অসমতা গ্রামীণ এলাকায় কিছুটা সংকুচিত হয়েছে এবং শহরাঞ্চলে প্রশস্ত হয়েছে। বিচক্ষণ সামষ্টিক অর্থনৈতিক নীতির দ্বারা সমর্থিত কোভিড-১৯ মহামারী থেকে দেশটি দ্রুত পুনরুদ্ধার করেছে যার আনুমানিক জিডিপি প্রবৃদ্ধি FY২৩-এ ৬.০ শতাংশ। যাইহোক, অর্থনীতি ক্রমবর্ধমান মুদ্রাস্ফীতির চাপ, শক্তির ঘাটতি, ভারসাম্যের ঘাটতি এবং রাজস্ব ঘাটতির সাথে যথেষ্ট চ্যালেঞ্জের সম্মুখীন। যদিও FY২৩-এ বাণিজ্য ঘাটতি সংকুচিত হয়েছিল, আর্থিক অ্যাকাউন্ট ঘাটতির সংকোচনের ফলে পেমেন্টের ব্যালেন্স (বিওপি) ঘাটতি এবং বৈদেশিক মুদ্রার রিজার্ভ হ্রাস পেয়েছে।

চলমান আমদানি সংকোচন ব্যবস্থা অর্থনৈতিক কর্মকাণ্ডকে ব্যাহত করার কারণে প্রকৃত জিডিপি বৃদ্ধি FY২৪-এ মস্তুর হবে বলে আশা করা হচ্ছে। মাঝারি মেয়াদে প্রবৃদ্ধি আবার ত্বরান্বিত হবে বলে আশা করা হচ্ছে, কারণ মুদ্রাস্ফীতির চাপ কমে যায়, বাহ্যিক অবস্থার উন্নতি হয় এবং সংস্কার বাস্তবায়নে গতি আসে। মাঝারি মেয়াদে, অর্থপ্রবাহের পুনরুদ্ধার এবং রেমিট্যান্সের প্রবাহ বৃদ্ধি পাওয়ায় অর্থপ্রবাহের ভারসাম্য উদ্ভূত ফিরে আসবে বলে ধারণা করা হচ্ছে, উপসাগরীয় অঞ্চলে শ্রমিকদের জোরালো চাহিদার দ্বারা সমর্থিত। উন্নয়ন অগ্রাধিকারের মধ্যে রয়েছে আরএমজি সেক্টরের বাইরে রপ্তানি বহুমুখীকরণ; আর্থিক খাতের দুর্বলতাগুলি সমাধান করা; নগরায়ণকে আরও টেকসই করা এবং উন্নয়নের জন্য আরও অভ্যন্তরীণ রাজস্ব তৈরি করতে রাজস্ব সংস্কারসহ সরকারী প্রতিষ্ঠানগুলিকে শক্তিশালী করা। অবকাঠামোগত ঘাটতি পূরণ করলে প্রবৃদ্ধি ত্বরান্বিত হবে। জলবায়ু পরিবর্তন এবং প্রাকৃতিক দুর্যোগের ঝুঁকি মোকাবেলায় বাংলাদেশকে ভবিষ্যতের ধাক্কা সামলাতে স্থিতিস্থাপকতা তৈরি করতে সহায়তা করবে। সবুজায়নের দিকে অগ্রসর হওয়া পরবর্তী প্রজন্মের জন্য উন্নয়ন ফলাফলের স্থায়িত্বকে সমর্থন করবে।

২০২৩ সালে বাংলাদেশের অর্থনীতি

২০২৩ সালটি ছিল একটি গুরুত্বপূর্ণ বছর। বছরজুড়ে নানা ঘটনা ঘটেছে, ভালো-মন্দ মিলিয়ে। ইতিবাচক ঘটনাগুলো আলোচিত হয়েছে, আবার নেতিবাচক ঘটনাগুলোও সমালোচিত হয়েছে। জাতীয় ইস্যুগুলো নিয়ে আলোচনা-বিতর্ক হয়েছে ব্যাপকভাবে। ২০২৩ সাল ছিল দ্বাদশ জাতীয় সংসদ নির্বাচনের বছর। নির্বাচনকে কেন্দ্র করে সরকার ও বিরোধী দলের মধ্যে তুমুল বিতর্ক চলেছে। নির্বাচন ইস্যুতে অবরোধ-হরতালও হয়েছে। এর মধ্যেও বিভিন্ন গুরুত্বপূর্ণ বিষয়ে আলোচনা হয়েছে। যেমন, দ্রব্যমূল্যের উর্ধ্বগতি, ডলার সংকট, খেলাপি ঋণে রেকর্ড, মার্কিন ডিসানীতির চ্যালেঞ্জ, জ্বালানি তেলের মূল্য, ডেস্কুতে প্রাণহানি ইত্যাদি।

২০২৩ সালে বাংলাদেশের বাজারে দ্রব্যমূল্যের উর্ধ্বগতি চরম আকার ধারণ করেছে। বছরের শুরু থেকেই খাদ্যপণ্যের দাম বেড়েছে। সরকারের নানা পদক্ষেপেও দাম নিয়ন্ত্রণ করা সম্ভব হয়নি। ব্যবসায়ী সিডিকিটের কারসাজির কারণে বাজারে অস্থিরতা দেখা দিয়েছে। বছরজুড়েই বাজারে জিনিসপত্রের দাম চড়া ছিল। এই দ্রব্যমূল্যের উর্ধ্বগতির ফলে সাধারণ মানুষের জীবনযাত্রায় ব্যাপক অসুবিধা হয়েছে। বিশেষ করে নিম্ন আয়ের মানুষদের জীবনযাত্রায় চরম বিপর্যয় নেমে এসেছে।

বাংলাদেশের অর্থনীতি বর্তমানে যেসব সমস্যার মুখে পড়েছে, এর মূলে রয়েছে মার্কিন ডলারের সংকট। নীতিনির্ধারণকারী মনে করেছিলেন, ডলারের সংকট এবং এর দাম বেড়ে যাওয়ার প্রবণতা সাময়িক। ডলার সংকট ও দর বৃদ্ধির ফলে উৎপাদন, বিনিয়োগ ও ব্যবসা-বাণিজ্যে নেতিবাচক প্রভাব পড়েছে। এর ফলে উচ্চ মূল্যস্ফীতি হচ্ছে। জিনিসপত্রের বাড়তি ব্যয় মেটাতে মানুষের কষ্ট হচ্ছে। সব মিলিয়ে এই পরিস্থিতি অর্থনীতিকে বিপদে ফেলছে।

নানা ধরনের ছাড় দেয়ার পরও খেলাপি ঋণের পরিমাণ কমাতে পারেনি কেন্দ্রীয় ব্যাংক; বরং দিন দিন তা বাড়ছে, তৈরি হচ্ছে রেকর্ড। করোনা মহামারির সময় থেকে ঋণ পরিশোধে নানা ছাড় ও সুবিধা দিয়ে আসছে কেন্দ্রীয় ব্যাংক। এরপরও খেলাপি ঋণ বাড়ার অন্যতম কারণ হলো, ইচ্ছাকৃত ঋণখেলাপিদের বিরুদ্ধে কার্যকর কোনো ব্যবস্থা না নেয়া। এছাড়া ব্যাংকগুলোর শীর্ষ পর্যায়ে থাকা লোকজনের দুর্নীতি ও অনিয়মের কারণেও ব্যাংক খাতে খেলাপি ঋণ, অব্যবস্থাপনা, অনিয়ম-জালিয়াতি ও অর্থ আত্মসাতের ঘটনা বাড়ছে, যা কঠোরভাবে রোধ করা প্রয়োজন। চলতি বছরে দেশে সোনার দাম রেকর্ড করেছে। দফায় দফায় দাম বেড়েছে সোনার; সে তুলনায় কমেছে সামান্য। এ বছরই দেশে প্রথমবারের মতো সোনার দাম ভরিপ্রতি লাখ টাকা ছাড়িয়েছে। দাম বাড়ায় এ বছর নতুন নতুন রেকর্ড

হয়েছে, বছর শেষে দেশের ইতিহাসে সোনার এখন সর্বোচ্চ দাম। সর্বশেষ গত ২৪ ডিসেম্বর সোনার দাম বেড়ে ১ লাখ ১১ হাজার ৪১ টাকায় পৌঁছায়। চলতি বছর এখন পর্যন্ত দেশের বাজারে ২৯ বার সোনার দাম সমন্বয় করেছে বাংলাদেশ জুয়েলার্স সমিতি। এর মধ্যে দাম কমানো হয়েছে ১১ বার, বাড়ানো হয়েছে ১৮ বার।

চলতি বছর অপরিশোধিত জ্বালানি তেলের দাম কমেছে ১০ শতাংশ। দুই বছরের মধ্যে এবারই প্রথম নিম্নমুখী প্রবণতায় বছর শেষ করেছে জ্বালানি তেলের বাজার। ভূরাজনৈতিক সংকট, উত্তোলন হ্রাস ও মূল্যস্ফীতির লাগাম টানতে কেন্দ্রীয় ব্যাংকগুলোর কঠোর নীতির কারণে বছরজুড়ে জ্বালানি তেলের দাম ব্যাপক উত্থান-পতনের মধ্য দিয়ে গেছে। এসব সংকট না থাকলে দাম আরো কমে যেত বলে মনে করছেন বিশ্লেষকরা। তবে খাতসংশ্লিষ্টরা বলছেন, ২০২৪ সালে জ্বালানি তেলের চাহিদা বাড়ার সম্ভাবনা রয়েছে। বিশেষ করে প্রত্যাশিত নিম্ন সুদহার ও ডলারের বিনিময়মূল্য কম থাকলে বিক্রি বাড়তে পারে। গত বছর ইউক্রেন-রাশিয়া যুদ্ধের প্রভাবে বিশ্ববাজারে জ্বালানি তেলের দাম ব্যাপক বেড়েছিল।

এছাড়া ২০২৩ সালটি ছিল উন্নয়নের একটি উল্লেখযোগ্য বছর। আসন্ন নির্বাচনকে সামনে রেখে সরকার বেশ কিছু বড় প্রকল্পের উদ্বোধন করেছে। এর মধ্যে রয়েছে: হযরত শাহজালাল আন্তর্জাতিক বিমানবন্দরের তৃতীয় টার্মিনাল, যা বাংলাদেশের আন্তর্জাতিক যোগাযোগ ব্যবস্থাকে আরও উন্নত করবে। কর্ণফুলী নদীতে বঙ্গবন্ধু টানেল, যা দক্ষিণ-পূর্বাঞ্চলের যোগাযোগ ব্যবস্থাকে সহজতর করবে। পদ্মাসেতুতে রেল সংযোগ, যা দেশের উত্তর-দক্ষিণ যোগাযোগকে আরও দ্রুত ও সহজতর করবে। আগারগাঁও থেকে মতিঝিল পর্যন্ত মেট্রোরেল, যা ঢাকা শহরের যানজট কমাতে সাহায্য করবে। আখাউড়া-আগরতলা ডুয়েল গেজ রেললাইন, যা বাংলাদেশের সাথে ভারতের যোগাযোগ ব্যবস্থাকে আরও উন্নত করবে। ঢাকা-কক্সবাজার রেলপথ, যা বাংলাদেশের দক্ষিণাঞ্চলের যোগাযোগ ব্যবস্থাকে আরও উন্নত করবে। এই প্রকল্পগুলোর উদ্বোধন বাংলাদেশের অর্থনীতি ও যোগাযোগ ব্যবস্থার উন্নয়নে গুরুত্বপূর্ণ ভূমিকা রাখবে। এছাড়াও, এগুলো জনগণের জীবনমান উন্নত করতে সহায়তা করবে।

২০২৩ সালে বাংলাদেশের ব্যাংকিং খাত

আমানত

কেন্দ্রীয় ব্যাংকের তথ্যমতে, ২০২৩ সালের ডিসেম্বর শেষে ব্যাংক খাতে মোট আমানত বেড়ে দাঁড়িয়েছে ১৬ লাখ ৫৪ হাজার কোটি টাকা। যা ২০২২ সালে ছিল ১৪ লাখ ৮৯ হাজার কোটি টাকা। বাংলাদেশ ব্যাংকের তথ্যে দেখা যায়, ২০২৩ সালের ডিসেম্বরে ব্যাংক খাতে আমানত প্রবৃদ্ধির হার বেড়ে পৌঁছায় ১১ দশমিক ০৮ শতাংশ। এই হার গত ২৮ মাসের মধ্যে সর্বোচ্চ। এর আগে ২০২১ সালের সেপ্টেম্বরে করোনা মহামারির বৈশ্বিক লকডাউন ও সেকারণে হওয়া অর্থনৈতিক গতিমন্দতরতার প্রভাবে আমানত প্রবৃদ্ধির হার ১১ দশমিক ২৬ শতাংশে পৌঁছেছিল।

খেলাপি ঋণ

বাংলাদেশ ব্যাংকের সর্বশেষ তথ্য অনুযায়ী, গত বছরের ডিসেম্বর পর্যন্ত ব্যাংকগুলোর খেলাপি ঋণের পরিমাণ দাঁড়িয়েছে ১ লাখ ৪৫ হাজার ৬৩৩ কোটি টাকা, যা তাদের মোট ঋণের ৯ শতাংশ। ২০২২ সাল শেষে খেলাপি ঋণের পরিমাণ ছিল ১ লাখ ২০ হাজার ৬৫৬ কোটি টাকা, যা মোট ঋণের ৮ দশমিক ১৬ শতাংশ। ২০২২ সালের তুলনায় গত বছর খেলাপি ঋণ বেড়েছে ২৪ হাজার ৯৭৭ কোটি টাকা বা ২০ দশমিক ৭০ শতাংশ।

ঋণ বিতরণ

বাংলাদেশ ব্যাংকের তথ্য অনুযায়ী, ২০২২ সালের ডিসেম্বর শেষে ব্যাংক খাতে ঋণ ছিল ১৪ লাখ ৭৭ হাজার ৬৮৮ কোটি টাকা। আর ২০২৩ সালের ডিসেম্বরে ঋণ বেড়ে হয়েছে ১৬ লাখ ৭৭ হাজার ৭৮৮ কোটি টাকা।

বিদেশি ঋণ

বেসরকারি খাতে স্বল্পমেয়াদি বিদেশি ঋণ প্রবাহে বড় পতন প্রত্যক্ষ করেছে দেশের ব্যাংকিং ব্যবস্থা। ২০২৩ সালে যা ১১.৪৫ বিলিয়ন ডলার কমেছে। এতে আর্থিক হিসাবের ঘাটতি বেড়ে যায়, এবং দেশের বৈদেশিক মুদ্রার রিজার্ভ হ্রাসের গতিও বাড়ে। ২০২৩ সালের ডিসেম্বর শেষে বেসরকারি খাতে মোট বিদেশি ঋণ এসেছে ২৫.৮ বিলিয়ন ডলার। আগের বছরে যার পরিমাণ ছিল ৩৭.২৫ বিলিয়ন ডলার। অর্থাৎ, কমেছে ৩১ শতাংশ। গত বছরে ঋণ পরিশোধ করা হয়েছে ৩১ বিলিয়ন ডলার। অর্থাৎ, ঋণপ্রাপ্তির চেয়ে পরিশোধের পরিমাণ ৫.৩ বিলিয়ন ডলার বেশি। কেন্দ্রীয় ব্যাংকের তথ্যানুযায়ী, ২০২২ সালে পরিশোধের তুলনায় স্বল্পমেয়াদি ঋণপ্রাপ্তির উদ্ভূত ছিল ৫২৫ মিলিয়ন ডলার।

প্রবাসী আয়

প্রবাসী আয়ে একটি ভালো সমাপ্তির মধ্য দিয়ে বিদায় নিলো ২০২৩। বছরের শেষ মাস ডিসেম্বরে এলো ১৯৮ কোটি ৯৮ লাখ ৭০ হাজার মার্কিন ডলার। পুরো বছরে প্রবাসী আয় এলো ২ হাজার ১৯১ কোটি ৫৭ লাখ ৬০ হাজার বা ২১ দশমিক ৯২ বিলিয়ন মার্কিন ডলার। বাংলাদেশ ব্যাংকের তথ্যে জানা গেছে, ২০২২ সালে রেমিট্যান্স আয় ছিল ২১ দশমিক ২৮ বিলিয়ন ডলার ও ২০২১ সালে তা ছিল ২১ দশমিক ৭৪ বিলিয়ন ডলার।

২০২৩ সালে ইসলামী ব্যাংকগুলোর অর্থনৈতিক চিত্র

ইসলামী ব্যাংকিং বাংলাদেশসহ সারা বিশ্বে ক্রমবিকাশমান ও ব্যাপক জনপ্রিয় একটি ব্যাংকিং ব্যবস্থা। ইতোমধ্যে বেশ কয়েকটি ব্যাংক সুদের হিসাব-নিকাশ ছেড়ে আগাগোড়া ইসলামী ব্যাংক ব্যবস্থা চালু করেছে। এতে সামগ্রিকভাবে দেশে ইসলামী অর্থনীতি শক্তিশালী হচ্ছে বলে মনে করছেন অর্থনীতিবিদরা।

কেন্দ্রীয় ব্যাংকের তথ্যমতে, অর্থনীতিতে ইসলামী ব্যাংকিংয়ের অবদান বাড়ছে। সরকারও এ অর্থব্যবস্থায় সায় দিচ্ছে। এরই মধ্যে দেশে প্রথমবারের মতো শরিয়াহভিত্তিক সুক্ক বন্ড চালু করেছে সরকার। এই বন্ডে বিনিয়োগ করতে আগ্রহী হচ্ছে ইসলামী ধারার ব্যাংকের পাশাপাশি কনভেনশনাল (প্রচলিত) ব্যাংকগুলোও। বর্তমানে, ইসলামী ব্যাংকিং ব্যবস্থা মোট ব্যাংকিং খাতের আমানতের ২৫ শতাংশের বেশি এবং বিনিয়োগের ২৯ শতাংশের বেশি।

কেন্দ্রীয় ব্যাংকের সর্বশেষ তথ্য অনুযায়ী, দেশে বর্তমানে বাণিজ্যিক ব্যাংকের সংখ্যা ৬১টি। এর মধ্যে পূর্ণাঙ্গ ইসলামী ব্যাংকিং কার্যক্রম পরিচালনা করে ১০টি ব্যাংক। এছাড়া ১১টি প্রচলিত (কনভেনশনাল) ব্যাংকের ৪১টি শাখা এবং ১৪টি প্রচলিত ব্যাংকের ৫৩৫ টি ইসলামী ব্যাংকিং উইন্ডো রয়েছে। এর বাইরে দেশের সব ব্যাংক ও শাখা প্রচলিত ধারার।

২০২৩ সালের ডিসেম্বর শেষে শরিয়া ভিত্তিক ব্যাংকিংয়ে আমানতের পরিমাণ দাঁড়িয়েছে ৪ লক্ষ ২৫ হাজার কোটি টাকারও বেশী যা ব্যাংক খাতের মোট আমানতের ২৭ শতাংশের বেশী।

একইভাবে ইসলামী ব্যাংকিংয়ে বিনিয়োগের পরিমাণও বেড়েছে। ২০২৩ সালে শরী'য়া ভিত্তিক ব্যাংকিংয়ের বিনিয়োগের স্থিতিশীলতা ৩ লক্ষ ৯০ হাজার কোটি টাকা বেশী যা ব্যাংক খাতের মোট বিনিয়োগের ২৯ শতাংশের বেশী।

রেমিট্যান্স আহরণেও শরিয়াভিত্তিক ব্যাংকগুলো বড় ভূমিকা রাখছে। ২০২৩ এ এই ধারার ব্যাংকগুলোর মাধ্যমে ৫২ শতাংশ রেমিট্যান্স এসেছে। কৃষি বিনিয়োগের ক্ষেত্রেও ভালো ভূমিকা রাখছে এ খাতের ব্যাংকগুলো।

২০২৪ সালের বিশ্ব অর্থনীতি

গত কয়েক বছরের ন্যায় ২০২৩ সালেও বিশ্বে অনেক কিছুই ঘটে গেছে। যেমন কোভিড থেকে শুরু করে রাশিয়া-ইউক্রেন যুদ্ধ, চীন-মার্কিন বাণিজ্যযুদ্ধ। এসব কারণে টানা কয়েক বছর ধরে বৈশ্বিক অর্থনীতিতে একধরনের ধীরগতি দেখা যাচ্ছে। এর মধ্যে বিদায়ী ২০২৩ সালে উন্নত দেশগুলোতে মন্দার পূর্বাভাস ছিল, যদিও শেষমেশ তা হয়নি। তবে অনেক বিশ্লেষক এখন আশা করছেন, ২০২৪ সালে বিশ্ব অর্থনীতি ঘুরে দাঁড়াতে শুরু করবে। এদিকে গত কয়েক বছরের প্রেক্ষাপটে বিশ্ব অর্থনীতি কোথায় দাঁড়িয়ে আছে এবং ২০২৪ সালেই-বা কী হতে পারে, তা নিয়ে খাতভিত্তিক বিস্তারিত প্রতিবেদন প্রকাশ করেছে ব্রিটিশ সাময়িকী দ্য ইকোনমিস্ট।

২০২৪ সালেও বিশ্বের বিভিন্ন অঞ্চলে ভূ-রাজনৈতিক উত্তেজনা থাকবে। কয়েক বছর ধরে মার্কিন-চীন বাণিজ্যযুদ্ধের উত্তেজনা চলছে; রাশিয়া-ইউক্রেন যুদ্ধও থামছে না। এ রকম পরিস্থিতিতে বিদায়ী ২০২৩ সালের ৭ অক্টোবর শুরু হয় ইসরায়েল-হামাস যুদ্ধ। এই 'তিন যুদ্ধ'-এর প্রভাব পড়েছে বৈশ্বিক অর্থনীতিতে। এর মধ্যেও মূল্যস্ফীতির হার কমবে ও সরবরাহ ব্যবস্থায় বিরাজমান সংকট কমবে, এমন আশাবাদ তৈরি হয়েছে। তবে ধনী দেশগুলোর অর্থনীতিতে প্রবৃদ্ধির গতি কমবে। আবার উন্নয়নশীল দেশগুলো ভালো করবে।

রাশিয়া-ইউক্রেন যুদ্ধ চলছে এবং সেই সঙ্গে যেভাবে মার্কিন-চীন সম্পর্কের অবনতি হচ্ছে, এই বাস্তবতায় ন্যাটোর প্রায় এক-তৃতীয়াংশ সদস্যদেশের প্রতিরক্ষা বাজেট জিডিপি ২ শতাংশ ছাড়াবে, এটা অবশ্য ন্যাটোর দীর্ঘদিনের লক্ষ্যমাত্রা। ব্রিটেন ও পোল্যান্ড লক্ষ্যমাত্রার মধ্যেই থাকবে, যদিও ফ্রান্স কিছুটা পিছিয়ে থাকবে। নতুন সদস্য সুইডেনও লক্ষ্যমাত্রার পেছনে থাকবে। অন্যদিকে চীনভীতির কারণে এশিয়ার দেশগুলোর প্রতিরক্ষা ব্যয় বাড়বে।

২০২৪ সালে বিশ্বে নবায়নযোগ্য জ্বালানি ব্যবহার বাড়বে ১১ শতাংশ; তা সত্ত্বেও এ বছর বৈশ্বিক জ্বালানি চাহিদার ৮০ শতাংশ মেটাতে জীবাশ্ম জ্বালানি। অর্থনৈতিক পুনরুদ্ধারের গতি কম হলেও এবার বৈশ্বিক তেলের চাহিদা বাড়বে ১ শতাংশ। কিন্তু যুক্তরাষ্ট্র ও সৌদি আরবে তেল উৎপাদন বৃদ্ধির কারণে তেলের ব্যারেল প্রতি দাম ৮৫ ডলারের নিচে থাকবে। বিনিয়োগকারীরা সন্দিহান হলেও কয়লা ও গ্যাসের ব্যবহার বাড়বে। আবার অনেক দেশেই কয়লা ও গ্যাসভিত্তিক বিদ্যুৎকেন্দ্র বন্ধ হয়ে যাবে, যেমন ব্রিটেন ও ইতালি।

বিদ্যায়ী ২০২৩ সালে বৈশ্বিক মিডিয়া ও বিনোদন খাতে একধরনের ধীরগতি থাকলেও ২০২৪ সালে তা ঘুরে দাঁড়াতে বলে প্রত্যাশা করা হচ্ছে। বছরের শেষ ভাগে আছে যুক্তরাষ্ট্রের প্রেসিডেন্ট নির্বাচন। এ উপলক্ষে প্রার্থীরা বিপুল পরিমাণ অর্থ বিজ্ঞাপনে ব্যয় করবেন বলে ধারণা করা হচ্ছে। এ ছাড়া প্যারিস অলিম্পিক ও ইউরো ২০২৪-এর মতো বৃহৎ আসরের কারণে বিজ্ঞাপনের পালে হাওয়া লাগবে। এই ব্যয়ের প্রায় অর্ধেক ডিজিটাল খাতে হবে বলে পূর্বাভাস দেয়া হয়েছে। এ ছাড়া বিখ্যাত প্রতিষ্ঠানগুলো নিজেদের শোরুমে ও ওয়েবসাইটে প্রদর্শনের জন্য বিজ্ঞাপন তৈরি করেছে। মূলত গ্রাহকদের খরচে আগ্রহী করতেই তারা এমন কৌশল হাতে নিচ্ছে।

বিশ্বে মূল্যস্ফীতির হার অনেকটাই কমে এসেছে। মনে করা হচ্ছে, আগামী বছর তা আরও কমবে। তারপরও ভোক্তারা ব্যয় করতে অতটা আগ্রহী হবেন না। ক্রেডিট কার্ড খেলাপ ও পারিবারিক সঞ্চয় কমে যাওয়ার কারণে ভোক্তারা শিগ্রই উচ্চ মূল্যস্ফীতির প্রভাব থেকে বেরিয়ে আসবেন না বলে ধারণা করছে দ্য ইকোনমিস্ট। সে জন্য তাদের পূর্বাভাস, ২০২৪ সালে বৈশ্বিক খুচরা বিক্রিতে ২ শতাংশ প্রবৃদ্ধি হবে। তবে অনলাইনে খুচরা বিক্রয়ে প্রবৃদ্ধি হবে ১০ শতাংশ; যা ২০১৯ সালের তুলনায় ৭২ শতাংশ বেশি।

চলতি বছর পর্যটনশিল্পে ব্যাপকভাবে ঘুরে দাঁড়ানোর চেষ্টা থাকলেও খাতটিতে তেমন একটা আশার আলো দেখা যাচ্ছে না। নতুন বছরেও আবহাওয়ায় নিনো চক্র থাকবে। ফলে গরমের কারণে অনেক পরিবার ভ্রমণে উৎসাহিত হবে না। যুক্তি হলো, গরমে শিশুদের নিয়ে ভ্রমণ করা স্বাস্থ্যকর নয়। তবে এ বছর বৈশ্বিক পর্যটন খাত ২০১৯ সালের পর্যায়ে ফিরে যাবে এবং আন্তর্জাতিক পর্যটকের সংখ্যা ১ দশমিক ৮ বিলিয়ন বা ১৮০ কোটিতে পৌঁছাবে। ফলে হোটেল ও রেস্টোরাঁ খাতে ব্যয় ২০২০ সালের তুলনায় ৪৪ শতাংশ বাড়বে। আন্তর্জাতিক পর্যটন ব্যয় এ বছর রেকর্ড ১ দশমিক ৫ ট্রিলিয়ন বা ১ লাখ ৫০ হাজার কোটি ডলারে উন্নীত হবে।

২০২৪ সালে বাংলাদেশের অর্থনীতি

বিশ্বব্যাংকের হিসাব অনুযায়ী, ২০২৪ সালের মাঝামাঝি পর্যন্ত দেশের অর্থনীতি চাপের মধ্যে থাকবে। দেশের অর্থনীতিবিদরা বলছেন, বছরের শুরুতে নির্বাচনের ওপর আগামী বছরের অর্থনীতি অনেকখানি নির্ভর করে। নির্বাচনের পর দেশের পরিস্থিতি স্বাভাবিক থাকলে অর্থনৈতিক প্রবৃদ্ধির পথ সুগম হবে বলে মনে করেন সংশ্লিষ্টরা। যদি নির্বাচনের পর রাজনৈতিক সংকট প্রলম্বিত হয়, তাহলে অর্থনীতির ওপর চাপ বাড়বে। রাজনৈতিক সংকট যদি দেশের অভ্যন্তরে আবদ্ধ থাকে, তাহলে চাপের প্রভাব কিছুটা কম হবে।

বাংলাদেশ খাদ্য এবং কৃষিতে স্বয়ংসম্পূর্ণ; এটিই বাংলাদেশের টিকে থাকার সবচেয়ে বড় শক্তি। তবে জ্বালানি খাতে বাংলাদেশের কিছু ভুল নীতি আগামী বছর ভোগাতে পারে বলে শঙ্কা। এদিকে ডলার সংকটের কথা উল্লেখ করে বিশ্বব্যাংক জানিয়েছে, বাংলাদেশের অর্থনীতির ওপর বড় একটি চাপ ব্যালেন্স অব পেমেণ্টের মারাত্মক ঘাটতি। মূলত আমদানি পণ্যের দাম পরিশোধ, ঋণ পরিশোধসহ বিভিন্ন ক্ষেত্রে বাংলাদেশ থেকে যে অর্থ খরচ হয় এবং এর বিপরীতে রপ্তানি আয়, অনুদান, ঋণ ও রেমিট্যান্স হিসেবে যে পরিমাণ অর্থ আয় হয় তার পার্থক্যের পরিমাণ বাংলাদেশকে ২০২৪ সালে ভোগাতে পারে বলে আশঙ্কা করছে বিশ্বব্যাংক। তবে সঠিক পরিকল্পনার মাধ্যমে মুদ্রার একক বিনিময় হার হ্রাস ও অর্থ পাচার কমিয়ে আনতে পারে। অতি শিগ্রই বাংলাদেশ ব্যাংক এ ব্যাপারে পদক্ষেপ নিতে সক্ষম হলে ২০২৪ সালে রিজার্ভের ওপর চাপ অনেকটা কমে আসবে বলে আশা করা যায়।

নিম্ন রাজস্ব আয় নিয়েই নতুন বছরে টুকেছে বাংলাদেশ। তবে নতুন বছরে সবচেয়ে বড় ঝুঁকি থাকবে ব্যাংক খাত নিয়ে। সব মিলিয়ে নতুন বছর আসলে কেমন হবে, তা সঠিকভাবে প্রাক্কলন করা বেশ কঠিন। তবে শেষ পর্যন্ত রপ্তানি আয়, প্রবাসী আয় এবং কৃষি উৎপাদন ভালো হলে দুশ্চিন্তা অনেকটাই কমবে। সাধারণ মানুষই বাংলাদেশের মূল শক্তি। তারা এ দেশকে ফল, মাছ, দুধ, সবজি উৎপাদনে চ্যাম্পিয়ন করে রেখেছেন। শেষ পর্যন্ত তাদের শক্তিতেই ২০২৪ সালের মন্দা ও মঙ্গা বাংলাদেশকে কবজা করতে পারবে না।

ফাস্ট সিকিউরিটি ইসলামী ব্যাংক পিএলসি. এর কর্মক্ষমতার সাধারণ পর্যালোচনা

একটি দেশের অর্থনীতির মৌলিক স্তম্ভগুলির মধ্যে একটি হল ব্যাংকিং খাত এবং এফএসআইবি এই সেক্টরে ইসলামী শরী'য়াহ ভিত্তিক ব্যাংকগুলির মধ্যে একটি হওয়ায়, আমাদের দেশের অর্থনৈতিক অগ্রগতিতে অগ্রণী সৈনিকের মতো গুরুত্বপূর্ণ ভূমিকা পালন করেছে। সর্বশক্তিমান আল্লাহর রহমতে এবং আমাদের মূল্যবান গ্রাহকদের সক্রিয় সমর্থন ও সহযোগিতায়, ফাস্ট সিকিউরিটি ইসলামী ব্যাংক পিএলসি. ২০২৩ সালেও তার অগ্রগতি অব্যাহত রেখেছে।

বাংলাদেশের জনগণকে আধুনিক প্রযুক্তি এবং ইসলামী শরী'য়াহ ভিত্তিক ব্যাংকিং সেবা নিশ্চিত করতে, ফাস্ট সিকিউরিটি ইসলামী ব্যাংক পিএলসি. সারাদেশে ২০৫টি পূর্ণাঙ্গ শাখা, ১৭২টি উপ-শাখা, ১০৫টি এজেন্ট ব্যাংকিং আউটলেট এবং ২৫০টি নিজস্ব এটিএম এবং সিআরএম নেটওয়ার্ক নিয়ে কাজ করছে।

২০২৩ সালে, ৪৫,৫১৯.৫০ কোটি টাকা আমানত নিয়ে এফএসআইবি তৃতীয় শীর্ষে ছিল। এফএসআইবি আমানত সংগ্রহের ক্ষেত্রে অসাধারণ অগ্রগতি চিহ্নিত করেছে এবং পিসিবি-র মধ্যে তার অবস্থান ধরে রাখতে সক্ষম হয়েছে। ৭৪২.৬৯ কোটি টাকার মুনাফা অর্জনের সাথে ৫৬,৮৩১.৩৯ কোটি টাকার মোট বিনিয়োগ করেছে। উপরের পরিবর্তিত পরিবেশের অধীনে, আমরা একটি টেকসই উন্নয়ন অর্জনের জন্য আমাদের ব্যবসাকে অগ্রাধিকার দিয়েছি। ২০২৩ সালে, ব্যাংকের পরিচালন মুনাফা ৭৪২.৬৯ কোটি টাকা।

বিশ্বব্যাপী মহামারী এবং পরবর্তী ইউক্রেন-রাশিয়া, ইসরাইল-ফিলিস্তিন সংঘাতের কারণে অর্থনৈতিক অবস্থা বৈশ্বিক বাণিজ্য ও ব্যবসার জন্য অনুকূল ছিল না। বাংলাদেশের অনেক কোম্পানিও বিরূপ প্রভাবে পড়েছে। এলসি খোলার উপর বিধিনিষেধের কারণে, অনেক ব্যবসায়িক প্রতিষ্ঠান তাদের অর্থ প্রদানের প্রতিশ্রুতি রাখতে পারেনি, যার ফলে দেশের নন-পারফর্মিং বিনিয়োগ বেড়েছে। একই শিল্পে থাকায় এফএসআইবিও ক্ষতিগ্রস্ত হয়েছে। এনপিএলকে একটি গ্রহণযোগ্য স্তরে হ্রাস করার জন্য ব্যাংক ক্রমাগত কাজ করেছে। এগুলি ছাড়াও, একীভূত ভিত্তিতে ২০২৩ সালে তহবিলের ব্যয় ৮.৪৪ শতাংশে দাঁড়িয়েছে।

এখানে উল্লেখ করা প্রাসঙ্গিক যে, ব্যাংকটি চলতি বছরে শেয়ার প্রতি ২.৮৫ টাকা আয় করেছে এবং তা দেশের উভয় এক্সচেঞ্জে তালিকাভুক্ত রয়েছে। ব্যাংকের লিকুইডিটি কভারেজ রেশিও (এলসিআর) এবং নেট স্টেবল ফান্ডিং রেশিও (এনএসএফআর) এর মতো লিকুইডিটি প্যারামিটারগুলি নিয়ন্ত্রক প্রয়োজনীয়তার উপরে ছিল। ব্যাংকের ক্রেডিট রেটিং দীর্ঘমেয়াদী এ+, ইসিআরএল-০২-এ দাঁড়িয়েছে। ফাস্ট সিকিউরিটি ইসলামী ব্যাংক পিএলসি. ২০২২-২০২৩ অর্থবছরে বিল সংগ্রহের জন্য ঢাকা ওয়াসা কর্তৃক নির্বাচিত ৩৪টি ব্যাংকের মধ্যে সর্বোচ্চ বিল সংগ্রহের জন্য ১ম স্থান অর্জন করেছে। এটি ঢাকা ওয়াসার বিল সংগ্রহের জন্য টানা ৫ম বারের মতো প্রথম অবস্থানে রয়েছে।

ফাস্ট সিকিউরিটি ইসলামী ব্যাংক পিএলসি. বৃহৎ করদাতা ইউনিট এ ২০২২-২৩ অর্থবছরের জন্য ব্যাংকিং খাতে সর্বোচ্চ করদাতাদের একজন হওয়ার জন্য পুরস্কৃত হয়েছে। ফাস্ট সিকিউরিটি ইসলামী ব্যাংক পিএলসি. এর সংশ্লিষ্ট সদস্যদের মধ্যে 'এক্সিলেন্স ইন ডেবিট কার্ড' বিভাগের জন্য মর্যাদাপূর্ণ ভিসা পেমেন্ট এক্সিলেন্স অ্যাওয়ার্ড-২০২৩' অর্জন করেছে।

লভ্যাংশ

নিয়ন্ত্রক সংস্থার চাহিদা পরিপালন করতে ব্যাংক প্রতি বছর তার আয় এবং তারল্য অবস্থার উপর ভিত্তি করে নগদ লভ্যাংশ এবং বোনাস শেয়ার প্রদান করে। বাংলাদেশ ব্যাংকের অনাপত্তিসহ ব্যাংকের পরিচালনা পর্ষদ বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশনের অনুমোদনসাপেক্ষে ২০২৩ সালের জন্য ৫% নগদ লভ্যাংশ এবং ৫% স্টক ডিভিডেন্ড (বোনাস শেয়ার) ঘোষণা করে।

প্রতি শেয়ারে অর্জন

২০২৩ সালে প্রতি শেয়ারে আয় ছিলো ২.৮৫ টাকা। যেহেতু বৈশ্বিক যুদ্ধ, ডলার সমস্যা, ব্যাংকে এলসি খোলার সিমাবদ্ধতা, উচ্চ মুদ্রাস্ফীতি ইত্যাদি নানারকম জটিলতা অতিক্রম করতে হয়েছিল, তারপরও বিগত ২০২২ সালের তুলনায় ২০২৩ সালে প্রতি শেয়ারে অর্জন বেশী হয়েছে।

পরিশোধিত মূলধন

ব্যাংকের মূলধন ভিত্তি শক্তিশালী করতে, ব্যবসা উন্নয়নে অবদান রাখতে নিয়ন্ত্রক সংস্থার প্রয়োজন বজায় রাখতে স্টক ডিভিডেন্ড প্রদানের ঘোষণা দ্বারা পরিশোধিত মূলধন ১০% বৃদ্ধি পেয়েছিল। তারপর ব্যাংকের পরিশোধিত মূলধন দাড়ায় ১১,৫০৬.০৯ মিলিয়ন টাকা। বর্ধিত মূলধন মুনাফা অর্জন করতে লাভজনক খাতে বিনিয়োগ করা হয়েছিল।

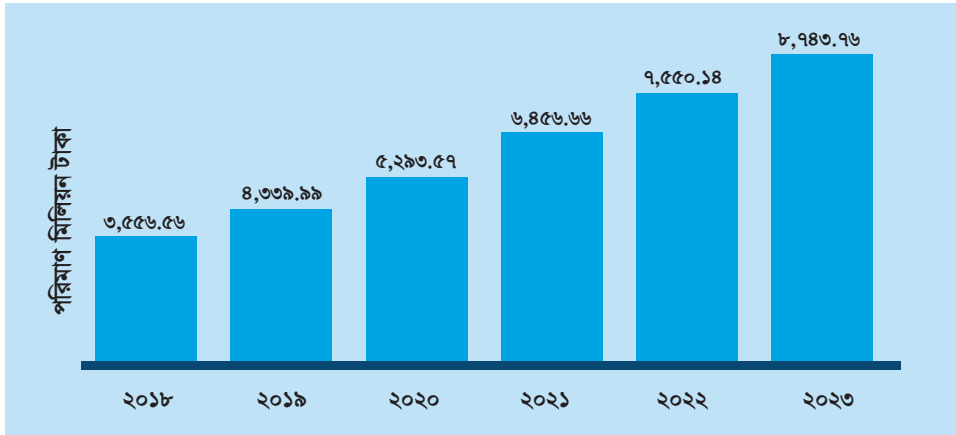
নিয়ন্ত্রক মূলধন

ব্যাংকের দীর্ঘ মেয়াদী স্বচ্ছলতা নিশ্চিত করতে এবং শেয়ারহোল্ডারগণের মূল্য সর্বাধিক করতে পারে এমন টেকসই ব্যবসায়িক প্রবৃদ্ধি অর্জনে সহায়তা করার জন্য একটি শক্তিশালী মূলধন ভিত্তি বজায় রাখা হয়। ঝুঁকি ব্যবস্থাপনা কৌশলের অংশ হিসেবে এফএসআইবি এর নীতি হল একটি শক্তিশালী মূলধন থেকে ঝুঁকিভারযুক্ত সম্পদের অনুপাত বজায় রাখা যাতে কোনো সম্ভাব্য ঝুঁকি থেকে উদ্ধৃত যে কোনো অপ্রত্যাশিত ধাক্কা মোকাবেলা করার জন্য পর্যাপ্ত ব্যবস্থা থাকে।

৩১ ডিসেম্বর ২০২৩ তারিখ ভিত্তিক ব্যাংকের মোট নিয়ন্ত্রক মূলধন দাড়ায় ৪০,৮৯৬.৪৪ মিলিয়ন টাকা, যা ৩১ ডিসেম্বর ২০২২ তারিখ ভিত্তিক ছিল ৩৮,৭০৫.৪৭ মিলিয়ন টাকা।

সংবিধিবদ্ধ রিজার্ভ

ব্যাংকের বিনিয়োগ বৃদ্ধির সাথে সম্ভাব্য নন পারফর্মিং বিনিয়োগের বিরুদ্ধে সতর্কতা অবলম্বন করার জন্য সংবিধিবদ্ধ রিজার্ভও বৃদ্ধি করা হয়। বিভিন্ন কারণে বিনিয়োগ ধারকদের ২০২৩ সালে ব্যবসায় মন্থরতার সম্মুখীন হতে হয়েছিল। ফলস্বরূপ তারা ব্যাংক থেকে নেওয়া বিনিয়োগসমূহ পরিশোধ করতে অসুবিধার সম্মুখীন হয়েছিল। ফলস্বরূপ, ব্যাংককে তার সংবিধিবদ্ধ রিজার্ভ ২০২২ সালের ৭,৫৫০.১৪ মিলিয়ন টাকা থেকে ২০২৩ সালে ৮,৭৪৩.৭৬ মিলিয়ন টাকায় উন্নীত করা প্রয়োজন হয়েছিল। গত পাঁচ বছরের সংবিধিবদ্ধ রিজার্ভ নিম্নে দেখানো হলোঃ



সম্পদ এবং দায়

৩১ ডিসেম্বর ২০২৩ তারিখ ভিত্তিক ব্যাংকের সমুদয় সম্পদ ছিল ৬৬০,১১০.৬৪ মিলিয়ন টাকা, যা ৩১ ডিসেম্বর ২০২২ তারিখ ভিত্তিক ছিল ৬১৬,৪৫৩.৫৮ মিলিয়ন টাকা। ২০২৩ সালে সমুদয় সম্পদ বৃদ্ধি পেয়েছে ৭.০৮%।

অন্যদিকে, ৩১ ডিসেম্বর ২০২৩ তারিখ ভিত্তিক ব্যাংকের দায় ছিল ৬৩৪,৭২৮.৪৬ মিলিয়ন টাকা, যা ৩১ ডিসেম্বর ২০২২ তারিখ ভিত্তিক ছিল ৫৯৩,৭৯২.৭১ মিলিয়ন টাকা।

আমানত এবং বিনিয়োগ

এফএসআইবি এর আমানত বৃদ্ধি ইতিবাচক ছিল যদিও ২০২৩ সালে ব্যাংকিং ইন্ডাস্ট্রির সমুদয় আমানত হ্রাস পেয়েছিল। আমানত হচ্ছে ব্যাংকের জীবনীশক্তির উৎস, যা ২০২৩ সালে ছিল ৪৫৫,১৫১.১৭ মিলিয়ন টাকা কিন্তু ২০২২ সালে যা ছিল ৪৭৩,০২৫.০৩ মিলিয়ন টাকা। ৩১ ডিসেম্বর ২০২৩ তারিখ ভিত্তিক ব্যাংকের সমুদয় বিনিয়োগ দাঁড়ায় ৫৬৯,৩২৪.১৪ মিলিয়ন টাকা। ৩১ ডিসেম্বর ২০২২ তারিখ ভিত্তিক ব্যাংকের সমুদয় বিনিয়োগ দাঁড়ায় ৫২৩,৯৪৪.৩৯ মিলিয়ন টাকা।

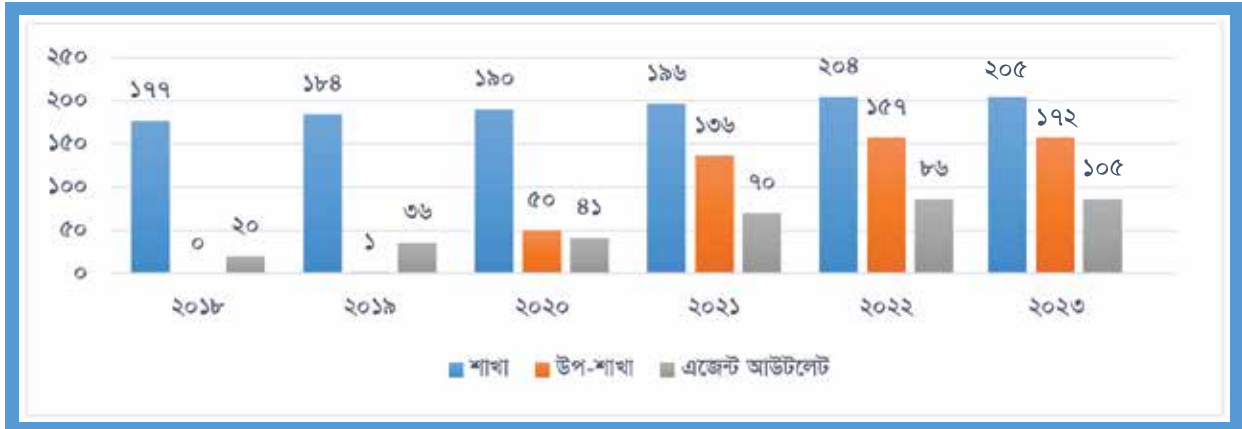
মানব সম্পদ

মানব সম্পদ হল কোম্পানির মধ্যে মানুষের বৈশিষ্ট্য, সম্মিলিত বিচারবুদ্ধি ও বোধ শক্তি, সক্ষমতা এবং অভিজ্ঞতা যা সংগঠনকে বিশেষভাবে চিহ্নিত করে। মানব সম্পদ হল কোম্পানীর সম্পদ এবং কর্মচারীগণের উৎপাদনশীলতা বাড়ানোর প্রধান নিয়ামক এবং যা আর্থিক কার্যসম্পাদন উন্নয়নে একটি প্রতিযোগিতামূলক প্রাপ্ত ধরে রাখে।

আমাদের মানব সম্পদ জ্ঞান, সক্ষমতা, বিশেষজ্ঞ এবং শিক্ষার মিশ্রণ। বর্তমানে আমাদের ৫৩২৪ জন কর্মকর্তা আছে এবং আমরা গত বছর আমাদের কর্মকর্তাদের ২৪৫৯ ঘন্টা প্রশিক্ষণ প্রদান করেছি।

শাখা, উপ-শাখা, এজেন্ট আউটলেট

নির্ভরযোগ্য উন্নয়ন অর্জন করতে আর্থিক অন্তর্ভুক্তির ভীষণ চাহিদা প্রয়োজন। সেই জন্য আমরা ব্যাংক ব্যবহার করেনা এমন লোকদের ব্যাংকিং কার্যক্রমের আওতায় আনতে গ্রাম ও শহর উভয় এলাকায় আমাদের শাখা, উপ-শাখা, এজেন্ট আউটলেট এবং কালেকশান বুথ খুলেছি। আমাদের শাখা, উপ-শাখা এবং এজেন্ট আউটলেটের চিত্র নিম্নে প্রদত্ত হলোঃ



বৈদেশিক বাণিজ্য ব্যবসা

আমদানি বাণিজ্য

২০২৩ সালে ফাস্ট সিকিউরিটি ইসলামী ব্যাংকের আমদানি বাণিজ্যের পরিমাণ ছিল ২,৭২৮.৪৪ কোটি টাকা। আমদানি বাণিজ্যের প্রধান খাতগুলি ছিল চিনি, ভোজ্য তেল, মূলধনী যন্ত্রপাতি, তুলা, ফ্রেব্রিক্স ও আনুষঙ্গিক দ্রব্যাদি।

রপ্তানী বাণিজ্য

ফাস্ট সিকিউরিটি ইসলামী ব্যাংক ২০২৩ সালে রপ্তানী বাণিজ্যে সর্বমোট ২,৮৫৫.৪২ কোটি টাকার রপ্তানী দলিল সফলতার সাথে নিষ্পত্তি করে। রপ্তানী বাণিজ্যের প্রধান খাতগুলি ছিল তৈরি পোশাক, নীটওয়ার, প্রক্রিয়াজাত চামড়ার পণ্য সামগ্রী, কৃষিপণ্য, ইত্যাদি।

ফরেন রেমিটেন্স

২০২৩ সালে ব্যাংক ফরেন রেমিটেন্স আহরণ করে ২,৬০৯.৯১ কোটি টাকা। ফরেন রেমিটেন্স আহরণে আন্তর্জাতিক খ্যাতিসম্পন্ন এক্সচেঞ্জ হাউস যেমন: মানিগ্রাম, এক্সপ্রেসমানি, ওয়েস্টার্ন ইউনিয়ন, প্লাসিড এনকে কর্পোরেশন, ট্রান্সফাস্ট, আফতাব কারেন্সী এক্সচেঞ্জ

ইউকে, ব্রাক সজন এক্সচেঞ্জ লিঃ, ইউকে, আল-মুজাইনী এক্সচেঞ্জ কোং কেএসসিসি, কুয়েত, জেজ এক্সচেঞ্জ ডারিউএলএল বাহারাইন, রিয়া (কন্টিনেন্টাল এক্সচেঞ্জ সল্যুশান আইএনসি.), আইএমই রেমিট, ওয়ালস্ট্রীট ফাইন্যান্স এলএলসি, এনওয়াই, অগ্রনী রেমিটেন্স হাউস, ইস্ট্যান্ট ক্যাশ, মারচেন্ট ট্রেড এশিয়া, এনবিএল মানি ট্রান্সফার, শিপট ফাইন্যান্সিয়াল সার্ভিসেস, স্মল ওয়াল্ড ফাইন্যান্সিয়াল সার্ভিসেস, রেমিট চয়েস লিঃ, জিসিসি এক্সচেঞ্জ ইউকে লিঃ, মাস্টারকার্ড ট্রান্সজেকশন সার্ভিসেস (ইউ এস) এলএলসি, প্রভুমানি ট্রান্সফার-এর সাথে রেমিটেন্স ব্যবসা পরিচালনা করে অত্র ব্যাংক উল্লেখযোগ্য অগ্রগতি সাধন করেছে। এছাড়াও ইতালিতে অবস্থিত অত্র ব্যাংকের নিজস্ব এক্সচেঞ্জ হাউসের মাধ্যমে উল্লেখযোগ্য পরিমাণ রেমিটেন্স দেশে এসেছে।

করেন্সপন্ডেন্ট ব্যাংকিং

করেন্সপন্ডেন্ট ব্যাংকসমূহ হচ্ছে আন্তর্জাতিক ব্যবসায়ের সহযোগী। ফার্স্ট সিকিউরিটি ইসলামী ব্যাংক পিএলসি. ইতোমধ্যে বৈদেশিক বিনিময় বাণিজ্যে ব্যাপক সাফল্য অর্জন করেছে। বিশ্বব্যাপী খ্যাতিসম্পন্ন ২২২ টি ব্যাংকের ২,৬০০ এর অধিক শাখার সাথে অত্র ব্যাংক প্রতিসঙ্গী/করেন্সপন্ডেন্ট সম্পর্ক স্থাপন করেছে।

অফশোর ব্যাংকিং ব্যবসা

ফার্স্ট সিকিউরিটি ইসলামী ব্যাংক পিএলসি. ৫ই আগস্ট, ২০২০ তারিখে অফশোর ব্যাংকিং ইউনিট (OBU) চালুর মাধ্যমে অফশোর ব্যাংকিং ব্যবসার কার্যক্রম শুরু করেছিল। বাংলাদেশ ব্যাংকের অনুমতি পত্র নং-বিআরপিডি(ওবি)/৭৪৪(১২৬)/২০২০-৪৭৩৫ এবং ৪৭৩৭ তাং-০৬ জুলাই ২০২০ অনুযায়ী সকল নিয়ম ও নির্দেশিকা পরিপালন করে অফশোর ব্যাংকিং বৈদেশিক মুদ্রায় ব্যাংকিং ব্যবসা পরিচালনা করে থাকে।

অফশোর ব্যাংকিং ইউনিট (OBU) বিদেশ হতে আমদানীর বিপরীতে স্বীকৃত ইউজ্যান্স/বিলম্বিত আমদানী বিল এবং বাংলাদেশের অভ্যন্তরে উৎপাদিত পণ্যের প্রত্যক্ষ ও প্রচ্ছন্ন রপ্তানীর বিপরীতে ইউজ্যান্স/বিলম্বিত রপ্তানী বিল ডিসকাউন্ট/ক্রয় করে থাকে। ২০২৩ সালে ইউজ্যান্স/বিলম্বিত আমদানি এবং রপ্তানী বিলের বিপরীতে বিনিয়োগের মাধ্যমে অফশোর ব্যাংকিং ইউনিট হতে ব্যাংক ৩৭৩,৯৪৭.৮৩ মাঃ ডলার মুনাফা অর্জন করে, বাংলাদেশী টাকায় যাহার পরিমাণ ৪,১০,৪০,৭৭৪.৩৪ টাকা।

সাবসিডিয়ারি প্রতিষ্ঠান

ব্যাংকের দুইটি সাবসিডিয়ারি প্রতিষ্ঠান রয়েছে যেমন- (১) First Security Islami Capital & Investment Ltd. এবং (২) First Security Islami Exchange Italy, SRL। ব্যাংক First Security Islami Capital & Investment Ltd. এর ৫১ শতাংশ শেয়ারের মালিক এবং First Security Islami Exchange Italy, SRL এর ১০০ শতাংশ শেয়ারের মালিক।

ঝুঁকি ব্যবস্থাপনা

ব্যবসায় ঝুঁকি অনিবার্য। কিন্তু ঝুঁকি ব্যবস্থাপনা অত্যন্ত গুরুত্বপূর্ণ। ব্যাংক সর্বদা এর ঝুঁকি সর্বনিম্ন পর্যায়ে রাখার চেষ্টা অব্যাহত রাখে। এর জন্য, ঝুঁকি ব্যবস্থাপনার নির্দেশিকা অনুসরণপূর্বক আমরা কতিপয় নীতিমালা প্রণয়ন করেছি। এসব নীতিমালা যথাযথভাবে প্রয়োগ এবং বাংলাদেশ ব্যাংক কর্তৃক প্রদত্ত নির্দেশনা সুচারুভাবে পরিপালন হচ্ছে কিনা তা পরিচালনা পর্ষদের ঝুঁকি ব্যবস্থাপনা কমিটি সর্বদা পর্যবেক্ষণ করে।

কর্পোরেট গভর্নেন্স কোডের পরিপালন

ব্যাংকিং কার্যক্রম পরিচালনায় কর্পোরেট গভর্নেন্স কোড একটি গুরুত্বপূর্ণ উপাদান। যে কোনো প্রতিষ্ঠানে কর্পোরেট গভর্নেন্স কোড বাস্তবায়নের মাধ্যমে টেকসই উন্নয়ন অর্জন করা সম্ভব। কর্পোরেট গভর্নেন্স কোড শুধু কোন ব্যবসা প্রতিষ্ঠানের জন্য নয় বরং সামগ্রিক অর্থনীতিতেও এটি সমভাবে কার্যকর ও প্রয়োজনীয়। ব্যাংকিং খাতে নিবিড় সুশাসন ব্যবস্থা কার্যকর করা আর্থিক বাজারের পূর্বশর্ত।

বাংলাদেশ সিকিউরিটিজ এন্ড একচেঞ্জ কমিশন কর্তৃক ০৩ জুন ২০১৮ তারিখে জারীকৃত নোটিফিকেশন নং-বিএসইসি/সিএমআরআরসিডি/২০০৬-১৫৮/২০৭/এডমিন/৮০ এর মাধ্যমে প্রকাশিত কর্পোরেট গভর্নেন্স কোড এর শর্তসমূহের পরিপালন ও এতদসংশ্লিষ্ট দৃষ্টিগোচরকরণসমূহ (Disclosures) এবং প্রাক্সিসিং চার্টার্ড সেক্রেটারী ফার্ম কর্তৃক প্রদত্ত কর্পোরেট গভর্নেন্স কোড এর শর্তসমূহের পরিপালনের সনদ রিপোর্ট অন কর্পোরেট গভর্নেন্স কোড অংশে সংযোজিত হয়েছে।

ধন্যবাদ জ্ঞাপন

বিগত বছরগুলোর ন্যায় ২০২৩ সালেও ব্যাংকের সফলতা অব্যাহত রাখাতে সমর্থ করার জন্য মহান আল্লাহ (সুব্হান-ওয়া-তালা) এর নিকট পরিচালনা পর্ষদের পক্ষ থেকে আমি গভীর কৃতজ্ঞতা প্রকাশ করছি। সার্বিক সহযোগিতার জন্য সম্মানিত শেয়ারহোল্ডার, গ্রাহক, বিনিয়োগকারী, বাংলাদেশ ব্যাংক, বাংলাদেশ সিকিউরিটিজ এন্ড এক্সচেঞ্জ কমিশন, ঢাকা ও চিটাগং স্টক এক্সচেঞ্জদ্বয়, অন্যান্য নিয়ন্ত্রণকারী সংস্থা এবং শুভানুধ্যায়ীদের প্রতি কৃতজ্ঞতা এবং আন্তরিক ধন্যবাদ জ্ঞাপন করছি। অভিস্ট লক্ষ্য অর্জনে সচেষ্ট থাকা এবং সেবার মান বজায় রাখার জন্য ব্যাংক ব্যবস্থাপনা কর্তৃপক্ষ এবং সর্বস্তরের নির্বাহী, কর্মকর্তা ও কর্মচারীর প্রতি ধন্যবাদ জ্ঞাপন করছি।

ব্যাংকের সার্বিক উন্নয়নে আমাদের সক্ষমতার সর্বোত্তম ব্যবহারে মহান আল্লাহ সহায়তা দান করুন।

আল্লাহ হাফেজ,



মোহাম্মদ সাইফুল আলম
চেয়ারম্যান



DIRECTORS' *Report*

Bismillahir Rahmanir Rahim

Honorable Shareholders,
Assalamu Alaikum Wa-Rahmatullah.

On behalf of the Board of Directors of First Security Islami Bank PLC., I have the pleasure to welcome you all to the 25th Annual General Meeting of the Shareholders and to present before you the Directors' Report and Audited Financial Statements together with Auditors' Report for the year ended December 31, 2023 wherein the brief description of the Bank's performance, future prospects and various aspects of world market trend with highlights of the performance of Bangladesh economy has also been incorporated.

Global Economy in 2023

Overall, the global economy is set to grow by 1.6% in 2023, driven largely by China's re-opening following a prolonged period of lockdowns and strong expected growth in India and other emerging economies.

Bangladesh's Gross Domestic Product (GDP) is expected to grow by 5.3% in fiscal year (FY) 2023. The global economic growth in 2023 remains highly uncertain due to the impact of the COVID-19 pandemic over the past three years and the growing adverse effects of the ongoing Russia's war in Ukraine. In the World Economic Outlook (WEO) April 2023, International Monetary Fund (IMF) has expected the global economy to slow down from 3.4 percent in 2022 to 2.8 percent in 2023. In response to the effects of the global COVID-19, and the ongoing Russia-Ukraine war, the Government has adopted short, medium, and long-term action plans to maintain food security for the people of the country by continuing the expansion in agricultural productivity. Bangladesh has a strong track record of growth and development, even in times of elevated global uncertainty.

A robust demographic dividend, strong ready-made garment (RMG) exports, resilient remittance inflows, and stable macroeconomic conditions have supported rapid economic growth over the past two decades. Despite these gains, inequality has slightly narrowed in rural areas and widened in urban areas. The country did make a rapid recovery from the COVID-19 pandemic supported by prudent macroeconomic policies with estimated GDP growth of 6.0 percent in FY-23. However, the economy faces considerable challenges with rising inflationary pressure, energy shortages, a balance-of-payments deficit, and a revenue shortfall. While the trade deficit narrowed in FY-23, a contraction in financial account deficit resulted in a Balance of Payments (BoP) deficit and a decline in foreign exchange reserves.

Real GDP growth is expected to slow in FY-24 as ongoing import suppression measures disrupt economic activity. Growth is expected to re-accelerate over the medium term, as inflationary pressure eases, external conditions improve, and reform implementation gains momentum. Over the medium term, the balance of payments is projected to return to a surplus as financial inflows recover and remittance inflows rise, supported by strong demand for workers in the Gulf region. Development priorities include diversifying exports beyond the RMG sector; resolving financial sector vulnerabilities; making urbanization more sustainable and strengthening public institutions, including fiscal reforms to generate more domestic revenue for development. Addressing infrastructure gaps would accelerate growth. Addressing vulnerability to climate change and natural disasters will help Bangladesh to continue to build resilience to future shocks. Pivoting towards green growth would support the sustainability of development outcomes for the next generation.

Economy of Bangladesh in 2023

2023 was an important year. Many things have happened throughout the year, both good and bad. Positive events have been discussed, while negative events have also been criticized. National issues were widely discussed. The year 2023 was the year of the twelfth national parliament election. A fierce debate is going on between the government and the opposition parties around the elections. There have also been blockades and strikes on election issues. Various important issues have been discussed in this regard example, rising commodity prices, dollar crisis, record defaults, US visa policy challenges, oil prices, dengue deaths etc.

In 2023, the increase in commodity prices in Bangladesh market has reached an extreme level. Food prices have increased since the beginning of the year. It was not possible to control the price even with various steps taken by the government. Due to the manipulation of business syndicates, market volatility has arisen. The prices of goods in the market were high throughout the year. As a result of the increase in the prices of these commodities, there has been a lot of difficulty in the life of the common people. Especially low-income people's lives have been severely affected.

The root of the problems that Bangladesh's economy is currently facing is the US dollar crisis. Policy makers believed that the dollar crisis and its appreciation were temporary. The dollar crisis and rising rates are

having a negative impact on production, investment and trade. This results in high inflation. People are struggling to meet the increased cost of goods. All in all, this situation is endangering the economy.

The central bank could not reduce the amount of defaulted loans despite various concessions! Rather, it is increasing day by day, making records. The central bank has been giving various concessions and benefits in loan repayment since the time of corona epidemic. However, one of the reasons for the increase in defaulted loans is the lack of effective action against willful defaulters. Apart from this, due to the corruption and irregularities of the people at the top level of the banks, the cases of bad loans, mismanagement, irregularities - fraud and misappropriation of money are increasing in the banking sector, which need to be strictly curbed.

The gold price in the country has set a record this year. The price of gold has increased in stages; It has decreased slightly. This year, for the first time in the country, the price of gold has exceeded one lakh taka. The price increases this year has set a new record, at the end of the year the price of gold is now the highest in the history of the country. December 24, 2023 the price of gold increased to 1 lakh 11 thousand 41 taka. Bangladesh Jewelers Association has adjusted the price of gold 29 times in the country so far this year. Among them, the price has been reduced 11 times, increased 18 times.

Crude oil prices have fallen by 10 percent this year. This is the first time in two years that the fuel oil market is going to end the year in a downward trend. Crude oil prices have gone through major ups and downs throughout the year due to the geopolitical crisis, reduced extraction and tighter policies by central banks to rein in inflation. Analysts believe that if these crises were not there, the price would have decreased further. However, sector stakeholders say that the demand for fuel oil is likely to increase in 2024. Especially if the expected low interest rates and low exchange rate of the dollar could increase the sales. Last year, due to the Ukraine-Russia war, the price of oil in the world market increased significantly.

Besides, the year 2023 was a significant year of Development. Ahead of the upcoming elections, the government has inaugurated several major projects. These include: Hazrat Shahjalal International Airport's third terminal, which will further improve Bangladesh's international connectivity. Bangabandhu Tunnel on the Karnaphuli River, which will facilitate connectivity to the South-East region. Rail connectivity at Padma Bridge, which will make the country's north-south connectivity faster and easier. Metrorail from Agargaon to Motijheel, which will help decongest Dhaka city. Akhaura-Agartala dual gauge railway line, which will further improve India's connectivity with Bangladesh. Dhaka-Cox's Bazar railway, which will further improve connectivity in the southern part of Bangladesh. The inauguration of these projects will play an important role in the development of the economy and communication system of Bangladesh. Also, they will help improve the quality of life of the people.

Banking Industry of Bangladesh in 2023

Deposit

According to the data of the Central Bank, the total deposits in the banking sector have increased to 16 lakh 54 thousand crores at the end of December 2023. Which is more than the previous year's 14 lakh 89 thousand crore taka. According to the data of Bangladesh Bank, the deposit growth rate in the banking sector increased to 11.04 percent in December 2023. This rate is the highest in the last 28 months. Earlier in September 2021, the deposit growth rate reached 11.26 percent due to the impact of the global lockdown due to the corona epidemic and the resulting economic slowdown.

Defaulted loan

According to the latest data of Bangladesh Bank, as of December last year, the amount of defaulted loans of the banks stood at 1 lakh 45 thousand 633 crores, which is 9 percent of their total loans. At the end of 2022, the amount of defaulted loans/investment was 1 lakh 20 thousand 656 crores, which is 8.16 percent of the total loans/investment. Compared to 2022, defaulted loans increased by Tk 24 thousand 977 crore or 20.70 percent last year.

Disbursement of loans

According to the data of Bangladesh Bank, at the end of December 2022, the loan/investment in the banking sector was Tk 14 lakh 77 thousand 688 crore. And in December 2023, the debt has increased to 16 lakh 77 thousand 788 crore taka.

Foreign debt

The country's banking system has witnessed a major decline in short-term foreign credit flows to the private sector. In 2023 that has decreased to \$11.45 billion. This widens the fiscal deficit, and also accelerates the depletion of the country's foreign exchange reserves. At the end of December 2023, the total foreign debt to the private sector was 25.8 billion dollars. It was 37.25 billion US dollar in the previous year. That is, a decrease of 31 percent. 31 billion dollars were paid off last year. That is, repayments are 5.3 billion US dollar more than borrowings. According to central bank data, there was a surplus of short-term borrowings over repayments of 525 million US dollar in 2022.

Expatriate income

2023 saw off a good finish in expatriate income. The last month of the year December came to 198 crore 98 lakh 70 thousand US dollars, the whole year expatriate income came to 2 thousand 191 crore 57 lakh 60 thousand or 21.92 billion US dollars. According to the data of Bangladesh Bank, the remittance income in 2022 was 21.28 billion dollars and in 2021 it was 21.74 billion dollars.

Economic Scenario of Islamic banks in 2023

Islamic banking is a growing and popular banking system all over the world including Bangladesh. Already, several banks have started Islamic banking system by abandoning the interest calculation. Economists believe that the Islamic economy is becoming stronger in the country as a whole.

According to the central bank, the contribution of Islamic banking to the economy is increasing. The government is also supporting this financial system. In the meantime, the government has introduced Shari'ah-based Sukuk bonds for the first time in the country. Conventional banks as well as Islamic banks are interested in investing in this bond. Currently, the Islamic banking system accounts for more than 25 percent of total banking sector deposits and more than 29 percent of investments.

According to the latest data from the Central Bank, there are currently 61 commercial banks in the country. Among them, 10 banks conduct full Islamic banking activities. Besides, there are 41 branches of 11 conventional banks and 535 Islamic banking windows of 14 conventional banks. Apart from this, all banks and branches of the country are conventional.

At the end of December 2023, the amount of deposits in Sharia-based banking stood at more than 4 lakh 25 thousand crores, which is more than 27 percent of the total deposits of the banking sector.

Similarly, the amount of investment in Islamic banking has also increased. In 2023, the investment stability of Shari'ah-based banking is more than 3 lakh 90 thousand crores which is more than 29 percent of the total investment of the banking sector.

Shari'ah- compliant banks are also playing a major role in collecting remittances. In 2023, 52 percent of remittances came through these banks. Banks in this sector are also playing a good role in agricultural investment.

The world economy of 2024

A lot has happened in the world in the last few years 2023. For example, from Covid to Russia-Ukraine war, China-US trade war. Due to these reasons, the global economy has been slowing down for several years. A recession was forecast in developed countries in the outgoing 2023, although it ultimately did not happen. But many analysts now expect the global economy to start turning around in 2024. Meanwhile, the British magazine The Economist has published a detailed report on where the world economy stands in the context of the last few years and what it could be in 2024.

There will be geopolitical tension in different regions of the world in 2024 as well. The US-China trade war has been simmering for years; The Russia-Ukraine war is not stopping either. In such a situation, the Israel-Hamas war began on October 7, 2023. These 'three wars' have had an impact on the global economy. In spite of this, there is hope that the inflation rate will decrease and the existing crisis in the supply system will decrease. However, the growth rate in the economies of rich countries will slow down and again developing countries will do well.

With the ongoing Russia-Ukraine war and deteriorating US-China relations, nearly one-third of NATO member states' defense budgets will exceed 2 percent of GDP, a long-standing NATO goal. Britain and Poland will remain on target, although France will be slightly behind. New member Sweden will also be on target. On the other hand, due to fear of China, the defense expenditure of Asian countries will increase.

Global renewable energy use will increase by 11 percent in 2024; Despite this, fossil fuels will meet 80 percent of global energy demand this year. Although the pace of economic recovery is slow, global oil demand will increase by 1 percent this time. But oil prices will remain below \$85 per barrel due to increased oil production in the United States and Saudi Arabia. Although investors are skeptical, coal and gas consumption will increase. Coal and gas-fired power plants will also be closed in many countries, such as Britain and Italy.

The outgoing 2023 saw some slowdown in the global media and entertainment sector, but is expected to turn around in 2024. At the end of the year is the US presidential election. On this occasion, candidates are expected to spend a huge amount of money on advertising. Apart from this, due to big events like Paris Olympics and Euro 2024, advertising sails will need wind. Almost half of this spending is predicted to be in the digital sector. Apart from this, famous companies are creating advertisements to display in their showrooms and websites. Basically, they are taking such a strategy to make customers interested in spending.

The rate of inflation in the world has come down a lot. It is expected to decrease further next year. Still, consumers won't be as eager to spend. Consumers will not recover from high inflation any time soon, as credit card delinquencies and household savings decline, The Economist predicts. For that reason, they forecast 2 percent growth in global retail sales in 2024. However, online retail sales will grow by 10 percent; Which is 72 percent more than 2019.

Although there is an attempt to turn around the tourism industry this year, there is not much hope in the sector. There will also be an El Nino weather cycle in the new year. As a result, many families will not be encouraged to travel because of the heat. The argument is that traveling with children in summer is not healthy. However, this year the global tourism sector will return to the level of 2019 and the number of international tourists will reach 1.8 billion. As a result, spending in the hotel and restaurant sector will

increase by 44 percent compared to 2020. International tourism spending will rise to a record 1.5 trillion or 150 billion dollars this year.

Economy of Bangladesh in 2024

According to the World Bank, the country's economy will remain under pressure until mid-2024. Economists of the country say that next year's economy depends a lot on the election at the beginning of the year. If the situation in the country is normal after the elections, the path of economic growth will be smooth. If the political crisis persists after the elections, the pressure on the economy will increase. If the political crisis is confined to the interior of the country, the effect of pressure is somewhat less.

If the US actually imposes sanctions on Bangladesh's garment sector, 33 percent of Bangladesh's largest export sector will be disrupted. If the West joins the US, this loss will increase to 40 percent. This may cause problems like dollar crisis in the country's reserves. However, if China and Russia stand by Bangladesh when the West imposes sanctions, and if Bangladesh can reduce its dependence on the dollar by taking the hand of these two powerful countries, then Bangladesh will not need time to turn around.

Bangladesh is self-sufficient in food and agriculture; This is the biggest strength of survival of Bangladesh. However, it is feared that some wrong policies of Bangladesh in the energy sector may suffer next year. Meanwhile, referring to the dollar crisis, the World Bank said that a major pressure on the economy of Bangladesh is the severe deficit in the balance of payments. The World Bank fears that Bangladesh may suffer in the year 2024 from the difference between the amount of money spent by Bangladesh in various fields, including payment of the price of imported products, repayment of debt, and the amount of money earned as export income, grants, loans and remittances. However, with proper planning, a single currency exchange rate can reduce hundi and money laundering. If the Bangladesh Bank is able to take steps in this regard very soon, it is expected that the pressure on the reserves will reduce a lot in 2024.

Bangladesh entered the new year with low revenue income. However, the biggest risk in the new year will be with the banking sector. All in all, it is quite difficult to predict exactly what the new year will be like. But eventually, if export income, expatriate income and agricultural production are good, the worries will be reduced a lot. Common people are the main strength of Bangladesh. They have made this country a champion in the production of fruits, fish, milk and vegetables. In the end, only their strength will not be able to hold the recession and manga of 2024 Bangladesh.

General Review of the performance of First Security Islami Bank PLC.

One of the fundamental pillars of a country's economy is banking sector and the FSIB PLC., being one of the Islami Shari'ah-based banks in this sector, is also playing a significant role like a frontline soldier in our country's economic progression. By the grace of Almighty Allah with active support and cooperation of our valued customers, First Security Islami Bank has been continuing its progress in 2023 as well. To ensure Modern Technology and Islami Shari'ah-based banking service to the people of Bangladesh, First Security Islami Bank PLC. is operating with 205 full branches, 172 sub-branches, 105 agent banking outlets and 250 own ATM and CRM network across the country. In 2023, FSIB ranked 3rd top with the deposit of Tk.45,519.50 crore.

FSIB marked extraordinary progress in mobilizing deposit and has been able to uphold its position among PCBs. Total investment of Tk. 56,831.39 crore with achieving profit of Tk.742.69 crore. Under the above changed environment, we prioritized our businesses to achieve a sustainable development. In 2023, the Bank operating profit of BDT 742.69 crore. With the global pandemic and subsequent Ukraine- Russia, Israel-Palestine conflict, the economic conditions were not favorable for global trade and businesses. Lot of companies in Bangladesh also were affected adversely. With the restrictions on opening LCs, lot of business

entities could not keep up their payment commitments, which resulted a rise in the non-performing loans of the country.

Being in the same industry FSIB also was affected. The Bank is continuously working on to reduce NPL to an acceptable level. Apart from these, Cost of fund stood at 8.44 percent in 2023 on consolidated basis. It is pertinent to mention here that the Banks earning per share 2.80 issuance in current year and listed it in both the Exchanges of the country. Liquidity parameters like Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) of the Bank were well above the regulatory requirements. The Credit rating of the Bank also stood at Long Term A+, ECRL-O2.

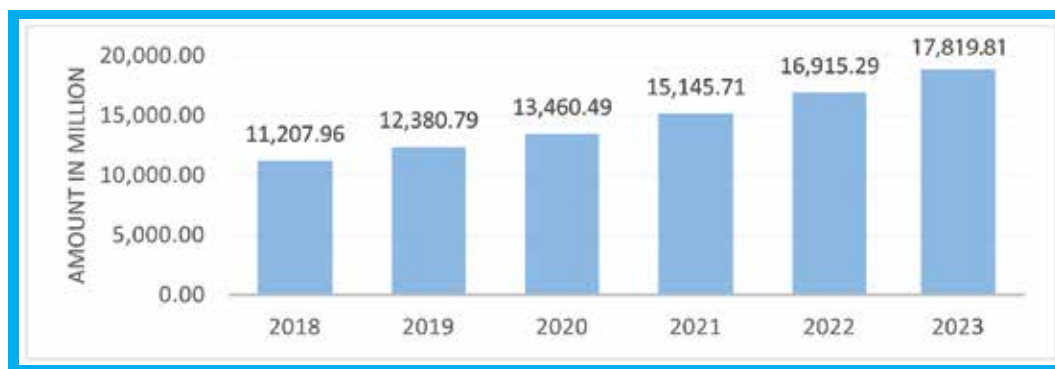
First Security Islami Bank PLC. achieved 1st position for collecting the highest bill amongst 34 banks selected by Dhaka WASA to collect bill in the financial year 2021-2022. It is the 4th time to place 1st position consecutively for First Security Islami Bank in collecting Dhaka WASA bill.

First Security Islami Bank PLC. (FSIB) has been awarded for being one of the highest taxpayers in banking sector for 2022-23 fiscal year at the Large Taxpayers Unit (LTU).

First Security Islami Bank PLC. achieved prestigious 'VISA Payment Excellence Awards-2023' for the category of 'Excellence in Debit Cards' among the associated members of VISA Inc.

Operating Income

In spite of numerous hurdles in the year 2023, the Bank has able to maintain the positive trend of the growth of its operating income. The operating income of the Bank stood at Tk.17,819.81 million with increase of 5.3% from Tk. 16,915.29 million in the year 2022. The operating profit for the five years is given below:



Net Profit

The net profit after provision and tax stood at Tk. 3,311.67 million in the year 2023 which was Tk. 2,961.50 in previous year. The reasons behind the increas was mainly due to increase of investment rate with investment recovery, different service charges with reduce of expences.

Dividend

Every year the Bank provides Cash Dividend and/or Stock Dividend (Bonus Shares) based on its profitability and liquidity position with maintenance of regulatory requirement. With no objection from Bangladesh Bank, the Board of Directors of the Bank has recommended 5% Cash Dividend and 5% Stock Dividend (Bonus Shares) for the year 2023 subject to approval of Bangladesh Securities and Exchange Commission.

Earnings Per Share

The earning per share of the Bank for the year 2023 was Tk.2.85. Since the bank had to pass previous year under various crisis like corona impact, global war, dollar crisis, restriction on LC opening, high inflation etc., the earnings per share was higher than previous year.

Paid up Capital

To strengthen the capital base, to maintain the regulator requirement to support business growth of the Bank, the paid up capital was increased by 10% with declaration of Stock Dividend (Bonus Shares). After that, the paid up capital of the bank stood at Tk.11,506.09 million. The raised amount of capital was invested in the profitable section to earn profit.

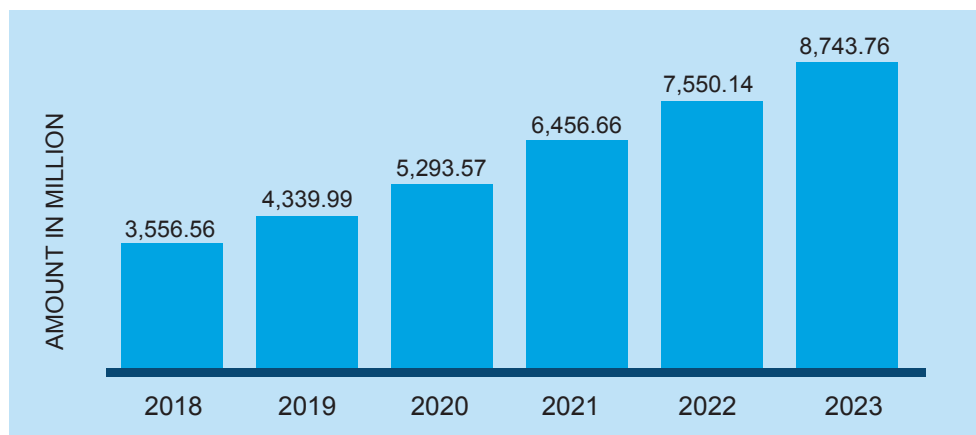
Regulatory Capital

A strong capital based is maintained to ensure the long-term solvency of the Bank and to help to achieve sustainable business growth that can maximize value of shareholders. As part of risk management strategy, FSIB's policy is to maintain a strong capital to risk-weighted asset ratio to have a sufficient cushion to absorb any unforeseen shock arising from any potential risk.

Total regulatory capital of the bank stood at Tk.40,896.44 million as on 31 December 2023 which was Tk.38,705.47 million as on 31 December 2022.

Statutory Reserve

With the increase of investments of the Bank, the statutory reserve is also increased to take precaution against potential non-performing investment. Due to various reasons, the investment holders had to face slow-down of business in the 2023. As a result they experienced difficulties to repay the investments taken from the Bank. Consequently, the Bank needed to increase its statutory reserve to Tk.8,743.76 million in 2023 from Tk. 7,550.14 in 2022. The statutory reserve for the previous five years is shown below:



Assets and Liabilities

The total assets of the Bank as on 31 December 2023 was Tk. 660,110.64 million which was Tk. 616,453.58 million on 31 December 2022. Total assets has been increase by 7.08 % in the year 2023.

On the other hand, the liabilities of the Bank on 31 December 2023 was Tk. 634,728.46 million which was Tk. 593,792.71 million on 31 December 2022.

Deposits and Investments

Although, total deposits of banking industry was in decreased in 2023, there was a positive growth of deposit in FSIB. The deposit is the life blood of the Bank which was Tk. 455,151.17 million in 2023 but this was Tk. 473,025.03 million in 2022.

Total investment of the Bank stood at Tk. 569,324.14 million as on 31 December 2023. The total investment was Tk. 523,944.39 million as on 31 December 2022.

Human Capital

Human Capital is the human trait within the company; the combined intellect, abilities and experiences that characterizes the organization. "Human Capital" is a key factor for increasing the productivity of company assets and employees and retaining a competitive edge leading to improved financial performance.

Our Human Capital is the blend of knowledge, abilities, expertise and learning of our employees. Currently, we have 5324 employees and we provided 2459 hours training to our employees in the last year.

Branch, Sub-branch, Agent Outlet

To achieve sustainable development, financial inclusion is utmost requirement. For that reason, we opened our branches, sub-branches, agent outlet and collection booths both in rural and urban areas to bring the un-banked people under the umbrella of banking activities. A picture of our branches, sub-branches and agent outlets is shown below:



Foreign Trade Business

Import Business

Import trade executed by FSIBL was Tk. 2,728.44 Crore in 2023. Large LCs were opened mainly for importing Sugar, edible oil, capital machinery, cotton, fabrics and accessories.

Export Business

FSIB successfully handled export documents of Tk. 2,855.42 Crore during the reporting year 2023. Readymade garments, knitwear, finished leather goods, agro products, etc., were the major export finance sectors.

Foreign Remittance

Bank procured foreign remittance for Tk. 2,609.91 Crore as of December 31, 2023. Meanwhile, the bank made enormous progress in dealing remittance business with some leading exchange houses like Western Union, Placid NK Corporation, MoneyGram, Xpress Money, Aftab Currency Exchange U.K., BRAC Saajan Exchange Ltd., U.K., Al-Muzaini Exchange Co. K.S.C.C, Kuwait, Zenj Exchange WLL, Bahrain, RIA (Continental

Exchange Solution Inc.), IME Remit, Agrani Remittance House, Instant Cash FZE, Merchantrade Asia Sdn. Bhd., NBL Money Transfer, Shift Financial Services Ltd., Small World Financial Services Group Ltd., Remit Choice Ltd., GCC Exchange UK Limited, MasterCard Money Transaction Services (US) LLC, Prabhu Money Transfer etc. Moreover, our own Exchange House located in Italy sent substantial amount of foreign remittance.

Correspondent Banking

Correspondent banks are the trade partner of international trade. FSIB has already achieved tremendous success in Foreign Trade. The Bank established correspondent relationship with more than 2,600 branches of 222 different renowned Banks across the world.

Offshore Banking Business

First Security Islami Bank PLC. commenced the operations of Offshore Banking business on August 05, 2020 through opening Offshore Banking Unit (OBU). Offshore Banking conducts banking business activities in foreign currencies in compliance with the Rules and Guidelines of Bangladesh Bank under their permission vide letter no. BRPD(OB)/744(126)/2020-4735 & 4737 dated 06 July 2020.

Offshore Banking Unit (OBU) discounts/purchases accepted usance/deferred bills against import from abroad and accepted usance/deferred export bills against direct and deemed exports of products produced in Bangladesh. In the year 2023, the unit earned total profit for USD373,947.83 equivalent to BDT4,10,40,774.34 by funding of usance/deferred bills against import and export.

Subsidiaries

FSIB has two subsidiaries which are (1) First Security Islami Capital & Investment Ltd. and (2) First Security Islami Exchange Italy, SRL. The Bank holds 51% share of First Security Islami Capital & Investment Ltd. and 100% share of First Security Islami Exchange Italy, SRL.

Risk Management

Risk is inevitable in business. But managing risk is important. We always adhere to minimize risk. To do so, we formulate several policies based on Risk Management Guidelines. The Risk Management Committee (RMC) of the Board of Directors always look into the matter of implementing the policies as well as observation of Bangladesh Bank's guidelines.

Compliance of Corporate Governance Code

Corporate Governance is the key component in the operation of all manners of the Bank. Sustainable development can be achieved through enactment of Corporate Governance in any organization. Even more important is the need for corporate governance to be effective, not only for business entities but also for the economy as a whole. Sound Corporate Governance in the Banking is the prerequisite for efficient financial market.

Status of the compliance of conditions of Corporate Governance Code imposed by the Bangladesh Securities and Exchange Commission vide notification no. BSEC/CMRRCD/2006-158/207/Admin/80, dated June 03, 2018, along with a necessary disclosures and certificate from a practicing Chartered Accountants firm have been incorporated in the Report on Corporate Governance Code.

Vote of Thanks

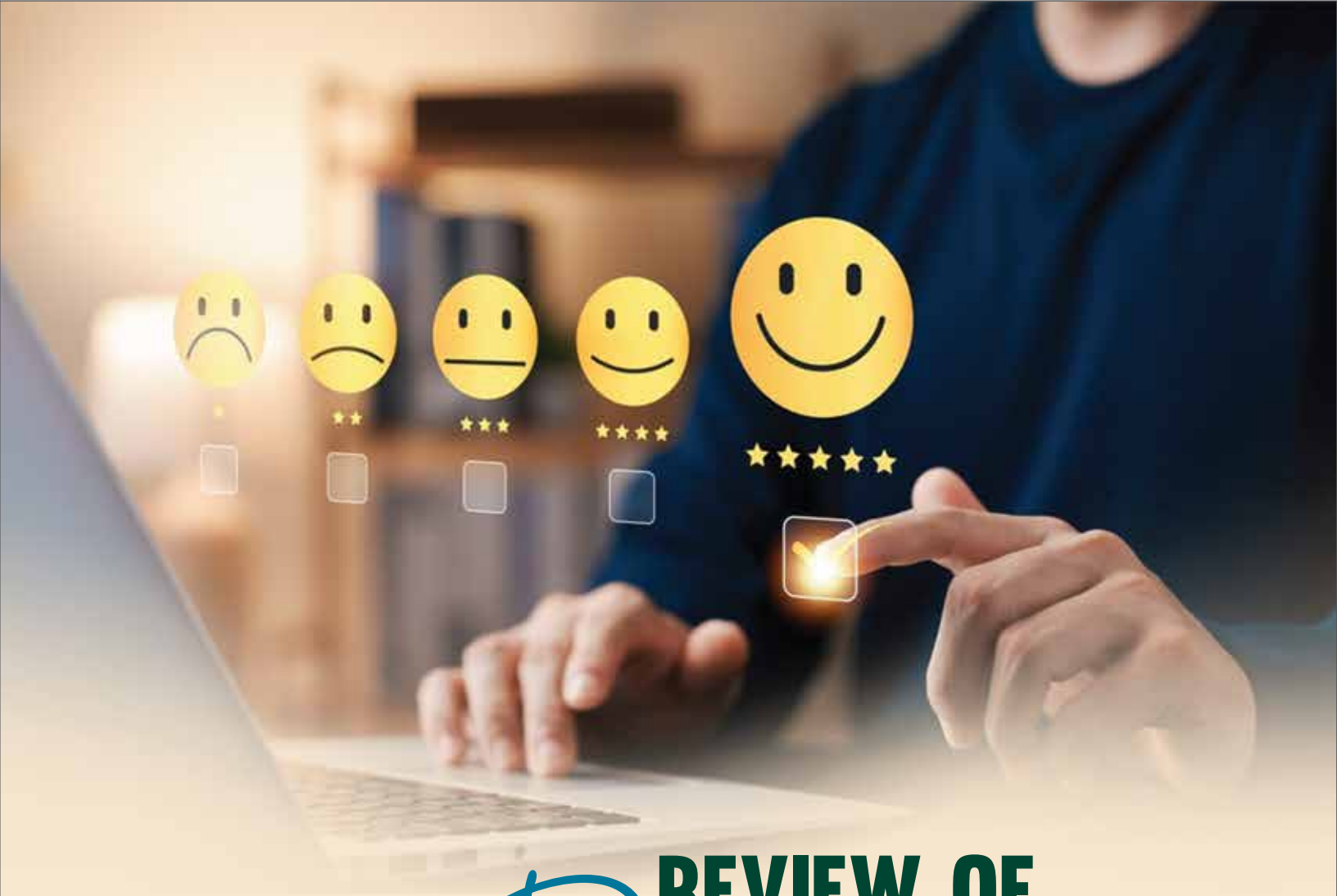
On behalf of the Board of Directors of the Bank, I express the profound gratitude to Almighty Allah (SWT) for enabling the Bank to continue the success in the year 2023. The Board of Directors would like to take the opportunity to express gratitude and extend sincere thanks for the overall cooperation of valued shareholders, customers, depositors, Bangladesh Bank, Securities and Exchange Commission, Dhaka and Chittagong Exchanges, other regulatory and related authorities and well-wishers. I would also like to express my thanks to the bank's management authorities and all levels of officials for trying to achieve desired target of the bank as well as maintaining the quality of services.

May Allah help us to explore our all-out efforts for the betterment of the Bank.

Allah Hafez,



Mohammed Saiful Alam
Chairman



REVIEW OF *Divisions*

Alternative Delivery Channel (ADC) Division

Alternative Delivery Channels (ADCs) encompass digital platforms like online banking, mobile banking, and ATMs, as well as non-digital channels such as call centers or agents. These channels, like Agent Banking, contribute to financial inclusion by extending access to banking services beyond traditional branches, benefiting individuals and businesses without conventional banking access. Additionally, the central bank of Bangladesh, places a significant emphasis on promoting financial inclusion in the country. Financial inclusion refers to the idea that all individuals, regardless of their socio-economic status, should have access

to financial services and products. In recent years, Bangladesh Bank has taken several steps to increase financial inclusion in the country, such as launching new policies and initiatives to increase access to formal financial services, especially for underserved and Non-banked populations, like women and rural communities. It has also been working to improve the overall financial infrastructure of the country, including digitizing the banking sector and promoting the use of mobile banking services, agent banking etc.

The future of alternative delivery channels in banking is expected to be dominated by digital platforms, such as mobile and online banking, as customers continue to demand greater convenience, speed, and accessibility in their banking experience. Here are some of the key trends and predictions for the future of alternative delivery channels in banking industry like; Agent banking is a concept that has been widely adopted as a means of promoting financial inclusion too, particularly in developing countries. Financial inclusion refers to the ability of individuals and businesses to access and use appropriate financial services, regardless of their income level, location, or other factors. Agent banking also leverages the network of agents to provide financial services to underserved populations who may not have access to traditional banking channels. These agents, who are typically small business owners, can provide services such as account opening, cash deposits and withdrawals, bill payments, and money transfers.

The growing prevalence of smartphones and widespread mobile internet access is fueling the expansion of mobile banking, as customers increasingly leverage their smartphones for account access and transactions. The increased adoption of Artificial Intelligence (AI) and machine learning is anticipated to enhance customer experiences, offering more personalized and efficient services. Moreover, these technologies are crucial in improving security measures within the realm of mobile banking.

Expansion of financial services through digital channels where Banks are expected to expand the range of financial services available through alternative delivery channels, including loan applications, investment advice, and wealth management services. Growth of Open Banking concept, where customers can securely share their financial data with authorized third parties, is expected to become more widespread, leading to the development of new financial products and services. Increased focus on security; as the use of digital channels continues to grow, banks are expected to invest in stronger security measures to protect against cyber threats and ensure the safety of customer information and transactions. Banks that successfully navigate these trends and implement effective strategies for alternative delivery channels are likely to benefit from increased customer engagement, reduced costs, and improved financial performance.

Alternative delivery channels can play a key role in promoting financial inclusion by providing access to financial services to underserved populations, lowering barriers to entry, and improving financial literacy. Financial institutions that effectively leverage the potential of alternative delivery channels are likely to benefit from increased customer engagement, reduced costs, and improved financial performance.

ADCD Product & Services Summary

Alternative delivery channels (ADC) is a key department that supports the bank in reaching to its potential customers, that defined as those channels that expand the reach of services beyond the traditional bank branch channel, have emerged as a result of innovations in information and communication technology and a shift in consumer expectations by ensuring accuracy, convenience, and timeliness in service 24/7.

| | |
|--|--|
|  <p>Agent Banking Limited scale banking and financial services to the underserved population.</p> |  <p>FSIB CLOUD Digital Banking Solution of First Security Islami Bank PLC.</p> |
|  <p>Mobile Financial Services Allows its customers to conduct financial transactions remotely using a mobile device.</p> | <p>FSIB EPMS Education Payment Management Solution by First Security Islami Bank PLC.</p> |
| <p>Financial Inclusion and Digital Banking Desk A dedicated desk for Head Office, Zonal Office and Branches for managing ADCD products.</p> | |



Agent Banking

Agent Banking means providing limited scale banking and financial services to the underserved population through engaged agents under a valid agency agreement, rather than a teller/ cashier. It is the owner of an outlet who conducts banking transactions on behalf of a bank.

Scope Key Services

| Scope | Key Services |
|---|--|
| <ol style="list-style-type: none"> 1. Collect Low Cost Deposit. 2. Countrywide Bill Collection. 3. Micro Investment. 4. Foreign Remittance. | <ol style="list-style-type: none"> 1. Account Opening. 2. Utility bill Payment. (i.e.: BREB). 3. Fund Transfer (BEFTN & RTGS). 4. Payment for Foreign Remittances. 5. Agricultural, Small and Medium and Consumer Investment. 6. Deploying an Officer from concerned branch to conjoin and observe operational activities. |

Benefits of Agent Banking

1. Connecting Underserved people in to the mainstream Economy.
2. Creating Micro Savings by encouraging marginal and limited income groups.
3. Collecting Foreign Remittance in a faster and secure way.
4. To stimulate the rural economy by financing the neglected agricultural and non-agricultural sectors of the countryside.

Year Wise Agent Banking Report

| Year | Number of Agent Banking Outlet | Total Deposit (InCore) | Total Number of Account | Number of Total Foreign Remittance Transaction | Foreign Remittance Collection (In Crore) | Growth Rate of Foreign Remittance Collection | Number of Total BREB Bill Collection | Total Amount of BREB bill Collection (in Core) | Total Investment Amount (In Crore) |
|------|--------------------------------|------------------------|-------------------------|--|--|--|--------------------------------------|--|------------------------------------|
| 2020 | 41 | 137.20 | 44,189 | 7,546 | 30.66 | - | 257537 | 15.95 | - |
| 2021 | 71 | 237.41 | 64,001 | 12,220 | 57.98 | 89.10% | 296496 | 29.32 | - |
| 2022 | 87 | 299.10 | 90,905 | 18,540 | 95.00 | 63.84% | 344772 | 47.31 | 2.07 |
| 2023 | 105 | 393.62 | 1,24,296 | 22,509 | 120.55 | 26.89% | 369131 | 64.33 | 4.20 |

Key Takeaways:

1. The number of agent banking outlets has grown significantly over the past year, from 87 in 2022 to 105 in 2023. This is a growth of 20.70%.
2. The total amount of deposits collected through agent banking has also increased, from 299.1 crore in 2022 to 393.62 crore in 2023. This is a growth of 31.59 %.
3. The number of remittance transactions has also increased, from 18,540 in 2022 to 22,509 in 2023. This is a growth of 21.41%.
4. The total amount of foreign currency remitted through agent banking has also increased, from 95 crore in 2022 to 120.55 crore in 2023. This is a growth of 26.89%.
5. The Total Number of BREB Bill collection through Agent Banking has increased from 47.31 in 2022 to 64.33 in 2023, which is a growth of 35.98 %
6. The investment through Agent Banking has been increased 102.89 % then previous year.

Agent Banking Outlet Growth



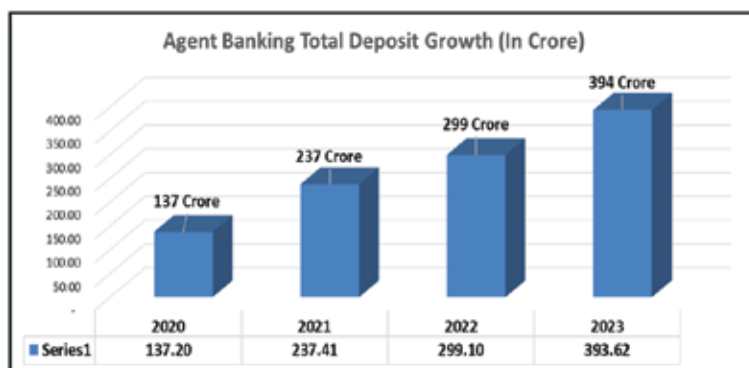
- ❖ The number of agent banking outlets has grown from 41 in 2020 to 105 in 2023. That's a 156% increase over 3 (three) years.
- ❖ The growth has been relatively steady, with an increase of around 30 outlets each year.
- ❖ There is a slight upward trend in the growth rate, with the biggest increase happening in 2023.

Agent Banking Total Deposit Growth

| Year | Total Deposits - Amt. in Cr. |
|------|------------------------------|
| 2020 | 137.20 |
| 2021 | 237.41 |
| 2022 | 299.10 |
| 2023 | 393.62 |

BDT 394 Core Deposit

Here are some key takeaways from the graph:



- ❖ The total deposit value has grown steadily over the past four years, from 137.20 crore in 2020 to 393.62 crore in 2023.
- ❖ This represents a growth of over 187% in 4 (four) years.
- ❖ The growth has been particularly strong in the past two years, with an increase of over 80% from 2021 to 2023.
- ❖ There was a biggest change in the financial market on Nov 2022. FSIB Agent Banking Deposit increased in this crucial period by 100 Crore.
- ❖ FSIB Management choose every agent very wisely with maintaining every complaint, so that the growth rate may be slow but sustainable for business health.

Agent Banking Account Growth

| Year | Total No of Accounts |
|------|----------------------|
| 2020 | 44,189 |
| 2021 | 64,001 |
| 2022 | 90,905 |
| 2023 | 124,296 |

1.24 Lac Customer Account

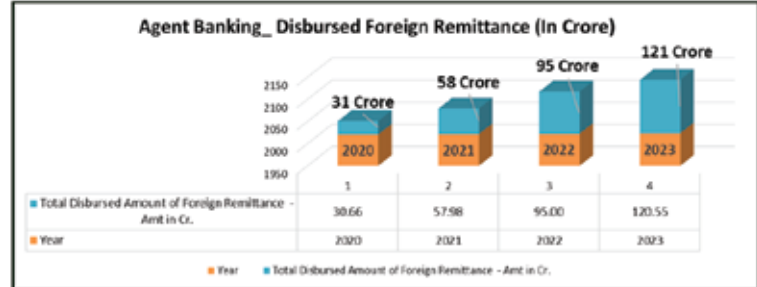


- ❖ The number of accounts has grown steadily over the past four years, from 44,189 in 2020 to 124,296 in 2023.
- ❖ This represents a growth of over 183% in four years.

- ❖ The growth has been particularly strong in the past two years, with an increase of over 56% from 2021 to 2023.
- ❖ The overall growth represents the strong base of FSIB Agent Banking Service in the market.

Agent Banking - Total Foreign Remittance Disbursed Amount

| Year | Remittance in Cr. |
|------|-------------------|
| 2020 | 30.66 Crore |
| 2021 | 57.98 Crore |
| 2022 | 95.00 Crore |
| 2023 | 120.55 Crore |



BDT 120 Crore

Foreign Remittance Disbursed

- ❖ The total disbursement value has grown steadily over the past four years, from 30.66 Crore in 2020 to 120.55 Crore in 2023.
- ❖ This represents a growth of over 294% in four years.
- ❖ The growth has been particularly strong in the past two years, with an increase of over 60% from 2021 to 2023.

Agent Banking - Total BREB Bill Collected

| Year | Total Collected Amount of BREB Bill in Cr. |
|------|--|
| 2020 | 15.95 |
| 2021 | 29.32 |
| 2022 | 47.31 |
| 2023 | 64.33 |



BDT 64 Crore

BREB bill collected by Agent Banking

The amount of bills collected by agent banking in Bangladesh from 2020 to 2023. The graph shows that the amount of bills collected has increased steadily over the three-year period.

- ❖ In 2020, the total amount of bills collected was 16 crore taka.
- ❖ In 2021, the total amount of bills collected was 29 crore taka, an increase of 81% from 2020.
- ❖ In 2022, the total amount of bills collected was 47 crore taka, an increase of 62% from 2021.
- ❖ In 2023, the total amount of bills collected was 64 crore taka, an increase of 36% from 2022.

Overall, the amount of bills collected by agent banking in Bangladesh has increased by 294% from 2020 to 2023.

Agent Banking Performance

Top 10 Deposit for the year of 2023

| SL | Agent Outlets | Tagged Branch | Zone Name | Total Amt. of Deposit-2023 |
|----|---------------------------|---------------|-------------|----------------------------|
| 1 | 101-Pipulbaria Bazar | Sirajganj | Rajshahi | 104,806,495.35 |
| 2 | 154-Eidgaon Bazar | Eidgaon | Ctg South | 66,828,664.36 |
| 3 | 155-Sarkar Bazar | Moulvibazar | Sylhet | 62,296,921.31 |
| 4 | 195-Hijuli Kachari Bazar | Manikganj | Dhaka North | 52,564,954.39 |
| 5 | 184-Chargas Bazar | Kasba | Cumilla | 35,664,138.13 |
| 6 | 194-Karalia Bazar | Chowdhuryhat | Cumilla | 32,249,718.88 |
| 7 | 126-Sholua Bazar | Jessore | Khulna | 32,059,893.77 |
| 8 | 142-Noadda Bangla Bazar | Noria | Barishal | 29,807,008.59 |
| 9 | 186-Kashimari Gazir Bazar | Shyamnagar | Khulna | 29,377,349.45 |
| 10 | 191-Shahbazpur Bazar | Barlekha | Sylhet | 27,668,640.11 |

Top 10 Foreign Remittance- Number of Foreign Remittance-2023

| SL | Agent Outlets | Tagged Branch | Zone Name | No of Remittance | Amt. of Remittance |
|----|-------------------------|---------------|-----------|------------------|--------------------|
| 1 | 138-South Chandla Bazar | Cumilla | Cumilla | 407 | 25,872,768.60 |
| 2 | 134-Khashir Abdullahpur | Beanibazar | Sylhet | 271 | 10,712,399.41 |
| 3 | 155-Sarkar Bazar | Moulvibazar | Sylhet | 259 | 5,672,115.22 |
| 4 | 132-Bagdhra Bazar | Gournadi | Barishal | 197 | 9,887,266.40 |
| 5 | 185-Bhederganj Bazar | Damodya | Barishal | 194 | 25,178,250.01 |
| 6 | 184-Chargas Bazar | Kasba | Cumilla | 192 | 20,834,939.83 |
| 7 | 103-Bakra Bazar | Bagachra | Khulna | 171 | 9,934,876.56 |
| 8 | 142-Noadda Bangla Bazar | Noria | Barishal | 155 | 19,480,150.10 |
| 9 | 135-Munshi Bazar | Moulvibazar | Sylhet | 123 | 4,921,472.33 |
| 10 | 113-NarikelBaria Bazar | Khajurabazar | Khulna | 123 | 4,137,710.71 |

FirstCash & Education Payment Management Solution (EMPS)

FirstCash is an FSIB mobile financial service that enables unbanked populations to conduct financial transactions effectively and affordably. To provide banking and financial services such as cash-in, cash-out, merchant payments, utility payments, salary disbursement, international remittance, government allowance disbursement, ATM withdrawal, and so on.

| | |
|---|--|
| Transactions: <ol style="list-style-type: none"> 1. Volume of Transaction: 25.05 Cr. 2. Fee Collection Transaction: 8.40 Cr. 3. Total Turnover : 48.20 Crore 4. Total commission income is 8.40 Lac 5. GL Balance: Approx. BDT 5 Cr. on Daily Basis | Current Services: <ul style="list-style-type: none"> • Send Money • Cash Out • Education Fee Payment • Mobile Recharge • Add Money from FSIB Cloud and any VISA/ Master Card • Request Money • Fund Transfer to FSIB CBS Account • Foreign remittance disbursement. |
| Remittance: <ol style="list-style-type: none"> 1. We have successfully completed the Inflow of Foreign Remittance through FirstCash in Collaboration with FSIB Italy Exchange House. 2. We have requested ID to communicate with other Exchange Houses to send remittance through FirstCash. | Services coming this year: <ol style="list-style-type: none"> 1. Utility bill collection (City corporation, Municipality) 2. Merchant payment (Online/Offline) 3. Bangla QR 4. Interoperability 5. Personal Retail Account 6. RMG Salary Disbursement 7. MFS MMDS 8. Government 2 Person Disbursement 9. Person 2 Government payment collection 10. Toll collection |

Others Achievements:

1. We have launched Add Money facility with FirstCash in 2023 through SSL Commerce (charge of 2%).
2. Recently ADCD has signed the Agreement with EBL Sky Pay (Charge 0.8%) which is under development.
3. Successfully disbursed the TA & DA Bill through FirstCash
4. Annual and Half Year Refreshment Allowance disbursed through FirstCash
5. Head Office Based Executive's Car Allowance disbursed through FirstCash
6. With the support of PABCD, FirstCash advertisement is in TSports and Other TV news scrolling for customer awareness.
7. Completed 12 (Twelve) Big FirstCash Business Developments Program in Collaboration with different Branches where many schools participated (excluding individual school presentation). In addition that, ADCD team made more than 72 presentations to different schools and Colleges.

| SL | Location | No of School |
|----|----------------|-----------------------|
| 01 | Jashore | 20 Schools |
| 02 | Nalta | 27 Schools & Colleges |
| 03 | Bagachara | 24 Schools & Colleges |
| 04 | Khulna | 7 Schools |
| 05 | AftabNagar | 8 Schools |
| 06 | Birulia, Savar | 2 Schools |

| SL | Location | No of School |
|----|------------------------|--------------|
| 07 | Bangudda Bazar Cumilla | 6 Schools |
| 08 | Korerhat | 3 Schools |
| 09 | Mohora | 3 Schools |
| 10 | Halishahar | 3 Schools |
| 11 | Hathazari | 4 Schools |
| 12 | Baraleka | 3 Schools |

Education Management System:

1. Presentation Given: 72 Schools
2. Tuition Fees Collected: BDT 8.40 Cr.
3. Agreement and Payment Started: 38 Schools

Top 3 branches with Completed Agreement:

| SL | Branch Name | Zone | No of School Agreement |
|----|-------------------|-------------|------------------------|
| 01 | Ulipur Branch | Rajshahi | 03 Schools |
| 02 | Kansat Branch | Rajshahi | 03 Schools |
| 03 | Mymensingh Branch | Dhaka North | 03 Schools |

FSIB CLOUD

FSIB Cloud is the digital banking apps of First Security Islami Bank PLC. This enables customer to make transaction, Bill Payments and process banking requests with necessary banking information's.

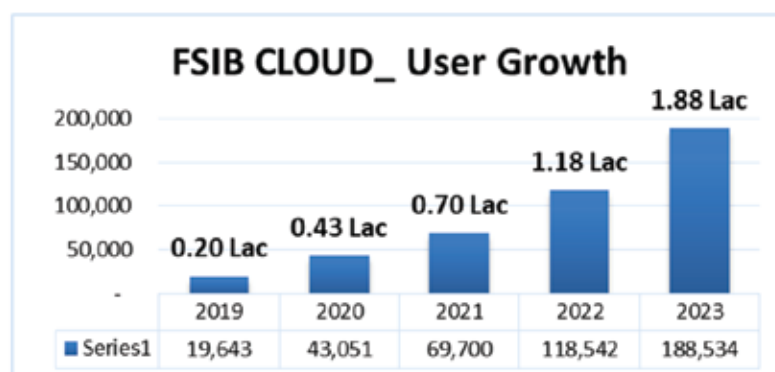
Transactional Feature

| | |
|--|---|
| Transactional Feature <ul style="list-style-type: none"> Fund Transfer: BEFTN, IBFT NPSB RTGS, bKash, Nagad QR Payment to Merchant/Individual Utility Bill Payment (DESCO, NESC, DPDC, Dhaka WASA, Credit Card Bill,) Mobile Airtime Recharge | Requests <ul style="list-style-type: none"> Stop Cheque Order Cheque Statements Change Address Complain Product Requests |
| Informational Feature <ul style="list-style-type: none"> Profile Account Balance Mini Statement Check Book Information | Profile Information <ul style="list-style-type: none"> Account Information, Mini Statement, Find Transaction, Cheque Book Exchange Rate Contacts info & Locations (Head Office and Branches). |

FSIB CLOUD User Growth.

| Year | User as on year end |
|------|---------------------|
| 2019 | 19,643 |
| 2020 | 43,051 |
| 2021 | 69,700 |
| 2022 | 118,542 |
| 2023 | 188,534 |

1.88 Lac FSIB CLOUD User on 2023



- In 2019, the number of FSIB Cloud users was 19,643.
- In 2020, the number of FSIB Cloud users increased to 43,051, a growth of 118%.
- In 2021, the number of FSIB Cloud users further increased to 69,700, a growth of 62%.
- In 2022, the number of FSIB Cloud users continued to grow to 118,542, a growth of 70%.

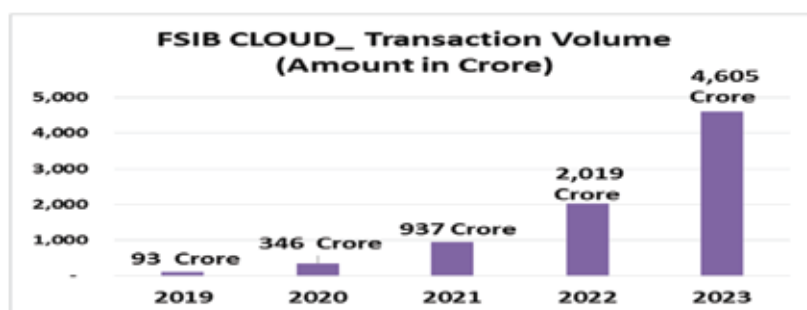
Overall in 2023, the number of **FSIB cloud users reached 188,534, a growth of 59% then previous year.**

FSIB CLOUD Transaction Volume

| Year | Txn. Volume (Amt. in Crore) |
|------|-----------------------------|
| 2019 | 93 |
| 2020 | 346 |
| 2021 | 937 |
| 2022 | 2,019 |
| 2023 | 4,605 |

BDT 4,605 Crore

Transaction amount with FSIB CLOUD



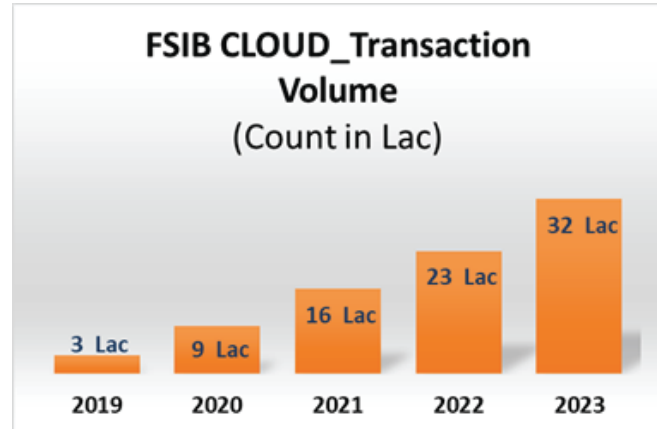
- In 2019, the number of FSIB Cloud transaction volume was 93 Crore.
- In 2020, the number of FSIB Cloud transaction volume increased to 346 Crore with a growth of 272%.
- In 2021, the number of FSIB Cloud transaction volume increased to 937 Crore, a growth of 171%.
- In 2023, the number of FSIB Cloud users continued to grow to 4605 Crore with a growth of 128% from previous year 2022.

FSIB CLOUD Transaction Volume

| Year | Txn. Volume (Count in Lac) |
|------|-------------------------------|
| 2019 | 3 |
| 2020 | 9 |
| 2021 | 16 |
| 2022 | 23 |
| 2023 | 32 |

32 Lac times

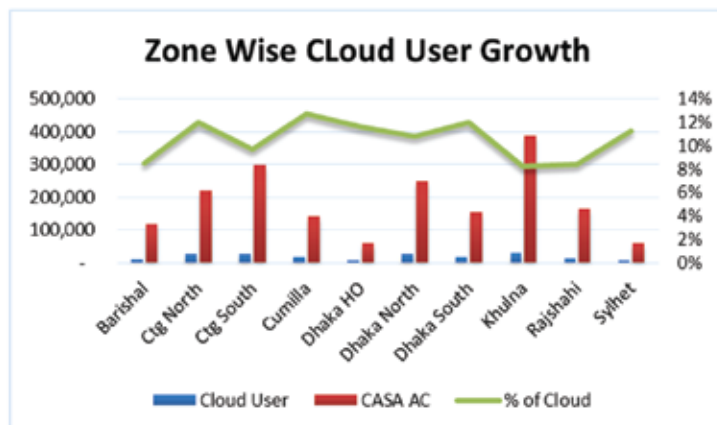
Transaction with FSIB CLOUD



- In 2020, the number of FSIB Cloud transaction count increased to 16 Lac times with a growth of 77%.
- In 2021, the number of FSIB Cloud transaction count increased to 23 Lac times, a growth of 43%.
- In 2023, the number of FSIB Cloud transaction count continued to grow to 32 Lac with a growth of 39% from previous year 2022.

Zone Wise FSIB CLOUD Growth

| Zone | Cloud User | CASA AC | % of Cloud |
|-------------|------------|-----------|------------|
| Barishal | 10,100 | 118,241 | 9% |
| Ctg North | 26,421 | 220,431 | 12% |
| Ctg South | 28,919 | 298,922 | 10% |
| Cumilla | 18,208 | 142,714 | 13% |
| Dhaka HO | 7,133 | 61,581 | 12% |
| Dhaka North | 27,051 | 250,834 | 11% |
| Dhaka South | 18,481 | 154,319 | 12% |
| Khulna | 31,653 | 386,311 | 8% |
| Rajshahi | 13,791 | 163,791 | 8% |
| Sylhet | 6,778 | 60,242 | 11% |
| Grand Total | 188,535 | 1,857,386 | 10.20% |



Highlighted Task in this year.

1. Merging i-banking into FSIB Cloud & Corporate E-Banking for Web and Apps.
2. New Version of FSIB CLOUD with IBFT NPSB
3. Send FSIB CLOUD BRD to ICTD
4. Lower the Nagad and bKash Dispute with urgent initiatives
5. bKash to CBS (Link/Non-Link)
6. Brochure printing and Distribute of FSIB CLOUD to the Branches.

FSIB CLOUD Top 5 (Five) Urban Branches

| SL | BR. Code | BRANCH NAME | No. of User as on 31.12.2023 | Cloud Opened on 2023 | No. of CASA account | CASA vs User Ratio |
|----|----------|----------------------------|---------------------------------|-------------------------|------------------------|-----------------------|
| 1 | 188 | Keshabpur Branch, Jashore | 3638 | 2606 | 20,254 | 18 % |
| 2 | 275 | Ulipur Branch, Kurigram | 1958 | 1570 | 9,805 | 20 % |
| 3 | 201 | Barguna Branch, Barguna | 1598 | 698 | 14,904 | 11 % |
| 4 | 152 | Patiya Branch, Chattogram | 1544 | 673 | 25,004 | 6 % |
| 5 | 104 | Agrabad Branch, Chattogram | 1759 | 604 | 13,614 | 13 % |

FSIB CLOUD Top 5 (Five) Rural Branches

| SL | BR. Code | BRANCH NAME | No. of User as on 31.12.2023 | Cloud Opened on 2023 | No. of CASA account | CASA vs User Ratio |
|----|----------|---------------------------------|---------------------------------|-------------------------|------------------------|-----------------------|
| 1 | 192 | Pekua Branch, Cox's Bazar | 1468 | 1002 | 16784 | 8.75 |
| 2 | 193 | Kumira Branch, Chattogram | 1822 | 576 | 17353 | 10.50 |
| 3 | 135 | Court Bazar Branch, Cox's Bazar | 3292 | 555 | 22016 | 14.95 |
| 4 | 205 | Shyamnagar Branch, Satkhira | 1827 | 546 | 24612 | 7.42 |
| 5 | 206 | Katirhat Branch, Chattogram | 1216 | 529 | 11326 | 10.74 |

FI & DB Desk

Financial Inclusion and Digital Banking Desk is a dedicated team at Branch/ Zonal Office / Head Office for Branding and operations of ADCD Products.

❖ Why this Desk

- Ensuring Business Profitability
- Enhance Footprint of FSIB
- Low Cost Deposit Hunting
- Financial Inclusion
- Compliance and Control
- Ensuring Customer Retention

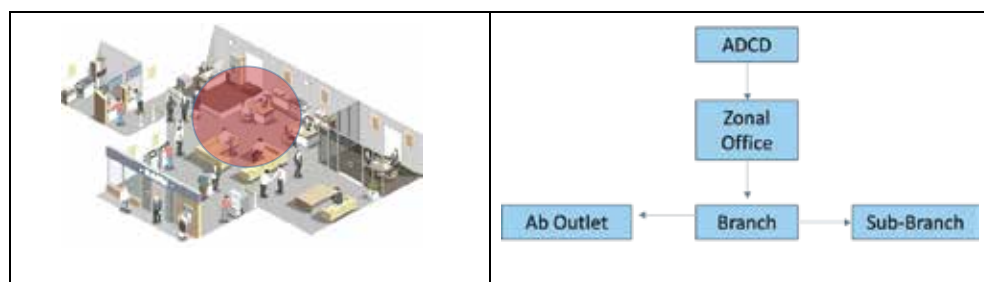
❖ Scope of the Desk

| | |
|---|--|
| Agent Banking ❖ Agent Banking Outlet Opening, ❖ Monitoring, ❖ Control Operational Activities, | MFS- FirstCash ❖ Making Agreement with School/Merchant ❖ Collecting Tuition fees Payment ❖ Customer Support ❖ Feedback, ❖ Assistance in wallet Opening |
| Digital Banking ❖ FSIB CLOUD ❖ Internet Banking ❖ Deposit Account Opening using Freedom | Compliance ❖ Perform Scheduled Audit/Visit. ❖ On Demand Report to Head Office/Regulator ❖ Perform In-house Training ❖ Overview AML issues & related Compliance. |

❖ Highlighted Task under FI & DB Desk

1. Introducing FI Desk 07/03/2023
2. Arranged Training for the FI & DB Desk member of Zonal Offices and Branches.
3. Arranged & Participate Meeting with Zonal Offices.
4. Initiate Campaign "Connect" and extend further till year end.
5. Call to Branch Manager, Manager Operations and FI & DB Desk member for promoting ADC Products i.e: FirstCash, Agent Banking & FSIB CLOUD.
6. Sent proposal to all school under FSIB CASA Accounts through Branches and Zonal Offices.
7. Promotional SMS sent for Unregistered CASA Accounts.
8. Provided CASA Ratio report on Bank Ultimatus to ensure smooth support and managerial decision.

❖ FI & DB Desk Flow:



❖ Contribution of FI & DB Desk in ADCD growth:

| Year | AB Outlet | School Agreement |
|--------------|------------|------------------|
| 2016 | 7 | 0 |
| 2017 | 8 | 0 |
| 2018 | 5 | 0 |
| 2019 | 16 | 0 |
| 2020 | 5 | 0 |
| 2021 | 30 | 0 |
| 2022 | 16 | 1 |
| 2023 | 18 | 37 |
| Total | 105 | 38 |

FSIB, aiming for sustainable development through financial inclusion, created a special desk called "Financial Inclusion and Digital Banking Desk" to oversee activity at zonal and branch levels. A circular confirmed its creation and procedure in 07/02/2023.

FSIB then trained nominated officers on the online platform for their roles in managing agent banking expansion, mobile banking improvements, increased digital customer engagement, and relevant analysis/reporting tasks. These efforts directly contribute to the bank's financial inclusion goals.

Strategy for 2024

| Agent Banking | MFS & Education Payment Collection | Digital Shari'ah Banking Solution |
|---|--|---|
| <ol style="list-style-type: none"> 1. 1 (One) Agent Banking Outlet for each Branch. 2. Rolling out New nCore365 Software Successfully. 3. Update Schedule of Charges (SOC) approved in 231st ALCO Meeting, Dated: 24/12/2023 4. Cash withdrawal for Branch, Sub-branch & for Agent Banking Customer with newly implemented software. | <ol style="list-style-type: none"> 1. 1 (One) School Agreement for each Branch. 2. 3 (Three) Agent for each Branch on their nearest location. 3. Agent banking Outlet will act as FirstCash Distributor and outsource agent in tis nearest area. 4. Cross Selling FSIB Banking Product to institutions / Corporations. | <ol style="list-style-type: none"> 1. Insurance Premium Collection 2. Discount/Rewards offerings 3. Micro-Finance 4. Cross-selling Product Offering to organizations. 5. Product Offerings to the target customer. 6. Women Centric Product Promotion to the Digital Banking Users. 7. Growth of Cloud user up to 30% on CASA Account. |

Please reach out to us for inquiries or assistance

| | Hotline | Email Address |
|----------------|---------------------------------------|--|
| FirstCash: | 01977716257 | mfs@fsibld.com |
| FSIB Cloud | 01995222777 | ibanking@fsibld.com |
| Agent Banking: | 01993314700, 01938886191, 01958051010 | adc@fsibld.com |

Anti-Money Laundering (AML) & Combating Financing of Terrorism (CFT) Activities

In the era of a rising global economy and the advancement of digital financial services, organized miscreants are largely using banking channels for money laundering and financing of terrorism. Money laundering and financing of terrorism are getting new dimensions in the world day by day and criminals are continuing their illegal activities by changing mechanisms from time to time. Financial institutions, especially banks across the world, are being used as major conduits for channeling these criminal activities. As a responsible commercial Islami Bank, First Security Islami Bank PLC. (FSIB) is always agile and vigilant against all kinds of money laundering and financing of terrorist activities. Every year the honorable Managing Director of the bank declares a written clear commitment and procedures regarding Anti-Money Laundering (AML) & Combating Financing of Terrorism (CFT) for all the employees and monitors the implementation of these activities.

An Additional Managing Director (AMD) as Chief Anti Money Laundering Compliance Officer (CAMLCO) and an Executive Vice President as Deputy Chief Anti Money Laundering Compliance Officer (D-CAMLCO) of the bank has been duly assigned for the effective prevention of money laundering and terrorist financing activities in the bank. A powerful “Central Compliance Committee (CCC)” chaired by the aforesaid AMD consisting of senior executives and divisional heads has been continuously supervising the overall anti-money laundering & combating financing of terrorist activities of the bank. The CCC prepares and presents a half-yearly report to the board of directors of the bank and BFIU on the topic of the bank’s AML & CFT related actions, implementation progress, and recommendations, along with the Managing Director’s instructions and opinion. According to the Bangladesh Financial Intelligence Unit (BFIU) guidelines, a full-fledged division named ‘Anti-Money Laundering (AML) & Combating Financing of Terrorism (CFT) Division’ is headed by the D-CAMLCO has been working in the Head Office of the bank under the close supervision of CAMLCO. Zonal Heads of the bank have been nominated as Zonal Anti-Money Laundering Compliance Officer (ZAMLCO) to strengthen the AML & CFT activities in the branches of the respective Zone. Under the instructions of BFIU, a senior and experienced officials or manager operations of every branch has been nominated as ‘Branch Anti-Money Laundering Compliance Officer (BAMLCO)’ by the CCC of the bank for preventing money laundering and terrorist financing at the branch. The manager and the BAMLCO ensure overall AML & CFT activities in the branch along with the tagged sub-branches and agent banking outlets.

The bank is committed to comply with all the instructions mentioned in the ‘Money Laundering Prevention Act, 2012 (Amendment in 2015)’ and ‘Anti-Terrorism Act, 2009 (Amendment in 2012 & 2013)’ throughout the bank. Circulars issued by BFIU, Bangladesh Bank regarding AML & CFT compliance are instantly circulated to all the branches, divisions, zonal offices, and training institutes of the bank. At the same time, the bank issues necessary AML & CFT-related circulars in line with the applicable laws, circulars, and guidelines of regulatory authorities. The bank has its own up to date “Anti-Money Laundering & Combating Financing of Terrorism Policy”, “Customer Acceptance Policy”, “Money Laundering and Terrorist Financing Risk

Management Guidelines for FSIB”, “Guidelines on e-KYC for FSIB FREEDOM” and “Guidelines for Prevention of Trade-Based Money Laundering of FSIB” approved by the Board of Directors which are prepared in line with the prevailing laws, circulars, guidelines issued by the regulatory authorities. AML & CFT Division conducts inspection (AML & CFT System Check) on different branches for overseeing the implementation of AML & CFT activities at the branch level. In the year 2023, AML & CFT Division conducted AML & CFT System Check at 63 branches, while inspecting the branches, AML & CFT division officials also conducted refresher training on AML & CFT for branch, sub-branch and agent outlet officials. Internal Control & Compliance Division (IC & CD) checks and inspects money laundering and terrorist financing issues while conducting the audit inspection in the branch, sub-branch and agent outlet through the BFIU-prescribed Independent Testing Procedures (ITP) format.

The bank conducts Customer Due Diligence (CDD) and Enhanced Due Diligence (EDD) for every customer at the time of opening an account and when required in line with the Account Opening Form & KYC Profile Form provided by the BFIU, Bangladesh Bank. AML & CFT Division checks & submits monthly Cash Transaction Reports (CTR) in due time and submits applicable quality Suspicious Transaction Reports (STR)/Suspicious Activity Reports (SAR) to BFIU. In the year 2023, AML & CFT Division submitted a total 757 (Seven hundred fifty-seven) STR/SARs to BFIU. The bank verifies NID information of every customer by using the election commission’s database to ensure complete and accurate KYC of the bank’s new and existing customers. As per “Guidelines on Electronic Know Your Customer (e-KYC)” issued by BFIU, the bank is using e-KYC based solution ‘FSIB FREEDOM’ to facilitate bank account opening from anywhere, anytime instantly. The bank is using UNSCR, domestic and different countries’ sanctions list data; Politically Exposed Persons (PEPs) and Influential Persons (IPs) and adverse media news data from the LNRS Data Service Ltd. also known as Accuity (A UK based international database provider) which is integrated with the bank’s Sanction Screening Software [S3] for real-time and automated identification of sanctioned, PEPs, IPs and suspicious persons involved with crimes. In the time of digital banking, the notions of cashless and branchless banking are rapidly evolving. With this advancement, the cyber-crime risk is also increasing remarkably, especially using digital and E-commerce transactions. In this circumstance, more cautious steps have been taken to open and operate the accounts of E-commerce organizations and related persons. However, more awareness programs have been taken for restricting website or online-based illegal money changer/exchange, cryptocurrency/virtual currency, gambling, online boarding, online betting, online gaming and forex trading transactions.

For the prevention of Trade-Based Money Laundering (TBML), the bank is highly watchful to prevent under-invoicing, over-invoicing, multiple invoicing, short/over/phantom shipping, fake documentation, misrepresentation of goods, consolidation of goods etc. in foreign export and import trade. The bank is committed to ensuring price verification of goods/services involved in international trade through using an internal historical database, receiving Trade Transaction Profile (TTP) and monitoring transactions whether it’s occurring according to the TTP. As part of the effective implementation of the Guidelines for Prevention of Trade-Based Money Laundering, the bank has procured membership of Commercial Crime Services of the International Chamber of Commerce (ICC). Through this membership, the bank can ensure the International Maritime Bureau (IMB) Bill of Lading verification, Company due diligence service, Vessel Tracking System, IMB Vessel Report, IMB Digital Service etc. for international trade compliance. However, the bank has purchased Switzerland based international company Global Trade Tracker (GTT) subscription for verifying price of the products involved in the international trade. The bank is committed to preventing Investment Backed Money Laundering (IBML) and provide clear instructions to identify the symptoms of IBML and act accordingly to prevent it.

A modern automated system portal named AML & CFTD Query Management System (QMS) has been deployed for smooth correspondence between branches and head office regarding different queries and

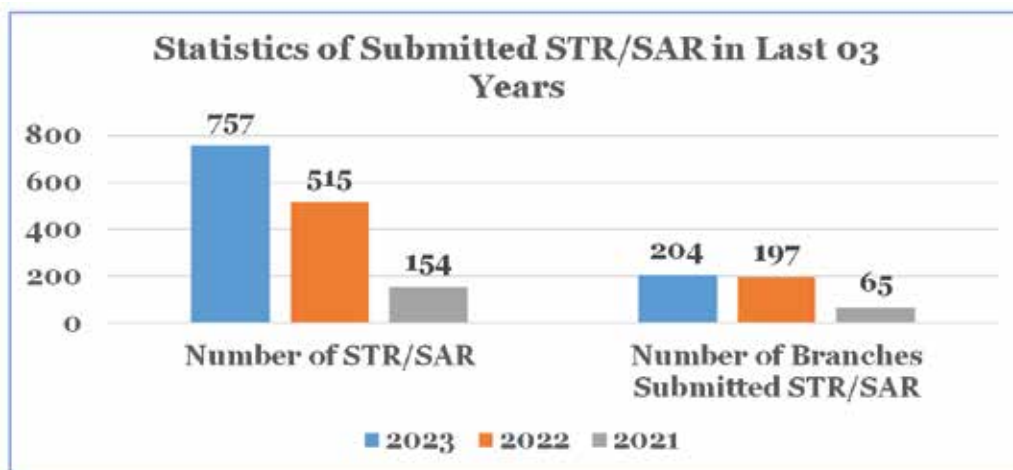
reports. According to a contract with Hawker Limited, daily news regarding money laundering and terrorist financing related persons and entities are used to scrutinize whether any alleged person or entity is maintaining any account with the bank. The bank distributes a huge number of leaflets and hangs posters & banners on the topic of Anti-Money Laundering and Combating Financing of Terrorism at every branch, sub-branch and agent banking outlet for building public awareness on these issues. However, AML & CFT related awareness program is also carried through social media platforms for mass people.

FSIB's own Training Institute, in collaboration with AML & CFT Division, recurrently organizes regular and refresher training for the employees of the bank on the subject of Anti-Money Laundering and Combating Financing of Terrorism where prevention of trade-based money laundering gets special emphasis. On 12th December 2023, BAMLCO Conference was held on the topic of Anti-Money Laundering and Combating Financing of Terrorism. At the BAMLCO Conference, the honorable Head of BFIU, senior officials of BFIU conducted different sessions on money laundering and terrorist financing. Zone-wise AML & CFT related refresher training program are conducted for branch, sub-branch and agent outlet officials. Through the lead bank method, bank officials attend different district training programs on money laundering and terrorist financing. However, bank officials receive quality refresher training and certification on the topic of Anti-Money Laundering and Combating Financing of Terrorism from renowned institutes at home and abroad.

Statistics of Submitted STR/SAR in the Last 03 Years

| Year | Number of STR/SAR | Number of Branches Submitted STR/SAR |
|------|-------------------|--------------------------------------|
| 2023 | 757 | 204 |
| 2022 | 515 | 197 |
| 2021 | 154 | 65 |

Figure- 01: Statistics of Submitted STR/SAR in Last 03 Years



Branches Control Division (BCD)

The Branches Control Division (BCD) of our bank started its operation in late 2018 as a new Division. The Division directed by a well-equipped working team having adequate experienced and trained manpower to handle and supervise the work of existing branches. The key objective of the division is to oversee and provide operational support to branches so that branches are running properly as per regulations, norms and required support services are provided from the Bangladesh Bank and Head Office. The main task of

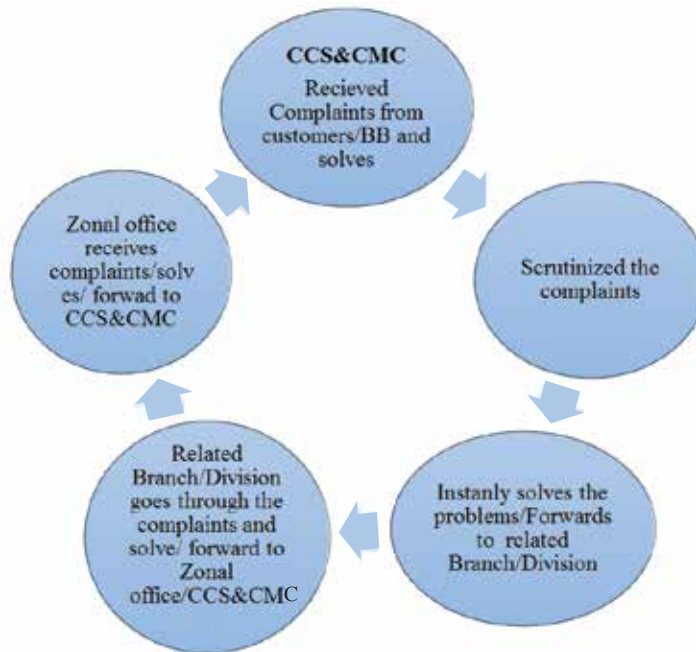
this Division is to ensure that branches are performing properly and carrying out day-to-day activities as per norms laid down by the Bank. It plays a significant role in maintaining liaison among branches, head office and various organizations as well as Bangladesh Bank. To ensure smooth banking activities in all the branches as well as customer satisfaction according to their needs this division is rendering particularly the following jobs gradually:

Job Description & Functions of BCD are elaborated below:

| | | |
|-----|--|---|
| 01. | Cash Management | <ul style="list-style-type: none"> # Follow-up of daily cash position of the Branches, Such as <ul style="list-style-type: none"> ➤ Cash in vault ➤ Cash balance with Sonali Bank ➤ Cash balance with other Banks # Monitoring Quarterly Statement of Cash in Transit (CIT). # Giving Permission to open Bank Accounts with BB, Sonali/Other Banks. # Follow-up of Remittance/lifting of cash to the feeding branches/ Bangladesh Bank/Sonali Bank/Other banks with Treasury Division. # Supervision and review of excess cash retained by the branches in the vault beyond insurance limit. # Monitoring of soiled, Mutilated notes and fake notes position/status (if any), Gift cheque, coins. |
| 02. | Banking Policy Circulation to the Branches | <ul style="list-style-type: none"> # Issuance of different circulars in respect of banking operation as per directives of Bangladesh Bank and other regulators and follow-up of the implementation/compliance of the instructions contained in the circulars. # Review and amendment of process manual and implementation of instructions therein. # Implementation of rules and regulations of opening of different types of accounts and correspondences thereof within the Bangladesh Bank guidelines. # Provide previous copies of circulars of BB/HO to the new branches. # Redesigning of GB Manual. # Circulation of Manuals and Guidelines of Bangladesh Bank and other Regulators to the branches as and when required. |
| 03. | Deceased and Lost Instruments cases | <ul style="list-style-type: none"> # Doing the jobs of deceased A/C management. # Review and follow-up of the proposals and justification, query and correspondences. # Submission of proposal for payment of balance in deceased accounts and passing approval to the branches for releasing the payment in favour of heirs or Nominees duly approved by the Management. # Lost Instrument Management. # Issuance of Lost Instrument Circulars, preparation of office notes and accord approval there against. |
| 04. | Asset/Liability Management & Locker Services | <ul style="list-style-type: none"> # Deposit monitoring and support. # Annual Budget monitoring of branches and sub-branches. # Review and follow-up of locker services of Branches as to ensure maximum utilization for enhancing income from the avenue. # Updating the insurance coverage of the rented chambers of locker on the basis of monthly locker statement collected from the branches and monitoring of uncollected locker rent. # Submission of proposal for returning the belongings kept in locker in case of deceased account and releasing the same as per nomination/succession certificate. # Obtaining of legal opinion from Legal Cell in case of need of legal clarification. |

| | | |
|-----|--|--|
| 05. | Customer Services & Complaint Management | # Management of Complaint received from Client/BB. # To make Query, Analysis and Justification of the complaints. # Policy, Manual and Structure development of Customer Care Services of the Bank. # Monitoring of Help Desks' activities. # To initiate Note Sheet on case to case basis considering justification for approval of the Management for settlement of proposal for waiver of service charge in case of valued clients. # To communicate the approval to the Branches for wavier of service charge incase of valued clients. # Implementation of Customer Service & Complaints Management Cell (Branch Level, Zonal Office and Central). # Correspondence and communication regarding customers' queries and Customers' complaints at various touch points. # Reporting to Bangladesh Bank regarding complaints. # Record keeping of customer service policy and complaints. # Evaluation and self-assessment of customer service standard. # Listening of live calls and providing answer of customer complaints. |
| 06. | School Banking and Unclaimed Deposit | # Collects information about School Banking Account from Branches and monitoring these regarding conversion of Onkur account to savings A/c after attainment of 18 years of age. # As per Bangladesh Bank instruction unclaimed deposits for 10 years and above are to collect for submitting the same to BB maintaining the formalities laid down in the Bangladesh Bank's circular. |
| 07. | Audit Follow-up and Rectification | # Compliance & Monitoring. # Reporting to Bangladesh Bank. # Campaign & promotion for awareness. # Review of the Internal Audit Report/Special Inspection Report/ Bangladesh Bank Inspection Report of the Branches related to Income Omission, mismatch in affairs & daily position, unresponded IBTA entries, General Banking, Investment and Foreign Exchange. # Sending Audit Report to Branches asking for their rectification and further review of the same till full compliance. # Fraud Control Management and Reporting. |
| 08 | Miscellaneous | # Preparation of schedule of charges and review it as and when required. # Provide NID database access facility and communication with Election Commission. # Monitoring of branches and sub branches activities. # Preparation and introduction of new account opening forms, KYCs & TP. # Monitoring of negative balance of GL heads of different branches. # Monitoring of Pay-Order and Gift Cheque balancing of different branches. # Monitoring of daily bank account opening statements of executives/ officers working in different zonal offices divisions, branches, sub-branches or agent outlets. # Monitoring of Utshob-24 & Smart Double Scheme account opening. # Monitoring of five New Products (FSIB Smart Account, FSIB Ehsan, FSIB Century, Samania and Durbar). # The Bank's Service Standard issued on 25/07/2023 has been directed to the branches for proper compliance. # The Bank's Citizen's Charter has been formulated in the year of 2023 and updated one time. # The Customer Charter has been updated in the year of 2023. # Implementation of Dormant Account Policy in our Bankultimus Software. |

One of the remarkable jobs of this Division is to attend to any complaints received from customers, walking customers, Bangladesh Bank or any other person/organization. Bank solves the problems/complaints through its Central Customer Service and Complaints Management Cell (CCS&CMC) by the following ways:



Our future plan is to uphold our FSIB as one of the best financial organization by implementing the directions of Bangladesh Bank as well as other government regulators and making replies to the queries of Bangladesh Bank, National Board of Revenue, Anti-Corruption Commission, Bangladesh Police etc. especially relating to various types of accounts and statements by supplying the requisite papers/documents, statements etc.

Card Division

First Security Islami Bank PLC, a trailblazer in the financial sector, has embarked on a journey to redefine customer experience through the introduction of innovative channels. These channels offer a plethora of banking services, empowering customers with the flexibility to manage their finances anytime, anywhere.

Card Division encompass a range of electronic and digital platforms that enable customers to access banking services beyond traditional brick-and-mortar branches. These services include



Income:

Every year card division earn good amount of income from card fees, transaction fees, interchange reimbursement fees (IRF), dynamic currency conservation (DCC) fees etc. Income graph of card division is always upward and this upward trend will be geared up with dynamic campaign and offer in 2024 Insha Allah.

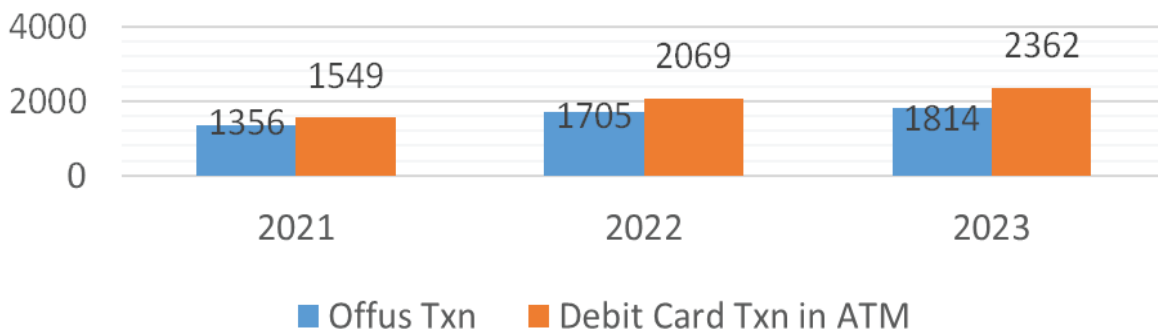
| Year | 2020 | 2021 | 2022 | 2023 |
|-------------------------|------------|------------|------------|------------|
| Income of card Division | 5.21 crore | 6.12 crore | 7.81 crore | 8.30 crore |

A) Automated Teller machine (ATM):

The Automated Teller Machine (ATM) has become an integral part of modern banking, revolutionizing the way people access and manage their finances. An ATM is a self-service machine that allows customers to perform a variety of banking transactions without the need for human intervention. Since its inception in 2012, Card Division installed 230 ATM & 20 CRM throughout the country so far. Dynamic management of the bank is very keen to continue to increase this footprint.



Offus & Debit Card Txn in ATM (in Crore)



| Year | 2020 | 2021 | 2022 | 2023 |
|---------------------------|------|------|------|------|
| Total Number of ATM & CRM | 165 | 195 | 216 | 250 |



FSIB inaugurated an ATM Booth at Rotary Club of Dhaka North Eye Hospital Building of Kushtia. Mr. Syed Waseque Md Ali, Managing Director of the bank inaugurated the ATM booth.



First Security Islami Bank PLC. inaugurated its 12th cash recycling machines (CRM) Booth under Banasree Branch, Dhaka to provide real time, faster cash deposit and cash withdrawal services to clients.

▶▶▶ ATM SERVICES

- CASH WITHDRAW
- PIN CHANGE
- BALANCE INQUIRY
- MINI STATEMENT
- FUND TRANSFER
- BKASH CASH WITHDRAW
- FSIBL CREDIT CARD BILL PAYMENT

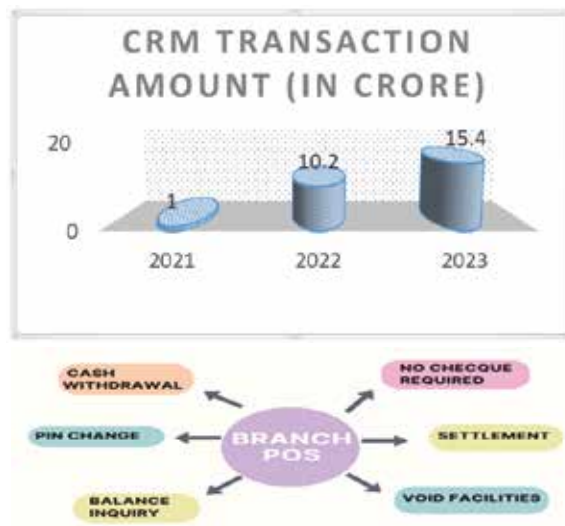
Security Features

- End to End Encryption
- Anti Skimming Device
- Latest Operating System
- PIN Shield



B) Cash Recycler Machine (CRM):

First Security Islami Bank PLC. has adopted and incorporated Cash Recycling Machines (CRM) in 2021 to enhance banking services for its customers. The introduction of CRM represents a strategic move toward leveraging modern technology to provide more efficient and customer-friendly banking experiences. Customers are using the advantage of CRM and this number is growing every year. We have installed 20 CRM Machine all around the country.



C) Branch POS Service

A Branch POS refers to a point-of-sale terminal located within a bank branch. This system allows customers to perform various financial transactions using their Debit Cards. The Branch POS is an extension of the bank's services beyond traditional teller transactions and ATMs, providing customers with additional channels to access banking services. Since its inception in 2022, FSIB customers are enjoying this service in 50 Branch throughout the country.

| Year | 2022 | 2023 |
|---------------------------|------------|-------------|
| Transaction in Branch POS | 7.00 Crore | 70.00 Crore |

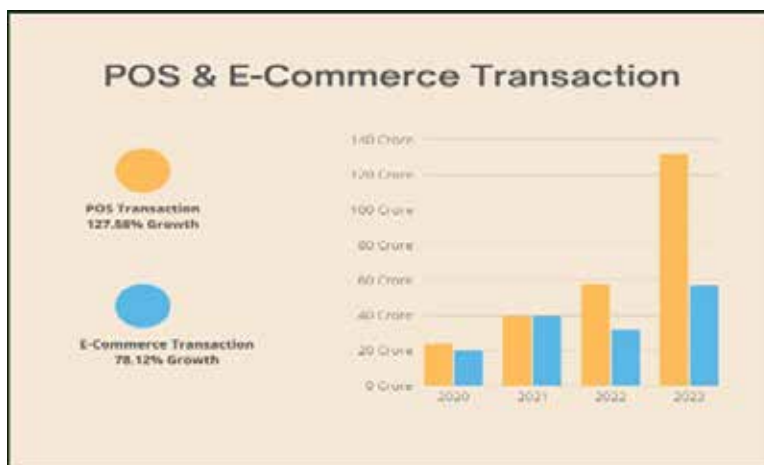
D) Debit Card Service:

FSIB introduced its Debit Card service early in its establishment. In a strategic move to further enhance customer experience, the bank connected with the VISA network in 2018, a decision that has significantly impacted the banking landscape. As of December 2023, FSIB has issued an impressive 231,000 VISA Debit Cards, catering to the diverse needs of its expanding customer base. Currently FSIB debit card holder can enjoy following services:

- ATM
- POS
- E-Commerce
- IBFT



| Item Name | 2021 | 2022 | 2023 |
|------------|--------|--------|--------|
| Debit Card | 153517 | 189763 | 231000 |



E) Credit card Service:

First Security Islami Bank PLC. (FSIB) is actively embracing smart and digital cashless services to enhance the banking experience for its valued customers. The introduction of a Shariah-compliant VISA Tamin Credit Card is a noteworthy step, aligning with Islamic financial principles and catering to customers who prefer Shariah-compliant banking products. FSIB introduced VISA Credit Card on 7th July 2018 on test basis. FSIB soft Launched Shariah Compliance VISA Tamin credit card for all Staff on 1st March 2022.



FSIB credit card has below features and services:

- Shariah Compliance Tamin Credit Card.
- Tamin Card has dual currency facility & this card can be used in abroad by endorsing card holder's passport as per BB rules.
- It reduces the risk of carrying cash. It also facilitates the advantage of buying things from anywhere in the world.
- EMV Chip based and PIN enabled highly Secured Card.
- POS & e-commerce transactions (both Home & Abroad).
- E-commerce transactions secured by 2 Factor Authentication (2FA).
- No annual charge if 18 transactions are made in a year.

F) Internet Banking Fund Transfer (IBFT):

Internet Banking is one of the popular services of FSIB. It has below peripherals of operation:

- FSIB Account to NPSB Account or Card
- FSIB Account to Q-cash Account or Card
- NPSB Account or card to FSIB Account or Card
- Q-Cash Account or card to FSIB Account or Card

| IBFT Txn | 2020 | 2021 | 2022 | 2023 |
|-------------------------|-------|--------|--------|---------|
| Incoming (BDT in crore) | 10.21 | 199.05 | 417.36 | 1772.30 |
| Outgoing (BDT in crore) | 0.25 | 11.24 | 154.19 | 320.25 |

G) National Payment Switch Bangladesh (NPSB):

National Payment Switch Bangladesh (NPSB) started its operation under the governance of Payment System Division of Bangladesh bank. First Security Islami Bank PLC. is among very few banks those had connected to this transaction ecosystem very early in 2014. By connecting to this national network, FSIB customers can transact in connected 53 banks using below services



- Automated Teller Machines (ATM) (Issuing & Acquiring services)
- Point of Sales (POS) (Issuing service)
- ATM Fund Transfer (Sending & Receiving services)
- Internet Banking Fund Transfer (IBFT)

H) Additional Services of Card Division:

i) ATM Fund Transfer:

Services:

- ❖ Card to Card Transfer
- ❖ Card to Account Transfer

Applicable to

- ❖ FSIB to FSIB Fund Transfer
- ❖ FSIB to NPSB Fund Transfer
- ❖ FSIB to Q-cash Fund Transfer

Features

- ❖ Real Time Transfer
- ❖ Instant Credit Card Bill Payment (FSIB & Other Banks)
- ❖ No Time Barrier. Open for 24/7
- ❖ No ATM dependency. Can use FSIB or Transferee bank ATM
- ❖ Transfer Limit: BDT 50,000 per Transfer, Maximum BDT 100000 per day

ATM FUND TRANSFER

www.fsibid.com

| From | To |
|------------------|--------------------------------|
| FSIBL card | FSIBL card / Account |
| FSIBL card | Q-cash Bank card/ Account |
| FSIBL card | NPSB Bank card/ Account |
| Q-cash Bank card | FSIBL card / Account |
| NPSB Bank card | FSIBL card / Account |
| FSIBL Debit card | FSIBL Credit card Bill Payment |

FEATURES:

- Real Time Transfer
- Instant Credit Card Bill Payment
- No Time Barrier. Open for 24/7
- No ATM dependency. Can use FSIB or Transferee bank ATM
- Transfer Limit: BDT 50,000 per Transfer, Maximum BDT 100,000 per day

FSIBL ATM FT Bank Code: 800105

ii) bKash Cash Withdraw from FSIB ATM:

The world is moving towards digitization and our banking industry is also coping with this transformation. Innovation in technology, widening the concept of multifunctional uses of a device like ATMs are increasing day by day. This multi functionality of ATMs will create opportunity for Bank to earn extra mileage and transaction cost will be minimized as same self-service terminal with existing infrastructure will be used.

Under this feature, any bKash Account holder can cash out money from FSIB ATMs.

Transaction Limit:

- ❖ Tk 3,000/- (minimum)
- ❖ Tk 20,000/- (maximum/Txn)
- ❖ Daily: Tk 25,000/-
- ❖ Monthly: Tk 150,000/



I) 24/7 Call Center:

2023 had been an exciting and dreadful challenging year from both customer & business perspective. FSIB call center successfully met the customer's demand and sustain the steady growth while retaining the customer satisfaction above the expected level. 2024 indeed will be more aggressive because of online transaction which is going to raise further.



FSIB Call Centre Performance Report-2023



First security islami bank PLC. achieved prestigious “VISA Payments Excellence Awards-2023” for the category of “Excellence in Debit Cards” among the Associate Members of VISA Inc. Honorable Minister Mr. M A Mannan, MP, Ministry of Planning handed over the award to Mr. Md. Masudur Rahman Shah, Deputy Managing Director of FSIB in the program of “VISA LEADERSHIP CONCLAVE 2023” at the Sheraton Dhaka, Banani. Among others including Mr. Thanbir Ahamed Chowdhury, Senior Vice President & Head of Cards, FSIB, and Mr. Soumya Basu, Country Manager for Bangladesh, Nepal & Bhutan at VISA, along with other officials were present.

General Services Division

General Services Division with its motto “A Penny is Saved, A Penny is Earned” is a key department since the inception of the First Security Islami Bank PLC that carries out the overall support activities of the Bank’s Head office, Zonal offices, all branches and sub-branches. Its various functions includes from inspecting & selecting suitable places for setting up of branches and sub-branches, taking necessary steps for obtaining approval from Bangladesh Bank, performing deed related affairs to overseeing the interior and exterior decoration work for full opening of the branch / sub-branch as well as checking whether all the visible facilities are running smoothly. This division is fully furnished with some cells as follows:

01. Engineering cell
02. Transport Pool cell
03. Security & Cleanliness maintenance cell
04. Procurement of Furniture and Fixture (wooden & Steel) cell
05. Security, Printing Stationery and Power of Attorney cell
06. New Branch, Sub-branch, Collection Booth Monitoring cell
07. Head Office Maintenance cell
08. CCTV and other Security Items Monitoring Cell
09. Insurance cell
10. Central Godown Unit
11. Central Dispatch cell-
12. Others

Functions of various sectors:

GSD has to perform diversified functions effectively and efficiently through the above mentioned sectors. The details are given below:

01. Engineering Sector:

At present 02 Civil and 02 Mechanical Engineers are performing their duties with their utmost sincerity and efficiency. Functions of this sector are as follows:

- ❖ All Interior & Exterior Decoration of HO, branch, Sub-branch, ATM Booth etc.
- ❖ Procurement & Maintenance of AC, Generator, IPS, PABX & FAX
- ❖ Electricity Connection & plumbing related works, all types of branch (including agent banking) & HO renovation works and maintenance.
- ❖ Procedure of new ATM Booth, ATM booth/ branch shifting
- ❖ New Branch & Head Office floor measurement & Inspection, Land & Building Inspection against HPSM for Investment Division

02. Transport Pool Sector:

The functions of this sector are given below:

- ❖ Vehicle Maintenance of Transport Pool, Vehicle Purchase and Sale, Lease Vehicle (Staff) Approval of CNG, Registration and NOC, Approval of Motorcycle (Non-Executive) & maintenance

- ❖ Vehicle insurance (Renewal and New), Year-end report of book value (Vehicle), All vehicle paper renewal, Insurance Claim, Vehicle log book maintenance
- ❖ Transport pool vehicle fuel collection and branch vehicle approval
- ❖ Maintenance of duty of Drivers
- ❖ Maintenance of Parking

03. Security & Cleanliness maintenance Sector:

As a financial institutions' security issue as well as maintenance of good ambience is one of the main concerns of our bank. At present 2081 nos. (approx.) Security Guards & 204 nos. Gunman are working for the maintenance of tight security & proper surveillance of various branch, sub-branch and ATM Booth etc. of our bank and 623 nos. (approx.) cleaners of different companies are working for the maintenance of good ambience in various premises of our bank. The functions of this sector are given below:

- ❖ Maintenance of Security Guard, Gunman and Cleaner
- ❖ Procurement Monthly Bill of Security Guards, Gunman & Cleaners (HO) & Bonus

04. Procurement of Furniture and Fixture (wooden & Steel) Sector:

The volume of our bank are extending day by day so the requirement of various furniture, fixture and office equipment are increasing. After checking, verifying, being confirmed and maintaining all formalities about the market rate GSD arrange approval of all purchase and repairing related works of the mentioned items through the permission of competent authority of our bank.

05. Security, Printing Stationery Sector and Power of Attorney:

The functions of this sector are given below:

- ❖ Supplying all kinds of security items such as Cheque Books, MTDR Blocks, Pay Order Block, Continuous paper through "MICR Cheque Requisition" software link in our homepage and maintaining stocks.
- ❖ Supplying all kinds (almost 140 items) of printing stationery such as Account Opening Form, Auto Deposit book, MMDS Deposit Books, Cash Debit Voucher, Different Register, Investment Related Charge Document, LC Form, Foreign Remittance Cash Receipt Book etc through "GSD INVENTORY SYSTEM" software link in our homepage and maintaining stocks.
- ❖ Maintenance of procedure to issue, cancel of Power of Attorney

06. New Branch, Sub-branch, Collection Booth Monitoring Sector:

The inauguration of new branch, sub-branch, Collection Booth has been continuing per year. Due to the collective efforts all the employees of this division, currently we have 205 nos. branch, 172 sub-branch and 27 nos. collection booth. The functions of this sector are given below:

- ❖ Procedure of new Branch, Sub-Branch & Collection Booth, Branch Shifting & Lease Agreement
- ❖ Correspondence with Bangladesh Bank & Bangladesh Bank related statement
- ❖ Visit location & submit visit reports

07. Head Office Maintenance Sector:

The officials of this sector are dedicated to monitor the HO building premises related any pros and cons and solve the raised issue vide rational ways within the shortest possible period.

08. CCTV and other Security Items Monitoring Cell:

For maintaining proper surveillance of various premises of our bank, the use & importance of CCTV is beyond explanation. All of our bank premises are fully furnished by adequate CCTV camera for tightening surveillance system. The functions of this sector are given below:

- ❖ Maintenance of CCTV
- ❖ Issuance of time to time circular regarding CCTV maintenance
- ❖ Complying BB's guideline regarding CCTV

09. Central Dispatch Sector:

We have been maintaining our central dispatch for receiving and delivering various correspondents and documents of different offices with head office.

10. Central Godown:

Since the volume of transaction of our bank has increased to a greater extent so as the volume of the old & stored documents. So we have been maintaining 02 nos. Godown at Kolabagan Dhanmondi and Tejgaon-Gulshan Link Road, Dhaka for storing various old files and documents in a safe and secured ways.

11. Insurance Sector:

Insurance is a security measure that maintains yearly insurance of cash in vault, cash on counter, ATM, transit, collection booth and agent outlet. More than these, the department also maintains additional insurance policy of the above stated items.

12. Others:

Besides, General Services Division has to perform following jobs:

- ❖ Maintenance of Photocopy Machine, Bangladesh Bank reporting (Monthly DCM & Quarterly Complain Cell), Compliance of Audit Report, Submission of DBI Report & RMD Report, Enlistment, Maintaining all kind of Insurance, Dress & Shoes Maintenance of Peon, Maintenance of ID Card, Seal & Rubber Stamp, New Mobile & Mobile Ceiling, Maintenance of Petty Stationery, Maintenance of Fire Extinguisher and Fire Alarm (Both Branch & HO), Maintaining of Note counting, Note Binding & Note Sorting machine, Maintaining of Fake Note Detector Machine, Maintaining of TV and Cable Connection (HO), Maintenance of Pot Plant (HO & Branches), Drinking Water maintenance, Arrangement of Visiting card for Executives & Officers, Calculating depreciation of Fixed Assets/office equipment of HO, Arrangement of Balloon Decoration, Tissue Box maintenance, Procurement of sale of Old furniture (HO & Branches), Utility bills and Telephone Bill of H.O. etc.

- ❖ Some Noticeable Works of GSD during the Year 2023:

GSD has to perform from the humblest or most menial of services to the most exalted; all the items irrespective of category. In the last year this division has successfully completed the following activities:

| Inauguration | Number |
|---|--------|
| Branch | 01 |
| Sub-branch | 15 |
| Agent Outlets (Interior and Exterior Works) | 18 |
| ATM Booth (Interior and Exterior Works) | 23 |

Finally, GSD is a unique division that has to perform probable all types of works. All the Executives/Officers/Staff has been performing their responsibilities with sincerity through following instruction of all rules & regulations of Islami Banking System on the basis of Islami Shariah. This division is pledged to cut the cost from any source of expenditure and will continue its endeavor to flourish our bank through such way, Insha Allah.

Human Resources Management

Human Resource Management is very important for Banks because banking is service oriented industry. Success in Banking Business depends on efficient and effective management of Human Resources. First Security Islami Bank PLC. (FSIB). is a third generation progressive Islamic Shariah Based private commercial bank. Whole Banking sector is passing hard time due to world economic crisis and domestic economic and political instability throughout the year. However, the Bank is trying to cope up with the situation and the crisis by gaining the trust of the valued customers providing modern technology based and quality banking service complying the Shariah Rules. Bearing the slogan “Any Time Any Where” FSIB is providing all kinds of modern banking services to the customer through 205 branches, 172 sub-branches, 104 agent banking outlets, 251 ATM Booths, 28 Collection Booths, various divisions and units of Head Office across the country. This Organization always emphasizes on the development of its manpower to provide quality services to its clients. FSIB believes that the factors which help the Bank to survive and differentiate it from other banks are closely interlinked with the quality of services and satisfaction of clients and these depend on the qualification of employees’ efficiency & effectiveness of work. As our human resources give the organization a significant competitive edge, we continue our policy of recruiting the best professionals and implement programs to develop and retain high quality employees for facing challenges of 21st Century. The Bank offers equal opportunity for new talents in its process of recruitment and selection. It is continuing its efforts towards the development of its manpower by providing required trainings, workshops, seminar etc. in home and abroad to make them well equipped to provide quality services to its customers. It arranges training and workshop in home and abroad for its top management to formulate and implement appropriate policies for the betterment of the Bank. It also arranges priority-based trainings and workshops to make its employees compliant to its regulatory body (ies) and helps its employees for career development.

Human Resources strategy:

Our strategy to recruit, select, placement and retain competent and promising Human Resources:

- ❖ Creating equal opportunity for all concerned.
- ❖ Recruiting the most eligible candidates through knowledge based and competitive examination(s).
- ❖ Providing required training and counseling for enhancing reality-based banking knowledge of newly recruited employees.
- ❖ Arranging priority-based trainings, workshops, seminars etc. to make its employees competent for facing new challenges.
- ❖ Placing and posting to the right place considering organization’s requisition and employees’ experience and competency.
- ❖ Giving promotion based on competency and knowledge of employees.
- ❖ Ensuring employee friendly working environment.
- ❖ Building capability to work individually or in a group to achieve organizational goal.
- ❖ Providing scope and opportunities for self-development and self-exposure for building future leadership.
- ❖ Providing competitive pay package and other benefits to maximize the satisfaction level and retain qualified personnel.
- ❖ Making awareness and compliant to existing laws, circulars and directions formulated by regulatory bodies.
- ❖ Making its employees competent by providing online training through use of modern technology.

We are committed to maintain a congenial working environment free from discrimination based on parochialism, religion, sex, race, age or any other issues. We do not tolerate any behavior that can be

perceived as degrading or threatening. We believe in working in a friendly, positive and respectful environment which permits employees to work to maximize effectiveness and efficiency and to their full potential. The Bank excels the performance of its employees by creating opportunities through providing proper trainings, rewards and recognitions. To attract and retain qualified and efficient employees, the Bank has formulated a number of policies for the welfare of its employees in the form of Contributory Provident Fund, Gratuity, Employees' Social Security and Benevolent Fund, Employee House Building Investment Scheme, Guard against Car Leasing Scheme (Staff), HPSM Consumer Durables, Death and Disability Risk Coverage Scheme and Group Life Insurance etc.

The Bank appoints faculty members for its Training Institute in order to provide priority-based trainings for the employees and updates its system of providing training. Zonal offices are arranging various trainings beside Training Institute, Dhaka and Regional Training Institute, Chattogram. The syllabus of Foundation Training for the fresher is revised continuously to make them more competent. The Training Institute makes a Calendar for training and workshop which will be conducted during a calendar year. To make the training program effective and rigorous, the Bank is providing residential facilities and has formulated training policy and hostel policy.

Investment Administration Division

The Investment Administration Division plays a crucial role in the administration of the investment portfolio, providing administrative support for the lending activities of the bank and monitoring day-to-day investment exposure. The division's functions are primarily back-office in nature that support control extension and maintenance of Investment. The division also manages and reports on the bank's financial performance, and complies with regulations and laws related to investments.

The main objectives of establishing the IAD are to ensure discipline in investment management and ensure that sanction letters delivered to customers align precisely with approved investment terms. The division meticulously scrutinizes and verifies all investment documentation for legal enforceability and secure lodgement. It also maintains effective checks and balances to ensure compliance with the terms and conditions of investment approval.

Major functional responsibilities of IAD are Documentation, Disbursement, Creation of commitment ID, CIB-related functions and monitoring, lien confirmation, confirmation of Bank guarantee fee, Permission for the redemption of collateral securities, and submission of investment-related reports to Bangladesh Bank in various prescribed formats and deadlines (daily, monthly, quarterly, half-yearly, and yearly).

The job description and function of IAD are elaborated below:

- 1) Ensure completion of investment documentation and placement of securities before issuing the Disbursement Authority.
- 2) Scrutinize security compliance against newly approved investments by the Head Office, zonal offices, and branches.
- 3) Creation of commitment ID against all sorts of investment facilities.
- 4) Monitor borrower compliance with covenants and agreed-upon terms, as well as overall account performance.
- 5) Maintain compliance with all Bangladesh Bank Circulars/Regulations related to investments.
- 6) Collect investment returns from branches in Bangladesh Bank's prescribed format and submit consolidated reports to Bangladesh Bank as per their schedule.
- 7) Ensure duly completion of the rationalized input Template of Bangladesh Bank according to their schedule.
- 8) Provide information related to investments as required by management.

- 9) Review and follow up on the investment accounts make a listing of the irregular investment accounts and provide required instruction, advice, and suggestions for their regularization/adjustment as a part of the early warning system.
- 10) Correspond concerning Bank Guarantee, Lien Marking, Redemption of Security, and other related matters.
- 11) Provide necessary investment-related data to the Management Information System (MIS), Finance and Accounts Division (FAD), Risk Management Division (RMD), and other departments as required, within scheduled timelines.
- 12) Search CIB inquiry forms received from various branches and collect online CIB reports from Bangladesh Bank and forward them to the branches.
- 13) Collect CIB online monthly reports from all branches and prepare them in Bangladesh Bank's prescribed format.
- 14) Authenticate funded & and non-funded Investment Limits.
- 15) Undertake any other work related to the division.
- 16) Perform any other job assigned by the management as and when necessary.

Internal Control & Compliance

Internal control is a process, effected by Board of Directors (BoD), Senior Management and all levels of personnel, designed to provide reasonable assurance regarding the achievement of objectives in the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with applicable laws, regulations, and internal policies. A system of strong internal controls can help ensure that the goals and objectives of a banking organization will be met, that the bank will achieve long-term profitability target and maintain reliable financial and managerial reporting.



First Security Islami Bank PLC. has established an appropriate and effective internal control environment through the Board of Directors, Management, organizational and procedural controls and an independent audit mechanism in order to ensure that the Bank is managed and controlled in a sound and prudent manner. The Bank identifies its weakness through internal control system and takes appropriate measures to overcome the weaknesses.

The Board of Directors of the Bank has established an Audit Committee to monitor the effectiveness of internal control system of the bank. The Audit Committee meets the Senior Management periodically to discuss the effectiveness of the internal control system of the Bank and ensure that the management has

taken appropriate actions as per the recommendations of the Internal Audit Team, Bangladesh Bank's Inspection Team & External Auditors.

The key functionalities that have been established in reviewing adequacy and integrity of the system of internal control are as follows:

- The BoD set up an organizational structure of Internal Control and Compliance Division (IC&CD) in such a way that, it has no conflict of interest with the regular management of the bank and fulfill the requirements as directed in the Rule 15(Ga)(I) of BCA (Bank Company Act) 1991 for establishing and maintaining effective internal control and risk management having regard to the complexity of the activities of the bank its size, scope of operations and risk profile;
- Different committees have been formed consisting of relative stakeholders with expertise on subject matter to assist the Board in guiding the Bank's operation in line with corporate mission, vision and strategies;
- Audit & Inspection are conducted across various divisions/units and all branches, in alignment with the annual audit plan, as approved by the Audit Committee of Board. The frequency of branch audit is determined by the level of risk assessed independently and objectively. Findings of the internal audit are submitted to the Audit Committee for review during their meetings.
- Information System auditors evaluate risk management practices to determine whether the bank's IS-related risks are properly managed. They conduct audit on overall information & related technological security aspects;
- The Audit Committee of the Board reviews the internal control findings identified by the Internal Audit of the Bank, Inspection Team of Bangladesh Bank and External Auditors;
- The Head of Audit has direct access to the Audit Committee as and when required to ensure submission of internal audit findings to the Audit Committee;
- The monitoring unit of the IC&CD checks for compliance with policies and procedures and the overall effectiveness of internal control system. The Bank continues to review different control tools i.e., IDCL, DCFCL, QOR and Risk rating on regular basis and highlights of significant findings in respect of any non-compliance;
- The Compliance Unit of the IC&CD ensures timely and proper compliance (both internal and regulatory) with the relevant laws, regulatory instructions/circulars/guidelines and internal policies and procedures in banking operations. Compliance Unit acts as contact point when regulatory inspections are conducted, ensures that corrective measures are taken and appropriate and timely response is as soon as the inspection report is received;
- The Board of Directors holds meetings at suitable intervals with Senior Management, External Auditors and the Audit Committee for evaluating the effectiveness of internal control system and provides necessary guidance.

Evaluation of Effectiveness of Internal Control

The MANCOM of the Bank reviews the overall effectiveness of the control system of the bank on a yearly basis and provides feedback to the Board of Directors on the effectiveness of internal control policy, practice and procedure.

| Audit & Inspection Covers |
|----------------------------|
| 197 Branches |
| 157 Sub-Branches |
| 87 Agent Outlets |
| 09 Zonal Offices |
| 21 Divisions & Departments |
| 1 Subsidiary |

- The Audit & Inspection unit prepares reports on individual inspection programs and submits the same to the branches/business unit for rectification with a copy to line management
- IC&CD prepares an annual integrated report on the health of the Bank to be submitted to the Board of Directors for onward submission to Bangladesh Bank
- At the end of the year, a summary report on the audit findings is prepared and corrective actions taken which are forwarded to the Audit Committee of the Board and the Managing Director & CEO simultaneously
- Based on the review of monitoring reports the audit team also conduct surprise check on the branches where regular gaps are identified
- Self-Assessment of Anti-Fraud Internal Controls is carried out on half-yearly basis and is submitted to Bangladesh Bank as per requirement of DOS Circular Letter No.17 dated 07 November 2017 issued by Bangladesh Bank after receiving compliance confirmation from the respective stakeholders.

Finally, the objectives of IC&CD are to evaluate the effectiveness of the operations, accuracy and timeliness of the reporting and the compliance with the applicable laws and regulations. ICCD adds value to the bank through its independent observations on different activities performed by other units.

ICT DIVISION

Banking sector is one of the strongest economic sectors in our country. Banks provide necessary funds for executing various programs underway in the process of economic development. First Security Islami Bank PLC is a progressive technology based modern bank, serving the economic development of Bangladesh since 1999. Today in the banking industry Information and Communication Technology (ICT) is increasingly becoming an invaluable and powerful tool for driving development, supporting growth, promoting innovation, and enhancing competitiveness. It introduces a global environment which will bring all nations around the world to come together to form a globally networked community. ICT Division of FSIB is using latest technology to provide best banking services by making fully automated operation of banking. Modern Banking Systems of this bank serves with a full suite of integrated core and ancillary software solutions. It's creating platforms for customers and stakeholders to increase their attractiveness and thereby providing opportunities for creating an ecosystem.

ICT Division has already established redundant online data connectivity using high speed fiber, radio link & satellite communication for all branches to provide uninterrupted data communication with DATA CENTER and DISASTER RECOVERY SITE. To protect customers' data and provide secured digital banking, the Bank has obtained industry standard certification ISO/IEC27001 (ISMS). Conformity with ISO/IEC 27001 means that the bank has put in place a system to manage risks related to the security of data owned or handled by the bank, and that this system respects all the best practices and principles enshrined in this International Standard.

To enhance the service, connectivity, and information security ICT Division of the bank has completed different projects and deployed various in-house and outsourced products. A brief description of the division's activities and performance throughout the year 2023 as described below:

1. **Core Banking System:** The bank's core banking system has upgraded to a new version, BankUltimus SPARK 4.0.0.5. In this new version locker service operation, fixed Asset of other Asset Account Level has integrated. According to BB BRPD Circular-23, Date: 28-Dec-2021, Dormant/Inoperative account model has deployed. New API of DPDC postpaid and DESCO postpaid has introduced. According to NBR Advanced Income Tax (AIT) system has updated in NCore & CBS successfully. In this new version, by using fingerprint, customer can open their bank account and deposit money in it by using e-KYC.

ATM Transaction dispute management, Database and Grid infrastructures version enhancement, locker service and pay order payment service from the Remote branch, new module for CTPC for Inland Bill Purchases were successfully integrated with BankUltimus SPARK version. A total of 50 MIS reports has successfully deployed as per the requirement of management, different division, and branches. SMS Charge Process has tune to reduce the unnecessary Hold Instruction.

2. Digital Payment and Fintech:

- a. 'dCloud': First Security Islami Bank PLC launched mobile apps 'dCloud' for extended digital financial services on 24th December 2023. 'dCloud' is an all-around digital banking application of FSIB for the banked and unbanked person of Bangladesh, promoting Financial Inclusion and Cash-less Society. The 'dCloud' apps contains the services - new account opening, fund transfer facilities, add money from cards, utility bill payment, mobile recharge, investment facilities for the bank's clients and so on. 'dCloud' not only facilitates our bank customers but also an unbanked individual, would also be benefited from this digital service. Customers can onboard without going to the Bank, save money, and make transactions even without opening a bank account.
- b. FSIB CLOUD: FSIB CLOUD is an Official Mobile Application of First Security Islami Bank PLC. In order to improve the service for the client, FSIB Internet Banking and FSIB CLOUD have been merged into the new Web and App Based Internet Banking FSIB CLOUDNET. FSIB Corporate E-Banking has been implemented for Corporate Clients. Payment through NPSB channel in both, FSIB CLOUD Web and App version has enabled. Now own bank Credit Card Bill payments can be done through Internet Banking and the client can use FSIB CLOUD without Mobile Data. Again RTGS Payment from Bank to Bank, Bank to the client, and Bank to Multiple Clients through USD, EURO, and GBP have been implemented.



Figure 1: FSIB dCloud



Figure 2: FirstCash

- c. FirstCash: FSIB mobile banking "Firstcash" integration with CBS has deployed. FSIB EKYC Assisted Version has implemented in Branch end. Utility Payment, BREB and DESCO Prepaid Bill Payment, add money from VISA/MASTER CARD has incorporated to MFS service "Firstcash".



Figure 3: First Security Islami Bank PLC launched Digital Financial Service 'dCloud'

3. **Information Security & Risk Management:** The role of Information Security & Risk Management (ISRM) unit is to ensure the secure environment to protect the information and data from unauthorized misuse or losses. This team identifies current cybersecurity risks, threats, and vulnerabilities of information resources and assets of the bank, reflects a strong commitment to cybersecurity and information security best practices, ensure proper protection against information/data leak and cyberattack, and implemented a comprehensive and layered security strategy that includes both preventive and detective controls. The major security initiatives are:
 - a. **Preventive Controls:** FSIB has implemented Next Generation Firewall to address advanced security threats at the application level, Endpoint Security and Server Security, Network Access Center (NAC) to secure endpoints or entry points of end-user devices and servers, Web Application Firewall to protect web applications by filtering and monitoring HTTPS traffic between a web application, Email Security Gateway for virus scanning, spam scoring, real-time intent analysis, URL link protection, reputation checks & other techniques, Anti-DDoS to protect online applications and services from DDoS attacks, and Web Security to protect your users, devices, and wider network against internet-based cyberattacks. The bank use Network Behavior Analyzer (NBA) for collecting and analyzing internal network data to detect malicious or unusual activity, such as policy violations, Denial-of-Service, worms, or malware etc.
 - b. **Detective Controls:** FSIB has established a Security Operations Center (SOC) to monitor, prevent, detect, investigate, and respond to cyber threats around the clock and deployed Security Information and Event Management (SIEM) to aggregate network traffic logs. This allows the bank to monitor communication channels, applications, databases, and systems effectively. The inclusion of Vulnerability Assessment/Penetration Testing (VA/PT) and Source Code Analysis demonstrates a commitment to identifying and addressing vulnerabilities through systematic testing. Network Management System (NMS) solution helps the network team to monitoring their network devices and traffics, Server & Application Monitor (SAM) solution helps to monitoring the activities of server & application, Privileged Access Management (PAM) which is an identity security solution that helps to manage privileged access as well as protect unauthorized access against cyber threats.
 - c. **Industry Standard Certification:** The ISRM unit has completed the second (02) phase of the ISO27001:2013 audit for the purpose of continuation of industry standard certification ISO 27001:2013.

4. **System Administration:** To enhance the security, flexibility, and control of the bank's ICT Infrastructure, OpenStack Private Cloud has been Implemented. To manage Security Patch Management, Windows Update Server (WSUS) has been Implemented. Additional Domain Controller (DC03) has been added on DR site to ensure HA of Active Directory Service and Integrated ManageEngine ADAudit Plus has implemented to audit the Active Directory operations/activities. Again, Implemented ManageEngine System Administration Tool has been added to gather hardware/software information from all the computers in our bank.
5. **In-House Software Development:** The in-house software development unit has developed the following in-housed software in the year 2023:
 - a. **RMS (Repair Management System):**
RMS (Repair Management System) mainly focuses on the repair request of hardware devices from different branches. It becomes easier for the branches to track the overall progress of the repair process through this system. Main Functionality:
 - i. Provide in-house software to manage repair requisition.
 - ii. Separate access for branch user, branch admin, zone user and ICT user.
 - iii. Separate Operation for warranty and non-warranty product.
 - b. **bKash-Remit API and Nagad-Remit API Integration:**
FSIB ICT has integrated API's with bKash and Nagad. Exchange houses can now easily collaborate through API to get the bKash and Nagad facility. Through this service, more clients will be inclined towards remittance and the percentage of remittance will be increased.
 - c. **Dispute Management:**
To track the disputed transactions through Card & IBFT, FSIB has launched Dispute Management System. "FDMS" will help the branch/division to process and keep track of them in an automated way.
 - d. **E-recruitment system:**
For smoothing the recruitment process, E-recruitment web application has designed. E-recruitment system includes applicant apply form, applicant dashboard management, CV screening, HR select/rejection, admit card, interview card and final selection card generation etc.
 - e. **Credit Card Reporting System :**
Credit card reporting system is a web application system tailored for reporting to Bangladesh Bank mentioning all international transaction using FSIB Credit Card. By using this system three types of reporting send to Bangladesh Bank.
 - f. **E-Learning:**
To train all employees of FSIB, within the shortest possible time and in a convenient way, E-Learning system is developed. E-learning system is a digital learning platform where learners can improve their skills and can attend to achieve certification or learning. Urgent notice/circular among can also be shared through this system.
 - g. **New Exchange House (Shift Financial Service & GCC Remit) API Integration:**
FSIB ICT has integrated API's with two more exchange houses this year. Through this integration, more remittance transaction is ensured. Since this is an API service, data integration is smoother and clients gets the service promptly without the need of waiting in queue.

6. **Disaster Recovery Site:** Disaster Recovery Site is a complete backup of the Data Center of the bank. Customer data will be secured by the DR site if any unwanted disaster happens in Data Center. In situations like encountering a disaster, ICT Division can drive the Banking service through Disaster Recovery Site. FSIB established the DR site and inaugurated it on 4th June 2015 and since then the bank has started operating banking services from the DR site at the periodical interval every year. In the year 2023, from 17 November to 18 November, the bank operated its banking service from the DR site for 48 hours.
7. **Training and Achievements:** Considering that awareness is key to good governance, the Bank regularly conducts extensive information security awareness sessions, cybersecurity awareness campaigns both offline and online. FSIB ICT Division arranges training at regular intervals for branch personnel and in-house personnel. In the year 2023, through Licensed ZOOM apps the bank arranged training programs: 1) HelpDesk Training for all ICT Officials, 2) Cyber Security Awareness Program for all Officials of FSIB, and 3) ICT POC Training for all POC's of the bank. ICT POC stands for ICT point of contact who would have enough ICT training and knowledge to provide initial ICT support to the branch people when immediate and initial level ICT support is needed. The bank has also provided physical training, as required, and when considered right. These trainings are held based on topics like ICT (Information and Communication Technology), IT Security and Fraud Prevention, DC and DR Site Management, Protection against Cyber Attacks, etc.
8. **Branch Expansion:** 01 (One) new branch and 15 (Fifteen) new sub-branches have been opened during the year 2023 at different commercially important locations in the country and thus the total number of branches has been increased to 205 and sub-branches to 172. All the branches are connected to Data Centers with auto-redundant dual channels to facilitate real-time online banking.

International Division

Import Business

Import trade executed by FSIBL was Tk. 2,728.44 Crore in 2023. Large LCs were opened mainly for importing Sugar, edible oil, capital machinery, cotton, fabrics and accessories.

Export Business

FSIBL successfully handled export documents of Tk. 2,855.42 Crore during the reporting year 2023. Readymade garments, knitwear, finished leather goods, agro products, etc., were the major export finance sectors.

Foreign Remittance

Bank procured foreign remittance for Tk. 2,609.91 Crore as of December 31, 2023. Meanwhile, the bank made enormous progress in dealing remittance business with some leading exchange houses like Western Union, Placid NK Corporation, MoneyGram, Xpress Money, Aftab Currency Exchange U.K., BRAC Saajan Exchange Ltd., U.K., Al-Muzaini Exchange Co. K.S.C.C, Kuwait, Zenj Exchange WLL., Bahrain, RIA (Continental Exchange Solution Inc.), IME Remit, Agrani Remittance House, Instant Cash FZE, Merchantrade Asia Sdn. Bhd., NBL Money Transfer, Shift Financial Services Ltd., Small World Financial Services Group Ltd., Remit Choice Ltd., GCC Exchange UK Limited, MasterCard Money Transaction Services (US) LLC, Prabhu Money Transfer etc. Moreover, our own Exchange House located in Italy sent substantial amount of foreign remittance.

Correspondent Banking

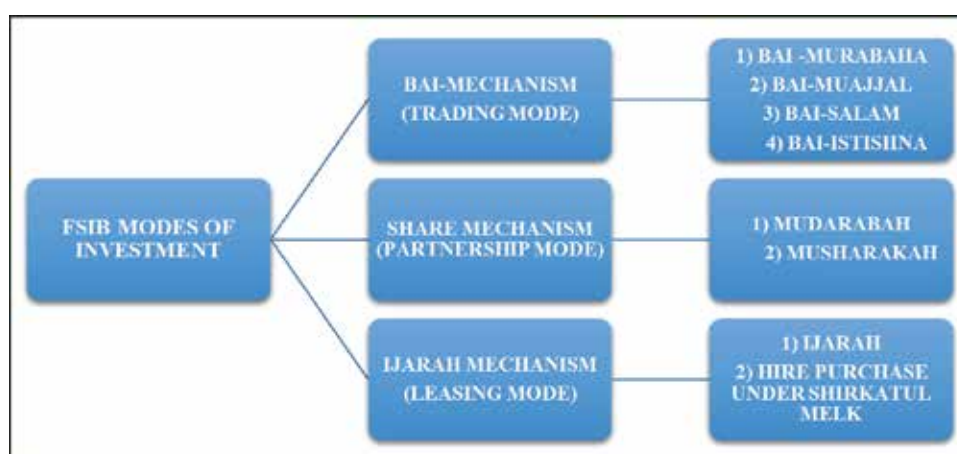
Correspondent banks are the trade partner of international trade. FSIBL has already achieved tremendous success in Foreign Trade. The Bank established correspondent relationship with more than 2,600 branches

of 222 different renowned Banks across the world.

Investment Division

FSIB is a financial institution which identifies itself with the spirit of Shariah, as laid down by the Holy Quran and Sunnah, as regards its objectives, principles, practices and operations. Islamic banking has been defined as banking in consonance with the ethos and value system of Islam and governed, in addition to the conventional good governance and risk management rules, by the principles laid down by Islamic Shariah. Interest free banking is a narrow concept denoting a number of banking instruments or operations, which avoid interest. Islamic banking, the more general term is expected not only to avoid interest-based transactions, prohibited in the Islamic Shariah, but also to avoid unethical practices and participate actively in achieving the goals and objectives of an Islamic economy.

Following are the main modes of FSIB investment:



BAI-MECHANISM (TRADING MODE)

BAI-MURABAHA (Cost Plus Agreed Profit)

Literally Bai-Murabaha means a sale on mutually agreed profit. Thus, it is a contract between a buyer and seller under which the seller sells specific goods permissible under Islamic Shariah and Law of the land to the buyer at a cost-plus agreed profit payable in cash on any fixed future date in lump sum or by installments.

BAI-MUAJJAL (Deferred Payment Sale)

Literally Bai-Muajjal means credit sale. It is a contract between Buyer and Seller under which the seller sells certain specific goods (permissible under Shariah and Law of the country), to the Buyer at an agreed fixed price payable at a certain fixed future date in lump sum or within a fixed period by fixed installments. The seller may also sell the goods purchased by him as per order and specification of the Buyer.

BAI-SALAM (Purchase with Deferred Delivery)

Bai-Salam means a contract in which advance payment is made for goods to be delivered later on. This is export finance. Bai-Salam is a term used to define a sale in which the buyer makes advance payment, but the delivery is delayed until sometime in the future. Usually the seller is an individual or business and the buyer is the bank. The object of this sale are goods and cannot be gold, silver or currencies.

BAI-ISTISHNA (Made to Order)

Bai-Istishna is a contractual agreement for manufacturing goods and commodities, allowing cash payment in advance and future delivery or a future payment. Istishna can be used for providing the facility of financing the manufacture or construction of houses, plants, projects and building of bridges, roads and highways.

SHARE MECHANISM (PARTNERSHIP MODE)

MUDARABAH

The term 'Mudarabah' has been derived from Arabic word which means 'Travel'. Thus, the word 'Mudarabah' means 'Travel' for undertaking business. A form of partnership where one party provides the funds while the other provides expertise and management. The provider of capital is called "Shahib al-maal", while the provider of skill and labour is called "Mudarib". Any profits accrued are shared between the two parties on a pre-agreed basis, while loss is borne only by the provider of the capital.

MUSHARAKAH

The word Musharaka has been derived from the Arabic word 'Shirkat' or 'Sharikat' (Shirk). In Arabic, Shirkat or Sharikat or Shirk means partnership or sharing. Musharakah means a relationship established under a contract by the mutual consent of the parties for sharing of profits and losses in the joint business. Every partner has to provide more or less equity funds in this partnership business. Both the Bank and the investment client reserve the right to share in the management of the business. But the Bank may opt to permit the investment client to operate the whole business. In practice, the investment client normally conducts the business. The profit is divided between the bank and the investment client at a predetermined ratio. Loss, if any, is to be borne by the bank and the investment client according to capital ratio.

IJARAH MECHANISM (LEASING MODE)

IJARAH

The term Ijarah means consideration, return, wages or rent. This is really the exchange value or consideration, return, wages, rent of service of an asset. The mode under which any asset owned by the bank, by creation, acquirement or building-up is rented out is called Ijarah. In this mode, the client pays the Bank rents at a determined rate for using the assets/properties and returns the same to the Bank at the expiry of the agreement. The Bank retains absolute ownership of the assets/properties in such a case. However, at the end of the period of Ijarah, the asset may be sold to the client at an agreed price.

HIRE PURCHASE UNDER SHIRKATUL MELK (Participatory Ownership)

Shirkat means partnership. Shirkatul Melk means share in ownership. When two or more persons supply equity, purchase an asset, own the same jointly, and share the benefit as per agreement and bear the loss in proportion to their respective equity, the contract is called Shirkatul Melk contract. Hire Purchase (participatory ownership) mode both the Bank and the client supply equity in equal or unequal proportion for purchase of an asset like land, building, machinery, transport etc. Purchase the asset with that equity money, own the same jointly; share the benefit as per agreement and bear the loss in proportion to their respective equity. The share, part or portion of the asset owned by the Bank is hired out to the client partner for a fixed rent per unit of time for a fixed period. Lastly the Bank sells and transfers the ownership of its share/part/portion to the client against payment of price fixed for that part either gradually part by part or in lump sum within the hired period after the expiry of the hire agreement.

OTHERS

QUARD

Quard means investment without interest/profit. It is a mode to provide financial assistance/investment with the stipulation to return the principal amount in the future without any increase thereon. Here bank just takes the service charge in return.

QUARD-E-HASANA (Good Investment)

This is an investment extended on a goodwill basis, and the debtor (client) is only required to repay the amount borrowed. However, the debtor may, at his or her discretion, pay an extra amount beyond the principal amount of the investment (without promising it) as a token of appreciation to the creditor (bank). In the case that the debtor does not pay an extra amount to the creditor, this transaction is a true interest-free investment.

Investment Monitoring & Recovery Division

Investment Monitoring & Recovery Division plays key responsibility to monitor regular investment, follow up overdue and defaulted investment through branch with a view to recovering/regularizing the same. Defaulted investments are regularized through rescheduling and restructuring as per BRPD circular of Bangladesh Bank. Sometimes, Investment Monitoring & Recovery division File suit against defaulted borrower to take legal action as well as enforce to recovery of investment. There are recovery management team consist of high level of executives at the Head office level, Bank's enlisted third party recovery agencies, separate legal cell to recover non-performing investments to duly protecting the interest of bank.

Marketing & Business Development Division

First Security Islami Bank PLC, being glorified in its own grandeur, has upheld & retained its position, image & fame with pride in the banking sectors of Bangladesh in line with the progress of globalization. Our Bank is stepping ahead with demand based modern products & services, keeping pace with the times & giving the utmost priority of the customers.

A group of enthusiastic & young energetic officials are working tirelessly & devotedly in Marketing & Business Development Division to deliver & render the best services at the doorsteps of the customers through the use of new and latest modern technologies.

In keeping with the current economic background and the demand of the customers, Marketing & Business Development Division has been able to explore various modern products and services to the Banking sectors for the customers.

❖ Product

Since inception, Marketing & Business Development Division has been exploring & designing new & attractive products, considering economic framework & the needs of customers, subsequent consequence of which Marketing & Business Development Division has launched eight deposit schemes in 2023. From June 01, 2023, "Mudarabah FSIB Smart Account" has been launched with special benefits of daily unlimited transactions & Mudarabah Term Deposits which can be conducted in the name of single & jointly & simultaneously, 100-day term deposit account "Mudarabah Term Deposit Account FSIB Century" is launched which can be conducted in the name of individual & institutions. Besides, monthly deposit scheme Durbar, FSIB Ehsan, Mudarabah Deposit Double Scheme Samania have been launched in the market. On the occasion of 24 years celebration of the Bank, two new products Mudarabah Smart Deposit Double Scheme & Mudrabah Special Gift Monthly Profit Scheme

Utshob 24 were lunched on 15 October, 2023. The 200-day Mudarabah term deposit scheme Double Century was released at the end of the year. The said products have received a huge response through everyone's support & cooperation. In 2023, deposits of Tk. 3,393.60 crore have been collected through the above products. Analyzing the ongoing banking sector, the existing products in the market adding new features, this will continue for the betterment of the bank.

Cash waqf is a welfare oriented shariah compliance product. This Account is one of the sources of long-term deposit collection for Banks. In order to increase Cash Waqf Account at the branch level, efforts have been continued to open Cash Waqf Accounts.

❖ Haj Cell

Currently, we have managed to bring all the Branches under the Central Hajj Cell. At this, now-a-days, there is not only an opportunity for the Bank to serve the honorable pilgrims but also scope to increase business growth. It is noted that a Hajj Cell was formed centrally under this Division on 24.09.2018, realizing the importance of Hajj based banking transactions. In 2023, transactions, equivalent to about BDT 41 crore have been completed through government & private pre-registration and private registration & IBAN.

❖ Bill & Fee Collection

Currently we are collecting the utility bills of DESCO, DPDC, PDB, NESCO, Palli Biddut, West Zone Power Distribution Co. Lt., Dhaka WASA, Chittagong WASA, Khulna WASA, Titas Gas, Jalalabad Gas, Bakhrabad Gas, Karnaphuli Gas and other Utility bill also. First Security Islami Bank PLC has been awarded the first place fourth at a stretch for the collection of Dhaka WASA bill in the financial years 2018-2019, 2019-2020, 2020-2021 & 2021-2022 respectively. Two new annexure agreements under the central agreement of BREB have been linked for the collection of electricity bills of Palli Biddut Samity. Under the said agreements, electricity bill collection activities are currently ongoing in all Branches, Sub-Branches and Agent outlets of our Bank, resulting of which low cost deposit is increasing which contribute to the business growth of the Bank.

Digital Bangladesh is one of the dreams of the nation, so this division is giving special importance to the implementation of modern technology. BREB pre-paid meter bills are being paid through FSIB Cloud. A MoU was signed between our Bank and digital financial service provider ABG Technologies Limited so as to facilitate & conduct "Trust Cum Settlement Account (TCSA)". Under the said MoU, ABG Technologies Limited is operating a Mudarabah Special Notice Deposit Account and Al Wadiah Current Account at Bashandhara Branch of our Bank. Since long, Trust Cum Settlement Account (TCSA) of Nagad Limited has been operated at Gulshan Branch of our Bank. Last year, Nagad Limited has conducted a Remarkable transaction through the said account.

The efforts of Marketing & Business Development Division are ongoing to make advanced medical services accessible and affordable to the executives, officials & employees, working in the bank as well as the customers of the Bank. In continuation of the efforts, so far agreements with 61 reputed Hospitals under the different Zilla Sadar, Zones & Divisions of the country have been executed and more new contracts are in process.

Keeping in mind the traveler lovers, agreements have been made with various renowned Hotels and restaurants of tourist spots of the country. Under the said agreements, customers of the Bank including Bank's executives, officials & employees have been receiving discount facility in availing the Hotel & restaurants services.

MoUs between our Bank and bKash & Nagad Limited have been made, resulting of which currently the customers of the bank can transfer money to bKash & Nagad, using FSIB Cloud which increases customers' satisfaction.

Currently, there is huge potentiality for e-commerce banking in this Banking sector. We are working in this regard. Beside this, MBDD has taken up the plan to work on the service quality and digital marketing of the Bank.

❖ **Collection Account**

Our division has been able to open collection accounts of various reputed organizations of the country such as Abul Khair Group, BSRM, Meghna Petroleum, Pran RFL Group. Also, we have made campaigns like other Banks. FSIB Enjoy campaign is currently being conducted.

MANAGEMENT INFORMATION SYSTEM DIVISION

The Management Information System (MIS) is the information hub of the Bank, from where information is provided to the management, Bangladesh Bank & other regulatory authorities as per their requirements with the consent/direction of higher authorities. On the basis of accurate & comprehensive information, provided by MIS Division, management of the bank can take timely appropriate decisions/steps in keeping with the competitive and changing market for smooth running of the bank, expansion of business and sustainable growth. And taking care of all these issues, Management Information System Division collects, records, stores and processes data to produce information which decision makers can use to make day to day decisions towards driving business growth of the Bank.

In a world, the ultimate goal of Management Information System Division is to provide the Bank Management with an accurate understanding of overall situation of the bank for the purpose of increasing the business value and profit of the bank; helping to determine and measure the current position of the bank; so that the bank management can easily & quickly take appropriate decision on current & future activities.

Objectives of Management information System Division:

FSIB PLC, Management information System Division has realistic Objectives by which our Bank Management can collect accurate and complete information through effective coordination between the divisions of the Bank; helping to find current problems, prepare future action plans by comparing monthly, quarterly, half yearly & yearly business achievement and above all take effective strategies for the development of the bank by determining the financial standards of the bank and implementing the actions of Bangladesh Bank & other regulatory authorities.

Process of Management Information System



Activities of Management information System Division

Management Information System Division usually collects information & data from FSIB Branches & the concerned Divisions of FSIB Head Office in a presentable form in order to provide the information accurately, timely and consistently to FSIB management and regulatory bodies i.e. Bangladesh Bank or other organizations like CSIBB (Central Shariah Board for Islamic Banks of Bangladesh) for speedy decision making, enabling Bank Management to determine the quality of operations and quality of services towards business growth.

Management Information System Division not only collects information from day to day business operation as per requirement of the Management and the Bangladesh Bank but also collects, stores & supervises all the entire activities of Bank's Branches & Head Offices through preparing ISS (Integrated Supervision System, Islamic Financial Transactions Report, Quick Review Report, Green Banking & Sustainable Financial Report. Apart from reporting to Bangladesh Bank, Management Information System Division, time to time provides information to various regulatory bodies as per their requirements with the consent of the top Management. Management Information System Division is mainly communicating & providing reports to Integrated Supervision Management Department, Off-site Department, Banking Regulation & Policy Department, Research Department and Statistics Department of Bangladesh Bank.

Management Information System Division with the help of our ICT Division & with the information collected from the branches and related divisions develops and prepares various reports for Bangladesh Bank and other regulatory bodies with the consent of the top Management.

As a part of the said reports, MIS Division prepares the following reports as the requirements of Bangladesh Bank & other regulatory bodies:

Reporting Activities of Management Information System Division:

Management Information System Division prepares more than 36 reports on daily, monthly, quarterly, half yearly & yearly basis for onward submission to Bangladesh Bank, FSIB top Management, BIBM, BAB & other organizations. Among them, total ten (10) RIT (Rationalized Input Template) reports- one (01) daily, five (05) monthly & four (04) quarterly are uploaded in Bangladesh Bank Web Portal. Besides, MIS Division submits more than 22 reports to various departments of Bangladesh Bank. They are almost- five (05) monthly reports, submitted to ISMD, RD (Islamic Banking Cell) & PSD, - eight (08) quarterly reports, submitted to Department of off-Site Supervision (DOS), SFD, RD, BRPD, NAU & Statistics Department, -two (02) half yearly reports, submitted to FID, RMD and more than seven (07) yearly reports, submitted to SFD, FSD & DBI-6 etc. Also, MIS Division prepares Management Report, Business Status & Forced Investment Report for FSIB Management.

Management Information System Division prepares any other templates to be submitted under Enterprise Data Warehouse (EDW) as per requirements of BB time to time, communicating with the related divisions & branches of the Bank. Management Information System Division also provides responses to various types of queries & inquiries, presented by Bangladesh Bank, BIBM, BAB or other related institutions with the consent of the top Management.

Management Information System Division also prepares several reports such as 'Banking Almanac' report for research and compilation under Banks and Financial Institutions of Bangladesh, CIBAFI report for Global Islamic Bank Survey, Financial Sustainable Report for Bangladesh Bank & Bank's Prominent Report for Bangladesh Association of Bank.

Further, Management Information System Division informs Bangladesh Bank of the 'Progress Report' on

the implementation of the decisions taken in the quarterly meetings of the Chief Executives of various commercial banks under the chairmanship of the Governor of Bangladesh Bank.

Among the various reports prepared by Management Information System Division, ISS report is very crucial. This is because, ISS (Integrated Supervision System) is treated as a Monitoring Engine/tools of Bangladesh Bank to supervise the Banking activities with a Birds Eye View, like watchdog.

To supervise all the activities of our Bank, Management Information System Division works with two formats of ISS Monitor Sheets- one is for FSIB Branches which is sent to all FSIB 205 Branches every month to provide data through 234 Chart of Accounts (COA) under 30 categories at branch level & the other format is for Head Office, where providing Consolidated data of all Branches & Head Office through 265 Chart of Accounts (COA) under 32 categories at Head Office level by which the financial health of the respective branches & lastly of the Bank is reflected with all the information. If there is any discrepancy or mistake in the information, Bangladesh Bank may penalize banks with summons for explanation mentioned in Bangladesh Bank ISMD master Circular No.1, dated 07.09.2020. Therefore, considering the significance & importance of ISS report, all the branches and concerned divisions must have to check & cross-check the relevant data with due diligence & utmost care and prepare flawless ISS report and send the same to MIS Division enabling the division for onward submission to Bangladesh Bank web portal within the stipulated time schedule.

Management Information System Division, has deployed respective officers at Head Office level to coordinate & supervise all the Branches and related divisions for preparing and correcting ISS data every month & uploading the accurate & flawless ISS report on Bangladesh Bank Web Portal within the stipulated time frame.

In doing so, MIS Division checks ISS data, sent by all the branches, to make it accurate. Lastly MIS Division consolidates all the data as per Head Office ISS monitor sheet and sends the consolidated ISS sheet to respective Divisions for cross checking with the respective Division's Standard data, to confirm the uniformity of the Bank's data, with all the 205 Branches & Head Office Divisions as well.

Finally, confirming accuracy of the information under consolidated ISS sheet, MIS Division inform all the branches to complete successful uploading of their respective ISS report in the Bangladesh Bank web portal in communication with the respective Division, confirming the accuracy & uniformity of the data and then MIS division uploads Consolidated ISS reports in Bangladesh Bank web portal.

Due to increased importance of MIS in Banking for financial data towards decision making, the process to well-equip the FSIBL division, in consultation with the Management, is underway, matching with the requirement of the different regulatory bodies as well as the FSIB Management, to make the MIS Division, the center for Modernized Intelligence Services (MIS), towards providing the accurate data, that can enable the Management to deliver better decision, guidance & enhanced supervision which may contribute to the business growth of the Bank.

Offshore Banking

First Security Islami Bank PLC commenced the operations of Offshore Banking business on August 05, 2020 through opening Offshore Banking Unit (OBU). Offshore Banking conducts banking business activities in foreign currencies in compliance with the Rules and Guidelines of Bangladesh Bank under their permission vide letter no. BRPD(OB)/744(126)/2020-4735 & 4737 dated 06 July 2020.

Offshore Banking Unit (OBU) discounts/purchases accepted usance/deferred bills against import from

abroad and accepted usance/deferred export bills against direct and deemed exports of products produced in Bangladesh. In the year 2023, the unit earned total profit for USD373,947.83 equivalent to BDT4,10,40,774.34 by funding of usance/deferred bills against import and export.

Payment System Division

Charges of clearing schedule below: Value of cheque below 50 thousand charges free.

| Session | Scheduled Bank | B.Bank. | VAT | Total taka |
|-------------------|----------------|---------|------|------------|
| HV | 8.50 | 50.00 | 1.50 | 60.00 |
| RV | 1.70 | 8.00 | 0.30 | 10.00 |
| RV(Above 5 lac) | 4.25 | 20.00 | 0.75 | 25.00 |

Average monthly transaction through BACH the following number of High Value and Regular Value cheque is presented and cleared through clearing house of Bangladesh Bank.

| Monthly Average transaction through BACH (2023) | | | |
|---|------------------------|-------------------------|------------------------|
| Inward | | Outward | |
| No. of Cheque (inward) | Amount in taka (Crore) | No. of Cheque (outward) | Amount in taka (Crore) |
| 29707 | 54.72 | 28005 | 488.75 |

In 2023 the following number of high value and regular value cheque is presented and cleared through clearing house of Bangladesh bank

| Transaction through BACH (2023) | | | |
|---------------------------------|------------------------|---------------|------------------------|
| Inward | | Outward | |
| No. of cheque | Amount in taka (Crore) | No. of cheque | Amount in taka (Crore) |
| 356475 | 6430.00 | 336065 | 5850.00 |

First Security Islami Bank PLC. is centrally processing inward EFT transaction. In EFT inward we are processing a large volume of foreign and interbank remittances and others fund received from different Banks. We are also processing EFT Outward transaction of foreign remittance received from different exchange by International division and others fund. We process EFT through NIKASH EFT system by Bangladesh bank to the beneficiary end. Now in EFT transaction has processed & settled in 03 sessions per day.

Activities of EFTN:

| | | |
|--|--|--|
| <u>Foreign Remittances receive from the following Exchange Houses:</u> <ul style="list-style-type: none"> • FSIE Italy exchange House • Al Muzaini • Master Card • BracSajan • GCC Exchange House • Shift Financial Service | <u>Dividend Payment:</u> <ul style="list-style-type: none"> • First Security Islami bank PLC. (FSIB) • Northern Islami Insurance Company Ltd. • S. Alam Cold Rolls Mills Ltd • FAS Finance • Indo-Bangla Pharmaceuticals Company Limited (IBP) | <u>Other Services:</u> <ul style="list-style-type: none"> • Share sales fund payment of Alhaj securities • Share sales fund payment of Rapid securities • Salary payment of companies and institutions • BANBEIS (Bangladesh Bureau of Educational Information and Statistics): Retirement benefit and welfare fund of the teachers • Different NGO's bulk fund transfer (salary, bill, commissions etc.) |
|--|--|--|

In 2023 per day the following number of transactions processed and settled through BEFTN by Bangladesh Bank and FSIBL.

| No. of transaction per day average in FSIB (inward & outward) | Taka in crore per day average in FSIB |
|--|---------------------------------------|
| 7455 | 114.00 |

In 2023 per month the following number of transactions processed and settled through BEFTN by Bangladesh Bank and FSIBL

| Monthly Average transaction through BEFTN (2023) | | | |
|--|------------------------|--------------------|------------------------|
| Inward | | Outward | |
| No. of transaction | Amount in taka (Crore) | No. of transaction | Amount in taka (Crore) |
| 124236 | 1,890.00 | 31661 | 495.00 |

In 2023 the following number of transactions processed and settled through BEFTN by Bangladesh Bank and FSIBL

| Transaction through BEFTN (2023) | | | |
|----------------------------------|------------------------|-------------------|------------------------|
| Inward | | Outward | |
| No. of instrument | Amount in taka (Crore) | No. of instrument | Amount in taka (Crore) |
| 1490832 | 22,680.00 | 379932 | 5,940.00 |

Bangladesh Bank instructed all the Banks not to realize any kind of charges against EFT transactions. At present EFT is conducted through O3sessions and which is playing an important role in increasing the dynamics of the country's economy.

FSIBL RTGS Activities:

At the inception of RTGS inward is operating centrally. All of our 205 branches and 172 sub branches send RTGS transaction to central team and it transmitted to Bangladesh bank for settlement and then B. bank send it to the receiving bank. Any return issue is solved within 30 minutes. Financial institutions and persons can transmit funds for fulfilling their needs. ASYCUDA (The Automated Systems for Customs Data) implemented for collecting custom duty. By using this system every commercial banks can send customs duty to the Sonali Bank local Office.

IN 2023 the following number of transactions processed and settled through RTGS by Bangladesh Bank & FSIB

| Transaction through RTGS (2023) | | | |
|---------------------------------|------------------------|-----------------|------------------------|
| Inward | | Outward | |
| No. of transfer | Amount in taka (Crore) | No. of transfer | Amount in taka (Crore) |
| (BDT) 91576 | 29128 crores | 174164 | 18079 crores |
| (USD) 6007 | 2420 crore | 2251 | 750 crores |

FC transaction is done mainly in USD and other currencies like Euro, Pound, CAD, Jap (Yen), Chinese (Yuan) are also done narrowly. Recently mobile Apps FSIBL CLOUD has been launched for increasing customer service and availability of banking service to all. Using this app, the customer can transfer money, loan installment and credit bill etc. through RTGS process by sitting at home.

Research & Development Division

Research and Development (R & D) is one of the means by which business can experience future growth by developing new products or processes to improve and expand the operations. R&D Division of our Bank was established in 2010. At present the prospective division is consists of only 04 (Four) members team under the leadership of Principal of the Training Institute of the Bank. The team always looks for the new innovation and waits for plying greater role for the radiance of the great bank among the other prevailing banks of our country.

As Representatives of the Bank

- ❖ Generate Updated Mission, Vision, and Core Strategy of the Bank.
- ❖ Prepared Code of Conduct as per Bangladesh bank guidelines & Support to develop the Service rule of the Bank & Corporate Governance Guideline as per banking Company Act, 1993 (Amended 2013 & 2018).
- ❖ Providing Research Support to different Organizations like BIBM, BIDS etc.
- ❖ Prepare the director's report for the Annual Reports of the Bank as per guideline of Bangladesh Securities & Exchange Commission (BSEC).

Supporting Activities to other Divisions

- ❖ Prepare Speech & PowerPoint Presentation for the Top Management for different Conference.
- ❖ Prepare supportive duties to prepare message from Honorable Chairman & Managing Director for the Annual Report.
- ❖ Analysis of Different public policies such as Monetary policy & Fiscal Policy as well as different guidelines issued by Bangladesh bank and forecasting the extract to the Top Management for decision making.

- ❖ Support the faculties of Training Institute by preparing teaching materials.
- ❖ Analyze the variation of the banking products and recommend developing new Shariah-based products which will create brand loyalty.
- ❖ Develop worksheet of “Key Indices” including all necessary information in a single page.
- ❖ Develop comparative Schedule of charges statement to generalize a standard schedule of charges for our bank.

Publications

- ❖ The Division developed & published a Bengali dictionary on banking terminology named as *Ôë`envwiK e`vswKs kã†KvlÕ*. This book created a very positive buzzes among the different segment of readers especially banks including Bangladesh Bank.
- ❖ Developed and Published “Monthly Economic Review” as a short Journal since August 2020.
- ❖ Conducts a yearly comparative study on private commercial banks (PCBs) based on annual reports and assesses the banks’ position in different indicators.
- ❖ Reporting profit-loss, deposit-investment, export-import and many including ratio analysis, trend analysis for the future forecasting, SWOT analysis and PESTLE analysis.
- ❖ Preparation of different knowledge sharing information analysis for the development skills to the employees like “Easy Way to learn about the Land documents, Incoterms and necessary checklists for Foreign Trade Operations”.

S M E & Agricultural Investment Division

❖ Investment in CMSME Sector

The Cottage, Micro, Small and Medium Enterprises (CMSMEs) play a pivotal role in the economy of Bangladesh. They have a multiplier effect on the economy, as they create jobs, generate income and contribute to tax revenue. According to the world Bank, CMSME sector contributes around 25% to the GDP. In addition, CMSMEs have also significant contribution to the export earnings.

CMSMEs provide employment opportunities to a significant portion of the population in Bangladesh. According to the Bangladesh Bureau of Statistics, CMSMEs employ around 87% of the industrial workforce and 48% of the labour force in the country. The majority of these enterprises are located in rural areas, where they have created employment opportunities for women and youth.

Considering the above facts Bangladesh Bank has already instructed to all Government owned and Private commercial Bank/ NBFI’s that by the end of year 2024, at least 25% of the Banks’s gross investment should be disbursed/allocated to Cottage, Micro, Small and Medium Enterprises sector.

Following the instructions of Bangladesh Bank, we have fixed branch wise investment targets for the CMSME entrepreneurs. We have been channelizing the CMSME fund to the prospective clients through our own nationwide distribution network including all 205 numbers of branch, 177 sub-branches and also 158 agent banking outlets. Moreover, our 05 branches out of 205 branches have been operating for rendering the SME/Krishi investment services only focusing the potential CMSME clients. In addition, another 02 branches out of 205 branches headed by the Women Managers as well as officers are being dedicated for investment to the women entrepreneurs.

Our Bank has already introduced following investment products containing various incentives for the prospective Cottage, Micro, Small and Medium and Women Entrepreneurs: -

- a. FSIB UDDOMI- for cottage, micro and small entrepreneur

- b. FSIB SHABOLOMBI- for women entrepreneur
- c. FSIB PROCHESTA- for start-up entrepreneurs

In each year we are trying to increase our investment portfolio to bring potential CMSME customers under our investment umbrella. The SME outstanding amount of the bank is BDT 4682.53 crore as on 31.12.2023.

❖ Agriculture Investment

The economy of Bangladesh is directly and indirectly dependent on Agriculture. It also contributes to the growth of Manufacturing and Service sectors indirectly i.e. by way of providing raw materials.

Agriculture sector is the most important sector in Bangladesh that creates opportunity for employment, people's livelihood, helps to enhance export earnings, ensures food safety and contributes to the GDP of the country. This sector also helps to offset the adverse impact of global warming /climate change.

As per Labor Force survey –of year 2022, it is revealed that more than 45% of the country's labour force are directly involved with agriculture sector for their livelihood. Due to the various initiatives of the Govt. as well as patronage of Bangladesh Bank, the agricultural sector has developed substantially which in turn helps to alleviate poverty as well as increases production of food grains, fisheries, livestock and fruits apart others.

In order to ensure consistent growth of agricultural production and food safety of the country, Bangladesh Bank has made a compulsion for all Banks/ NBFIs to disburse a certain percentage of investment in agriculture sectors during a fiscal year, through own branches and /or MFI linkage / Agent banking as well as initiated various punitive measures for the Banks/ NBFIs, who have failed to achieve the same.

Accordingly, during the last Fiscal year 2022-2023 our bank has disbursed Tk. 732.13 crore (appx.) in various sub- sectors of agriculture, against a target of Tk. 957.00 crore as set by Bangladesh Bank (BB). Further the bank has also disbursed Tk.5.15 crore against target of Tk.4.79 crore as set by BB, at 4% subsidized profit rate for cultivation of import substitute crops (like oil seeds, pulses, spices, maize etc.) during the same fiscal year. Moreover Tk.1.59 crore has also been disbursed (up to December-2023) among 94 number of farmers at a profit rate of 4% under the- 'Refinance Scheme of Bangladesh Bank for Tk.5000.00 crore to ensure Food Security of the country".

First Security Islami Bank Plc. is committed to enhance investment in agriculture sector as well as achieve the target as per instructions of Bangladesh Bank and has already taken various initiatives in this regard, including launching of an Investment Scheme named- "Sonali Shopno" to accelerate investment in various sub-sectors of Agriculture and Rural investment.

❖ Women Entrepreneur

Participation of Women in the economic activities are very important for attaining sustainable economic growth. Families and the economy would benefit from having more women in business. However, restrictions in culture and lack of access to finance, Limited access to markets, Lack of education and training etc. are prohibiting far too many women from becoming entrepreneurs.

It appears from the various statistics that only 7.2% of businesses in Bangladesh are owned by women entrepreneurs, although half of the total population of Bangladesh are women. According to a report - women are involved in over 40% of SMEs in Bangladesh, but female-owned SMEs in Bangladesh are only about 24.6% out of total SMEs in the country [Source: Bangladesh Bureau of Statistics in year 2020].

In order to overcome this situation Bangladesh Bank (BB) has instructed all Banks/ NBFIs to allow investment to women entrepreneurs under CMSME (Cottage, Micro, Small and Medium Enterprises) with or without collateral security and in easy terms and conditions. In this regard BB has already set separate investment targets for Banks/ NBFIs for disbursement as well as arrange training/ workshop to the potential women entrepreneurs.

First Security Islami Bank PLC. has initiated various measures in compliance with the instructions of Bangladesh Bank to foster investment to the existing and potential women entrepreneurs. We have already set up “Women entrepreneurs dedicated desk” in our branches for providing prompt services/ information relating to investment and various Refinance schemes offered by Bangladesh bank to the women entrepreneurs. In addition to cater the need of women entrepreneurs under Cottage, Micro & Small enterprises, our bank has already introduced investment scheme named “FSIBL Shabolambi”.

The Investment outstanding of our bank is Tk.132.93 cr. (approx) (upto 31.12.2023) extended to the women entrepreneurs.

Treasury Division

Treasury Operation and Fund Management

Liquidity management is the key functions of Treasury Division. Treasury Division is responsible to maintain regulatory liquidity requirements like CRR, SLR etc. The division plays vital role in money market operations especially in the Islami Interbank Money Markets. Besides, this division plays key role on dealing of foreign currencies as dealer of the Bank. Furthermore, this division is responsible for various regulatory reporting regularly. In order to perform treasury functions effectively & efficiently, the division is segmented into front-office, mid-office and back-office.

Asset Liability Management

Asset Liability Management (ALM) is an integral part of Bank Management and it is essential to have a structured and systematic process for managing the Balance Sheet. The Asset Liability committee (ALCO) of our bank consists of the senior executives chaired by the Managing Director, and the head of Treasury is the member secretary of this committee, should meet at least once every month to analyze, review and formulate strategy to manage the balance sheet and special ALCO meeting is arranged, if needed. The result of balance sheet analysis along with recommendation is placed in the ALCO meeting by the Treasury Division where important decisions are made to minimize risk and optimum return. ALCO mainly reviews the balance sheet of the bank such as liquidity requirement, management of assets and liabilities, deposit and investment strategy, liquidity contingency plan, Net Profit Income (NPI), return on assets & investments, exchange earnings, Capital Adequacy Ratio, Investment Deposit Ratio, Investable Fund, Deposit Mix, Cost of Deposit, Cost of Fund, LCR, NSFR and leverage ratios etc. as a part of regulatory compliance. ALCO is a decision-making unit responsible for balance sheet planning and management from risk-return perspective, and also responsible for the strategic management of profit rate risk and liquidity risks.

Training Institute

FSIBL Training Institute (TI) is a well-balanced modern training hub with residential facilities. The training institute has been trying its utmost care to enhance knowledge, skill, competencies and update awareness of our bank officials regarding Islamic Shariah rules, laws, regulations and practices in banks. It has been providing adequate training to all level of FSIBL officials as per ATP and divisional requirements successfully. Total 52 no. of Training have been conducted in the year 2023. Total 2,117 no. of participants attended those courses.

| Sl. No. | Name of Training/ Conference | Target Group | No. of Participant | Date | Venue |
|---------|--|------------------------|--------------------|------------------------|---------------|
| 1. | 67th Foundation Training Course | TAO | 35 | 17 Jan to 06 Feb, 2023 | TI- Dhaka |
| 2. | 68th Foundation Training Course | TAO | 35 | 18 Jan to 06 Feb, 2023 | TI- Dhaka |
| 3. | 40th Foundation Training Course | TACO | 35 | 07-16 Feb, 2023 | TI- Dhaka |
| 4. | 41th Foundation Training Course | TACO | 35 | 07-16 Feb, 2023 | TI- Dhaka |
| 5. | 69th Foundation Training Course | TAO | 41 | 22 Feb to 15 Mar, 2023 | TI- Dhaka |
| 6. | 70th Foundation Training Course | TAO | 41 | 22 Feb to 15 Mar, 2023 | TI- Dhaka |
| 7. | Virtual Training on Basic & Islamic Banking and different ICT based knowledge sharing and practical training on CBS Module | All ICT Officials | 120 | 19 February, 2023 | ICT Division |
| 8. | Basic Concepts of Islamic Banking & Shari'h Compliance | All Officials | 100 | 05 April, 2023 | TI- Dhaka |
| 9. | 42th Foundation Training Course | TACO | 35 | 07 to 17 May, 2023 | TI- Dhaka |
| 10. | 43th Foundation Training Course | TACO | 35 | 07 to 17 May, 2023 | TI- Dhaka |
| 11. | Training Course on "General Banking Operation" for Chattogram North Zone | Desk Officers | 32 | 21 to 25 May, 2023 | RTI - Ctg |
| 12. | Training Course on "General Banking Operation" for Chattogram South Zone | Desk Officers | 22 | 21 to 25 May, 2023 | RTI - Ctg |
| 13. | Workshop on Prevention of Money Laundering & Terrorist Financing for Chattogram North & South | Desk Officers | 70 | 28 May, 2023 | RTI - Ctg |
| 14. | Training Course on "General Banking Operation for Khulna Zone | Desk Officers | 30 | 04 to 06 June, 2023 | Khulna Zone |
| 15. | Training Course on "General Banking Operation for Rajshahi | Desk Officers | 30 | 06 to 08 June, 2023 | Rajshahi Zone |
| 16. | Training Course on "General Banking Operation for Barishal Zone | Desk Officers | 30 | 17 to 19 June, 2023 | Barishal Zone |
| 17. | Refresher's Training Course [Batch 1] | AO to SO | 30 | 08 to 18 July, 2023 | TI- Dhaka |
| 18. | Refresher's Training Course [Batch 2] | AO to SO | 30 | 08 to 18 July, 2023 | TI- Dhaka |
| 19. | Refresher's Training Course [Batch 3] | AO to SO | 30 | 24 July to 03 Aug, 23 | TI- Dhaka |
| 20. | Refresher's Training Course [Batch 4] | AO to SO | 30 | 24 July to 03 Aug, 23 | TI- Dhaka |
| 21. | Training Course on "General Banking Operation" for Sylhet Zone | Sylhet Zone Officials | 30 | 08 to 10 Aug, 2023 | TI- Dhaka |
| 22. | Training Course on "General Banking Operation" for Cumilla Zone | Cumilla Zone Officials | 30 | 08 to 10 Aug, 2023 | TI- Dhaka |

| Sl. No. | Name of Training/ Conference | Target Group | No. of Participant | Date | Venue |
|---------|---|--|--------------------|---------------------|------------|
| 23. | Workshop on "Cash Management & Operation" | Related Officials | 60 | 16 to 17 Aug, 2023 | TI- Dhaka |
| 24. | Workshop on Prevention of Money Laundering & Terrorist Financing | " | 60 | 20 August, 2023 | TI- Dhaka |
| 25. | Workshop on "Foreign Remittance Operation" | " | 60 | 22 August, 2023 | TI- Dhaka |
| 26. | Workshop on "Perfection of Security and Documentation & Execution of charge Document" | " | 60 | 24 August, 2023 | TI- Dhaka |
| 27. | Workshop on "Awareness of Fraud Forgeries & Other Branch Operation" | " | 60 | 27 August, 2023 | TI- Dhaka |
| 28. | Workshop on "Investment Classification, Provision NPI & Recovery " | " | 60 | 30-31 August, 2023 | TI- Dhaka |
| 29. | Workshop on "SBS- 1,2,3" | " | 60 | 03 Sep, 2023 | TI- Dhaka |
| 30. | Workshop on "Modes of Investment & Related in Islamic Banking" | " | 60 | 05 Sep, 2023 | TI- Dhaka |
| 31. | Cash Management & Operation | Related Officials | 60 | 27 to 31 Aug, 2023 | RTI - Ctg |
| 32. | Training Workshop on SBS-1,2,3 | " | 70 | 30 Aug, 2023 | RTI - Ctg |
| 33. | Foreign Remittance Operation | " | 60 | 31 Aug, 2023 | RTI - Ctg |
| 34. | Training Workshop on "CIB Reporting System" | Related Officials | 50 | 02 Sep, 2023 | TI- Dhaka |
| 35. | Training Workshop on "CIB Reporting System" | Related Officials of Dhaka North & South | 50 | 12 Sep, 2023 | TI- Dhaka |
| 36. | Refresher's Training Course [Batch 5] | Officials FTC Virtually | 60 | 17 to 27, Sep, 2023 | TI- Dhaka |
| 37. | Refresher's Training Course [Batch 6] | Officials FTC Virtually | 60 | 17 to 27, Sep, 2023 | TI- Dhaka |
| 38. | Training Workshop on "CIB Reporting System" for CTG North & South Zone | Desk Officials | 65 | 23 Sep, 2023 | RTI - Ctg. |
| 39. | Training Workshop on "CIB Reporting System" for Khulna & Rajshahi Zones | Desk Officials | 51 | 14 Oct, 2023 | TI- Dhaka |
| 40. | Training Workshop on "CIB Reporting System" for Barishal, Cumilla & Sylhet Zones | Desk Officials | 50 | 03 Oct., 2023 | TI- Dhaka |

| Sl. No. | Name of Training/ Conference | Target Group | No. of Participant | Date | Venue |
|---------|--|------------------------------------|----------------------|--------------------|---------------|
| 41. | Training Workshop on "Reporting Foreign Exchange transactions" | Related Officials | 55 | 07 Oct, 2023 | TI- Dhaka |
| 42. | Training Course On "International Trade Finance & Foreign Exchange" | Related Officials of AD & CFTC Br. | 35 | 14 to 19 Oct, 2023 | TI- Dhaka |
| 43. | Virtual Training on Cyber Security Awareness & ICT Knowledge. | All Officers of Bank | All Officers of Bank | 25 Oct, 2023 | Zoom Platform |
| 44. | Training Workshop on "Financial Reporting ATC-2015" | | 35 | 02 Nov, 2023 | TI- Dhaka |
| 45. | "NI ACT & Arthorin Adalat Ain" for Head Office & Dhaka North & South Zone | Related Officials | 55 | 30 Oct, 2023 | TI- Dhaka |
| 46. | SME & Women Entrepreneur. Agri Credit Policy & Procedure of Financing. | " | 55 | 05 to 06 Nov, 2023 | TI- Dhaka |
| 47. | Understanding products of FSIB & Deposit Mobilization Frequency: 04 | All Br. Managers | 204 | 18 Nov, 2023 | Virtual |
| 48. | "Reporting of Credit Information System" | All Br. Managers | 204 | 18 Nov, 2023 | Virtual |
| 49. | Training Course on "Internal Auditor's & Muraquib's Role Towards Universal & Shariah Banking" Batch-01 | ICCD, Shariah | 35 | 10 to 14 Dec, 2023 | TI- Dhaka |
| 50. | Training Course on "Internal Auditor's & Muraquib's Role Towards Universal & Shariah Banking" Batch-02 | ICCD, Shariah | 25 | 10 to 14 Dec, 2023 | TI- Dhaka |
| 51. | BAMLCO Conference- 2023 | BAMLCOs & Related Officials | 256 | 12 Dec, 2023 | Virtual |
| 52. | Annual Risk Conference- 2023 | Related Officials | 267 | 18 Dec, 2023 | Virtual |

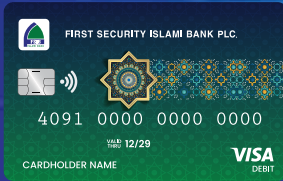
ঘরে বসে হিসাব খুলুন **ফ্রিডমে**

ব্যাংকিং করুন **ক্লাউডে**

ঘরে বসেই উপভোগ করুন সকল প্রকার
ব্যাংকিং সেবা



আমাদের ডিজিটাল ব্যাংকিং সেবাসমূহঃ



এফএসআইবি ভিসা ডেবিট কার্ড

- ঘরে বসেই সকল প্রকার একাউন্ট খোলার সুবিধা
- RTGS, BEFTN ও NPSB-এর মাধ্যমে যেকোনো ব্যাংকে ফান্ড ট্রান্সফার
- বিকাশ, নগদ ও ফাস্টক্যাশ-এ ফান্ড ট্রান্সফার
- FSIB টু FSIB ফান্ড ট্রান্সফার
- ইউটিলিটি বিল পেমেন্ট (DESCO, DPDC, WASA, BREB, NESCO ইত্যাদি)
- অনলাইনে কেনাকাটা
- বাস, ট্রেন ও প্লেনের অনলাইন টিকিট পেমেন্ট
- যেকোনো ব্যাংকের ক্রেডিট কার্ডের বিল পেমেন্ট
- যেকোনো অপারেটরের মোবাইল টপআপ
- FSIB ব্রাঞ্চ ও এটিএম লোকেশন খুঁজে পাওয়ার সুবিধা
- স্কুল, কলেজ ও বিশ্ববিদ্যালয়ের টিউশন ফি প্রদান

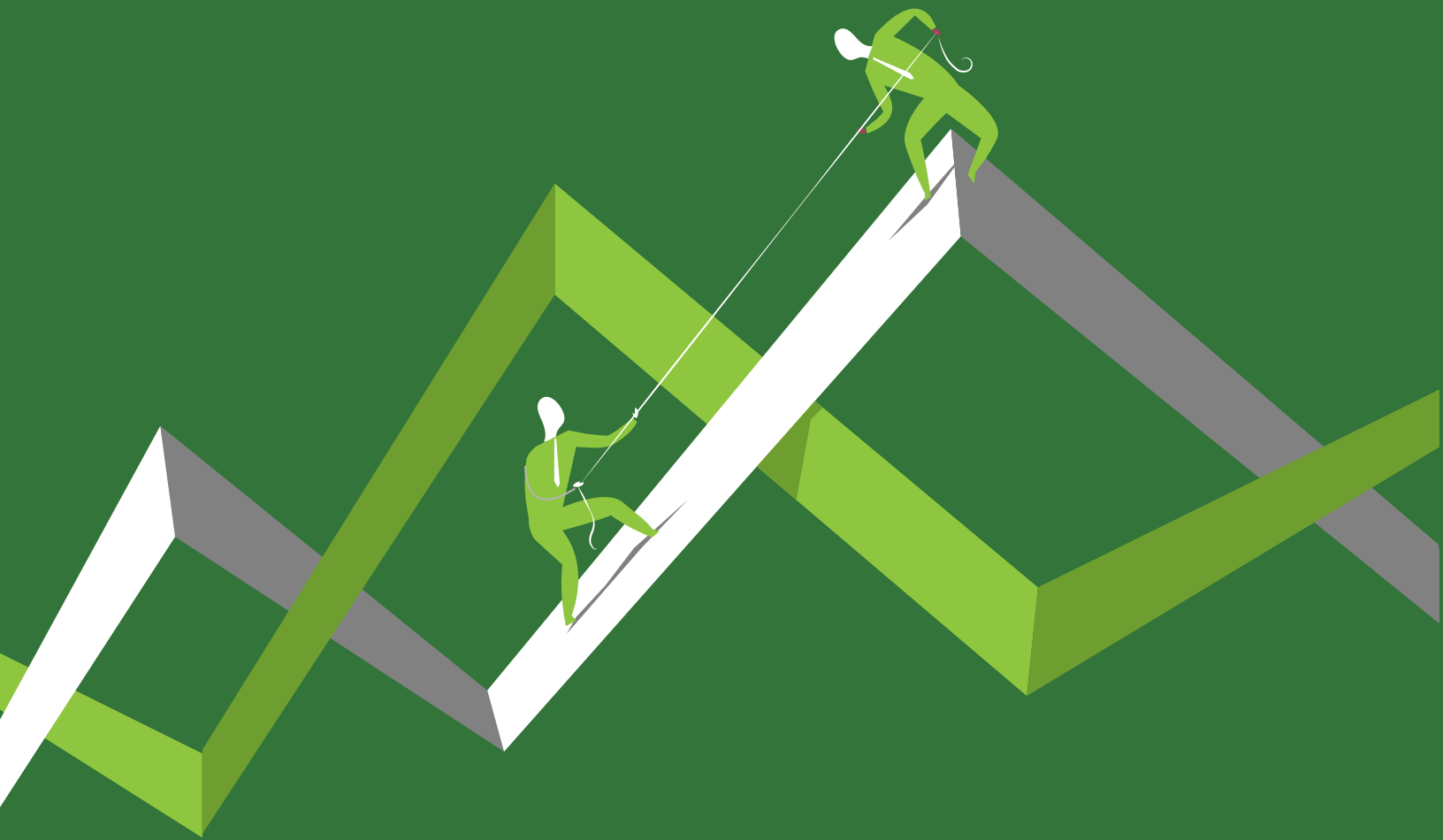
বিস্তারিত জানতে যোগাযোগ করুন আমাদের যেকোনো শাখা, উপশাখা বা
এজেন্ট আউটলেটে অথবা কল করুন ১৬২৫৭ নম্বরে



ফার্স্ট সিকিউরিটি ইসলামী ব্যাংক পিএলসি.

ফারিস্ট সিকিউরিটি ইসলামী ব্যাংক পিএলসি. FIRST SECURITY ISLAMIC BANK PLC.

www.fsibplc.com



Risk *Management*

Report of the Board Risk Management Committee

The Bangladesh Bank is working for the improvements of all banks to contribute for the economic development of the country. To align with Bangladesh Bank, First Security Islami Bank PLC. is working relentlessly for the improvement of the overall parameters to reach the regulatory requirements related to Risk management issues of our Bank.

Bangladesh imports various goods, including food grains, other necessary commodities from both Russia and Ukraine. The entire supply chain hampered due to the war which prevailed during the year of 2023. The conflict disrupts energy supplies from Russia, leading to higher energy prices globally, affecting Bangladesh's energy imports and overall cost of living. As a result, Bangladeshi economy has been adversely affected due to the negative impact for the Russia- Ukraine War.

As we all know that Bangladesh Bank is focusing on controlling inflation against a backdrop of trade and geopolitical tensions, significant uncertainties remain. With the fast growing economy of Asia region, together with Asian countries economic expansion continued with acceleration by commodity exporting, massive infrastructural development and plenty of reason for optimistic Bangladesh. First Security Islami Bank PLC. is navigating the whole ship to extreme environment in the year 2023 and the bank is trying to reach in a better position to grab all the possible opportunities of considerable growth to mark footprint.

Risk is an indispensable part of banking business. First Security Islami Bank PLC. has a strong Board Risk Management Committee (BRMC) to review the overall policies and effectiveness of functions of Risk Management, formulating strategies of business and monitor the risk associated with business activities from time to time. BRMC guides the bank management to strength the resilience capacity to cope up with any upcoming adverse impact.

Formation of Board Risk Management Committee

Risk Management Committee of the Bank has been formed as per the provisions of the Bank Company Act, 1991 (amended up to 2023) and subsequent circulars issued by Bangladesh Bank. The Board Risk Management Committee of FSIB has been reformed in the 255th Board of Director's meeting on 14th June, 2023 with respective members of board. BRMC is formed to establish standards of ethics and integrity for staff and enforcing these standards, ensuring appropriate knowledge, experience and expertise of lower-level managers and staff involved in risk management, monitoring implementation of risk management policies & process to ensure effective prevention and control measures. The committee also oversight the Bank's risk management functions for identifying, monitoring and measuring the Bank's risk profile in a comprehensive and integrated manner.

| Name of the Respected Members | Present Status | |
|--------------------------------|----------------------|----------|
| | In the Board | In BRMC |
| Mr. Mohammed Abdul Maleque | Vice-Chairman | Chairman |
| Mr. Khandkar Iftekhar Ahmad | Nominated Director | Member |
| Professor Md. Kamal Uddin, PhD | Independent Director | Member |

The Board Risk Management Committee (BRMC) has been hosted 04 (four) meetings during the year 2023. The Company Secretary was the Secretary of the Committee. BRMC responsibly monitored and supervised the overall risk exposure in the bank and give the proper guidance of the next line of defense for the probable arising risk issues in those meetings.

Key Roles of the Committee


- Construction of adequate organizational structure for managing risks within the bank.
- Supervising the activities of Executive Risk Management Committee (ERMC).
- Ensuring formulation and review of risk appetite, limits and recommending these to Board of Directors for their review and approval.
- Implementation of risk management policies & process to ensure effective prevention and control measures.
- Assessment overall effectiveness of risk management functions.
- Monitoring and implementation of Risk Management policies and effectiveness of the functions and agile to pick preventive measures to eliminate/minimize probable risk.
- Ensuring sufficient & efficient staff resources for RMD.
- Ensuring compliance of BB instructions regarding implementation of core risk management.
- Establishing standards of ethics and integrity for staff and enforcing these standards.

Reporting to the Board

Suggestions and recommendations of the Board Risk Management committee has been reported to the Board of Directors from time to time for review and approval. During the year 2023, Board Risk Management Committee formulate and review the policies and strategies time to time for sound risk management and also monitor the overall risk management issues of the bank as per the directives of Bangladesh Bank.

Acknowledgement

The Board Risk Management Committee (BRMC) expresses their gratitude and thankfulness to the Board of Directors, Management and Risk Management Division for their wholehearted support, assistance and cooperation to perform their duties and responsibilities in an efficient manner during the year. The Committee also expresses that FSIB will carry out their performance with the most significant way for achieving the sustainable growth of the Bank in future.



Mohammed Abdul Maleque
Chairman
Board Risk Management Committee

Executive Risk Management Committee

From the desk of Chief Risk Officer

In the economic perspective, most of the business firms are facing lots of difficulties to run their business due to crisis of economy, war and other environmental adverse effects. As a result, this economic movement navigates the country to price hike of commodity, increase unemployment rate, shutdown of business activities in almost every sector. Banking sector of our country has faced lot of difficulties like upward trend of Non-performing Investments/ loans, loss of profit, downgrade of asset quality leads to the higher risk weighted assets, sluggish recovery against Non-performing Investments/ loans, numerous outflow of client deposit, destabilization of share market.

Nevertheless with facing those difficulties, First Security Islami Bank PLC. has successfully achieve the projected business strategic plan over the year 2023. FSIB has driven forward the operating profit with maintaining huge investment portfolio and second highest client deposit holding Islamic Bank within the country.

Summarization of Core Risk

Risk management is a discipline at the core of every business firm that encompasses all activities affects its risk profile. Central Bank has already issued six (06) Core Risks Guidelines to adapt with the changing banking environment as well as to deal with various risk issues efficiently. FSIB manages Residual Risk, Concentration Risk, Liquidity Risk, Reputation Risk, Strategic Risk, Environmental & Climate Change Risk and other Material Risk efficiently in addition to six (06) Core Risks of our bank.

Formation of Executive Risk Management Committee

Executive Risk Management Committee (ERMC) at management level consisting of member from the different core risks management divisions and other related divisions under the Chief Risk Officer (CRO) of the Bank. ERMC Identifying, measuring and managing bank's existing and potential risks through detailed risk analysis, minimizing and controlling risk through proper implementation of decision associated with risk issues of the bank. Executive Risk Management Committee has hosted 12 (twelve) consecutive monthly meetings from January to December during the Year 2023. On behalf of the committee, The Respected Chairman of ERMC has scrutinized the overall information and provide proper direction against the existing and upcoming risk issues on those meetings.

Conclusive Article

During the year 2023, we have continued to strengthen our risk management framework and implemented several steps to improve our policies, structures and processes. FSIB has been arranged "Annual Risk Conference-2023" to create awareness of different risk issues and create strong risk awareness culture among the employees of the bank. First Security Islami Bank PLC. is vigilant always to optimize the sustainable growth of every possible sectors and aware of minimizing risk to ensure the maximum profit from the business activities. We are hopeful to reach the ultimate destination with the efficient operations for the sustainable growth of the Bank in future.



Muhammad Mustafa Khair

Chief Risk Officer & Chairman

Executive Risk Management Committee

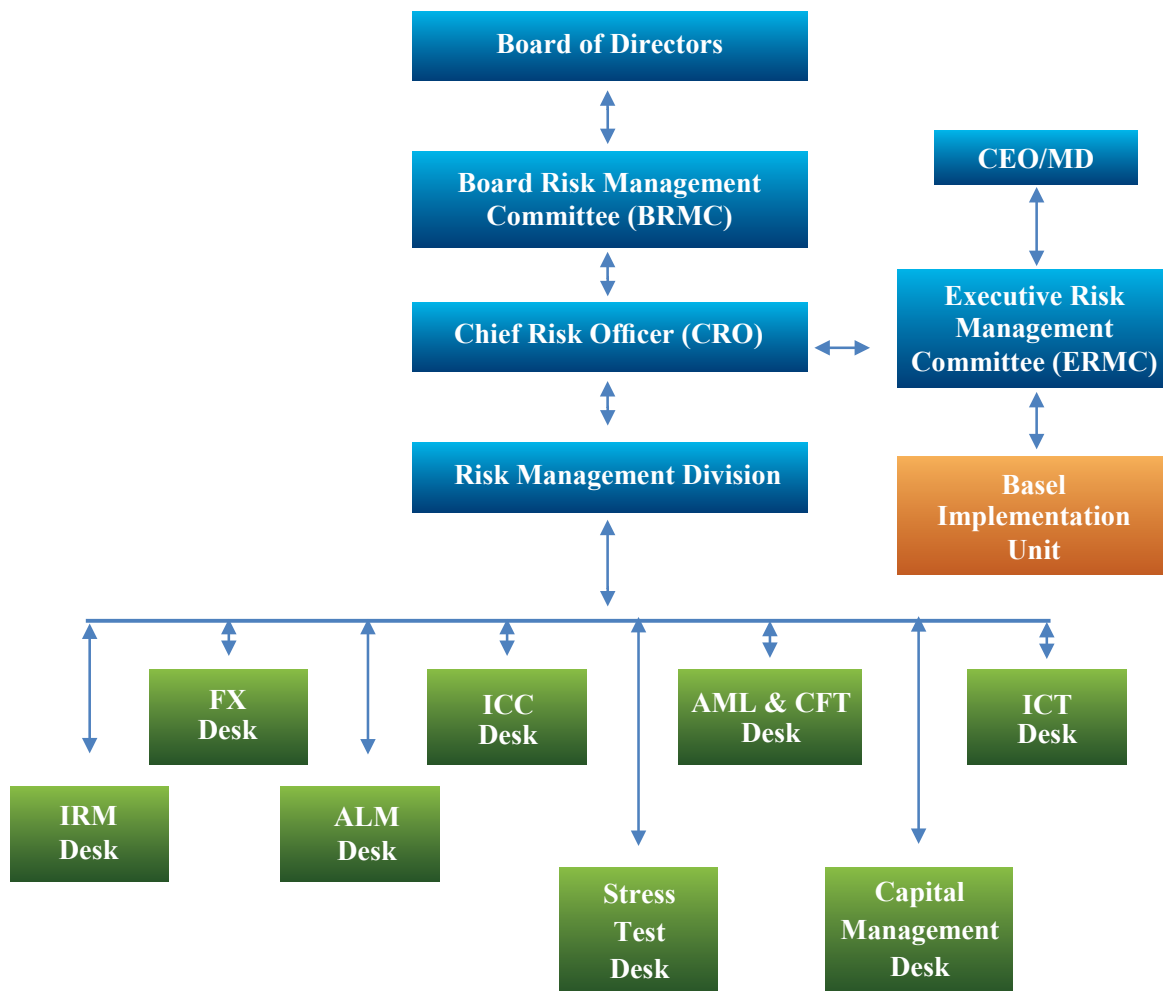
Risk Management Framework

A risk management framework (RMF) is a set of practices, processes and technologies that enable a bank to identify, assess and analyze risk to manage risk within the bank. First Security Islami Bank PLC. manages risk taking limit by formulating risk appetite on yearly. The Bank's overall Risk Management Framework provides the foundation for balancing between risk and return in order to maximize shareholders' returns which are consistent with the Bank's strategies and risk appetite. Risk management framework of FSIB contributes to this by aligning planned risk taking approach with the bank's risk appetite. This framework thus safeguards bank's reputation, operational continuity and earnings without hindering growth opportunities.

Overview of Risk Management

FSIB has been addressing its risks through a separate risk management division under the direct supervision of the Chief Risk Officer (CRO). The Additional Managing Director (AMD) of the bank has been nominated as Chief Risk Officer (CRO) to ensure the highest priority in risk management activities.

Risk management Organogram has been designed by FSIB as per Bangladesh Bank DOS circular no.: O4 dated 08.10.2018 and the Organogram is presented under-



Risk Mitigation Methodology

The success of banking operation largely depends on choosing the best option from risk and return. For this reason, First Security Islami Bank PLC. has taken initiatives for avoidance of risks by taking various preventive measures from time to time. In this line, FSIB develops its own Risk Management Guidelines including different types of risk management tools for sound risk management and risk mitigation following Bangladesh Bank Guidelines. The bank considers capital adequacy, expected level of profitability, market reputation, experienced human resources & professional bankers, logistic support, risk management practices, etc. to determine its risk strategy. The bank's reputation and its ability to achieve depend on the ability to identify, assess and mitigate risks at all levels. The risk management strategy is therefore fundamentally based on maintaining adequate capital, liquidity and operational control at all times in order to safeguard the interests of depositors, clients, shareholders and other stakeholders. That is why, our bank has taken various diversified steps to adopt high mitigation techniques of risk for avoiding risks.

Risk Management Process

The process of risk management is the combination of working components to mitigate the risk issues associated with the business of the bank. The steps of Risk Management Process are to communicate and consult, establish the context, identify the risks, analyze the risks, evaluate the risks, treat the risks, monitor the risks. FSIB follows the methodology by using some tools and techniques to identify and analyze the financial impact of loss to the bank, employees, the public and the environment.

Risk Management Policies and Tools

In managing investment, market, liquidity and operational risks, banks shall follow the latest core risk management guidelines on Investment, Foreign Exchange, Asset-Liability, Internal Control & Compliance, ICT security and anti-money laundering and combating the financing of terrorism. FSIB develops different tools and models for measuring investment risk, liquidity risk, market risk, profit rate risk, foreign exchange risk, equity price risk and operational risk from time to time as per the directives of Bangladesh Bank.

Disclosure of Risk Reporting

Risk Reporting

The following reports are required to be submitted before the Executive Risk Management Committee (ERMC) and Board Risk Management Committee (BRMC) in different intervals. These reports are also submitted to Bangladesh Bank in different intervals.

- Monthly Risk Management Report (MRMR)
- Comprehensive Risk Management Report (CRMR)
- Stress Testing Report
- Risk Based Capital Adequacy (BASEL-III) Statement
- Risk Appetite Statement (RAS)
- ICAAP Report
- Review Report of Risk Management Policies and Effectiveness of Risk Management Functions
- Capital Plan
- Recovery Plan.

Disclosure of Risk Based Capital (BASEL-III)

Overview

To strengthen global capital and liquidity rules with the goal of promoting a more resilient banking sector, the Basel Committee on Banking Supervision (BCBS) issued “Basel III: A global regulatory framework for more resilient banks and banking systems” in December 2010. The objective of the reforms was to improve the banking sector’s ability to absorb shocks arising from financial and economic stress, whatever the source, thus reducing the risk of spillover from the financial sector to the real economy. Through its reform package, BCBS also aims to improve risk management and governance as well as strengthen banks’ transparency and disclosures. Basel Committee’s comprehensive reform package also addressed the lessons of the financial crisis.

Capital Framework

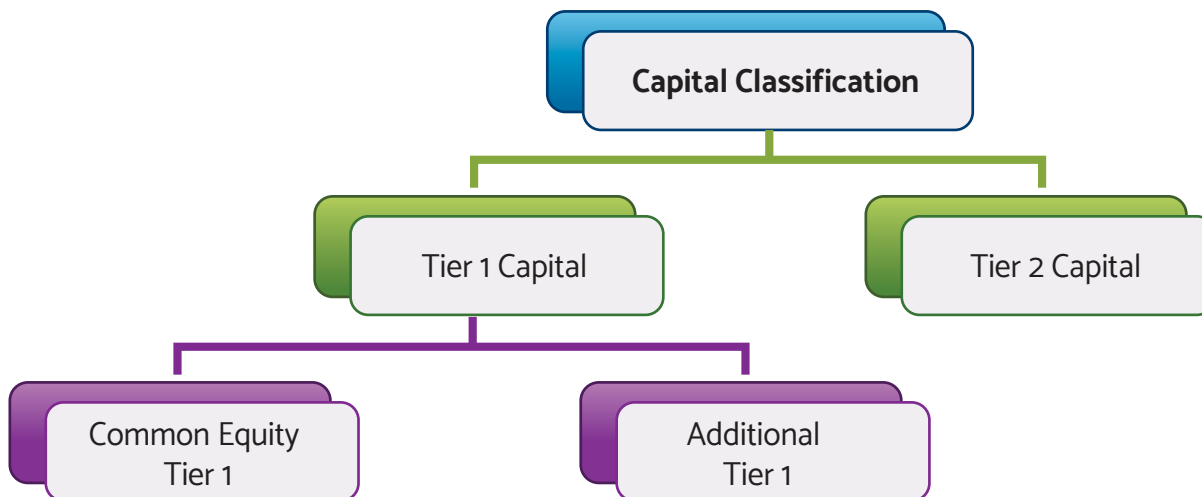
The Basel Committee raised the resilience of the banking sector by strengthening the regulatory capital framework, building on the three pillars of the Basel II framework. The reforms raise both the quality and quantity of the regulatory capital base and enhance the risk coverage of the capital framework. To this end, the predominant form of Tier 1 capital must be common shares and retained earnings. This standard is reinforced through a set of principles that also can be tailored to the context of non-joint stock companies to ensure they hold comparable levels of high quality Tier 1 capital. Deductions from capital and prudential filters have been harmonized and generally applied at the level of common equity or its equivalent in the case of non-joint stock companies. The remainders of the Tier-1 capital base must be comprised of instruments that are subordinated, have fully discretionary noncumulative dividends or coupons and have neither maturity dates nor an incentive to redeem. In addition, Tier-2 capital instruments will be harmonized and so-called Tier-3 capital instruments, which were only available to cover market risks, eliminated. Finally, to improve market discipline, the transparency of the capital base will be improved, with all elements of capital required to be disclosed along with a detailed reconciliation to the reported accounts.

Capital Structure

Basel III reforms a committee named Basel Committee on Banking Supervision (BCBS) to improve the banking sector’s ability to absorb shocks arising from financial and economic stress, whatever the source, thus reducing the risk from the financial as per BASEL guideline. In line with Basel III, Bangladesh Bank (BB) circulated ‘Guidelines on Risk Based Capital Adequacy’ vide BRPD circular no. 18 dated 21 December 2014 and gradual implementation of Basel III has started from 1 January 2015 in Bangladesh.

In compliance with the “Revised Guidelines on Risk Based Capital Adequacy (RBCA)” issued by Bangladesh Bank in December 2014, banks in Bangladesh have formally entered into Basel III regime from 1 January 2015. The new capital and liquidity standards have greater business implications for banks. First Security Islami Bank PLC. has also adopted Basel III framework as part of its capital management strategy in line with the revised guideline. These Market discipline disclosures under Basel III are made following the same guidelines in order to maintain the minimum capital requirement and the supervisory review process of our Bank.

The capital of the bank is classified into two tiers. The total regulatory capital will consist of sum of the following categories:



Common Equity Tier-1 (CET1) capital consists of sum of Paid up capital, Non-repayable share premium account, Statutory reserve, General reserve, Retained earnings, Dividend equalization reserve, Minority interest in subsidiaries. Additional Tier-1 Capital consists of Instruments issued by the banks that meet the qualifying criteria for AT-1, Minority Interest.

Tier-2 capital, also called ‘gone-concern capital’, represents other elements which fall short of some of the characteristics of the core capital but contribute to the overall strength of a bank. Sum of General Provisions, Subordinated debt / Instruments issued by the banks that meet the qualifying criteria for Tier-2 capital, Minority Interest represent Tier-2 capital.

ACTIVITIES OF THE BOARD RISK MANAGEMENT COMMITTEE IN THE YEAR 2023

The major activities of the Board Risk Management Committee (BRMC) in the year 2023 were as follows:

- Reviewed the Bank’s Risk Management Guidelines and recommended thereon.
- Reviewed all Core Risk Management Guidelines of the Bank.
- Reviewed the Capital Management, Bank Resiliency Capacity, and Internal Capital Adequacy Assessment Process (ICAAP) through Comprehensive Risk Management Report (CRMR) of the Bank.
- Reviewed the Capital to Risk Weighted Assets Ratio (CRAR) of the Bank from time to time against Minimum Capital Requirement (MCR) through Risk Management Paper/Report of the Bank.
- Reviewed the Risk Appetite Statement of the Bank.
- Evaluated the Stress Testing Result periodically while reviewing CRMR of the Bank
- Evaluated the Risk Based Capital Adequacy (Basel-III) periodically while reviewing CRMR of the Bank.
- Evaluated the Monthly Risk Management Report (MRMR) and Comprehensive Risk Management Report (CRMR) of the Bank periodically.
- Evaluated the implementation status of the decisions taken in the management level Risk Management Committee (RMC) meetings time to time.
- Reviewed the status of Bank’s Recovery, Classification, Legal position and Written off accounts periodically.
- Reviewed the Bank’s overall collateral securities and advised the management to obtain additional securities from the large borrowers on best effort basis to reduce additional capital charge of the Bank.

- l. Evaluated the concentration of Investment portfolio of Bank and advised the management to diversify investment portfolio as far as possible and practicable.
- m. Reviewed the Bank's overall rated investment clients and advised the management to improve the number of rated investment clients by pursuing the existing Corporate and SME investment clients to reduce the Risk Weighted Assets (RWA) as well as to reduce additional capital charge on the Bank.
- n. Reviewed the Bank's Top-20 Defaulter Clients and the status thereof.
- o. Reviewed the status of the Top-20 investments of the Bank and advised the management to closely monitor such investments for further improvement and also reviewed Risky client.
- p. Reviewed the CAMELS rating and Comprehensive Risk Management Ratings of the Bank and advised the management for further improvement.
- q. Reviewed the report of Risk Management Policies and Effectiveness of Risk Management functions of the Bank. The Minutes of the BRMC meetings with suggestions were placed for implementation and to the Board of Directors for subsequent approval. Reporting to the Board The decisions and recommendations of the Board Risk Management Committee were submitted before the Board of Directors for reviewing and the Board closely reviewed and approved the same as placed. Acknowledgement The members of the Board Risk Management Committee (BRMC) express their gratitude and thanks to the Board of Directors, Management and Risk Management Team of the Bank for their cooperation while performing its duties and responsibilities.

Management of Non-performing Investment

A non-performing investment (NPI) is an Investment that is in default due to the fact that the client has not made the scheduled payments for a specified period. Although the exact elements of nonperforming status can vary depending on the specific investment's terms, "no payment" is usually defined as zero payments of either principal or profit. In spite of various difficulties in the entire economy, our bank managed non-performing investments (NPIs) efficiently for reducing classified investment in the year-2023.

Non-performing Investment represents a major challenge for the banking sector due to negative impact in the profitability of banks. Bank is always enthusiastic to prepare an action plan to tackle NPIs. In order to gear up the recovery of non-performing Investment (NPI), private recovery agency and panel lawyer have been appointed for legal steps by the Bank. Besides that, Recovery Management Team has also been formed to expedite recovery at all the branches of the bank. Due to vigorous recovery attempt, a significant amount is recovered from non-performing investments during the year-2023. NPI stands at 3.76% (Unaudited) as on 31st December, 2023. It is expected that a more significant amount will be recovered through rescheduling /adjustment/declassification by our constant persuasion and monitoring from Head Office in the coming year.

ICT and ADC Management

Banks play a pivotal role in the sustained growth of an economy. Banking sector is important to maintain financial equilibrium and economic stability. On the other hand, Information and Communication Technology (ICT) is increasingly becoming an invaluable and powerful tool for driving development, supporting growth, promoting innovation and enhancing competitiveness. The bank's core banking system has upgraded to a new version BankUltimus and with it BankUltimus's slowness problems are fixed. ATM Transaction dispute management, Database and Grid infrastructures version upgradation, locker service and pay order payment service from the Remote branch, new module for CTPC for Inland Bill Purchases were successfully integrated with BankUltimus's latest version. An Automated Revaluation Process has

been deployed by the bank in daily basis. A total of 37 MIS reports was successfully deployed as per the requirement of management, different division, and branches. New rules for NBR TAX 53F deduction were successfully integrated with the BankUltimus system. A user manual for the BankUltimus system was developed and New Module for CTPC for Inland Bill Purchases was deployed successfully.

The Bank has been maintaining adequate physical security inside its workplace to properly protect ICT resource. The bank is strictly following the Information security standard of Bangladesh bank covering Password Control, User ID Maintenance, Input Control, Network security, Data Encryption, Virus Protection and Access Control of Internet and E-mailing. The Bank is regularly conducting internal ICT audit to all its branches and Head Office Divisions to ensure proper implementation of the ICT policy.

In the ever-evolving landscape of banking and financial transactions, Bangladesh stands at the forefront of innovation with the introduction of agent banking. Spearheaded by Bangladesh Bank in 2013, agent banking has emerged as a powerful tool for promoting financial inclusion and accessibility across the country. While digital technology has undoubtedly transformed banking services, there remains a segment of the population remains untouched by these advancements. Agent banking fills this gap by extending regular banking services to the last-mile citizens, particularly in rural areas, through a convenient and cost-effective delivery channel.

The impact of agent banking is underscored by the comprehensive prudential guidelines published by the central bank in 2017. These guidelines provide a clear framework for the operation of agent banking, covering aspects such as agent selection, activation processes, Anti-Money Laundering (AML) and Countering Financing of Terrorism (CFT) requirements, customer protection, and business continuity. By ensuring adherence to these guidelines, Bangladesh is paving the way for the impactful implementation of agent banking nationwide.

Leading the charge in this transformative journey is First Security Islami Bank PLC. with 104 agent banking outlets strategically positioned across the country, the bank is playing a pivotal role in bringing the unbanked rural community into the banking arena and maintaining a satisfactory business portfolio, offering different types of facilities like remittance services and utility bill payment services across the country.

Leveraging various Alternate Delivery Channel (ADC) services, including agent banking, mobile financial services (MFS) such as FirstCash, Education Payment Management System supported by FirstCash where we have enrolled with around 50 schools for tuition fees collection as part of Financial Inclusion activity, mobile apps (FSIB Cloud, d-Cloud) where FSIB provide services to more than 200,000 digital banking user and amount of transaction through digital channel has also increased enormously around BDT 5000 Cr in 2023, SMS banking, internet banking, ATM, POS, and a dedicated call center, First Security Islami Bank PLC. is committed to provide seamless and efficient banking services to its all stakeholders.

The success of agent banking, mobile financial services, and digital banking at FSIB hinges on collaboration between regulatory authorities, financial institutions, and stakeholders. By working together, we can ensure that agent banking continues to drive financial inclusion, empower individuals and communities, and contribute to the sustainable economic growth and development of Bangladesh.

More importantly, the Alternative Delivery Channel represents a paradigm shift in the way banking services are delivered and accessed in Bangladesh. With its ability to reach the last mile citizens and provide them with essential financial services like agent banking, mobile financial services, digital banking is not only transforming lives but also shaping the future of banking in the country.

SUSTAINABILITY *Reporting*



FSIB SUSTAINABILITY

First Security Islami Bank PLC. formed Sustainable Finance Unit on February 14, 2017 as per the circular no-02, of Sustainable Finance Department of Bangladesh Bank with the aim to contribute to building up eco-friendly environment & establishing ethical banking. The task of SFU is to bring all FSIB Branches under Green Growth & Sustainable Finance along with other regular activities, helping reduce emissions, enhancing sinks of greenhouse gases & reducing vulnerability of, and maintaining and increasing the resilience of, human and ecological systems to negative change impact.

In doing so, SFU is working with the Branches under different Zones of FSIB with the object to finance in the 94 green products and 86 sustainable Products both to minimize negative impacts on the environment while promoting economic growth and human well-being and to do “better development” through “better finance” which is sustainable in each of its economic, social and environmental dimensions.

Sustainable Finance plays a crucial role in promoting green growth by channeling financial resources towards environment friendly & socially responsible projects and initiatives. Environmental, Social and Governance (ESG) Integration, Sustainable Agriculture, Climate Adaptation, Conservation & Biodiversity and Green Technology Innovation are the ways in which sustainable finance contributes to green growth and Green growth offers a path to prosperity that considers the well-being of current and future generations.



These invigorate FSIB to set a very clear vision to promote Sustainable Finance & safeguard the environment from the unusual weather patterns. Our Bank has also come forward proactively & effectively for policy formulation and implementation, budget allocation and utilization, environmental risk rating, sustainable financing, utilization of climate risk fund in the most effective manner.

FACTORS CONTRIBUTING ON SUSTAINABILITY OF FSIB

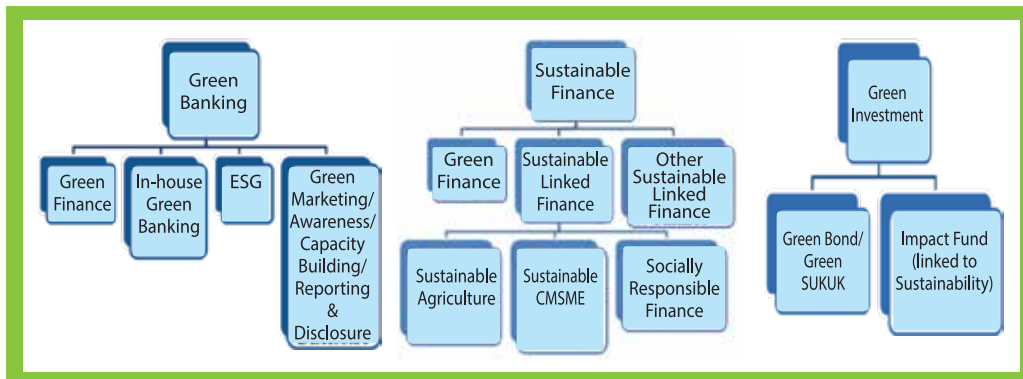
Being a responsible corporate one of organizations of the country, First Security Islami Bank PLC. believes every single step taken today would go a long way to build our future, more greener. The spirit of First Security Islami Bank PLC regarding sustainability initiatives is adding the number of values, incorporating environmental, social and governance (ESG) principles into business decisions and strategies.

- ✓ To establish in-house environment management.
- ✓ To ensure environment friendly atmosphere for employees to make every one environmentally concerned.

- ✓ Adherence to the Environmental Risk Management (ERM) guidelines.
- ✓ Launch of green banking products and services supported to environment.
- ✓ To provide support to our clients to be more environmentally conscious.
- ✓ Financing in green project.
- ✓ To support environment friendly organizations as a part of Corporate Social Responsibility (CSR) activities.
- ✓ Alliance with Non-Governmental Organizations (NGO's) and other environmental focus groups for green banking activities.

FSIB looks at environmental, Social and Governance factors, as well as risk management to the lending practices, to promote stability of financial systems in developing countries, and channel chance to responsible entities.

FSIB's approach in this regard has been pushing the banking in a unique position in economy which gives pivotal importance to human well-being as well as its environment. In our country, banks have taken initiatives on environmental issues in their activities, especially in the form of stopping lending to high-pollution and high energy consumption industries while facilitating financial support to green industries. As a part of this, our Bank has also taken important steps contributing not only on sustainability of FSIB, emphasizing on the green financing & sustainable financing with the help of FSIB Zonal Offices & all Branches; The green financing & sustainable financing model is as follows:



To achieve the sustainable goal, Bangladesh Bank promulgated a Master Circular no-05 in the year 2020. First Security Islami Bank PLC. in line with the Bangladesh Bank criteria has set sustainable goals for FSIB Branches to finance in the 94 green products & 86 sustainable products, to reach the Bangladesh Bank benchmark, to be the sustainable Bank, to uphold the branding image of FSIB.

CORPORATE SOCIAL RESPONSIBILITY

First Security Islami Bank PLC. always extended its assistance to the distressed community in Education, Health, Environment, Promotion of Art, Culture, Literary, Sports, Infrastructure improvement in remote/underprivileged areas, Income generating activities for the underprivileged population and Various natural calamities as a part of Corporate Social Responsibility (CSR).

In the year 2023, First Security Islami Bank PLC. contributed TK.12,54,64,907/- (Twelve Crore Fifty Four Lac Sixty Four Thousand Nine Hundred Seven Taka) only in various sectors of the country as a part of Corporate Social Responsibility, as below:

01/01/2023 TO 31/12/2023

| No | Sectors/Initiatives | 2022 (BDT) |
|----|---|---------------------|
| 1 | Education | 1,15,82,500 |
| 2 | Health | 78,41,250 |
| 3 | Disaster Management : | |
| a | Emergency Disaster Relief | 5,17,41,157 |
| b | Capacity building of emergency rescue service | |
| 4 | Environment | 4,09,80,000 |
| 5 | Culture : | |
| a | Promotion of Art, culture, literary | |
| b | Sports | 1,25,00,000 |
| c | Recreational facilities for the underprivileged | |
| 6 | Infrastructure improvement in remote/underprivileged areas | |
| 7 | Income generating activities for the underprivileged population | |
| 8 | Others | 8,20,000 |
| | Total | 12,54,64,907 |

Major CSR Activities of First Security Islami Bank PLC. in the year 2023 is as follows:

| SL | Organization | Amount |
|----|---|-------------|
| 01 | Prime Minister's Relief Fund against Distribution of Blanket for Cold Stricken People | 5,17,41,157 |
| 02 | PMEAT Current Account agt. Prime Ministers Education Assistance Trust. | 37,50,000 |
| 03 | Meteorological and Related Services Limited | 3,60,000 |
| 04 | Institute for Developing Science and Health Initiatives (ideSHI) | 95,000 |
| 05 | Scholarship | 2,45,500 |
| 06 | Barrister Milky Foundation | 75,000 |
| 07 | Pallima Sangsad | 70,000 |
| 08 | PFDA-Vocational Training Center Trust. (Autism and Neuro-Disability Person) | 45,000 |
| 09 | Subarta Trust. | 50,000 |
| 10 | Palliative Care Society of Bangladesh | 50,000 |
| 11 | SEID | 50,000 |
| 12 | Assistance for Blind Children | 50,000 |
| 13 | Noorani Talimul Quran Madrasa | 35,000 |
| 14 | Sir William Beveridge Foundation | 35,000 |
| 15 | Solmaid Community School Foundation. | 25,000 |

CORPORATE SOCIAL RESPONSIBILITIES



First Security Islami Bank PLC. donated 1,25,000 pcs blanket to the 'Prime Minister's Relief Fund' in a simple ceremony organized in this regard. Mr. Syed Waseque Md Ali, Managing Director of First Security Islami Bank PLC. handed over the sample blankets to Honorable Prime Minister Sheikh Hasina. Among others, Mr. Md. Nazrul Islam Mazumder, Chairman, Bangladesh Association of Banks (BAB) were present in the occasion.



Thalassemia carrier screening and awareness camp at Asian University for Women, Chattogram.



Thalassemia carrier screening and awareness camp at Sheikh Sayera Khatun Medical College and Hospital, Gopalganj.

First Security Islami Bank PLC. and Institute for Developing Science and Health Initiatives (ideSHi) jointly organized various free thalassemia carrier screening and awareness camp throughout the country. Thalassemia is a deadly disease that is transmitted through parents. Thalassemia can be prevented if one thalassemia carrier does not marry another thalassemia carrier. That's why, it is important for every person who are planning to marry to have a thalassemia test.

GREEN BANKING

Green Banking is meant to promote environment friendly practices, reducing carbon footprint from banking activities. It may also be named as ethical banking or a sustainable banking. It is suggested to be a balanced approach in achieving sustainable development-on the one hand, protecting the environment, while on the other hand ensuring economic growth.

As a part of it, FSIB starts working well about Green Banking which targets the below:

- ✓ Environment sustainability by reducing pollution and lowering greenhouse gas emission.
- ✓ Economic resilience by promoting clean and sustainable technologies and practices.
- ✓ Health and well-being by reducing pollution and ensuring better air and water quality.
- ✓ Energy Sustainability by investing in renewable energy and energy efficiency
- ✓ Sustainable Agriculture by enhancing food security and reducing the environmental impact of farming.
- ✓ Sustainable Infrastructure by promoting environment-friendly public transportation and energy-efficient infrastructure.
- ✓ Global cooperation by adopting green principles & aligning with international efforts to address climate change and environmental degradation.

1. Banks and its area to promote Green Banking:

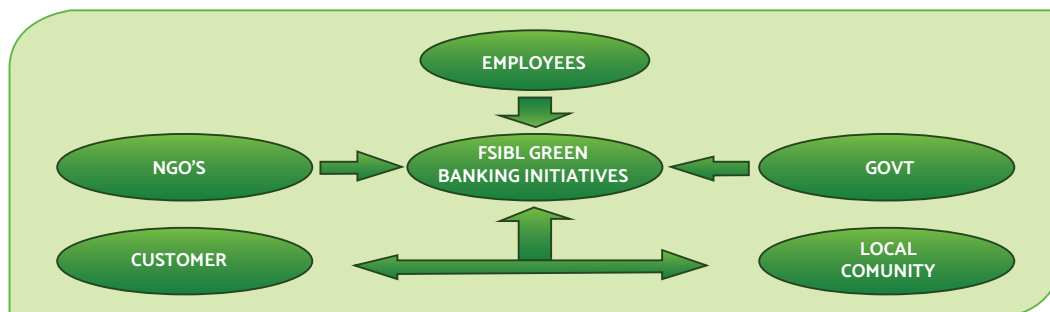
- ✓ Great opportunity to reach a significant number of people of the country who visit the bank & do transactions.
- ✓ Primary lender to individuals and large corporate help the bank to encourage its clients on environmental issues.
- ✓ Awareness building among the stakeholders.
- ✓ Green Financing.
- ✓ Environmental Risk Management.

2. Capitalizing the opportunity:

- ✓ Promote and launch of green banking products and services.
- ✓ Assist corporate, SMEs, suppliers for quick adoption of environment friendly practices by ways of
 - Risk mitigating measures that include environmental risk.
 - Incentivizing clients- corporate and individual for green banking.
- ✓ Promote the renewable energy at all levels in the banks in its day to day operation.
- ✓ Image building by way of showing commitment to the environment.
- ✓ Could be able to reduce operational cost due to strict control of wastage of paper and misuse of stationery.
- ✓ Increase of productivity as well as the level of quality of the employees by using the optimum service of technology.
- ✓ Able to create very healthy work environment by installing ecofriendly equipment.

3. Stakeholder of FSIB Green Banking:

- ✓ Combined efforts of multi stakeholders are must to protect ecological balance.



- ✓ FSIB Green initiative is to be driven by the collaboration, participation, co-operation, support among employees, outside partners, clients and other concern.

ENVIRONMENT RELATED INITIATIVES

To go green and play a proactive role in environmental and ecological aspects, FSIB is concentrated at our day to day functioning to identify and implement initiative measures. These initiatives may range from reduction in consumption of energy and paper by making the employees aware.

First Security Islami Bank PLC. allocates the fund of green marketing and capacity building.

a. Conserve Energy by:

- ✓ Switching off all lights and electronic equipment (computers, monitors, photocopiers, printers etc.) when not in use.
- ✓ Use of energy saving bulbs.

- ✓ Installation of solar panel in the Corporate Head Office (CHO) and branches for generating electricity.
- ✓ Maintaining regulated AC temperature.
- ✓ Optimization of the use of natural light & wind in Head office and branches.

b. Saving Paper:

- ✓ Recycling paper internally.
- ✓ Sharing electronic files, e-mail instead of paper based communication.
- ✓ Setting default the duplex printing option (both side printing).
- ✓ Using technologies for paperless communication with our clients as well as during interbank correspondence.
- ✓ Buying the paper with 'recycle' mark.
- ✓ Introducing of 'e-greeting' and electronic circulation of other promotional materials.
- ✓ Adding the message 'think before you print' at the bottom of every e-mail, circular etc.
- ✓ Introducing of 'e-statement'. We should send account statements and balance confirmations etc. to the clients through online and through email, which would save enormous amount of paper, time, cost and above all the environment.
- ✓ Issuing of dateless diaries to employees & clients. It would reaffirm FSIBL's commitment for environmental concerns.
- ✓ Following other printing tips would also reduce paper consumption:
 - Printing on reusable sheets.
 - Printing multiple pages on single sheets of paper
 - Printing only the pages required.
 - Previewing documents before printing.
 - Increasing margin width of the documents.

c. Ensuring Employees' engagement & building awareness by:

- ✓ Circulating 'Green Office Guide' which would be a written guideline for green banking.
- ✓ Arrangement of in-house training for the employees on green banking measures & tips.
- ✓ Encouraging them to purchase hybrid vehicles/fuel efficient vehicles.
- ✓ Eco-friendly message to be included in the internal correspondence.
- ✓ Periodical meeting to discuss the Green Banking issues.
- ✓ Contest among the branches on Green Banking activities.
- ✓ Observation of fortnightly/ monthly/ quarterly green hour at branches.

d. Waste Management:

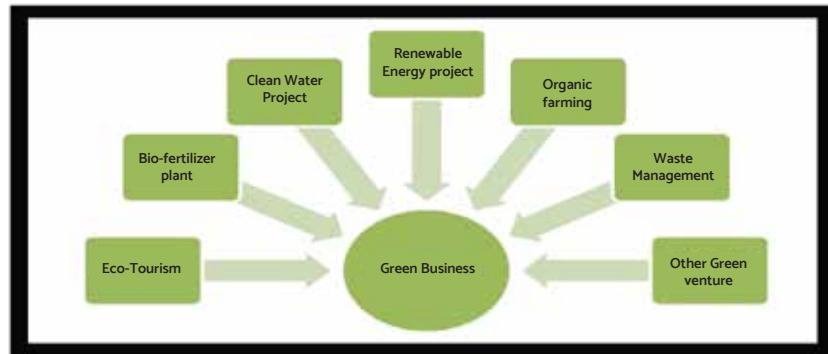
- ✓ Green banking encourages the employees to be cautious about misuse & wastage of resources like water, gas, electricity, paper, foods etc.
- ✓ Each group of waste should be kept in a separate place, which does not pollute the environment and all the wastes must be disposed off separately.
- ✓ Reducing e-wastage through upgrading existing PCs.
- ✓ Proper disposal of old discarded electronic equipment in order to minimize the effect of environmental hazardous & toxic material.

e. Online Banking:

- ✓ Use of Outlook for internal messaging
- ✓ Use of Internet banking
- ✓ Mobile/ phone banking
- ✓ Database required for number of branches with online coverage

f. Financing the energy efficient & eco-friendly business:

For financing, environment friendly business activities and energy efficient industries would be given preference by FSIB.



Spectrum of Environment related Issues

g. Creation of Climate Risk Fund:

FSIB creates a “Climate Risk Fund” from its CSR expenses. From this fund, bank may compensate itself while financing the natural calamities prone areas at the regular rate without charging additional risk premium. This fund is being used in case of emergency.

h. Green Marketing:

Green marketing is the marketing of products that are presumed to be environmentally safe. Green marketing incorporates a broad range of activities including product modification, changes to the production process, packaging as well as modifying advertising.

FSIB PLC always keeps in mind to use environmental causes for marketing its services to consumers. Besides avoiding negative impacts on environment through banking activities, FSIB PLC introduces environment friendly innovative green products to address the core environmental challenges of the country.

i. Setting up Green Branches:

Bank may open number of new branches and also convert existing branches with green banking features. A green branch should be featured by the provision of:

- ✓ Maximum use of natural light.
- ✓ Use of renewable energy.
- ✓ Use of energy saving bulbs and other equipment.
- ✓ Reduced use of water and electricity and use of recycle water.

ENVIRONMENT & SOCIAL OBLIGATION

First Security Islami Bank PLC gives emphasis to diversify its business portfolio commensurate with environment and social obligation. All-inclusive support including holistic one, is extended to our Stakeholders, clients & its borrowers based on the said obligations, to help them manage their cash flow, have engagement in environment & social activities and build capacity in areas of sustainability. In doing so, we discourage investment in following ethically or environmentally sensitive business areas:

- ✓ Military Equipment/ Weapons Investment.
- ✓ Tobacco Sector/Logging.
- ✓ Mineral Extraction/Mining or other activity that is ethically or Environmentally sensitive.

FSIB opened Financial Literacy Wing, rendering training, workshops, conference, seminars using communication tools over the country & opened separate desk for women in 205 Branches, especially to bring under DFS like FSIB Cloud, FirstCash. These initiatives promote equal economic opportunities, accessibility and financial education tailored to each group. Progress has been made in developing tailored financial products and services for each target group. Total 238 programs arranged where 2456 participants (male & female) attended. Challenges are societal biases, discrimination, age-appropriate financial education, privacy concerns & commitment from FIs; Impacts of the initiative are to improve economic independence, reduce poverty and enhance overall well-being.

PRODUCTS & SERVICES OF FSIB

First Security Islami Bank PLC. is one of the leading Islamic banks in Bangladesh which plays a pivotal role in banking sector and offers various products and services in accordance with the requirements of the banking sector. FSIBL is engaged with the business of deposit mobilization, making investment therefrom and other activities under section 7(1) of Bank Companies Act, 1991. The short description of its business is depicted below:

- a. Deposit Mobilization through Different Deposit Products
- b. Making Investment through Different Investment Products
- c. Mobile Apps “dCloud”
- d. Mobile Banking/Mobile Financial Service
- e. Locker Service
- f. ATM Service
- g. SMS Banking
- h. Online Banking
- i. Evening Banking
- j. Internet Banking
- k. Offshore Banking
- l. School Banking
- m. Agent Banking
- n. Remittance Service
- o. QR Merchant Service
- p. Collection Booth
- q. Utility Bill Collection
- r. Hajj Cell
- s. Zakat Fund
- t. E-KYC Solution
- u. E-GP Service
- v. Call Center

All kinds of commercial banking services are provided by the Bank to the customers following the principles of Islamic Shari’ah, the provisions of the The Bank Companies Act, 1991 and Bangladesh Bank’s directives. The products and services of FSIBL are described below:

1. Deposit Products

The Bank mobilizes deposits from its clients by offering various deposits products such as-

| | |
|----|---|
| 01 | Al-Wadiah Current Deposit A/C |
| 02 | Al-Wadeeah Current Plus Account (Morjada) |
| 03 | Al-Wadeeah Premium Account (Shomman) |
| 04 | Mudarabah Savings Deposit Account (Staff) |
| 05 | Mudarabah Savings Deposit Account |
| 06 | MUDARABA SPECIALIZED SAVINGS ACCOUNT |
| 07 | Mudarabah Shramajibi Savings Account (Mehnoty) |
| 08 | Mudaraba Student Savings Account (Onkur) |
| 09 | Mudaraba Salary Account (Prapti) |
| 10 | Mudaraba Senior Citizen Savings A/C (Probin) |
| 11 | Mudaraba New Generation Saving (Projonmo) |
| 12 | Mudaraba Workers Savings A/C (Majdoor) |
| 13 | Mudarabah Special Notice Deposit Account (SND) |
| 14 | Mudaraba Term Deposit Account |
| 15 | Mudarabah Monthly Profit Scheme |
| 16 | Mudarabah Monthly Profit Scheme (FSIB MUROBBI) |
| 17 | Mudarabah Monthly Profit Scheme (MAHIYASI) |
| 18 | Mudarabah Sanchay Scheme (FSIB SANCHAY) |
| 19 | Mudarabah Deposit Double Scheme |
| 20 | MUDARABA MONEY PLANT SCHEME |
| 21 | Mudarabah Greheni Deposit Scheme (Gharoni) |
| 22 | Mudaraba Cash Waqf. Deposit Scheme |
| 23 | MUDARABA HAJJ DEPOSIT SCHEME |
| 24 | Mudaraba Marriage Deposit Scheme (Bondhon) |
| 25 | Mudaraba Health Care Deposit Scheme (Niramoy) |
| 26 | Mudaraba Education Deposit Scheme (Alo) |
| 27 | Mudaraba Pension Deposit Scheme [Oboshor] |
| 28 | MUDARABA MILLIONAIRE DEPO. SCHEME (Agroshor) |
| 29 | MUDARABA KROROPOTI DEPO. SCHEME (Unnoty) |
| 30 | MUDARABA PROBASHI DEPO. SCHEME (SWADESH) |
| 31 | Mudarabah Monthly Deposit Scheme (MMDS) |
| 32 | MUDARABAH MUSHAFIR DEPOSIT SCHEME (MUSHAFIR) |
| 33 | Mudaraba New Generation Deposit Scheme (Uddipon) |
| 34 | Mudaraba Gift Cheque (Shuveccha) |
| 35 | Non Residential Foreign Currency Account |
| 36 | Mudarabah Corporate MDS "FSIB MERCHANT" |
| 37 | Mudaraba Pension Scheme (Sanchaye Sukh) |
| 38 | Mudarabah Special Monthly Profit Scheme "Utshob" |
| 39 | Mudarabah "FSIB Smart Account" |
| 40 | Mudarabah Term Deposit Account "FSIB Century" |
| 41 | Mudarabah Term Deposit Account "Double Century" |
| 42 | Mudarabah Deposit Double Scheme "Samania" |
| 43 | Mudarabah Smart Deposit Double Scheme |
| 44 | Mudarabah Sp Gift Monthly Pft Scheme "Utshob-24" |
| 45 | Mudarabah Monthly Deposit Scheme "Durbar" |
| 46 | Mudarabah Spec. Monthly Deposit Scheme "FSIB Ehsan" |

2. Investment Modes and Products

FSIB is a financial institution which identifies itself with the spirit of Shariah, as laid down by the Holy Quran and Sunnah, as regards its objectives, principles, practices and operations. Following are the main modes of FSIB investment:

- a. Bai-Mechanism (Trading Mode)
 - Bai-Murabaha (Cost Plus Agreed Profit)
 - Bai-Muajjal (Deferred Payment Sale)
 - Bai-Salam (Purchase with Deferred Delivery)
 - Bai-Istishna (Made to Order)
- b. Share Mechanism (Partnership Mode)
 - Mudarabah
 - Musharakah
- c. Ijara mechanism (leasing mode)
 - Ijara
 - Hire Purchase under Shirkatul Melk (Participatory Ownership)
- d. Quard
 - Quard-E-Hasana (Good Investment)

3. SME & Agricultural Investment Product

- a. Investment in CMSME Sector
- b. Agriculture Investment
- c. Women Entrepreneur

4. International Business

FSIB provided the following services in regards to international business:

- a. Import Business
- b. Export Business
- c. Foreign Remittance
- d. Correspondent Banking

5. Offshore Banking

First Security Islami Bank PLC commenced the operations of Offshore Banking business on August 05, 2020 through opening Offshore Banking Unit (OBU). Offshore Banking conducts banking business activities in foreign currencies in compliance with the Rules and Guidelines of Bangladesh Bank under their permission vide letter no. BRPD(OB)/744(126)/2020-4735 & 4737 dated 06 July 2020.

Offshore Banking Unit (OBU) discounts/purchases accepted usance/deferred bills against import from abroad and accepted usance/deferred export bills against direct and deemed exports of products produced in Bangladesh. In the year 2023, the unit earned total profit for USD373,947.83 equivalent to BDT4,10,40,774.34 by funding of usance/deferred bills against import and export.

6. Alternative Delivery Channel Services

The Alternative Delivery Channel of FSIB has been established to cater to the evolving needs of our clients and offer a comprehensive range of products and services through innovative channels beyond the

traditional bank branch. This division leverages advancements in information and communication technology to expand the reach of our services and meet the changing consumer expectations. Alternative Delivery Channel Division of FSIBL involves with the following Product and Services.

- a. AGENT Banking
- b. Mobile Banking/Mobile Financial Service (FirstCash)
- c. Bangladesh Road Transport Authority (BRTA) Fees Collection
- d. Dispute & Settlement Management of IBFT NPSB
- e. FSIB Internet Banking
- f. Mobile Apps (FSIBL CLOUD)

7. Electronic Payment and Settlement System

The people of our country are habituated mainly with cash transaction. Most of the retail payments are done in cash. Some of the business institutions and persons use cheque. Popular Electronic medium of payments are BACPS, EFT, RTGS etc. We use RTGS for settling large value payment instantly. At present there are many retails and a large value inter- bank payment and settlement system in our bank which is discussed below:

- a. Bangladesh Automated Cheque Processing System (BACPS)
- b. BEFTN (Bangladesh electronic Fund transfer network)
 - EFT credit transaction
 - EFT Debit transaction
- c. Bangladesh Real Time Gross Settlement (BD-RTGS) System

8. Card Services

The Bank is committed to provide 24/7 banking service to its clients through various channels. These channels allow the customers to get all banking service without depending on branch banking. These alternative ways enable instant transmission of financial and non-financial information between the customer and financial service provider. In this context, FSIB Card Division has implemented some alternative channels such as:

- a. ATM
- b. CRM
- c. Bank POS
- d. Debit Card
- e. Credit Card
- f. NPSB Transaction

9. Other Services

In addition to aforementioned services, the Bank provides many other services as per directives of Bangladesh Bank and requirement of clients based on The Bank Companies Act, 1991.

SUSTAINABLE HR DEVELOPMENT

Human Capital

Human capital is the human trait within the company; the combined intellect, abilities and experiences that characterizes the organization. "Human Capital" is a key factor for increasing the productivity of company assets and employees and retaining a competitive edge leading to improved financial performance.

Our Human Capital is the blend of knowledge, abilities, expertise and learning of our employees. Currently,

we have 4417 employees and we provided 2459 hours training to our employees in the last year. Stages of Value Addition: We believe, Investment in Human Capital ensures sustainable development in the long run.

Initiatives:

- Recruit fresh, talented and right employees in the right place.
- Provide various training and development opportunities.
- Ensure safe, healthy and equitable environment for all employee.
- Provide competitive pay-package.
- Reward performance-based bonus and incentives.

Challenges:

- Retaining experienced and skilled employees.
- Developing human resources according to company's goal.
- Maintaining productivity and efficiency.

Key Highlights:

- 4484 Employees.
- 4308 hours of training.
- 10097 Employees received Training.

Sustainable HR Development:

Sustainable HR Development involves creating a human resources strategy that supports the bank's overall mission and values, while also considering the well-being and development of employees and the impact on the environment and society.

First Security Islami Bank PLC. pursued the following steps to achieve sustainable HR development:

Pay Package: We pay competitive pay package to our employees as per the set Pay Scale. 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. To motivate our employees, increment is given every year based on performance. There is no incident of discrimination in terms of remuneration provided to male and female employees.

Diversity and inclusion: First Security Islami Bank PLC. ensure equal opportunity as an employer irrespective of locality, gender or ethnicity. Our employees are mainly spread over Dhaka and chattogram. We follow fair hiring process which demonstrates no discrimination in locality, religion of employees in this process.

Gender Positioning of Employees

First Security Islami Bank PLC. has been maintaining a very balanced male and female ratio.

Employee training and development: As "Efficiency" is our strength, First Security Islami Bank PLC. continuously provide training to maintain the highest level of operational efficiency, customer focus, and people orientation to employees. We arranged many training programs for increasing our employees' knowledge, developing skill and bring change in attitude at individual, task & organizational level.

Occupational Health, Safety & Environment

All our branches, sub-branches, collection booths, divisions of Head office having sufficient breathing spaces and adequately equipped with fire-fighting equipment and fire drills. To keep our offices secured and

clean, third party security firm and cleaning companies have been appointed.

Maternity Leave

As per bank's policy, every female employee is entitled to get 6 months' maternity leave with regular salary and allowances. During the year 2023, 44 female employees availed Maternity Leave of 180 days each with a total of 7920 days. An employee can avail this leave not more than two occasions during the entire period of service.

Environmental Responsibility: A number of training and workshop was organized related to Green Banking & Environmental Risk Management, Reporting format of Green Banking activities, financial inclusion, CSR and Green Banking.

Employee Performance Evaluation

We have a system of annual reporting on the performances and conduct of the employees which is called the Annual Confidential Report (ACR). The Bank may also call for special confidential report(s) on any employee as and where considered necessary. The Annual Confidential Report for each employee is in the form given at Annexure – K which contains 16 traits bearing marks 40. An employee does not have access to his/her confidential report(s). But he/she is informed of the adverse remarks, if any, and heard in person, in order to give him/her an opportunity to explain his/her position or to improve/rectify himself/herself.

INTEGRATED REPORTING

Our Approach to Integrated Reporting

It is our immense pleasure to present Integrated Report 2023. The aim of our Integrated Report is to highlight how the Bank, as a financial institution, has excellently managed its business to deliver consistent value to its shareholders. Our Integrated Report gives clear indication of our business model, strategic focus, resources allocation and future outlook to help the stakeholders to evaluate the bank's intrinsic value creation capability. In our Integrated Report, we also focused on the key factors that are material to our present and future value creation. We have prepared our Integrated Report in accordance with the International Framework of the International Integrated Report Council (IIRC).

Scope of Integrated Report

The Integrated Report covers the period from 01 January 2023 to 31 December 2023. Business operation, business performance, financial position, and financial and non-financial information of the Bank have been considered in the Integrated Report 2023. The report also covers the post COVID impact as well as impact of Russia-Ukraine war in global economy. The Integrated Report, incorporated in this Annual Report 2023, has been prepared in line with the key guidelines of the International Framework of the International Integrated Report Council (IIRC). We have referred to the guidelines of Integrated Report, issued by the Institute of Chartered Accountants of Bangladesh (ICAB) in the form of 'Integrated Reporting Checklist', which is the prototype of Integrated Reporting Framework.

Regulations that We Follow

We follow the following regulations in preparing our report:

- The Companies Act, 1994
- Bank Company Act, 1991
- Securities and Exchange Rules, 1987
- Corporate Governance Code (issued by Bangladesh Securities and Exchange Commission)
- The Income Tax Ordinance, 1984

- Value Added and Supplementary Duty Act, 2012
- Relevant Rules and Regulations of Bangladesh Bank
- All other Rules and Regulations applicable for Bank

Guiding Principles of Integrated Reporting

We prepare our Integrated Reporting based on some basic principles which are pertinent to the banking industry. These principles are:

- Strategic Focus and Future Orientation
- Connectivity to information
- Stakeholder Relationship
- Materiality
- Conciseness
- Reliability and Completeness
- Consistency and Comparability

Frameworks and Guidelines for Integrated Reporting

The Financial Statements and other reports are prepared observing the frameworks and guidelines mentioned in-

- International Accounting Standards (IAS)
- International Financial Reporting Standards (IFRS)
- International Integrated Reporting Framework (issued by International Reporting Council)
- Global Reporting Initiative (GRI) GR4 Framework
- SAFA/ICAB Integrated Checklist
- ICSB Corporate Governance Checklist

Content Elements of Integrated Reporting

The following Content Elements of an Integrated Report that are fundamentally linked to each other and are not mutually exclusive:

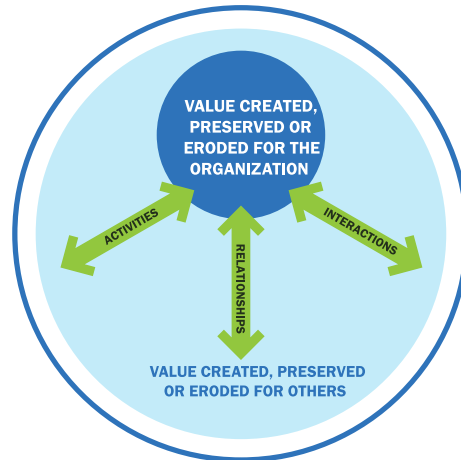
- Organization overview and external environment
- Governance
- Business model
- Risks and opportunities
- Strategy and resource allocation
- Performance
- Outlook
- Basis of Presentation

Value Creation, Preservation or Erosion for the Organization and for Others

Value created, preserved or eroded by FSIB over time manifests itself in increases, decreases or transformations of the capitals caused by the Bank's business activities and outputs. That value has two interrelated aspects – value created, preserved or eroded for:

- The Bank itself, which affects financial returns to the providers of financial capital.
- Others (i.e. the stakeholders and society at large)

It provided a significant return to the providers of financial capital. It also makes substantial's amount of expenditures for the society in which it operates. The ability of the Bank to create value of itself is linked to the value it creates for others.



The Capitals of FSIB

The sustainability of the Bank depends on the positive performance some capitals. The better the outcomes of these capitals, the sustainable of the development of the Bank. As per <IR> Framework, the capitals are describes as under:

Financial Capital

Financial capital is the pool of funds that is available to the Bank for use in creating value to the providers of the capital. Basically, FSIB uses the financial capital to provide services to the customers to generate profit thereof.

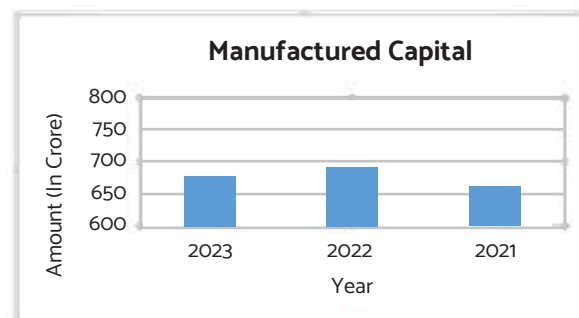
| Year | Amount (In Crore) |
|------|----------------------|
| 2023 | 1,150.61 |
| 2022 | 1,046.01 |
| 2021 | 996.2 |



Manufactured Capital

Manufactured Capital includes the Banks premises, equipment's, and technological knowhow. In a nutshell, these are physical objects different from the natural resources. These are manufactured or produced means of production.

| Year | Amount (In Crore) |
|------|----------------------|
| 2023 | 672.54 |
| 2022 | 687.76 |
| 2021 | 654.51 |



Intellectual Capital

Intellectual Capital includes knowledge-based intangible properties. Intellectual capital of the Bank can be divided into two categories, viz; intellectual property and organizational capital.

Intellectual Property – it includes patents, copyrights, own developed software, rights and licenses for the Bank. The Bank's ICT Team has developed Automated Exchange Position, ORBIT System, SSL Payment Gateway to FSIB, File Management System, ISS Reporting, Bond Management, Online CIB Report, FOREX Management and ICT Inventory System.

Organizational Capital – it includes highly trained & skilled workforce, motivated employees with latent Talent, highly customized product and techno-based services to all groups of people.

Human Capital

Human capital is the most important factor that enables the Bank to develop and sustain. There are 5406 employees of the Bank. The Bank believes that only the workforce can differentiate it from other Banks through its quality of service and the motivated workforce can provide quality services to the customers. The workforce is aligned with and supportive to the Bank's governance framework, risk management approach, and ethical values. They are able to understand, develop and implement the Bank's strategy. Senior team is able to lead, manage and collaborate team as well as to develop loyalties and motivations for improving simpler process to provide services.

Social and Relationship Capital

Our beloved Bangladesh is a Muslim county where more than 90 percent people are Muslim and our FSIB is an Islamic Bank. That is why, there is a good tie between the religious value of majority people of Bangladesh and the basis of operation of FSIB. Those people who want to do their banking activities in Islamic principles, like to come here.

Moreover, we are very much compliant to the rules and regulations imposed by the regulatory bodies. We celebrate all National Days aligned with the People's Republic of Bangladesh. The bank spends a significant portion of its profit for the well-being of the country particularly for the financially unprivileged people. The Bank is now in the center of people trust. As a result, it has become the 2nd largest private commercial Islami bank in the country in terms of assets.

Natural Capital

With the aim to provide banking services to the people who are out of the usual purview of banking services, the Bank has opened its branches, sub-branches and agent outlets at the remote areas of the country where banking services are yet to reach. Now, the unbanked people have accustomed to banking activities and converted as regular clients. On the other hand, low cost deposits and low administrative cost have given the Bank an added advantage to sustain and develop. Similarly, motivated workforce is another advantage of the bank to develop.

Process of Value Creation, Preserved or Eroded

The aim of Bank is to create value in highly competitive environment where there are 61 commercial banks in a newly graduated middle income country, Bangladesh aligning with its vision, mission, objectives, and Islamic Shari'ah-based principles. On the other hand, the Bank has to abide by all laws, rules and regulations, i.e. governance, imposed by the regulatory bodies.

The core of the process is the business model which converts the inputs into outputs, i.e. services, through its business activities. The business activities and outputs lead to outcomes in terms of effects on the

capitals. The capacity of the business model to adapt to changes (e.g. in the availability, quality and affordability of inputs) can affect the organization's longer-term viability.

Our business activities include proper planning, designing and developing need-based products and services, deploying motivated & skilled employees in providing services. Encouraging a culture of innovation is often a key business activity in terms of generating new products and services that anticipate customers' demand, introducing efficiencies and better use of technology, substituting inputs to minimize adverse social or environmental effects, and finding alternative uses of outputs.

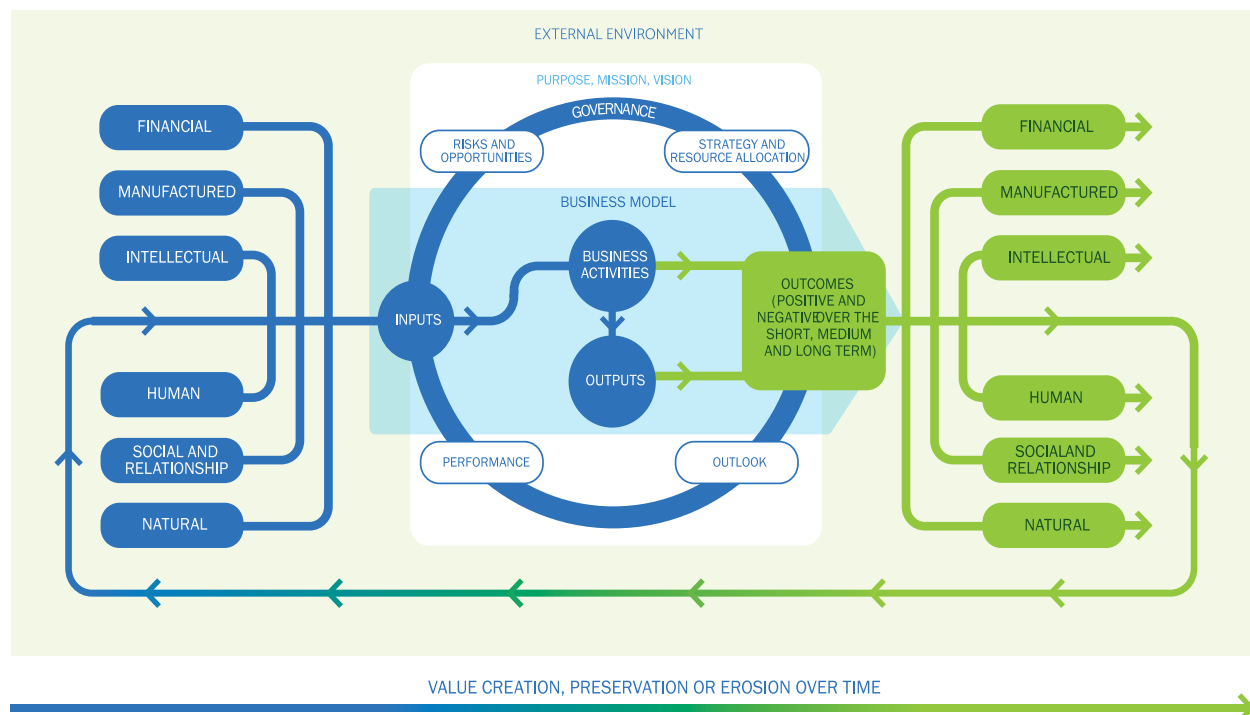
Outcomes are the internal and external consequences (positive and negative) for the capitals as a result of an organization's business activities and outputs.

Continuous monitoring and analysis of the external environment in the context of the organization's purpose, mission and vision identifies **risks and opportunities** relevant to the organization, its strategy and its business model.

The Bank's strategy identifies how it intends to mitigate or manage risks and maximize opportunities. It sets out strategic objectives and strategies to achieve them, which are implemented through resource allocation plans. The Bank needs information about its **performance**, which involves setting up measurement and monitoring systems to provide information for decision-making.

The value creation, preservation or erosion process is not static; regular revise of each component and its interactions with other components, and a focus on the Bank's **outlook**, lead to revision and refinement to improve all the components.

Process through which value is created, preserved or eroded





- প্রতিদিন আনলিমিটেড লেনদেন এবং মুদারাবা মেয়াদী আমানতের মত বিশেষ মুনাফা সুবিধা।
- একক ও যৌথ ব্যক্তির নামে হিসাব পরিচালিত হবে।
- সর্বনিম্ন ১,০০০/- টাকায় হিসাব খোলার সুবিধা।
- প্রথম ২৫ পাতার চেক বই ফ্রি।
- প্রথম বছর **Visa Debit Card** এর বাৎসরিক চার্জ ফ্রি।
- অন্যান্য ব্যাংকের **ATM Booth** এ লেনদেনে বিশেষ ছাড়।



ফার্স্ট সিকিউরিটি ইসলামী ব্যাংক পিএলসি.
FIRST SECURITY ISLAMI BANK PLC.

www.fsibplc.com

A 3D wireframe structure of a cube is positioned on a dark, textured wooden surface. The structure is made of thin, gold-colored metal rods connected at the vertices by small, round, gold-colored beads. The cube is oriented diagonally, with one corner pointing towards the top right of the frame. The lighting is warm and directional, coming from the upper left, which creates soft shadows and highlights the metallic sheen of the rods and beads. The wooden surface has a prominent grain pattern.

CORPORATE
Governance

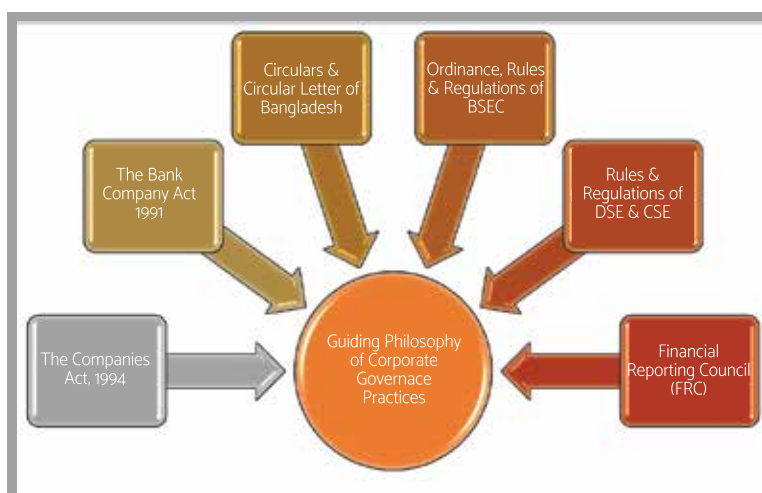
REPORT ON CORPORATE GOVERNANCE CODE

Corporate Governance encompasses the system by which an organization is controlled and operated, and the mechanisms by which it, and its people, are held to account. Corporate governance is crucial for the proper functionality of any industry particularly in banking. Corporate Governance structure of FSIB specifies the objective of providing strategic direction, ensuring that goals are achieved, ascertaining that risk is managed appropriately and verifying that means are utilized responsibly. Governance is evolved through the leadership and organizational structure and process that ensure the enterprise sustainability focusing on transparency, accountability and delegation of authority. The bank has deployed utmost importance in setting up a well-defined compliance culture throughout the operation of the Bank in compliance with the Corporate Governance Code issued by Bangladesh Securities and Exchange Commission vide notifications no. BSEC/CMRRCD/2006-158/207/Admin/80, dated June 03, 2018 and the circulars and circular letters issued by Bangladesh Bank from time to time.

From the inception of FSIB, it has been pursuing responsible, compliant and ethical banking. It has initiated the best corporate governance practices and adopted corporate culture to promote sustainable performance, client centricity, innovation, and partnership. Our corporate governance report reflects our strong adherence and commitment to best practices of corporate governance and our full compliance with the rules and regulations of various regulatory bodies including the Central Bank, BSEC and Stock Exchanges.

Guiding philosophy of Corporate Governance Practices

The Bank believes that principles of good governance are embedded in its core values, inclusive and sustainable development. Being a Shari'ah based private commercial bank incorporated in Bangladesh, the following acts and various circulars, circular letters, notifications, guidelines, directives, etc. issued by the regulatory bodies play pivotal role in shaping the governance structure and practice of the Bank:



Board of Directors, Chairman and CEO

Appointment of Directors

The Directors of FSIB are elected or re-elected by the shareholders in the Annual General Meeting (AGM). Directors are appointed pursuant to the provision of The Companies Act, 1994, Bank Company Act, 1991, notifications, guidelines & circulars of Bangladesh Bank and Bangladesh Securities and Exchange

Commission (BSEC) as well as Memorandum & Articles of Association of the Bank. Independent Directors of the Bank are appointed with prior approval from Bangladesh Securities and Exchange Commission (BSEC) and subsequently from Bangladesh Bank. The shareholders approved appointment of Independent Directors in the Annual General of the Bank.

Board Size

The Board of Directors consists of 08 (eight) Non-executive Directors and 03 (three) Independent Directors. The number of Board Members is within the limit set by the Bank Company Act, 1991 and Bangladesh Securities and Exchange Commission's notifications. The number of Independent Directors is more than 1/5th according to Corporate Governance Code of BSEC.

Board of Directors

The Board is comprised of highly experienced members from, diverse professions like business, administration and teaching which make the Board effective and balanced in deciding and directing various issues of the Bank. In case of any nomination, removal and casual vacancy, the Bank adheres to all relevant rules and regulations. The Board consists of following Directors (up to date):

| SL. No. | Name of Directors | Position in Board |
|---------|--------------------------------|----------------------|
| 01 | Mohammed Saiful Alam | Chairman |
| 02 | Mohammed Abdul Maleque | Vice-Chairman |
| 03 | Mrs. Farzana Parveen | Director |
| 04 | Mrs. Rahima Begum | Director |
| 05 | Mrs. Atikur Nessa | Director |
| 06 | Khandkar Iftekhar Ahmad | Nominated Director |
| 07 | Mohammed Abdullah Hasan | Nominated Director |
| 08 | Md. Ruhul Amin | Independent Director |
| 09 | Mohammad Masum Kamal Bhuiyan | Independent Director |
| 10 | Professor Md. Kamal Uddin, PhD | Independent Director |
| 11 | Ashraful Mostafa Chowdhury | Nominated Director |

Election and Appointment of New Directors

The election and appointment of new directors and the re-appointment of existing directors are being made in line with the following obligations and requirements:

1. Frequent assessment of the size and structure of the Board and the mix of knowledge, skills, experiences and perceptions that may be necessary to allow the Board to perform its functions.
2. Recognizing the capabilities and following the approved procedure to ascertain that an applicant designated by the shareholders possesses the same.

The directors are elected by the shareholders in the Annual General Meeting. Casual vacancy, if any, is filled up by the Board in accordance with the conditions mentioned in the Companies Act and Articles of Association of the Bank.

Retirement and Re-election of Directors

As per The Companies Act, 1994 and Articles of Association of the Bank, one-third of the directors retire from office each year and being eligible, may offer themselves for re-election by shareholders at the Annual General Meeting (AGM). In line with the requirement of the Bank Company Act, 1991 and Articles of association of the Bank, one-third Directors shall retire in the 25th AGM and, being eligible, they may also be re-elected.

List of Directors to be retired and re-elected:

| SL. No. | Name of Directors | Position in Board |
|---------|-------------------------|--------------------|
| 01 | Mohammed Saiful Alam | Chairman |
| 02 | Mrs. Atikur Nessa | Director |
| 03 | Mohammed Abdullah Hasan | Nominated Director |

Criteria for Appointment of Independent Directors

There are 03 (three) Independent Directors in the Board among 11 (eleven) members. The number of Independent Directors is more than 1/5th (one-fifth) of the total number of Directors in the Board. None of the Independent Directors of the Bank holds any share of the Bank. All the Independent Directors possess the requisite qualities mentioned in the Corporate Governance Code issued vide Notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 (upto the last amendment) by Bangladesh Securities and Exchange Commission (BSEC), circular of Bangladesh Bank and Bank Companies Act, 1991. Prior approval from BSEC has been obtained as per clause no. 15(9) of Bank Companies Act, 1991 to get subsequent approval from Bangladesh Bank for appointment of Independent Directors.

List of Independent Directors:

| SL. No. | Name |
|---------|--------------------------------|
| 01 | Md. Ruhul Amin |
| 02 | Mohammad Masum Kamal Bhuiyan |
| 03 | Professor Md. Kamal Uddin, PhD |

Directors' Profile and their Representation in the Board of other Companies

The Directors' Profile and their representation in the Board of other Companies are incorporated in the Directors' Profile part of this report.

Duality of Chairperson of the Board and MD or CEO

The position of the Chairman of the Board of Directors and the Managing Director are filled with separate individuals. The Managing Director of the Bank does not hold the same position in another listed company. The Chairperson of the Board is elected among the non-executive Directors of the Bank.

Policy of Training of Directors

As per Bangladesh Bank guidelines, the directors shall make themselves fully aware of the banking laws and other related rules and regulations for performing their duties properly. The policy on training of Directors includes providing training and updated information on all the latest policy guidelines, circulars, circular letters, directives, notifications, acts, etc. issued by the regulatory/legislative authorities. Sometimes special discussion sessions are arranged with the expert to develop awareness about concurrent issues. They also attend various programs organized by professional bodies at home and abroad on technical, professional and corporate governance issues.

Meeting of the Board of Directors

Total 09 (nine) meetings of the Board of Directors were held in the year 2023. Minutes of all Board Meetings are recorded properly and all required books and records are kept in line with the provisions of the relevant

Bangladesh Secretarial Standards (BSS). Detail disclosures showing the number of Board Meetings held and status of participants of the Directors is given in the later part of the report.

Responsibilities of the Chairman of the Board

The responsibilities of the Chairman as defined in the BRPD Circular No. 11, dated 27 October 2013 of Bangladesh Bank are fully complied with. The Chairman of the Board does not personally possess the jurisdiction to apply policy into the administrative or operational and routine affairs of the Bank. In absence of the Chairperson of the Board, the remaining members elect one of themselves from non-executive directors as the Chairperson for that particular Board meeting. The reason of absence of the regular Chairperson, if any, is recorded in the minutes.

Responsibilities of the Board of Directors

The main responsibility of the Board of Directors is to ensure good governance in managing affairs of the Bank. The Bank Companies Act, 1991 gives responsibility to the Board for establishing policies for the bank, for risk management, internal control & compliance and for ensuring their implementation. Keeping in view, the Board of Directors exercises business judgment in good faith, in manner that they reasonably believe to be in the best interest of the Bank, while complying with the applicable laws and regulations, the Bank's Articles of Association and resolutions adopted by the shareholders. The Board carries out a meticulous assessment of the Bank's emerging risk that may arise in future for various reasons. Considering Bank's position and risk, the Board assess the prospect.

Governance of Board of Directors of Subsidiary Company

There are two subsidiary companies of the Bank (i) First Security Islami Capital & Investment Ltd. (ii) First Security Islami Exchange Italy, SRL. The Board of First Security Islami Capital & Investment Ltd. is consisting of 07 (seven) Directors. Among them, 03 (three) Directors are nominated from the Bank including 01 (one) Independent Director of the Bank. The minutes of First Security Islami Capital & Investment Ltd. is placed before the Board meeting of the Bank for review and in the minutes of the Bank it is recorded that the minutes of Subsidiary Company is reviewed. The Audit Committee of the Bank also reviews the Financial Statements of the Subsidiary Companies.

Appointment of Managing Director (MD) or Chief Executive Officer (CEO)

The Managing Director (MD) of the Bank has been appointed pursuant to the BRPD Circular Letter No. 18, dated October 27, 2013 of Bangladesh Bank. The appointment is given based on the criteria and procedure mentioned therein with prior approval from Bangladesh Bank.

Responsibilities and Authorities of the Managing Director or CEO

The Managing Director (MD) of the Bank discharges the responsibilities and exercises the authorities recoiled upon him as per BRPD Circular Letter No. 18, dated October 27, 2013 of Bangladesh Bank and subsequent modification thereof as follows:

- i. The Managing Director (MD) ensures compliance of the Companies Act, 1994 and the Bank Companies Act, 1991 and/or other relevant laws and regulations in discharging routine activities of the Bank.
- ii. He submits information on violation of any law, rule, regulation including the Bank Companies Act while presenting memos before the Board of Directors or the Committees formed by the members of the Board.
- iii. He recruits and gives promotion to employees of the Bank except those in the two tiers below the rank of MD or CEO. He acts in such cases in accordance with the approved Employees' Service Rules of the Bank.

Appointment of Chief Financial Officer (CFO), Head of Internal Control & Compliance Division (ICCD) and Company Secretary (CS)

The Board of Directors of the Bank appoints Chief Financial Officer (CFO), Head of Internal Control & Compliance Division (ICCD) and Company Secretary (CS). These positions are filled by the different individuals and none of them holds any executive position in any other company. The Board has clearly defined respective roles, responsibilities and duties for Chief Financial Officer (CFO), Head of Internal Control & Compliance Division (ICCD) and Company Secretary (CS) and none of them has been removed from their position without approval of the Board.

Attendance in Board of Directors' and Committees' Meetings

As per Bangladesh Bank's BRPD Circular Letter no. 23 & 55 dated 26 December 2013 and 12 November 2020 respectively, the Directors, Managing Directors and Company Secretary of the Bank attend in the Board of Directors' meetings and in the meetings of various Committees of the Board of Directors. Only the respective person, upon invitation by the Committee or Board, attends (not full time) to present particulars issue(s) in the Committee or Board meetings.

Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)

The Managing Director (MD) and Chief Financial Officer (CFO) have certified to the Board that they have reviewed financial statements for the year ended on December 31, 2023 that to the best of their knowledge these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading and these statements together present true and fair view of the Bank's affairs and are in compliance with existing accounting standards and applicable laws. They have also certified that there are no transactions entered into by the Bank during the year which are fraudulent, illegal or in violation of the code of conduct for the Bank's Board or members. The certification of MD and CFO has been incorporated in the later part of the report.

Formation of different Committees of the Board

The Board has formed Executive Committee, Audit Committee and Risk Management Committee. There is no committee or sub-committee of the Board other than the above mentioned Committees. However, FSIB has a Central Shari'ah Council to look after the Shari'ah affairs and gives suggestion to the management of the Bank regarding Shari'ah related issues.

The Executive Committee

The Executive Committee is consisted of 04 (four) members and all of them are from the Board of Directors of the Bank. The duration of this committee is 03 (three) years. The Company Secretary of the Bank acts as the Secretary of the Committee. The committee can call meeting at any time and can request Managing Director, Chief Risk Officer or any other employees to participate in the meeting when required.

Members and attendance list of Executive Committee of Board of Directors in the year 2023 is as under:

| SL No. | Name of Members | Position in Committee | Number of Meeting Held | | |
|--------|-------------------------|-----------------------|------------------------|-----------|---------------------------------|
| | | | Held | Presented | Absented |
| 01 | Mohammed Saiful Alam | Chairman | Nil | N/A | N/A |
| 02 | Mohammed Abdul Maleque | Member | Nil | N/A | N/A |
| 03 | Mrs. Farzana Parveen | Member | Nil | N/A | N/A |
| 04 | Mohammed Abdullah Hasan | Member | Nil | N/A | N/A |
| 05 | Badrun Nessa | Member | Nil | N/A | N/A (Resigned on 10.09.2023) |

Roles and Responsibilities of the Executive Committee

The duties of the Executive Committee are clearly set forth in writing in the BRPD Circular No. 11, dated 27 October 2013 of Bangladesh Bank. The Executive Committee exercises all the powers of the board except those specifically given to the Board by the Bank Companies Act, 1991 and other laws and regulations. The Executive Committee is responsible to the Board of Directors. The decisions, taken in the Executive Committee, are placed before the next Board meeting for ratification.

The Audit Committee

The Audit Committee of the Bank, comprising of 03 (three) members having requisite qualities, has been formed in compliance with Bangladesh Bank's & BSEC's guidelines. All members of the Audit Committee are Independent Directors and none of the member of this committee is the member of the Executive Committee. One of the Independent Directors is financially expert having sound knowledge in finance and economic. The duration of the committee is 03 (three) years. The Company Secretary of the Bank acts as the Secretary of the committee. The Chairman of the Audit Committee is an Independent Director. Five meetings of the committee were held in the year 2023.

Members and attendance list of Audit Committee of Board of Directors during 01/01/2023 to 31/12/2023:

| SL No. | Name of Members | Position in Committee | Number of Meetings | | |
|--------|----------------------------------|-----------------------|--------------------|----------------------|-----------------------------------|
| | | | Held | Presented | Absented |
| 01 | Mr. Mohammad Masum Kamal Bhuiyan | Chairman | 05 | 05 | - |
| 02 | Dr. Momtaz Uddin Ahmed | Member | 05 | 01 (01 out of 01) | - (Retired w.e.f. 28.05.2023) |
| 03 | Mr. Jamal Mostafa Chowdhury | Member | 05 | 01 (01 out of 01) | - (Resigned w.e.f. 28.05.2023) |
| 04 | Md. Ruhul Amin | Member | 05 | 05 | - |
| 05 | Professor Md. Kamal Uddin, PhD | Member | 05 | 05 | - |

Roles and Responsibilities of the Audit Committee

The duties and responsibilities of the Audit Committee are clearly set forth in writing in the BRPD Circular No. 11, dated 27 October 2013 and the Corporate Governance Code issued vide Notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 by Bangladesh Securities and Exchange Commission (BSEC). The committee oversees the financial reporting process, whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission, hiring and performance of external auditors and determination of audit fees of external auditors. The committee monitors choice of accounting policies & principles and Internal Audit & Compliance process. It reviews the annual financial statements before submission to the Board for approval, the adequacy of internal audit functions, Management's Discussion before disclosing in the Annual Report, statement of all related party transactions submitted by the management, etc. It holds meeting with the external or statutory auditors for reviewing the annual financial statements before submission to the Board for approval or adoption. The Chairman of the Audit Committee remains present in the Annual General Meeting (AGM).

Reporting of the Audit Committee

The Audit Committee reports on its activities to the Board of Directors regarding conflict of interests, suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements and suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations, if any. The internal audit reports to Audit Committee of the Board of Directors.

The Risk Management Committee

The Risk Management Committee of the Bank has been formulated with 03 (three) members. The duration of the committee is three years. The Company Secretary of the Bank acts as the Secretary of the Committee.

Members and attendance list of Risk Management Committee of Board of Directors during 01/01/2023 to 31/12/2023:

| SL No. | Name of Members | Position in Committee | Number of Meetings | | |
|--------|--------------------------------|-----------------------|--------------------|----------------------|----------------------------------|
| | | | Held | Presented | Absented |
| 01 | Mohammed Abdul Maleque | Chairman | 04 | 04 | - |
| 02 | Dr. Momtaz Uddin Ahmed | Member | 04 | 01 (01 out of 01) | - (Retired w.e.f. 28.05.2023) |
| 03 | Khandkar Iftekhar Ahmad | Member | 04 | 04 | - |
| 04 | Professor Md. Kamal Uddin, PhD | Member | 04 | 03 (03 out of 03) | - (Joined w.e.f. 22.03.2023) |

Roles and Responsibilities of the Risk Management Committee

The Risk Management Committee is formed in order to formulate and implement appropriate strategies to identify and assess risk as well as control and management of the same. The committee monitors risk management policies & methods and reviews the risk management process to ensure effective prevention and control measures. Four meeting of the committee were held in the year 2023. The committee reviews policy and guideline for risk management of the Bank. It monitors whether the approved policies have been implemented properly or not.

External or Statutory Auditors

As per recommendation of Audit Committee and Board of Directors, the shareholders of the Bank in 24th Annual General Meeting approved appointment of **K. M. Hasan & Co.**, Chartered Accountants, as the External or Statutory Auditors for the year 2023 upto completion of next AGM. Subsequently, Bangladesh Bank vide letter ref. BRPD(Taskforce)748/3/2023-6176 dated August 03, 2023 also gave no objection in such appointment as well.

Later on, Bangladesh Bank vide letter ref. BRPD(Taskforce)748/3/2023-7300 dated September 05, 2023 revoked the no objection regarding appointment of **K. M. Hasan & Co.** as the External or Statutory Auditors of the Bank since this Chartered Accountants firm was delisted by Bangladesh Bank from the List of Chartered Accountants.

Under the circumstances mentioned hereinabove, the Board of Directors of the Bank has appointed **Khan Wahab Shafique Rahman and Co.**, Chartered Accountants, as the External or Statutory Auditor for the year 2023 upto completion of 25th Annual General Meeting as per clause no. 210(7) of the Companies Act, 1994 to audit the Financial Statements of the Bank. The external auditors are not engaged with appraisal or valuation services or fairness opinions, financial information systems design and implementation, book-keeping or other services related to the accounting records or financial statements, broker-dealer services, actuarial services, internal audit services or special audit services, any services that the Audit Committee determines, audit or certification services on compliance of corporate governance and any other services that creates conflict of interest. The external auditors remain present in the Annual General Meeting.

Practicing Professional Accountant or Secretary

In compliance with the conditions of Corporate Governance Code of Bangladesh Securities and Exchange Commission dated June 03, 2018 Practicing Professional Accountant or Secretary firm shall be appointed for providing compliance certificate. In accordance with condition No. 9 of that code it shall be appointed in the Annual General Meeting by the shareholders. Haruner Rashid & Associates, Chartered Secretaries & Management Consultants has provided certificate for the compliance of conditions of CGC for the year 2023.

Haruner Rashid & Associates, Chartered Secretaries and Management Consultants, will be appointed in the 25th AGM by the valued shareholders in light of the recommendation of the Board of Directors of the Bank for providing certificate on compliance of conditions of Corporate Governance Code for the year 2024.

Website of the Bank

The Bank has a well-functioning website linked with BSEC, DSE and CSE. The website is kept up to date as and when required based on instructions of regulators to keep its stakeholders well informed always. Among others, the website contains affairs with details of business, profile along with the photographs of the Board of Directors and top Management, detailed information on quarterly financial statements and annual audited financial statements, Directors' Report, all price sensitive information, material information, details of shareholding, details of shareholdings position of sponsors/directors, trading of shares, declaration and status report of buy/sale, status of compliance with the corporate governance code, contact details of the officials of Share Department and others issues required by the regulators.

The Nomination and Remuneration Committee

As per letter no. BRPD (R-1)717/2021-5064, dated 16 June 2021 of Bangladesh Bank, there is no scope to form Nomination and Remuneration Committee in the Bank because in the guidelines of Bangladesh Bank and Bank Companies Act, 1991 no direction is given to form such committee. As such, this committee will be formed after getting instruction/clearance from Bangladesh Bank subject to modification of Bank Companies Act, 1991.

Directors' Report to Shareholders

A separate Directors' Report containing all requirements as per section 184 of the Companies Act, 1994 (Act no. XVIII of 1994) is incorporated in the earlier part of the report. Here, all statements as per condition 1. (5) of Bangladesh Securities and Exchange Commission's notification no. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June 2018 are depicted below:

Industry Outlook and possible future developments in the industry

Banking industry plays vital role to contribute in the world economy as well as Bangladesh economy. Since interest rate risk is supposed to be the greatest threat due to rise in interest rate in the market along with filthy competition, the banking industry has emphasized on procuring no/low cost deposits through vigorous campaign all the year round and would be able to retain and attract potential customers by rendering services to the extent of highest possible degree.

Banking industry is still the most promising and structured sector of the economy. There are also most preferred sectors of the investors as increased remittance flow; good export performance and steady industrial growth, accelerated performance in SME and consumer loan, implementation of risk management and corporate governance are likely to have positive impact in the performance of the banking sector.

Segment-wise or division-wise performance

Amount in Tk. Million

| Particulars | Division | | | | | | | | Total |
|--------------------------------|----------|------------|-----------|----------|-----------|----------|---------|--------|------------|
| | Barishal | Chattogram | Dhaka | Khulna | Mymensing | Rajshahi | Rangpur | Sylhet | |
| Investment Income & IBTA | 869.87 | 65,121.27 | 35,424.41 | 3,040.32 | 362.72 | 815.20 | 375.32 | 886.09 | 106,895.21 |
| Profit Paid On Deposits & IBTA | 635.33 | 56,479.36 | 31,654.22 | 2,270.41 | 260.05 | 619.06 | 289.42 | 677.94 | 92,885.79 |
| Net Investment Income | 234.54 | 8,641.91 | 3,770.19 | 769.91 | 102.68 | 196.15 | 85.90 | 208.15 | 14,009.42 |
| Other Operating Income | 69.25 | 1,940.20 | 1,100.67 | 248.80 | 31.22 | 53.88 | 29.81 | 47.72 | 3,521.55 |
| Total Operating Income | 303.79 | 10,582.11 | 4,870.86 | 1,018.71 | 133.90 | 250.03 | 115.70 | 255.87 | 17,530.97 |
| Operating Expenses | 185.69 | 4,978.63 | 3,070.01 | 675.02 | 85.85 | 246.77 | 99.49 | 228.32 | 9,569.79 |
| Profit/(Loss) | 118.09 | 5,603.47 | 1,800.85 | 343.69 | 48.05 | 3.26 | 16.21 | 27.55 | 7,961.18 |

Risk and concerns

Since the banking industry depends on the country's prevailing political situation, legal environment, economic environment etc, there are certain risk factors which are external in nature and can affect the business of the bank. The risk factors and concerns are discussed below which may significantly affect the business:

- General business and political condition-
Political stability is must for growth in business activities. The effect of last economic recession is still unfolding which may result to slow down in business environment.
- Changes in borrowers credit quality-
The risk of deterioration of credit quality is inherent in banking business. This could result due to global economic crisis and supply side distortion. Deterioration in credit quality requires provisioning.
- Changes in policies and practices of regulatory bodies to revise practices, pricing and responsibilities of the financial institutions have significant effect on the performance of the bank.
- Changes in market conditions-
Changes in market conditions particularly interest rates on deposit; volatility in FX market is likely to affect the performance of the bank.
- The risk of litigation-In the ordinary course of business, legal actions, and claims by and against the Bank may arise.
- Operational risk is inherent to all business because more or less operation is technology based.

Discussion on Cost of Deposit, Gross Profit Margin/Spread and Net Profit Margin

For Islamic banking company, the Cost of Deposit is known as Profit paid on deposit since the main operation of bank is to collect deposit and investing that deposit into profitable sector. However, the gross profit margin/spread is calculated through deducting profit paid on deposit from total investment income whereas net profit margin is calculated through deducting operating expenses from total operating income.

Discussion on continuity of any Extra-ordinary activities

In the year 2023 the Bank did not continue any extraordinary activities. As such, no gain or loss was incurred therefrom. It has been continuing its regular banking activities. The activities performed by the bank under the purview of the Bank Company Act-1991 (up to amended), Memorandum of Association and guidelines of regulatory bodies.

Related party transactions

The statement of all related party transactions is given below:

| S.N. | Name of Party | Nature of Transaction | Nature of Relationship | Amount as on 31/12/2023 | Basis of Transaction |
|------|--|-----------------------|------------------------|-------------------------|----------------------|
| 1 | Northern Islami Insurance Ltd. | Insurance Premium | Common Director | 16,228,914 | Fair Market Value |
| 2 | Northern Islami Insurance Ltd. | Deposit | Common Director | 127,889,331 | Fair Market Value |
| 3 | Aviva Finance Ltd. | Deposit | Common Director | 231,385 | Fair Market Value |
| 4 | Aviva Finance Ltd. | Placement | Common Director | 12,290,000,000 | Fair Market Value |
| 5 | Aviva Finance Ltd. | Sub. Bond | Common Director | 80,000,000 | Fair Market Value |
| 6 | Ekushey Television Ltd. | Deposit | Common Director | 62,031,035 | Fair Market Value |
| 7 | Ekushey Television Ltd. | Advertisement | Common Director | 12,250,000 | Fair Market Value |
| 8 | Nexus Television & Media Network Limited | Advertisement | Common Director | 14,030,000 | Fair Market Value |
| 9 | First Security Islami Capital & Investment Limited | Deposit | Common Director | 43,892,268 | Fair Market Value |
| 10 | First Security Islami Capital & Investment Limited | Capital | Common Director | 255,000,000 | Fair Market Value |
| 11 | First Security Islami Capital & Investment Limited | Investment | Common Director | 962,563,969 | Fair Market Value |
| 12 | Directors of the Bank | Meeting Fees | Director | 1,108,800 | Fair Market Value |

Utilizations of proceeds from public issues, rights issues and/or through any others instruments

Utilizations of proceeds from public issues- The company went for Public Offering in the year 2008 to raise fund amounting Tk. 1,150 million to enhance the capital base of the bank and thus the ability to augment business expansion. The fund raised through the Public Offering was fully utilized for meeting the said purpose.

Utilizations of proceeds from rights issues-2010 & 2014, FSIB Mudaraba Subordinated Bond Issues 2012, 2017 & 2019 and Mudaraba Perpetual Bond issue 2020.

Net Proceeds from the rights issue, FSIB Mudaraba Subordinated Bond Issues and Mudaraba Perpetual Bond issue was used for investing in different profitable sectors from where return on investment will be high and to expand existing business operation. No specific implementation schedule has maintained by the bank in this respect.

Explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.

The financial results of the bank are gradually doing better. The performance of the Bank does not deteriorate after the Bank goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.

Variance between quarterly financial performance and annual financial statements

There is no significant variance between quarterly financial performance and annual financial statements of the Bank. The performance of the bank was steady upward slopping during the year. The bank has been maintaining based on previous performance. It has positive growth in all parameters.

Remuneration to Directors

Remuneration to directors including independent directors was Taka 1,024,000 for the year ended 31 December 2023.

Statement regarding Financial Statements

The financial statements prepared as on December 31, 2023 by the Bank, presented fairly its state of affairs, the result of its operation, cash flows and changes in equity.

Proper books of account

First Security Islami Bank PLC. maintains all required books of accounts such as consolidated and separate Balance Sheets, consolidated and separate Profit and Loss Accounts, consolidated and separate Cash Flow Statement consolidated and separate Statement of Changes in Equity, etc.

Accounting Policies

The financial statements of the Bank are made for the year ended 31 December 2023 and are prepared under the historical cost convention on a going concern basis and in accordance with the “ First Schedule Section 38(4) of the Bank Companies Act, 1991 and Amendment 2013, BRPD Circular # 14 dated 25 June 2003, BRPD Circular # 15 dated 09 November 2009, Circulars, Rules and regulations issued by Bangladesh Bank time to time, International Accounting Standards and International Financial Reporting Standards, The Companies Act 1994, The Bangladesh Security and Exchange Rules 1987, Dhaka & Chittagong Stock Exchanges listing regulations, Income Tax Act-2023, the Value Added Tax and Supplementary Duty Act-2012, and other laws and rules applicable in Bangladesh. Where the reporting guidelines issued by Bangladesh Bank and Bank Companies Act differ with those of IFRS, the requirements of the Bank company Act 1991, and provisions and circulars issued by Bangladesh Bank shall prevail.

Standards followed in preparing Financial Statements

International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as applicable in Bangladesh have been followed and disclosed in preparation of the Financial Statements.

Internal Control System

The Board ensures that adequate internal control systems are in place which are consistently complied with and implemented to provide reasonable assurance that financial records are reliable for preparation of financial statements. The Board, further, ensures that quality of financial reporting is maintained, assets of the Bank are safeguarded against unauthorized use or disposition and accountability for assets and business transactions is maintained. International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as applicable in Bangladesh have been followed and disclosed in preparation of the Financial Statements.

Non-controlling Shareholders Interests

Non-controlling Shareholders interest has been protected from abusive action by or in the interest of controlling shareholders action either directly or indirectly and have effective means of redress. No event is arisen from the controlling shareholders who may impair the non-controlling interest.

Continue as a Going Concern

The Management has reasonable ground to believe that there is no significant doubt upon the bank's ability to continue as a going concern.

Deviations from the last year's operating result

The significant deviations from the last year's operating results of the Bank are highlighted and the reasons thereof are disclosed below:

A) Due to increase of Net Investment Income by the amount of Tk. 44.53 Crore for the year ended 31 December 2023 compared to the previous year 2022. As a result, consolidated EPS has been increased to 2.85 for the current year 2023 from 2.56 for the previous year 2022.

B) Deposits Received from Customers has been decreased by the amount of Tk. 2,265.21 Crore compare to the previous year. As a result, the consolidated net operating cash inflow per share has been decreased to 0.52 as on 31 December 2023 compared to 3.82 on 31 December 2022.

Profitability Ratio (Solo)

| SI No. | Particulars | 2023 | 2022 |
|--------|----------------------------|-------|-------|
| 1 | Return on Assets (ROA) | 0.51% | 0.51% |
| 2 | Earnings per Share (Tk.) | 2.82 | 2.55 |
| 3 | Return on Investment (ROI) | 3.52% | 2.87% |

First Security Islami Bank PLC. HORIZONTAL ANALYSIS OF BALANCE SHEET

Amount in Lac Tk.

| Particulars | 2023 | 2023 Vs 2022 | 2022 | 2022 Vs 2021 | 2021 | 2021 Vs 2020 | 2020 | 2020 Vs 2019 | 2019 |
|---|---------------------|--------------|---------------------|---------------|---------------------|--------------|---------------------|---------------|---------------------|
| Cash In hand (Balance with Bangladesh Bank and its agent bank(s)) | 337,448.26 | -9.42% | 372,562.04 | 9.39% | 340,591.57 | 2.31% | 332,888.90 | 8.29% | 307,406.04 |
| Balance with other Banks and Financial Institutions | 13,106.58 | -2.89% | 13,497.24 | -30.17% | 19,329.30 | 14.79% | 16,839.29 | 112.27% | 7,933.01 |
| Placement with Banks & other Financial Institutions | 130,349.42 | -5.81% | 138,394.55 | 10.80% | 124,900.00 | -0.64% | 125,705.00 | -7.59% | 136,037.00 |
| Investments in Shares & Securities | 274,674.46 | 4.70% | 265,527.63 | -7.60% | 287,352.24 | 21.65% | 236,215.53 | 34.77% | 175,276.53 |
| General Investment etc. | 5,679,307.13 | 8.95% | 5,212,927.87 | 15.07% | 4,530,216.15 | 9.31% | 4,144,546.42 | 13.93% | 3,637,757.32 |
| Bills Purchased and Negotiated | 23,559.96 | -32.73% | 35,023.64 | 2.80% | 34,069.20 | 299.52% | 8,527.60 | 20.38% | 7,084.10 |
| Fixed Assets Including Premises, Furniture & Intangible Assets | 67,254.14 | -2.21% | 68,776.34 | 5.08% | 65,450.50 | 0.96% | 64,826.83 | 0.74% | 64,351.74 |
| Other Assets | 65,189.21 | 27.60% | 47,917.18 | 30.77% | 36,641.43 | 6.35% | 34,453.78 | -3.47% | 35,691.15 |
| Non Banking Assets | 251.45 | 0.00% | 251.45 | 0.00% | 251.45 | 0.00% | 251.45 | 0.00% | 251.45 |
| Total Assets | 6,591,140.61 | 7.09% | 6,154,877.94 | 13.17% | 5,438,801.84 | 9.56% | 4,964,254.80 | 13.55% | 4,371,788.34 |
| Placement from Banks & other Financial Institutions | 1,345,856.44 | 67.22% | 804,843.92 | 428.60% | 152,260.49 | 15.92% | 131,348.72 | -0.56% | 132,083.82 |
| Deposits and Other Accounts | 4,551,949.95 | -3.77% | 4,730,463.17 | 0.85% | 4,690,618.68 | 9.41% | 4,287,015.22 | 13.83% | 3,766,216.62 |
| Mudaraba Subordinated Bond | 51,000.00 | -31.08% | 74,000.00 | -23.71% | 97,000.00 | -8.49% | 106,000.00 | -7.83% | 115,000.00 |
| Mudaraba Perpetual Bond | 60,000.00 | 0.00% | 60,000.00 | 0.00% | 60,000.00 | 0.00% | 38,000.00 | 0.00% | - |
| Other Liabilities | 330,425.53 | 26.52% | 261,168.75 | 11.54% | 234,154.40 | 6.03% | 220,832.22 | 7.55% | 205,337.26 |
| Total Liabilities | 6,339,231.92 | 6.89% | 5,930,475.84 | 13.31% | 5,234,033.57 | 9.43% | 4,783,196.16 | 13.38% | 4,218,637.70 |
| Capital/Shareholders' equity | 251,908.69 | 12.26% | 224,402.10 | 9.59% | 204,768.27 | 13.10% | 181,058.64 | 18.22% | 153,150.64 |
| Total Liabilities and Shareholders' Equity | 6,591,140.61 | 7.09% | 6,154,877.94 | 13.17% | 5,438,801.84 | 9.56% | 4,964,254.80 | 13.55% | 4,371,788.34 |

Horizontal Analysis of Balance Sheet refers to the analysis of growth of each component of Balance Sheet items from the previous periods.

First Security Islami Bank PLC.

HORIZONTAL ANALYSIS OF PROFIT AND LOSS

Amount in Lac Tk.

| Particulars | 2023 | 2023 Vs 2022 | 2022 | 2022 Vs 2021 | 2021 | 2021 Vs 2020 | 2020 | 2020 Vs 2019 | 2019 |
|--|-------------------|-----------------|-------------------|-----------------|-------------------|-----------------|-------------------|-----------------|-------------------|
| Investment Income | 519,507.49 | 29.12% | 402,359.23 | -0.97% | 406,318.90 | -4.45% | 425,255.04 | 9.60% | 388,014.33 |
| Profit paid on deposit | (379,413.33) | 42.10% | (267,006.47) | -3.29% | (276,080.53) | -11.44% | (311,753.96) | 7.92% | (288,874.24) |
| Net Investment Income | 140,094.16 | 3.50% | 135,352.76 | 3.93% | 130,238.37 | 14.75% | 113,501.08 | 14.49% | 99,140.09 |
| Income from Investment in Shares and Securities | 9,510.95 | 20.67% | 7,881.46 | 99.72% | 3,946.30 | -25.28% | 5,281.56 | -31.18% | 7,674.35 |
| Commission, Exchange and Brokerage | 7,270.75 | -52.31% | 15,246.65 | 97.54% | 7,718.43 | -5.97% | 8,208.54 | -7.22% | 8,847.61 |
| Other Operating Income | 18,433.80 | 132.82% | 7,917.50 | 16.64% | 6,787.83 | 8.62% | 6,249.00 | -2.69% | 6,421.48 |
| Total operating income | 175,309.66 | 5.36% | 166,398.37 | 11.91% | 148,690.93 | 11.60% | 133,240.18 | 9.14% | 122,083.53 |
| Salary and Allowances | 58,875.33 | 11.71% | 52,702.01 | 18.11% | 44,622.67 | 7.34% | 41,572.77 | 13.58% | 36,600.59 |
| Rent, Taxes, Insurances, Electricity etc. | 8,668.44 | 3.46% | 8,378.68 | 18.49% | 7,071.15 | 12.62% | 6,278.93 | -12.70% | 7,192.48 |
| Legal Expenses | 71.23 | -14.15% | 82.97 | -11.87% | 94.14 | 126.08% | 41.64 | -54.82% | 92.17 |
| Postage, Stamps, Telecommunication etc. | 1,419.81 | 5.56% | 1,345.05 | 15.12% | 1,168.44 | 27.83% | 914.07 | -1.77% | 930.55 |
| Stationery, Printings, Advertisements etc. | 2,037.04 | -67.90% | 6,345.28 | 274.38% | 1,694.89 | -9.10% | 1,864.55 | 3.54% | 1,800.82 |
| Managing Director's Salary and Fees | 181.20 | 3.51% | 175.06 | 6.54% | 164.32 | 20.19% | 136.72 | 6.09% | 128.87 |
| Directors' Fees & Expenses | 11.09 | -22.77% | 14.36 | -8.30% | 15.66 | 20.74% | 12.97 | -17.02% | 15.63 |
| Shariah Supervisory Committee's Fees & Expenses | 3.07 | -34.12% | 4.66 | 1.53% | 4.59 | 94.49% | 2.36 | 7.27% | 2.20 |
| Auditor's Fees | 16.10 | 55.56% | 10.35 | -25.00% | 13.80 | 50.00% | 9.20 | 0.00% | 9.20 |
| Depreciation & Repair of Bank's Assets | 8,758.94 | -0.26% | 8,781.35 | 16.79% | 7,518.63 | 12.40% | 6,689.38 | 14.69% | 5,832.35 |
| Zakat Expenses | 2,583.72 | 15.56% | 2,235.92 | 28.32% | 1,742.45 | 37.69% | 1,265.45 | 28.67% | 983.48 |
| Other Expenses | 13,071.94 | -8.91% | 14,350.89 | 21.76% | 11,786.25 | -10.34% | 13,144.98 | 39.40% | 9,429.57 |
| Total Operating Expenses | 95,697.91 | 135% | 94,426.58 | 24.41% | 75,896.99 | 5.51% | 71,933.02 | 14.15% | 63,017.91 |
| Profit before Provision and Tax | 79,611.75 | 10.62% | 71,971.79 | -1.13% | 72,793.94 | 18.74% | 61,307.16 | 3.79% | 59,065.62 |
| Provisions for Investments including off-B/S items | 16,424.27 | 6.49% | 15,423.22 | 37.93% | 11,182.09 | -19.63% | 13,913.15 | -26.29% | 18,875.81 |
| Provisions for Diminution in Value of Investment in Shares | (87.89) | -115.11% | 581.60 | -191.28% | (637.16) | 12.39% | (566.92) | -155.70% | 1,017.88 |
| Provision for Start-up fund | 324.01 | 0.00% | 292.99 | 0.00% | 332.11 | 0.00% | 281.90 | 0.00% | - |
| Provision for Other Assets | 3,270.71 | 0.00% | 1,000.00 | 0.00% | 3,762.27 | 0.00% | - | 0.00% | - |
| Total Provisions | 19,931.10 | 15.22% | 17,297.81 | 18.16% | 14,639.31 | 7.42% | 13,628.13 | -31.50% | 19,893.69 |
| Total Profit before Taxes | 59,680.65 | 9.16% | 54,673.98 | -5.99% | 58,154.63 | 21.97% | 47,679.03 | 21.72% | 39,171.93 |
| Provision for Tax | 27,279.79 | 7.51% | 25,374.89 | 1.73% | 24,944.21 | 26.17% | 19,771.02 | 6.28% | 18,602.04 |
| Net Profit after tax | 32,400.86 | 10.59% | 29,299.09 | -11.78% | 33,210.42 | 19.00% | 27,908.01 | 35.67% | 20,569.89 |
| Earnings Per Share | 2.82 | | 2.55 | | 3.33 | | 2.94 | | 2.17 |

Horizontal Analysis of Profit & Loss Account refers to the analysis of growth of each component of Profit & Loss Account from the previous period.

First Security Islami Bank PLC.
VERTICAL ANALYSIS OF BALANCE SHEET

Amount in Lac Tk.

| Particulars | 2023 | 2023 (%) | 2022 | 2022 (%) | 2021 | 2021 (%) | 2020 | 2020 (%) | 2019 | 2019 (%) |
|---|---------------------|---------------|---------------------|---------------|---------------------|---------------|---------------------|---------------|---------------------|---------------|
| Cash In hand (Balance with Bangladesh Bank and its agent bank(s)) | 337,448.26 | 5.12% | 372,562.04 | 6.05% | 340,591.57 | 6.26% | 332,888.90 | 6.71% | 307,406.04 | 7.03% |
| Balance with other Banks and Financial Institutions | 13,106.58 | 0.20% | 13,497.24 | 0.22% | 19,329.30 | 0.36% | 16,839.29 | 0.34% | 7,933.01 | 0.18% |
| Placement with Banks & other Financial Institutions | 130,349.42 | 1.98% | 138,394.55 | 2.25% | 124,900.00 | 2.30% | 125,705.00 | 2.53% | 136,037.00 | 3.11% |
| Investments in Shares & Securities | 274,674.46 | 4.17% | 265,527.63 | 4.31% | 287,352.24 | 5.28% | 236,215.53 | 4.76% | 175,276.53 | 4.01% |
| General Investment etc. | 5,679,307.13 | 86.17% | 5,212,927.87 | 84.70% | 4,530,216.15 | 83.29% | 4,144,546.42 | 83.49% | 3,637,757.32 | 83.21% |
| Bills Purchased and Negotiated | 23,559.96 | 0.36% | 35,023.64 | 0.57% | 34,069.20 | 0.63% | 8,527.60 | 0.17% | 7,084.10 | 0.16% |
| Fixed Assets Including Premises, Furniture & Intangible Assets | 67,254.14 | 1.02% | 68,776.34 | 1.12% | 65,450.50 | 1.20% | 64,826.83 | 1.31% | 64,351.74 | 1.47% |
| Other Assets | 65,189.21 | 0.99% | 47,917.18 | 0.78% | 36,641.43 | 0.67% | 34,453.78 | 0.69% | 35,691.15 | 0.82% |
| Non Banking Assets | 251.45 | 0.00% | 251.45 | 0.00% | 251.45 | 0.00% | 251.45 | 0.01% | 251.45 | 0.01% |
| Total Assets | 6,591,140.61 | 100% | 6,154,877.94 | 100% | 5,438,801.84 | 100% | 4,964,254.80 | 100% | 4,371,788.34 | 100% |
| Placement from Banks & other Financial Institutions | 1,345,856.44 | 20.42% | 804,843.92 | 13.08% | 152,260.49 | 2.80% | 131,348.72 | 2.65% | 132,083.82 | 3.02% |
| Deposits and Other Accounts | 4,551,949.95 | 69.06% | 4,730,463.17 | 76.86% | 4,690,618.68 | 86.24% | 4,287,015.22 | 86.36% | 3,766,216.62 | 86.15% |
| Mudaraba Subordinated Bond | 51,000.00 | 0.77% | 74,000.00 | 1.20% | 97,000.00 | 1.78% | 106,000.00 | 2.14% | 115,000.00 | 2.63% |
| Mudaraba Perpetual Bond | 60,000.00 | 0.91% | 60,000.00 | 0.97% | 60,000.00 | 1.10% | 38,000.00 | 0.77% | - | 0.00% |
| Other Liabilities | 330,425.53 | 5.01% | 261,168.75 | 4.24% | 234,154.40 | 4.31% | 220,832.22 | 4.45% | 205,337.26 | 4.70% |
| Total Liabilities | 6,339,231.92 | 96.18% | 5,930,475.84 | 96.35% | 5,234,033.57 | 96.24% | 4,783,196.16 | 96.35% | 4,218,637.70 | 96.50% |
| Capital/Shareholders' equity | 251,908.69 | 3.82% | 224,402.10 | 3.65% | 204,768.27 | 3.76% | 181,058.64 | 3.65% | 153,150.64 | 3.50% |
| Total Liabilities and Shareholders' Equity | 6,591,140.61 | 100% | 6,154,877.94 | 100% | 5,438,801.84 | 100% | 4,964,254.80 | 100% | 4,371,788.34 | 100% |

Vertical Analysis of Balance Sheet refers to the components of Balance Sheet items as a % of total Assets over the periods which would be termed as common sizing of Balance Sheet.

First Security Islami Bank PLC.

VERTICAL ANALYSIS OF PROFIT AND LOSS

Amount in Lac Tk.

| Particulars | 2023 | 2023 (%) | 2022 | 2022 (%) | 2021 | 2021 (%) | 2020 | 2020 (%) | 2019 | 2019 (%) |
|--|-------------------|---------------|-------------------|---------------|-------------------|---------------|-------------------|---------------|-------------------|---------------|
| Investment Income | 519,507.49 | 93.65% | 402,359.23 | 92.84% | 406,318.90 | 95.66% | 425,255.04 | 95.56% | 388,014.33 | 94.42% |
| Profit paid on deposit | (379,413.33) | 68.40% | (267,006.47) | 61.61% | (276,080.53) | 65.00% | (311,753.96) | 70.06% | (288,874.24) | 70.29% |
| Net Investment Income | 140,094.16 | 25.25% | 135,352.76 | 31.23% | 130,238.37 | 30.66% | 113,501.08 | 25.51% | 99,140.09 | 24.12% |
| Income from Investment in Shares and Securities | 9,510.95 | 1.71% | 7,881.46 | 1.82% | 3,946.30 | 0.93% | 5,281.56 | 1.19% | 7,674.35 | 1.87% |
| Commission, Exchange and Brokerage | 7,270.75 | 1.31% | 15,246.65 | 3.52% | 7,718.43 | 1.82% | 8,208.54 | 1.84% | 8,847.61 | 2.15% |
| Other Operating Income | 18,433.80 | 3.32% | 7,917.50 | 1.83% | 6,787.83 | 1.60% | 6,249.00 | 1.40% | 6,421.48 | 1.56% |
| Total operating income | 175,309.66 | 31.60% | 166,398.37 | 38.39% | 148,690.93 | 35.00% | 133,240.18 | 29.94% | 122,083.53 | 29.71% |
| Salary and Allowances | 58,875.33 | 10.61% | 52,702.01 | 12.16% | 44,622.67 | 10.51% | 41,572.77 | 9.34% | 36,600.59 | 8.91% |
| Rent, Taxes, Insurances, Electricity etc. | 8,668.44 | 1.56% | 8,378.68 | 1.93% | 7,071.15 | 1.66% | 6,278.93 | 1.41% | 7,192.48 | 1.75% |
| Legal Expenses | 71.23 | 0.01% | 82.97 | 0.02% | 94.14 | 0.02% | 41.64 | 0.01% | 92.17 | 0.02% |
| Postage, Stamps, Telecommunication etc. | 1,419.81 | 0.26% | 1,345.05 | 0.31% | 1,168.44 | 0.28% | 914.07 | 0.21% | 930.55 | 0.23% |
| Stationery, Printings, Advertisements etc. | 2,037.04 | 0.37% | 6,345.28 | 1.46% | 1,694.89 | 0.40% | 1,864.55 | 0.42% | 1,800.82 | 0.44% |
| Managing Director's Salary and Fees | 181.20 | 0.03% | 175.06 | 0.04% | 164.32 | 0.04% | 136.72 | 0.03% | 128.87 | 0.03% |
| Directors' Fees & Expenses | 11.09 | 0.00% | 14.36 | 0.00% | 15.66 | 0.00% | 12.97 | 0.00% | 15.63 | 0.00% |
| Shariah Supervisory Committee's Fees & Expenses | 3.07 | 0.00% | 4.66 | 0.00% | 4.59 | 0.00% | 2.36 | 0.00% | 2.20 | 0.00% |
| Auditor's Fees | 16.10 | 0.00% | 10.35 | 0.00% | 13.80 | 0.00% | 9.20 | 0.00% | 9.20 | 0.00% |
| Depreciation & Repair of Bank's Assets | 8,758.94 | 1.58% | 8,781.35 | 2.03% | 7,518.63 | 1.77% | 6,689.38 | 1.50% | 5,832.35 | 1.42% |
| Zakat Expenses | 2,583.72 | 0.47% | 2,235.92 | 0.52% | 1,742.45 | 0.41% | 1,265.45 | 0.28% | 983.48 | 0.24% |
| Other Expenses | 13,071.94 | 2.36% | 14,350.89 | 3.31% | 11,786.25 | 2.77% | 13,144.98 | 2.95% | 9,429.57 | 2.29% |
| Total Operating Expenses | 95,697.91 | 17.25% | 94,426.58 | 21.79% | 75,896.99 | 17.87% | 71,933.02 | 16.16% | 63,017.91 | 15.33% |
| Profit before Provision and Tax | 79,611.75 | 14.35% | 71,971.79 | 16.61% | 72,793.94 | 17.14% | 61,307.16 | 13.78% | 59,065.62 | 14.37% |
| Provisions for Investments including off-B/S items | 16,424.27 | 2.96% | 15,423.22 | 3.56% | 11,182.09 | 2.63% | 13,913.15 | 3.13% | 18,875.81 | 4.59% |
| Provisions for Diminution in Value of Investment in Shares | (87.89) | -0.02% | 581.60 | 0.13% | (637.16) | -0.15% | (566.92) | -0.13% | 1,017.88 | 0.25% |
| Provision for Start-up fund | 324.01 | 0.06% | 292.99 | 0.07% | 332.11 | 0.08% | 281.90 | 0.06% | - | 0.00% |
| Provision for Other Assets | 3,270.71 | 0.59% | 1,000.00 | 0.23% | 3,762.27 | 0.89% | - | 0.00% | - | 0.00% |
| Total Provisions | 19,931.10 | 3.59% | 17,297.81 | 3.99% | 14,639.31 | 3.45% | 13,628.13 | 3.06% | 19,893.69 | 4.84% |
| Total Profit before Taxes | 59,680.65 | 10.76% | 54,673.98 | 12.61% | 58,154.63 | 13.69% | 47,679.03 | 10.71% | 39,171.93 | 9.53% |
| Provision for Tax | 27,279.79 | 4.92% | 25,374.89 | 5.85% | 24,944.21 | 5.87% | 19,771.02 | 4.44% | 18,602.04 | 4.53% |
| Net Profit after tax | 32,400.86 | 5.84% | 29,299.09 | 6.76% | 33,210.42 | 7.82% | 27,908.01 | 6.27% | 20,569.89 | 5.01% |
| Earnings Per Share | 2.82 | | 2.55 | | 3.33 | | 2.94 | | 2.17 | |

Vertical Analysis of Profit & Loss Account refers to the components of Profit & Loss Account as a % of total Income (Interest Income + Investment Income + Commission, exchange, brokerage and others) over the periods which would be termed as common sizing of Profit & Loss Accounts.

Declaration of Dividend

For the year 2023, the Bank has declared 5% Cash Dividend and 5% Sock Dividend (Bonus Shares).

Interim Dividend

The bank has not declared any interim dividend either in the form cash dividend or stock dividend/bonus share for the year 2023. As per dividend policy of the Bank, no bonus share or stock dividend can be declared as interim dividend.

Board Meeting and Attendance

A statement of Board meeting as well as attendance therein are shown below but the meeting of the committees of the members of the Board and the attendance therein are shown earlier part of the report:

Attendance list of Board of Directors During 01/01/2023 to 31/12/2023

| SL No. | Name of Directors | Position in Board | Number of Meetings | | |
|--------|--------------------------------|----------------------|--------------------|----------------------|---|
| | | | Held | Presented | Absented |
| 01 | Mohammed Saiful Alam | Chairman | 09 | 09 | -- |
| 02 | Mohammed Abdul Maleque | Vice-Chairman | 09 | 09 | -- |
| 03 | Mrs. Farzana Parveen | Director | 09 | 09 | -- |
| 04 | Mrs. Rahima Begum | Director | 09 | 09 | -- |
| 05 | Mrs. Atikur Nessa | Director | 09 | 09 | -- |
| 06 | Khandkar Iftekhar Ahmad | Nominated Director | 09 | 09 | -- |
| 07 | Dr. Momtaz Uddin Ahmed | Independent Director | 09 | 02 (02 out of 02) | -- (Retired w.e.f. 28.05.2023) |
| 08 | Badrun Nessa | Nominated Director | 09 | 05 (05 out of 05) | -- (Resigned w.e.f. 10.09.2023) |
| 09 | Jamal Mostafa Chowdhury | Nominated Director | 09 | 03 (03 out of 03) | -- (Resigned w.e.f. 02.07.2023) |
| 10 | Mohammed Abdullah Hasan | Nominated Director | 09 | 09 | -- |
| 11 | Md. Ruhul Amin | Independent Director | 09 | 09 | -- |
| 12 | Mohammad Masum Kamal Bhuiyan | Independent Director | 09 | 08 | 01 (Leave Granted) |
| 13 | Professor Md. Kamal Uddin, PhD | Independent Director | 09 | 07 (07 out of 07) | -- (Appointed w.e.f. 22.03.2023) |
| 14 | Mostan Billah Adil | Nominated Director | 09 | 01 (01 out of 01) | -- (Appointed w.e.f. 10.09.2023 & Resigned w.e.f. 19.10.2023) |
| 15 | Ashraful Mostafa Chowdhury | Nominated Director | 09 | 03 (03 out of 03) | -- (Appointed w.e.f. 19.10.2023) |

Shares held by Parent/Subsidiary/Associated Companies and Other related parties

First Security Islami Bank PLC. has no parent company or associated companies. It has two subsidiary companies i.e. First Security Islami Capital and Investment Limited and First Security Islami Exchange Italy, SRL. None of the subsidiary company of the Bank holds any share of it during the year 2023.

Shares held by Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouse and minor children:

| SL. No. | Name of Director | Position in Board/ Designation | No. of Shares | Name of their spouse and Minor child | No. of Shares |
|---------|--|--------------------------------|---------------|--------------------------------------|---------------|
| 01 | Mohammed Saiful Alam | Chairman | 49,610,066 | | |
| 02 | Mohammed Abdul Maleque | Vice-Chairman | 23,012,174 | Sarwar Jahan Maleque | 1,056,739 |
| 03 | Mrs. Farzana Parveen | Director | 55,813,490 | | |
| 04 | Mrs. Rahima Begum | Director | 23,012,174 | Mortoza Siddique Chowdhury | 11,865,025 |
| 05 | Mrs. Atikur Nessa | Director | 52,616,155 | | |
| 06 | Md. Ruhul Amin | Independent Director | Nil | | |
| 07 | Mohammad Masum Kamal Bhuiyan | Independent Director | Nil | | |
| 08 | Mohammed Abdullah Hasan (Nominated by Nowshin Steels Limited) | Nominated Director | 26,193,116 | | |
| 09 | Khandkar Iftekhar Ahmad (Nominated by Pusti Vegetable Ghee Limited) | Nominated Director | 24,972,674 | | |
| 10 | Professor Md. Kamal Uddin, PhD | Independent Director | Nil | | |
| 11 | Ashraful Mostafa Chowdhury (Milkway Impexco Limited) | Nominated Director | 23,679,210 | | |
| 12 | Syed Waseque Md. Ali | Managing Director | Nil | | |
| 13 | Muhammad Khalid Mahmud FCMA | Chief Financial Officer | Nil | | |
| 14 | Oli Kamal, FCS | Company Secretary | Nil | | |
| 15 | Rafiq-Ul-Alam | Head of Internal Audit | Nil | | |

Share held by Executives (top five salaried employees of the company other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit):

| SL. No. | Name | Designation | No. of Share | Holding Share by their spouse and Minor child |
|---------|-------------------------|-------------|--------------|---|
| 01 | Muhammad Mustafa Khair | AMD | Nil | Nil |
| 02 | Md. Masudur Rahman Shah | DMD | Nil | Nil |
| 03 | Md. Tahurul Haque | SEVP | Nil | Nil |
| 04 | Kazi Motaher Hossain | EVP | Nil | Nil |
| 05 | Md. Abdur Rashid | EVP | Nil | Nil |

Shareholders holding ten percent (10%) or more voting interest in the company.

None of the shareholder of the Bank holds ten percent (10%) or more voting interest in the company in the year 2023.

Appointment of Directors

In the year 2023, 02 (two) new Directors have been appointed observing the relevant Acts, rules and regulations as well as obtaining prior approval from the Bangladesh Bank. One of them has also resigned during the year 2023. A brief resume including nature of experience and others particulars are furnished as under:

Mohammad Mostan Billah Adil, Nominated Director:

Mohammad Mostan Billah Adil was born in Chattogram in the year 1987. He is a member of prestigious Muslim family in the country. He is a successful business entrepreneur. His spontaneous participation in the business makes him renowned to the young entrepreneur. He is the proprietor of M/S. Mostan Billah Adil and Director of Infinia Spinning Mills Ltd. He is the Managing Director of Sparrow Spinning Ltd., Platinum Endeavors Limited and Priority Security & Other Services Limited.

In addition to his business he takes part in many philanthropic activities. He has travelled many countries around the world for business purposes.

Ashraful Mostafa Chowdhury

Ashraful Mostafa Chowdhury was born in Chattogram in the year 1995. He is a member of prestigious Muslim family in the country. He is a young business entrepreneur. His spontaneous participation in the business makes him renowned to the other young entrepreneurs in the country. He is the Managing Director of JMC Shipping Lines (Pvt.) Ltd. and JMC Builders (Pvt.) Ltd. He is the Director of Moon Express (Pvt.) Ltd.

In addition to his business he explores to enrich experience from the various sectors of business in the country and abroad. He has travelled few countries around the world for business and personal purposes.

Re-appointment of Directors

In 25th Annual General Meeting (AGM), 03 (three) Directors will retire. Being eligible they have expressed their interest to be re-elected in the ensuing AGM. A brief resume including nature of experience and others particulars of these directors are furnished below:

Mohammed Saiful Alam, Chairman

Mohammed Saiful Alam was born in Chattogram in the year 1960. He comes from a very prominent and highly respectable family of Bangladesh. He is a man with distinctive vision, dynamism, commitment and innovative ideas. As a chairman of First Security Islami Bank PLC., he has brought along with him a vast wealth of experience and expertise of managing a good number of organizations of his own throughout the country.

He is a very successful entrepreneur and an eminent industrialist of the country. He is the Chairman of the Board of Directors of First Security Islami Capital & Investment Limited, Aviva Finance Limited, S. S. Power I Limited, Norinco Engineering Limited, C & H Power Management Company Limited, Aviva Equity Management Limited, Ekushey Television Limited and Karnaphuli Prakritik Gas Limited. He is the Managing Director of S. Alam Steels Limited, S. Alam Brothers Limited, S. Alam Hatchery Limited, S. Alam Trading Company (Pvt.) Limited, S. Alam Bag Manufacturing Mills Limited, S. Alam Soyaseed Extraction Plant Limited, S. Alam Refined Sugar Industries Limited, S. Alam Luxury Chair Coach Services Limited, S. Alam Tank Terminal Limited, S. Alam Properties Limited, Sonali Cargo Logistics (Pvt.) Limited, Fatehabad Farm Limited, Portman Cements Limited, Nexus Television & Media Network Limited, Pavilion International Limited, Crest Holdings Limited, Virgin Assets Limited, Noor Islamic Holdings Limited, Disney Business Solution Limited and the Director of Northern Islami Insurance Co. Limited and S. Alam Cold Rolled Steels Limited. He is also Sponsor Shareholder of Al-Arafah Islami Bank Limited, S. Alam Super Edible Oil Limited, S. Alam Vegetable Oil Limited, S. Alam Cement Limited, and S. Alam Power Generation Limited. He is a Shareholder of Padma Islami Life Insurance Limited and Global Islami Bank PLC. He is the Proprietor of S. Alam & Co.

In addition to his business, Mr. Alam is associated with many philanthropic activities in the country. Mr. Mohammed Saiful Alam has travelled many countries around the world for business purposes

Mrs. Atikur Nessa, Director

Mrs. Atikur Nessa was born in Chattogram in the year 1969. She is the Proprietor of Atikur Nisa Enterprise and Ideal Filling Station, Partner of Rafe Enterprise and Khorshed Paribahan Sangstha and Shareholder of Aviva Finance Limited.

Mrs. Atikur Nessa is also associated with various social and philanthropic activities. She has travelled many countries in the world for business purposes.

Mohammed Abdullah Hasan, Nominated Director

Mohammed Abdullah Hasan was born in Chattogram in the year 1976. He is a member of prestigious Muslim family in the country. He is a successful business entrepreneur. His spontaneous participation in the business makes him renowned to the young entrepreneurs.

Mohammed Abdullah Hasan is the Managing Director of Hasan Abasan (Pvt.) Limited and Modern Property Limited. He is the Director of First Security Islami Capital and Investment Ltd., S. Alam Luxury Chair Coach Services Ltd., S. Alam Brothers Ltd., Portman Cements Ltd., S. Alam Soya Seed Extraction Plant Ltd., S. Alam Refined Sugar Industries Ltd., Sonali Cargo Logistics (Pvt.) Ltd., S. Alam Tank Terminal Ltd. and Fatehabad Firm Ltd. He is also shareholder of S. Alam Steels Ltd., S. Alam Vegetable Oil Ltd., S. Alam Super Edible Oil Ltd. and S. Alam Cement Ltd. He is the proprietor of M/s. Abdullah Hasan and M/s. Bering Sea Lines.

In addition to his business, Mohammed Abdullah Hasan is involved in benevolent activities in the country. He has travelled many countries around the world for business purposes.

MANAGEMENT DISCUSSION AND ANALYSIS

Global economic ramifications of the Covid-19 and Russia-Ukraine war adversely impacted on the previous growth trajectory of Bangladesh for the year 2023. The year 2023 was very challenging year for banking sector especially for deposit mobilization and investment. Bank struggled to manage deposit cost according to deposit size. Moreover, due to the minimum gap in the profit rate between deposit and investment, the bank had to take several policies to keep tight its financial stability. As banking sector was very challenging in the year 2023, the bank focused on core banking business, made positive growth in profitability and maintained a sound asset quality the bank remained financially strong by dint of its resolute focus on the vision of becoming country's finest corporate citizen and also emphasize its focus on online services, SME, retail Consumer and relentless pursuit of providing excellent and need based customer service. In terms of new investment, trade, deposit and maintained in pre-tax profit in compare to that of previous years by balancing its overall resources and concentrated on strategic business decision, reform and restructuring the processes and policies. The analysis of financial performance and operating result of the bank is narrated below:

Accounting Policies and Estimation for Preparation of Financial Statements

The financial statements of the Bank continue to be prepared in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Bank Companies Act 1991, the rules and regulations issued by Bangladesh Bank, the Companies Act 1994, Bangladesh Securities and Exchange Rules 1987. In case any requirement of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank differ with those of IFRS, the requirements of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank shall prevail.

The financial statements of the Bank are made for the year ended 31 December, 2023 and are prepared under the historical cost convention on a going concern basis and in accordance with the "First Schedule Section 38(4) of the Bank Companies Act, 1991 and Amendment 2013, BRPD Circular # 14 dated 25 June 2003, BRPD Circular # 15 dated 09 November 2009, Circulars, Rules and regulations issued by Bangladesh Bank time to time, International Accounting Standards and International Financial Reporting Standards, The Companies Act 1994, The Bangladesh Security and Exchange Rules 1987, Dhaka & Chittagong Stock Exchanges listing regulations, Income Tax Act-2023, the Value Added Tax and Supplementary Duty Act-2012, and other laws and rules applicable in Bangladesh.

Changes in accounting policies and estimation

First Security Islami Bank PLC. did not change the accounting policies during the year 2023.

Comparative Analysis of Financial Performance as well as cash flows for current year with immediate preceding five years:

(Amount in million TK.)

| Sl. No. | Particulars | 2019 | 2020 | 2021 | 2022 | 2023 |
|---------|-----------------------------------|-------------------|------------------|------------------|-------------------|------------------|
| 01. | Authorized Capital | 10,000.00 | 30,000.00 | 30,000.00 | 30,000.00 | 30,000.00 |
| 02. | Paid-up Capital | 8,625.09 | 9,487.60 | 9,961.98 | 10,460.08 | 11,506.09 |
| 03. | Shareholders' Equity | 15,165.54 | 17,945.50 | 20,343.76 | 22,302.11 | 25,009.91 |
| 04. | Total Regulatory Capital | 27,472.21 | 34,915.07 | 36,632.45 | 38,705.47 | 40,896.44 |
| 05. | Statutory Reserve | 4,339.99 | 5,293.57 | 6,456.66 | 7,550.14 | 8,743.76 |
| 06. | Total Assets | 437,646.63 | 497,250.79 | 544,795.19 | 616,453.58 | 660,110.64 |
| 07. | Total Liabilities | 422,141.19 | 478,952.77 | 524,077.93 | 593,792.71 | 634,728.46 |
| 08. | Total Deposits | 376,609.70 | 428,687.22 | 469,035.38 | 473,025.03 | 455,151.17 |
| 09. | Total Investment | 364,029.96 | 414,780.69 | 455,850.14 | 523,944.39 | 569,324.14 |
| 10. | Total Contingent Liabilities | 54,806.72 | 46,909.12 | 44,525.61 | 42,861.99 | 23,655.87 |
| 11. | Total Risk Weighted Assets | 240,730.41 | 287,963.44 | 302,924.48 | 320,643.95 | 345,476.86 |
| 12. | Total Fixed Assets | 6,447.31 | 6,492.53 | 6,562.29 | 6,887.65 | 6,729.78 |
| 13. | Operating Income | 12,380.79 | 13,460.49 | 15,145.71 | 16,915.29 | 17,819.81 |
| 14. | Operating Expenditure | 6,416.27 | 7,298.58 | 7,731.07 | 9,588.04 | 9,732.06 |
| 15. | Profit before Provision & Tax | 5,964.53 | 6,161.91 | 7,414.64 | 7,327.26 | 7,327.26 |
| 16. | Profit before Tax | 3,969.66 | 4,793.90 | 5,902.11 | 5,544.88 | 6,079.71 |
| 17. | Net profit after Provision & Tax | 2,091.89 | 2,792.58 | 3,365.20 | 2,961.50 | 3,311.67 |
| 18. | Foreign Exchange Business: | 134,580.00 | 70,436.30 | 92,921.30 | 117,506.60 | 81,937.70 |
| | a) Import Business | 107,385.70 | 43,021.10 | 53,845.70 | 63,218.80 | 27,284.40 |
| | b) Export Business | 12,280.70 | 12,412.10 | 23,965.60 | 37,150.40 | 28,554.20 |
| | c) Remittance | 14,913.60 | 15,003.10 | 15,110.00 | 17,137.40 | 26,099.10 |
| 19. | Profit Earning Assets | 396,408.80 | 453,183.38 | 499,586.69 | 566,219.75 | 612,099.76 |
| 20. | Non Profit Earning Asset | 40,770.04 | 43,242.10 | 44,293.50 | 49,268.04 | 47,014.31 |

| Sl. No. | Particulars | 2019 | 2020 | 2021 | 2022 | 2023 |
|---------|------------------------------------|--------|--------|--------|---------|---------|
| 01. | Investment as a % of Total Deposit | 90.47% | 91.90% | 91.39% | 103.13% | 118.45% |
| 02. | Capital Risk Assets Ratio (CRAR) | 11.41% | 12.12% | 12.09% | 12.07% | 11.84% |
| 03. | Earnings Per Share (EPS) (Tk.) | 2.19 | 2.79 | 3.20 | 2.56 | 2.85 |
| 04. | Price Earnings Ratio (Times) | 4.07 | 3.06 | 3.87 | 3.50 | 3.16 |
| 05. | Return on Assets (ROA) | 0.51% | 0.60% | 0.64% | 0.51% | 0.51% |
| 06. | Net Asset Value Per Share (Tk.) | 15.98 | 18.01 | 19.45 | 19.38 | 21.74 |
| 07. | Cost of Fund | 9.62% | 7.96% | 7.92% | 7.45% | 8.44% |
| 08. | No. of Foreign Correspondents | 2,500 | 2,500 | 2,600 | 2,600 | 2,600 |
| 09. | Dividend: | | | | | |
| | a) Cash | Nil | 5% | 5% | Nil | 5% |
| | b) Bonus | 10% | 5% | 5% | 10% | 5% |
| 10. | Rights Offer | Nil | Nil | Nil | Nil | Nil |
| 11. | Number of Shareholders | 50,145 | 48,221 | 53,522 | 53,019 | 53,416 |
| 12. | Number of Employees | 4,203 | 4,419 | 5,086 | 5,406 | 5,324 |
| 13. | Number of Branches | 184 | 190 | 196 | 204 | 205 |

Compare financial performance or results and financial position as well as cash flows with industry scenario

Bangladesh has made remarkable progress in poverty reduction, supported by sustained economic growth. It has been among the fastest growing economies in the world over the past decade, thanks to a demographic dividend, strong ready-made garment (RMG) exports, and stable macroeconomic conditions.

Russia-Ukraine war impacted Bangladesh profoundly. In addition to the impact on health, GDP growth decelerated, and poverty increased. The war may also have long term economic implications as a result of high inflation, high fuel cost, trade imbalance and many other reasons.

Reform priorities including a diversification of exports beyond the RMG sector, deepening the financial sector, improving urbanization, and strengthening public governance. Addressing infrastructure gaps would accelerate growth and reduce spatial disparities in opportunities across regions and within cities. Human capital development remains a priority as well. A comparative analysis of financial performance and industry scenario are given below:

- According to the latest data of Bangladesh Bank, as of December last year, the amount of defaulted loans of the banks stood at 1 lakh 45 thousand 633 crores, which is 9 percent of their total loans. At the end of 2022, the amount of defaulted loans was 1 lakh 20 thousand 656 crores, which is 8.16 percent of the total loans. Compared to 2022, defaulted loans increased by Tk 24 thousand 977 crore or 20.70 percent last year.
- According to the data of Bangladesh Bank, at the end of December 2022, the loan in the banking sector was Tk 14 lakh 77 thousand 688 crore. And in December 2023, the debt has increased to 16 lakh 77 thousand 788 crore taka.
- The country's banking system has witnessed a major decline in short-term foreign credit flows to the private sector. In 2023 that has decreased to \$11.45 billion. This widens the fiscal deficit, and also accelerates the depletion of the country's foreign exchange reserves. At the end of December 2023, the total foreign debt to the private sector was 25.8 billion dollars. It was 37.25 billion US dollar in the previous year. That is, a decrease of 31 percent. 31 billion dollars were paid off last year. That is, repayments are 5.3 billion US dollar more than borrowings. According to central bank data, there was a surplus of short-term borrowings over repayments of 525 million US dollar in 2022.
- 2023 saw off a good finish in expatriate income. The last month of the year December came to 198 crore 98 lakh 70 thousand US dollars, the whole year expatriate income came to 2 thousand 191 crore 57 lakh 60 thousand or 21.92 billion US dollars. According to the data of Bangladesh Bank, the remittance income in 2022 was 21.28 billion dollars and in 2021 it was 21.74 billion dollars.

Brief explanation of the financial and economic scenario of the country and globe

At the time of independence in 1971, Bangladesh's economy was in tatters, a result of the bloody liberation war. Over 80% of the populations were living in extreme poverty. In the following years, the country struggled with military coups, political turmoil, poverty and famine. In the 1970s, it was argued that "if development is possible in Bangladesh, it is possible in any other country. The South Asian country was viewed as "the test case" of development. But fast forward to today, the situation has dramatically changed for the better. Due to global unrest caused by Russia-Ukraine war, the economy was growing rapidly.

Currently, 98% of children nationwide have finished primary school, with more girls in secondary school than boys. Observers say the Muslim-majority nation over the years has invested heavily in the lives of women and girls. It has also made progress in combating child malnutrition and reproductive health.

Forecasts suggest that the size of the economy of Bangladesh could double by 2030. While it was primarily an agricultural economy in 1971, the composition has changed over the decades, with industry and services now accounting for the lion's share of the economic output. The garment industry emerged as one of the nation's success stories in recent decades. It is the second-largest globally, only next to China. The sector employs over 4 million people, the majority of whom are women, contributing to female empowerment. Remittances also play a major role in the economy, with Bangladeshi workers employed abroad.

Bangladesh has made slow but steady progress toward greater economic freedom over the past decade. While the economy remains in the mostly un-free category, the control of government spending and debt has been a positive achievement. Additional improvements in judicial effectiveness and government integrity would strengthen the rule of law, and opening the banking sector to foreign competition would further benefit the country.

Financial Position of the Bank

In spite of the tough economic environment during the year 2023, the Bank has managed a sustainable development in its balance sheet. At the end of the year 2023 total assets have increased by 7.09% in compare with the year 2022. A summary position of the total assets of the bank is given below:

Taka in Million

| Particulars | 31.12.2023 | 31.12.2022 | Growth rate % |
|---|-------------------|-------------------|---------------|
| Cash | 33,744.83 | 37,256.20 | -9.42% |
| Balance with other Banks and Financial Institutions | 1,310.66 | 1,349.72 | -2.89% |
| Placement with Banks & Other Financial Institutions | 13,034.94 | 13,839.46 | -5.81% |
| Investments in Shares & Securities | 27,467.45 | 26,552.76 | 3.44% |
| Investments | 570,286.71 | 524,795.15 | 8.67% |
| Fixed Assets Including Premises, Furniture & Fixtures and Intangible Assets | 6,725.41 | 6,877.63 | -2.21% |
| Other Assets | 6,518.92 | 4,791.72 | 36.05% |
| Non-Banking Assets | 25.15 | 25.15 | - |
| Total Assets | 659,114.06 | 615,487.79 | 7.09% |

A summary of operating result of the bank as on December 31, 2023 vis-a-vis the position as on December 31, 2022 is shown below:

Taka in Million

| Particulars | 2023 | 2022 | Growth rate % |
|--|-----------------|-----------------|---------------|
| Investment Income | 51,950.75 | 40,235.92 | 29.12% |
| Profit paid to the Depositors | 37,941.33 | 26,700.65 | 42.10% |
| Net Investment Income | 14,009.42 | 13,535.27 | 3.50% |
| Total Operating Income | 17,530.97 | 16,639.84 | 5.36% |
| Total Operating Expense | 9,569.79 | 9,442.66 | 1.35% |
| Profit before Provision and Tax | 7,961.18 | 7,197.18 | 10.62% |
| Provision against Investment & Others Assets | 1,993.11 | 1,729.78 | 15.22% |
| Profit before Taxes | 5,968.07 | 5,467.40 | 9.16% |

Cash and cash equivalents

Cash and cash equivalents include cash in hand and balances with Bangladesh Bank and its agent banks, balance with ATM and balance with other banks and financial institutions. Deposits Received from

Customers has been decreased during the year 2023 as a result, Cash and cash equivalents decreased amount of Tk. 3,550.44 Million on 31 December 2023 from 31 December 2022.

Risks and concerns issues related to the financial statements and way of mitigation

Risk Management

Risks are the potential that an event, action or inaction will adversely impact the ability of an entity to achieve its organizational objectives. Risk management is a process of identifying, analyzing, assessing, devising & implementing of appropriate policies to control or mitigate the material uncertainties for the organization effectively and efficiently.

FSIB has high powered 'Board Risk Management Committee (BRMC)' comprising of honorable Vice-Chairman of the Bank as chairman and two directors of the Board as member. The committee defines the risk appetite for the bank, designs organizational structure to manage risk within the bank, reviews and approves risk management policies, enforces and uses adequate recordkeeping and reporting system, and monitors compliance of overall risk management in the bank.

FSIB has been addressing its risks through a separate risk management division under the direct supervision of the Chief Risk Officer (CRO). The Additional Managing Director (AMD) of FSIB has been nominated as Chief Risk Officer (CRO) to ensure the highest priority in risk management activities.

FSIB has also an Executive Risk Management Committee (ERMC) at management level consisting of member from the different core risks management divisions under the chairmanship of Chief Risk Officer (CRO) of the Bank. The Divisional Head of Risk Management Division has been assigned as the "Deputy Chief Risk Officer (DCRO)" of the Bank and Member Secretary of the committee (ERMC).

The Risk Management Division of FSIB is conducting its activities through the eight different desks covering core functional areas of the bank. An overview of the operational activities is highlighted below.

➤ **Investment Risk Management**

Investment risk is one of the core risks the bank faces. It refers to a potential financial loss from the default or investment quality deterioration of a customer or other third party with whom FSIB has a contractual obligation. It is our most important risk in terms of exposure and capital consumption. Investment risk comes from a bank's dealing with individual, corporate, bank, NBFI or a sovereign. It may arise due to inability or unwillingness to perform. It may stem from on-balance sheet and off-balance sheet activities. Investment risk not only includes default risk but also downgrade risk. As a result of excessive investment risk, bank's profitability, capital adequacy and cash flows are adversely affected. Effective management of investment risk requires the establishment of an appropriate investment risk culture. Board of Directors reviews and approves the bank's investment risk appetite and investment policy annually.

Investment Risk includes financial risk, operational risk, security risk, management risk, business risk, industry risk, relationship risk, market risk, social risk, fraud & forgeries, governmental risk, political risk, equity risk, commodity risk, legal risk, systematic risk, technical risk, concentration risk, profit rate risk, liquidity risk, reputational risk, strategic risk, settlement risk, environmental and climate change risk, and so on. In addition to those risks, Islami Banking has some specific risks like fiduciary risk, displaced commercial risk, liquidity risk for lack of non-structural Islamic Financial Market, Sharia'h compliance risk, etc. Risk gradation and weight changes depending on the circumstances and environment of investment.

Investment is a bank's primary source of income and cash flow. If the quality of bank investment declines, it has a negative impact on the bank's revenue, cash flow, and capital adequacy. Cash flow problem may lead to investment crunch and failure to pay the depositors on time. Erosion of depositors' confidence may result from the failure to pay and such erosion of confidence may invite bank failure. Better Investment Risk Management (IRM) gives the opportunity to greatly improve overall performance of the bank and secure a competitive advantage. The goal of Investment Risk Management is to maintain investment risk exposure within proper and acceptable parameters. It is the practice of mitigating losses by understanding the adequacy of a bank's capital and investment loss reserves (provision) at any given time.

An effective Investment Risk Management system not only manages the entire investment portfolio but also individual investments. There are five basic steps that are taken to manage risk; these steps are referred to as the risk management process. It begins with identifying risks, goes on to analyze risks, then the risk is prioritized, a solution is implemented, and finally, the risk is monitored and reviewed periodically.

An Investment Risk Management Committee (IRMC) has been formed by FSIB for the implementation of the Investment Risk Management Policy/strategy approved by the Board of Directors (BoD), monitoring investment risk on the bank-wide basis and ensuring compliance with limits approved by the BoD, making recommendations to the board, for its approval, clear policies on standards for presentation of investment proposals, financial covenants, Internal Investment Risk Rating (IIRR) score, rating standards, segregation of cottage micro, small & medium enterprises and benchmarks, advising the Management for deciding delegation of investment approving powers, prudential limits on large investment exposures, standards for investment collateral, portfolio management, investment review mechanism, risk concentrations, risk monitoring and evaluation, pricing of investments, provisioning, regulatory/legal compliance, etc.

➤ **Foreign Exchange Risk Management**

Since Foreign Exchange Risk involves purchase and sale of any national currency against other national currency, thus Foreign Exchange Risk is the chance of loss due to unexpected movement of market price of the currencies of different countries or the price of the assets denominated by foreign currencies. The Foreign Exchange Risk of the bank is minimal as all the transactions are carried out on behalf of the customers against underlying Foreign Exchange transactions.

Treasury Division independently conducts the transactions and the Back Office of treasury is responsible for verification of the deals and passing of their entries in the books of account. All foreign exchange transactions are revalued at Mark-to-Market rate as determined based on industrial weighted average at the end of the day. All Nostro accounts are reconciled on daily basis and outstanding entries beyond 30 days are reviewed by the Management for their settlement.

➤ **Asset Liability Management**

Asset Liability Management (ALM) is an integral part of Bank Management and it is essential to have a structured and systematic process for managing the Balance Sheet. The Asset Liability committee (ALCO) of our bank consists of the senior executives chaired by the Managing Director, and the head of Treasury is the member secretary of this committee, should meet at least once every month to analyze, review and formulate strategy to manage the balance sheet and special ALCO meeting is arranged, if needed. The result of balance sheet analysis along with recommendation is placed in the ALCO meeting by the Treasury Division where important

decisions are made to minimize risk and optimum return. ALCO mainly reviews the balance sheet of the bank such as liquidity requirement, the maturity of assets and liabilities, deposit and investment, pricing strategy and the liquidity contingency plan and also monitor Net Profit Income (NPI), return on assets, investment value and exchange earnings, Capital Adequacy Ratio, Investment Deposit Ratio, Investable Fund, Deposit Mix, Cost of Deposit, Cost of Fund, LCR, NSFR, and leverage ratios etc. as a part of regulatory compliance. ALCO is a decision-making unit responsible for balance sheet planning and management from risk-return perspective, and also responsible for the strategic management of profit rate risk and liquidity risks.

➤ **Anti-Money Laundering & Combating Financing of Terrorism**

First Security Islami Bank PLC. (FSIB) is always watchful to prevent all kinds of activities regarding money laundering and financing of terrorism. Every year the honorable Managing Director of the bank declares a written clear commitment and procedures regarding Anti-Money Laundering (AML) & Combating Financing of Terrorism (CFT) for all the employees and monitors the implementation of these activities.

An Additional Managing Director (AMD) as Chief Anti-Money Laundering Compliance Officer (CAMLCO) and an Executive Vice President as Deputy Chief Anti-Money Laundering Compliance Officer (D-CAMLCO) of the bank has been duly assigned for the effective prevention of money laundering and terrorist financing activities in the bank. A powerful “Central Compliance Committee (CCC)” chaired by the aforesaid AMD consisting of senior executives and divisional heads has been continuously supervising the overall Anti-Money Laundering (AML) & Combating Financing of Terrorism (CFT) activities of the bank.

According to the Bangladesh Financial Intelligence Unit (BFIU) guidelines, a full-fledged division named “Anti Money Laundering (AML) & Combating Financing of Terrorism (CFT) Division” is headed by the D-CAMLCO has been working in the Head Office of the bank under the close supervision of CAMLCO. Zonal Heads of the bank have been nominated as Zonal Anti-Money Laundering Compliance Officer (ZAMLCO) to strengthen the AML & CFT activities in the branches of the respective zone. Under the instructions of BFIU, manager operation of every branch has been nominated as “Branch Anti-Money Laundering Compliance Officer (BAMLCO)” by the CCC of the bank for preventing money laundering and terrorist financing at the branch. The manager and the BAMLCO ensure overall AML & CFT activities in the branch along with the tagged sub-branch(es) and agent banking outlet(s).

AML & CFT risk is treated one of the core risks in bank’s risk management. The bank is always careful about identification and mitigation of AML & CFT risks. To ensure proper compliance for AML & CFT risk management, bank ensures the following mitigation mechanism:

- i) Issuance and implementation of board approved ML & TF Risk Assessment Guidelines for FSIB in line with the direction of BFIU issued ML & TF Risk Assessment Guidelines for Banks.
- ii) Issuance and implementation of board approved ML & TF Risk Management Guidelines for FSIB in line with the direction of BFIU issued ML & TF Risk Management Guidelines for Banks.
- iii) Ensuring Know Your Customer (KYC), Customer Due Diligence (CDD) and Enhanced Due Diligence (EDD) procedures for every account.
- iv) Cautious & effective monitoring of customers’ transactions for submitting applicable STR/SAR to

Bangladesh Financial Intelligence Unit (BFIU). It may be mentionable that a total of 757 STR/SARs have been submitted to BFIU as on 31st December 2023.

- v) Monthly submission of Cash Transaction Report (CTR) in due time to BFIU and review CTR accounts.
- vi) Circulation of necessary policies, circulars & guidelines from the AML & CFT Division in line with the instructions of BFIU.
- vii) Conducting on-site & off-site supervision in the branches. AML & CFT System Check Inspection of branches by AML & CFT Division in addition to Independent Testing Procedures (ITP) audit by Internal Control & Compliance Division. It may be mentionable that AML & CFT Division conducted AML & CFT System Check at 63 branches as on 31st December 2023.
- viii) Ensuring training/workshop on AML/CFT for every employee. Zone wise training/workshop on AML & CFT related issues for different desk officers of the bank.
- ix) Every day adverse media news collected from Hawker.com are disseminated to branches. However, bank trains employees regarding illegal hundi, cryptocurrency trading, forex trading, online betting etc. transactions.
- x) The bank distributes a huge number of leaflets and hangs posters & banners on the topic of Anti-Money Laundering and Combating Financing of Terrorism at every branch, sub-branch and agent banking outlet for building public awareness on these issues. However, social media platforms are also used for customer awareness.
- xi) For the prevention of Trade-Based Money Laundering (TBML), the bank implements the Guidelines for Prevention of TBML as per BFIU's instructions.
- xii) For the prevention of Investment Backed Money Laundering (IBML), a separate chapter regarding the prevention of IBML has been incorporated in the AML & CFT Policy for FSIB and implementation activities are done.

➤ **Internal Control and Compliance**

Internal control is a process, effected by Board of Directors (BoD), Senior Management and all levels of personnel, designed to provide reasonable assurance regarding the achievement of objectives in the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with applicable laws, regulations, and internal policies. A system of strong internal controls can help ensure that the goals and objectives of a banking organization will be met, that the bank will achieve long-term profitability target and maintain reliable financial and managerial reporting.



First Security Islami Bank PLC. has established an appropriate and effective internal control environment through the Board of Directors, Management, organizational and procedural controls and an independent audit mechanism in order to ensure that the Bank is managed and controlled in a sound and prudent manner. The Bank identifies its weakness through internal control system and takes appropriate measures to overcome the weaknesses.

The Board of Directors of the Bank has established an Audit Committee to monitor the effectiveness of internal control system of the bank. The Audit Committee meets the Senior Management periodically to discuss the effectiveness of the internal control system of the Bank and ensure that the management has taken appropriate actions as per the recommendations of the Internal Audit Team, Bangladesh Bank's Inspection Team & External Auditors.

The key functionalities that have been established in reviewing adequacy and integrity of the system of internal control are as follows:

- The BoD set up an organizational structure of Internal Control and Compliance Division (IC&CD) in such a way that, it has no conflict of interest with the regular management of the bank and fulfill the requirements as directed in the Rule 15(Ga)(I) of BCA (Bank Company Act) 1991 for establishing and maintaining effective internal control and risk management having regard to the complexity of the activities of the bank its size, scope of operations and risk profile;
- Different committees have been formed consisting of relative stakeholders with expertise on subject matter to assist the Board in guiding the Bank's operation in line with corporate mission, vision and strategies;
- Audit & Inspection are conducted across various divisions/units and all branches, in alignment with the annual audit plan, as approved by the Audit Committee of Board. The frequency of branch audit is determined by the level of risk assessed independently and objectively. Findings of the internal audit are submitted to the Audit Committee for review during their meetings.
- Information System auditors evaluate risk management practices to determine whether the bank's IS-related risks are properly managed. They conduct audit on overall information & related technological security aspects;
- The Audit Committee of the Board reviews the internal control findings identified by the Internal Audit of the Bank, Inspection Team of Bangladesh Bank and External Auditors;
- The Head of Audit has direct access to the Audit Committee as and when required to ensure submission of internal audit findings to the Audit Committee;
- The monitoring unit of the IC&CD checks for compliance with policies and procedures and the overall effectiveness of internal control system. The Bank continues to review different control tools i.e., IDCL, DCFCL, QOR and Risk rating on regular basis and highlights of significant findings in respect of any non-compliance;
- The Compliance Unit of the IC&CD ensures timely and proper compliance (both internal and regulatory) with the relevant laws, regulatory instructions/circulars/guidelines and internal policies and procedures in banking operations. Compliance Unit acts as contact point when regulatory inspections are conducted, ensures that corrective measures are taken and appropriate and timely

response is as soon as the inspection report is received;

- The Board of Directors holds meetings at suitable intervals with Senior Management, External Auditors and the Audit Committee for evaluating the effectiveness of internal control system and provides necessary guidance.

Evaluation of Effectiveness of Internal Control

The MANCOM of the Bank reviews the overall effectiveness of the control system of the bank on a yearly basis and provides feedback to the Board of Directors on the effectiveness of internal control policy, practice and procedure.

| Audit & Inspection Covers |
|----------------------------|
| 197 Branches |
| 157 Sub-Branches |
| 87 Agent Outlets |
| 09 Zonal Offices |
| 21 Divisions & Departments |
| 1 Subsidiary |

- The Audit & Inspection unit prepares reports on individual inspection programs and submits the same to the branches/business unit for rectification with a copy to line management.
- IC&CD prepares an annual integrated report on the health of the Bank to be submitted to the Board of Directors for onward submission to Bangladesh Bank.
- At the end of the year, a summary report on the audit findings is prepared and corrective actions taken which are forwarded to the Audit Committee of the Board and the Managing Director & CEO simultaneously
- Based on the review of monitoring reports the audit team also conduct surprise check on the branches where regular gaps are identified.
- Self-Assessment of Anti-Fraud Internal Controls is carried out on half-yearly basis and is submitted to Bangladesh Bank as per requirement of DOS Circular Letter No.17 dated 07 November 2017 issued by Bangladesh Bank after receiving compliance confirmation form the respective stakeholders.

Finally, the objectives of IC&CD are to evaluate the effectiveness of the operations, accuracy and timeliness of the reporting and the compliance with the applicable laws and regulations. IC&CD adds value to the bank through its independent observations on different activities performed by other units.

➤ Information & Communication Technology

Banks play a pivotal role in the sustained growth of an economy. Banking sector is important to maintain financial equilibrium and economic stability. On the other hand, Information and Communication Technology (ICT) is increasingly becoming an invaluable and powerful tool for driving development,

supporting growth, promoting innovation and enhancing competitiveness. It is introducing global environment which will bring all nations around the world to come together to form a global networked community. Banks are increasingly using sophisticated digital technology for banking activities with a view to achieve more customer's satisfaction with less cost. In addition, it increases the efficiency of the banking and payment system, benefiting customers and merchants leading to bridging additional risks.

Information assets are critical to the services provided by the Bank to its customers. Protection and maintenance of these assets are vital to its sustainability. In order to ensure protection of critical IT assets from unauthorized access, modification, disclosure and destruction, the Bank has already taken initiative, which safeguard the interest of customers. In this context Bank has implemented a core banking software ensuring adequate security.

The bank's core banking system has upgraded to a new version BankUltimus 4.0.0.5, and with it BankUltimus's slowness problems are fixed. ATM Transaction dispute management, Database and Grid infrastructures version up gradation, locker service and pay order payment service from the Remote branch, new module for CTPC for Inland Bill Purchases were successfully integrated with BankUltimus's latest version. A total of 60 MIS reports was successfully deployed as per the requirement of management, different division, and branches. New rules for NBR TAX 53F deduction were successfully integrated with the BankUltimus system. A user manual for the BankUltimus system was developed successfully. New Deploy Locker Service module were successfully integrated with the BankUltimus system. With also newly added 01 (One) Branch & 15 (Fifteen) Sub-branches.

The bank has started enhancement work for the data center and the re-development work is in progress. Currently, the Bank has a Data Center which is fault-tolerant, allowing us to upgrade, install patch, maintenance and any activity without downtime. The establishment enables to satisfy valued clients with sharp & better service. To protect sensitive information of core banking in the event of any disaster, the Bank has implemented a disaster Recovery Site. Up-gradation of the FIRE Safety Security System for both Data Center and Disaster recovery site have been completed. The bank is now working towards establishing DC2, which will be an exact replica of Data Center, with active-active operation mode. In the meantime, the bank has started to develop Software Define Network (SDN) which allows administrators to control the network, change configuration settings, provision resources, and increase network capacity – all from a centralized user interface, without the need for more hardware. An HCI (Hyper converged Infrastructure) technology is already under deployment phase which is a combination of servers and storage into a distributed infrastructure platform with intelligent software to create flexible building blocks that replace legacy infrastructure consisting of separate servers, storage networks, and storage arrays.

The Bank has already developed its own ICT security policy for various operation and services which are closely in line with the ICT security policy guideline of Bangladesh Bank. Active Directory Domain Controller (ADC) has implemented in all branches and head office according to the Guideline of Bangladesh Bank. To enhance the security, flexibility, and control of the bank's ICT Infrastructure, OpenStack Private Cloud has been implemented. To manage Security Patch Management, Windows Update Server (WSUS) has been implemented. Additional Domain Controller (DC03) has been added on DR site to ensure HA of Active Directory Service and Integrated ManageEngine ADAudit Plus has implemented to audit the Active Directory operations/activities. Again, Implemented ManageEngine System Administration Tool has been added to gather hardware/software information from all the computers in our bank.

To ensure the information security and cyber security of the bank, ICT division has implemented Next Generation Firewall to address advanced security threats at the application level, Endpoint Security and Server Security, Network Access Center (NAC) to secure endpoints or entry points of end-user devices and

servers, Web Application Firewall to protect web applications by filtering and monitoring HTTPS traffic between a web application, Email Security Gateway for virus scanning, spam scoring, real-time intent analysis, URL link protection, reputation checks & other techniques, Anti-DDoS to protect online applications and services from DDoS attacks, and Web Security to protect your users, devices, and wider network against internet-based cyberattacks. The bank use Network Behavior Analyzer (NBA) for collecting and analyzing internal network data to detect malicious or unusual activity, such as policy violations, Denial-of-Service, worms, or malware etc. FSIB has established a Security Operations Center (SOC) to monitor, prevent, detect, investigate, and respond to cyber threats around the clock and deployed Security Information and Event Management (SIEM) to aggregate network traffic logs. This allows the bank to monitor communication channels, applications, databases, and systems effectively. The inclusion of Vulnerability Assessment/Penetration Testing (VA/PT) and Source Code Analysis demonstrates a commitment to identify and address vulnerabilities through systematic testing. Network Management System (NMS) solution helps the network team to monitor their network devices and traffics, Server & Application Monitor (SAM) solution helps to monitor the activities of server & application, Privileged Access Management (PAM) which is an identity security solution that helps to manage privileged access as well as protect unauthorized access against cyber threats. Data Center Network Up Gradation and ICT Division and CARD Division LAN segregation have been done. ITCL network traffic has been bought under Firewall. FSIB with Bangladesh Bank DC and DR logical connectivity swap for BACH & RTGS services.

The in-house software team of ICT Division is developing various in-house software. To enhance the security of in-house software necessary steps has been taken. ICT Division has deployed “helpdesk” service to help an individual, group, or organizational function. Typically, the term refers to centralized help provided to users within an enterprise with ticketing system for specific problem identification and automation. With that keeping track of each problem & solution can be possible. The software unit has developed, Repair Management system mainly focuses on the repair request of hardware devices from different branches. Apart from these, ICT division has developed bKash-Remit API and Nagad-Remit API Integration, Dispute Management to track the disputed transactions through Card & IBFT, E-recruitment system for smoothing the recruitment process, Credit Card Reporting System for reporting to Bangladesh Bank mentioning all international transaction using FSIB Credit Card, E-Learning to train all employees of FSIB, within the shortest possible time and in a convenient way, New Exchange House (Shift Financial Service & GCC Remit) API Integration. The in-house software team is also responsible for various types of reporting to Bangladesh Bank and other regulatory organizations. The whole team is working on in-house development so that the Bank can reduce costs by maintaining data integrity and smooth services.

Internet banking facility has taken banking era one step ahead for future generations. Inclusion of RTGS and EFTN in i-banking platform has increased its credibility towards modernization. FSIB launched its Internet Banking Service on the year 2014 and currently, there are 1,91,906 Customers on this service. FSIB CLOUD is an Official Mobile Application of First Security Islami Bank PLC. In order to improve the service for the client FSIB Internet Banking and FSIB CLOUD have been merged into the new Web and App Based Internet Banking FSIB CLOUDNET. FSIB Corporate E-Banking has been implemented for Corporate Clients. The current customer number in this platform is 1,82,067. Now own bank Credit Card Bill payments can be done through Internet Banking and the client can use FSIB CLOUD without Mobile Data.

Again, RTGS Payment from Bank to Bank, Bank to the client, and Bank to Multiple Clients through USD, EURO, and GBP have been implemented. “FirstCash” is the rebranded Mobile Financial Services of FSIB which have strong network coverage and expanding its network focusing on organizations like Educational institutions, Financial Institutions, Merchants, and Utility Bill collections. The dCloud app is a versatile mobile banking application offering services like fund receive, fund transfer, and account management through features like balance checking and mobile top-ups, utility bills, pay education fees, and make merchant

payments. Users can link their FSIB Bank A/C or Card, choosing between prepaid or postpaid connections. Overall, it provides a simple and user-friendly platform for diverse financial activities. FSIB launched its Service on 25th December, 2023 and currently, there are 2,542 Customers on this service.

Training is the key component of ICT Risk Management. The Bank has been continuously conducting training sessions on sensitive ICT tasks (i.e. Operation Procedure, Business Continuity Planning, Disaster Recovery Planning, Certification Preparation Training, etc.) for relevant employees. FSIB ICT Division arranges training at regular intervals for branch personnel and in-house personnel. In the year 2023, through Licensed ZOOM apps the bank arranged training programs: 1) HelpDesk Training for all ICT Officials, 2) Cyber Security Awareness Program for all Officials of FSIB, and 3) ICT POC Training for Two officials of all FSIB Branches. The bank has also provided physical training, as required, and when considered right. This year this division has brought all the executives and officials under the scope of Cyber Security Awareness training.

The Bank has been maintaining adequate physical security inside its workplace to properly protect ICT resource. The bank is strictly following the Information security standard of Bangladesh bank covering Password Control, User ID Maintenance, Input Control, Network security, Data Encryption, Virus Protection and Access Control of Internet and Emailing. The Bank is regularly conducting internal ICT audit to all its branches and Head Office Divisions to ensure proper implementation of the ICT policy. The bank has established Disaster Recovery Site and it is a complete backup of the Data Center of the bank. Customer data will be secured by the DR site if any unwanted disaster happens in Data Center. In situations like encountering a disaster, ICT Division can drive the Banking service through Disaster Recovery Site. FSIB established the DR site and inaugurated it on 4th June 2015 and since then the bank has started operating banking services from the DR site at the periodical interval every year. In the year 2023, the bank operated a banking service from the DR site for 48 hours.

➤ **Environmental Risk Management (ERM)**

The Environmental risk is a facilitating element of credit risk arising from environmental issues. These can be due to environmental impacts caused by and / or due to the prevailing environmental conditions. These increase risks as they bring an element of uncertainty or possibility of loss in the context of a financing transaction. These risks may be arisen from different sources i.e. Land Location, Regulatory Non-compliance, Labour/ Social Risk, Community/ Public Opposition, Changing Export Market Conditions, Climate Change Impacts.

The overall purpose of Environmental Risk Management is to understand and manage risks that arise from environmental concerns. This brings a focus on planning and implementing policies and procedures to mitigate environmental risks.

- Examine the environmental issues and concerns associated with potential business activities proposed for financing
- Identify, evaluate and manage the environmental risks and the associated financial implications arising from these issues and concerns
- Enhance the credit risk appraisal process

Environmental Risk Management is applicable across all financing transactions undertaken by Banks/FIs as all of these occur within the context of environmental concerns. Some transactions are inherently more exposed to these risks than others. The main determinants of environmental risk are the nature of a borrower's business activity and the vulnerability of the location of the business activity. With other aspects

being the same, environmental risks will vary according to different forms of transactions, e.g. risks associated to a short-term financing is considerably less compared to a long-term financing to support the establishment of a large chemical or power plant.

Risk Based Capital (Basel-III)

To comply with the international best practice and to make the bank's capital more risk sensitive as well as to build the banking industry more shock absorbent and stable, Bangladesh Bank is aimed to implement Basel-III reporting from 2015. As per the directive of Bangladesh Bank, all schedule banks in Bangladesh are now required to report risk Based capital adequacy for banks under Basel-III. All scheduled banks are also required to disclose capital adequacy in both quantitative terms as per Bangladesh Bank BRPD Circular No. 18 dated 21 December 2014.

Stress Testing

A bank's Stress Testing is an analysis conducted under hypothetical scenarios (minor shock, moderate shock and major shock) designed to determine whether a bank has enough capital to withstand a negative economic shock. It identifies the specific vulnerabilities/area of concern i.e. (Changes in investment exposure and rating, profit rate changes, exchange rate fluctuations, events which influence liquidity, changes in equity price etc.), construction of the scenario, performing the numerical analysis and summarizing and interpreting the results. Finally, it produces a numerical estimate of the change in the value of risk exposed positions. FSIB prepares Stress Testing Report on quarterly basis and submit to Bangladesh Bank as per the guideline.

Future Plan or projection or forecast for company's operation, performance and financial position with justification

In the history of Islami Banking in our country with modern and progressive guidelines, First Security Islami Bank PLC. is one of the pioneers. It is a full-fledged shariah compliant bank and follows all the Islami rules & regulations since its inception. First Security Islami Bank PLC. was inaugurated on 25 October 1999. Though our bank started its operation as a conventional bank at the beginning, but by considering public demand and justification of the prudent decision of the board & management of our bank, it was converted into a full-fledged Islami bank on 01 January 2009.

Developing the standard of living of the rural population, engaging urban life with economic development and acceleration of technological improvement with the increase of client groups by different products and services are the main objectives of First Security Islami Bank PLC. To facilitate our clients beyond regular banking time, we are increasing the number of ATM booths, enhancing the facilities of online banking, internet banking, SMS banking and Mobile App-based banking facilities. We have started Sub-branches, Agent Banking Outlets and Mobile Banking Services to reach the services to the doorsteps of all types of clients. Our bank has been participating in different social activities unlike development of health sector, education, sports and helping the under privileged people as the mode of Corporate Social Responsibility. The achievements of the bank during its 24 years of operation are really praiseworthy and clients have strong belief on the bank. Bank believes that not only earning of profit but also getting the trust of clients and increasing the quality of services are the main objective of banking service. So the bank aims to ensure the utmost client satisfaction. Restricted profit rate is supposed to be the one of the greatest risk for upcoming days with the down flow of economy for the high inflation and impact of Russia-Ukraine war, so the Bank is emphasizing on low cost deposits and modernization of banking activities. Our bank has achieved remarkable success in its foreign trade businesses and working to continue this trend through different initiatives in international business and receiving foreign remittances from Bangladeshi expatriates. Our bank is giving sincere importance to investment risk management and accelerating

investment in CSME sector, Women Entrepreneurship and Agriculture sectors. The Bank keeps its attention to income from ancillary services to keep up stable trend of income and minimization of unnecessary costs. We strongly believe that the bank will be able to attain sustainable growth by proper utilization of its operating strategies and adept human resources.

The bank is relentlessly working for developing long-term strategic plan to maintain dynamic growth by realizing the changing habit of all types of clients and to become the symbol progressiveness of banking arena of our country.



Syed Waseque Md. Ali
Managing Director

Declaration by CEO and CFO

April 29, 2024

Board of Directors

First Security Islami Bank PLC.
Rangs RD Center, Block: SE(F), Plot-03
Gulshan Avenue, Gulshan-1,
Dhaka-1212.

Subject: Declaration on Financial Statements for the year ended on December 31, 2023.

Muhtaram,
Assalamu Alaikum,

Pursuant to the condition No. 1(5) (xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 under section 2CC of the Securities and Exchange Ordinance-1969, we do hereby declare that:

- (1) The Financial Statements of First Security Islami Bank PLC. for the year ended on 31.12.2023 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- (i) We have reviewed the financial statements for the year ended on 31.12.2023 and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Ma-assalam,
Sincerely yours,



Muhammad Khalid Mahmud FCMA
EVP, Head of FAD & CFO



Syed Waseque Md. Ali
Managing Director



Haruner Rashid & Associates
Chartered Secretaries & Management Consultants

**Report to the Shareholders of
First Security Islami Bank PLC.
on**

Compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by **First Security Islami Bank PLC.** for the year ended 31st December 2023. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 and it's latest amendments of the Bangladesh Securities and Exchange Commission.

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

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

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

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

Haruner Rashid & Associates
Chartered Secretaries

A.K.M. Haruner Rashid, LL.B, FCS
CEO & Consultant



Place: Dhaka
Dated: 15 May, 2024

Status of compliance with the Corporate Governance Code (CGC) [First Security Islami Bank PLC.]

[As per condition No. 1(5) (xxvii)]

Status of compliance with the conditions imposed by Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 and its latest amendments issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 9)

| Condition No. | Title | Compliance Status (Put ✓ in the appropriate column) | | Remarks (if any) |
|----------------------|---|--|--------------|---|
| | | Complied | Not Complied | |
| 1 | Board of Directors | | | |
| 1(1) | The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty). | ✓ | | The Board of Directors of First Security Islami Bank PLC. is comprised of 11 Directors. |
| 1(2) | Independent Directors | | | |
| 1(2)(a) | At least 02 (two) directors or one-fifth (1/5) of the total number of directors in the company's Board, whichever is higher, shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s); | ✓ | | There are 3 Independent Directors in the board of the company. |
| 1(2)(b) | Without contravention of any provision of any other laws, for the purpose of this clause, an "Independent director" means a director – | | | |
| 1(2)(b)(i) | Who either does not hold any share in the Company or holds less than one percent (1%) shares of the total paid-up shares of the Company; | ✓ | | As declared by the Independent Directors. |
| 1(2)(b)(ii) | Who is not a sponsor of the Company or is not connected with the Company's any sponsor or director or nominated director or shareholder of the Company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the Company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the Company. Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in law shall be considered as family members; | ✓ | | Do |
| 1(2)(b)(iii) | Who has not been an executive of the Company in immediately preceding 2 (two) financial years; | ✓ | | Do |
| 1(2)(b)(iv) | Who does not have any other relationship, whether pecuniary or otherwise, with the Company or its subsidiary or associated Companies; | ✓ | | Do |
| 1(2)(b)(v) | Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange. | ✓ | | Do |
| 1(2)(b)(vi) | Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of Stock Exchange or an intermediary of the capital market; | ✓ | | Do |
| 1(2)(b)(vii) | Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned Company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code; | ✓ | | Do |
| 1(2)(b)(viii) | Who is not independent director in more than 5 (five) listed companies; | ✓ | | Do |
| 1(2)(b)(ix) | who has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for nonpayment of any loan or advance or obligation to a bank or a financial institution; and | ✓ | | Do |
| 1(2)(b)(x) | Who has not been convicted for a criminal offence involving moral turpitude; | ✓ | | Do |
| 1(2)(c) | The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM): Provided that the Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of recommendation of the Nomination and Remuneration Committee (NRC) of the company; | ✓ | | As a Bank company, there was no scope to constitute NRC as per BB instruction. |
| 1(2)(d) | The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and | ✓ | | |

| Condition No. | Title | Compliance Status (Put ✓ in the appropriate column) | | Remarks (if any) |
|----------------|---|---|--------------|--|
| | | Complied | Not Complied | |
| 1(2)(e) | The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only: Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e. three years from his or her completion of consecutive two tenures (i.e. six years): Provided further that the independent director shall not be subject to retirement by rotation as per the কোম্পানী আইন, ১৯৯৪ (১৯৯৪ সনের ১৮ নং আইন) (Companies Act, 1994). | ✓ | | Independent Directors appointed for a term of 3 years |
| 1(3) | Qualification of Independent Director : | | | |
| 1(3)(a) | Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regularity requirements and corporate laws and can make meaningful contribution to the business; | ✓ | | The Qualification and background of the ID's are commensurate to the requirements of the position and are stated in the Directors profile. |
| 1(3)(b) | Independent Director shall have following qualifications: | | | |
| 1(3)(b)(i) | Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk.100.00 million or any listed company or a member of any national or international chamber of commerce or registered business association; or | - | | N/A |
| 1(3)(b)(ii) | Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted Company having minimum paid-up-capital of Tk. 100.00 million or of a listed Company; or | - | | N/A |
| 1(3)(b)(iii) | Former or existing official of government or statutory or autonomous or regulatory body in the position not below 5 th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law: Provided that in case of appointment of existing official as independent director, it requires clearance from the organization where he or she is in service; or | ✓ | | |
| 1(3)(b)(iv) | University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or | ✓ | | |
| 1(3)(b)(v) | Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification; | - | | N/A |
| 1(3)(c) | The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b); | ✓ | | |
| 1(3)(d) | In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission. | ✓ | | |
| 1(4) | Duality of Chairpersons of the Board of Directors and Managing Director or Chief Executive Officer: | | | |
| 1(4)(a) | The positions of the Chairpersons of the Board and the Managing Director (MD) and /or Chief Executive Officer (CEO) of the Company shall be filled by different individuals; | ✓ | | The Chairman of the Board and Managing Director are filled by Different Person. |
| 1(4)(b) | The Managing Director (MD) and / or Chief Executive Officer (CEO) of a listed Company shall not hold the same position in another listed Company; | ✓ | | The Managing Director does not hold the same position of any other Listed Company |
| 1(4)(c) | The Chairperson of the Board shall be elected from among the non-executive directors of the Company; | ✓ | | |
| 1(4)(d) | The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and / or Chief Executive Officer; | ✓ | | |
| 1(4)(e) | In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes. | ✓ | | No such event occurred |
| 1(5) | The Directors' Report to Shareholders: | | | |
| 1(5)(i) | An industry outlook and possible future developments in the industry; | ✓ | | Described in the annual report |

| Condition No. | Title | Compliance Status (Put ✓ in the appropriate column) | | Remarks (if any) |
|--------------------|---|---|--------------|-------------------------------|
| | | Complied | Not Complied | |
| 1(5)(ii) | The segment-wise or product-wise performance; | ✓ | | Do |
| 1(5)(iii) | Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any; | ✓ | | Do |
| 1(5)(iv) | A discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin, where applicable; | ✓ | | Do |
| 1(5)(v) | A discussion on continuity of any extraordinary activities and their implications (gain or loss); | - | | N/A |
| 1(5)(vi) | A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions; | ✓ | | |
| 1(5)(vii) | A statement of utilization of proceeds raised through public issues, rights issues and / or any other instruments; | - | | N/A |
| 1(5)(viii) | An explanation if the financial results deteriorate after the Company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.; | - | | N/A |
| 1(5)(ix) | An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements; | - | | N/A |
| 1(5)(x) | A statement of remuneration paid to the directors including independent directors; | ✓ | | Disclosed in the Audit Report |
| 1(5)(xi) | A statement that the financial statements prepared by the management of the issuer Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity; | ✓ | | |
| 1(5)(xii) | A statement that proper books of account of the issuer Company have been maintained; | ✓ | | |
| 1(5)(xiii) | A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment; | ✓ | | |
| 1(5)(xiv) | A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed; | ✓ | | |
| 1(5)(xv) | A statement that the system of internal control is sound in design and has been effectively implemented and monitored; | ✓ | | |
| 1(5)(xvi) | A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress; | ✓ | | |
| 1(5)(xvii) | A statement that there is no significant doubt upon the issuer Company's ability to continue as a going concern, if the issuer Company is not considered to be a going concern, the fact along with reasons there of shall be disclosed; | ✓ | | |
| 1(5)(xviii) | An explanation that significant deviations from the last year's operating results of the issuer Company shall be highlighted and the reasons thereof shall be explained; | ✓ | | |
| 1(5)(xix) | A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized; | ✓ | | |
| 1(5)(xx) | An explanation on the reasons if the issuer Company has not declared dividend (cash or stock) for the year; | - | | N/A |
| 1(5)(xxi) | Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend; | - | | N/A |
| 1(5)(xxii) | The total number of Board meeting held during the year and attendance by each director; | ✓ | | |
| 1(5)(xxiii) | A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by: | | | |
| 1(5)(xxiii)(a) | Parent or Subsidiary or Associated Companies and other related parties (name-wise details); | ✓ | | |
| 1(5)(xxiii)(b) | Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details); | ✓ | | |
| 1(5)(xxiii)(c) | Executives; and [Executives means top salaries person other than Directors, CEO, CS, CFO & HIAC] | ✓ | | |

| Condition No. | Title | Compliance Status (Put ✓ in the appropriate column) | | Remarks (if any) |
|-------------------|--|---|--------------|--|
| | | Complied | Not Complied | |
| 1(5)(xxiii)(d) | Shareholders holding ten percent (10%) or more voting interest in the Company (name-wise details); | ✓ | | |
| 1(5)(xxiv) | In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders: | | | |
| 1(5)(xxiv)(a) | A brief resume of the director; | ✓ | | |
| 1(5)(xxiv)(b) | Nature of his or her expertise in specific functional areas; and | ✓ | | |
| 1(5)(xxiv)(c) | Names of companies in which the person also holds the directorship and the membership of committees of the Board; | ✓ | | |
| 1(5)(xxv) | A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the Company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on: | | | |
| 1(5)(xxv)(a) | Accounting policies and estimation for preparation of financial statements; | ✓ | | |
| 1(5)(xxv)(b) | Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes; | ✓ | | |
| 1(5)(xxv)(c) | Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof; | ✓ | | |
| 1(5)(xxv)(d) | Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario; | ✓ | | |
| 1(5)(xxv)(e) | Briefly explain the financial and economic scenario of the Country and the globe; | ✓ | | |
| 1(5)(xxv)(f) | Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the Company; and | ✓ | | |
| 1(5)(xxv)(g) | Future plan or projection or forecast for Company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM; | ✓ | | |
| 1(5)(xxvi) | Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A ; and | ✓ | | |
| 1(5)(xxvii) | The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C ; | ✓ | | |
| 1(5)(xxviii) | The Directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality. | ✓ | | |
| 1(6) | Meetings of the Board of Directors : | | | |
| | The Company shall conduct its Board Meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code. | ✓ | | |
| 1(7) | Code of Conduct for the Chairperson, other Board members and Chief Executive Officer: | | | |
| 1(7)(a) | The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other Board members and Chief Executive Officer of the Company; | - | | As a Bank company, there was no scope to constitute NRC as per BB instruction. |
| 1(7)(b) | The code of conduct as determined by the NRC shall be posted on the website of the Company including, among others, prudent conduct and behavior; confidentiality; conflict of interest, compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency. | - | | Do |
| 2 | Governance of Board of Directors of Subsidiary Company : | | | |
| 2(a) | Provisions relating to the composition of the Board of the holding Company shall be made applicable to the composition of the Board of the subsidiary Company; | ✓ | | |
| 2(b) | At least 1 (one) independent director on the Board of the holding Company shall be a director on the Board of the subsidiary Company; | ✓ | | |
| 2(c) | The minutes of the Board meeting of the subsidiary Company shall be placed for review at the following Board meeting of the holding Company; | ✓ | | |
| 2(d) | The minutes of the respective Board meeting of the holding Company shall state that they have reviewed the affairs of the subsidiary Company also; | ✓ | | |

| Condition No. | Title | Compliance Status (Put ✓ in the appropriate column) | | Remarks (if any) |
|---------------|---|---|--------------|------------------------|
| | | Complied | Not Complied | |
| 2(e) | The Audit Committee of the holding Company shall also review the financial statements, in particular the investments made by the subsidiary Company. | ✓ | | |
| 3 | Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary:- | | | |
| 3(1) | Appointment | | | |
| 3(1)(a) | The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO), and a Head of Internal Audit and Compliance (HIAC); | ✓ | | |
| 3(1)(b) | The position of the managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO), and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals; | ✓ | | |
| 3(1)(c) | The MD or CEO, CS, CFO and HIAC of a listed Company shall not hold any executive position in any other Company at the same time: Provided that CFO or CS of any listed company may be appointed for the same position in any other listed or non-listed company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission: Provided further that the remuneration and perquisites of the said CFO or CS shall be shared by appointing companies proportionately; | ✓ | | No such event occurred |
| 3(1)(d) | The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS; | ✓ | | |
| 3(1)(e) | The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s). | ✓ | | No such event occurred |
| 3(2) | Requirement to attend Board of Directors' Meetings | | | |
| 3(2) | The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters. | ✓ | | |
| 3(3) | Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO) : | | | |
| 3(3)(a) | The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief: | ✓ | | |
| 3(3)(a)(i) | These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and | ✓ | | |
| 3(3)(a)(ii) | These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws; | ✓ | | |
| 3(3)(b) | The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company's Board or its members; | ✓ | | |
| 3(3)(c) | The certification of the MD or CEO and CFO shall be disclosed in the Annual Report. | ✓ | | |
| 4 | Board of Directors' Committee: | | | |
| 4(i) | For ensuring good governance in the Company, The Board shall have at least following sub-committees: Audit Committee; and | ✓ | | |
| 4(ii) | Nomination and Remuneration Committee. | - | | N/A |
| 5 | Audit Committee: | | | |
| 5(1) | Responsibility to the Board of Directors | | | |
| 5(1)(a) | The Company shall have an Audit Committee as a sub-committee of the Board; | ✓ | | |
| 5(1)(b) | The Audit committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company and in ensuring a good monitoring system within the business; | ✓ | | |
| 5(1)(c) | The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing. | ✓ | | |

| Condition No. | Title | Compliance Status (Put ✓ in the appropriate column) | | Remarks (If any) |
|---------------|---|---|--------------|---|
| | | Complied | Not Complied | |
| 5(2) | Constitution of the Audit Committee (AC) | | | |
| 5(2)(a) | The Audit Committee shall be composed of at least 3 (three) members; | ✓ | | The Audit Committee comprised of 3 (three) members. |
| 5(2)(b) | The Board shall appoint members of the Audit Committee who shall be non-executive directors of the Company excepting Chairpersons of the Board and shall include at least 1 (one) independent director; | ✓ | | |
| 5(2)(c) | All members of the audit committee should be “financially literate” and at least 1(one) member shall have accounting or related financial management background and 10 (ten) years of such experience; | ✓ | | |
| 5(2)(d) | When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 60 (sixty) days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee; | - | | No such event occurred |
| 5(2)(e) | The Company secretary shall act as the secretary of the Committee; | ✓ | | |
| 5(2)(f) | The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director. | ✓ | | |
| 5(3) | Chairperson of Audit Committee: | | | |
| 5(3)(a) | The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director; | ✓ | | Mr. Mohammad Masum Kamal Bhuiyan, Independent Director, is the Chairman of the Audit Committee. |
| 5(3)(b) | In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes. | ✓ | | |
| 5(3)(c) | Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM); Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM. | ✓ | | |
| 5(4) | Meeting of the Audit Committee: | | | |
| 5(4)(a) | The Audit Committee shall conduct at least its four meetings in a financial year; Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee; | ✓ | | The Audit Committee conducted Five meeting during the reporting year 2023 |
| 5(4)(b) | The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must. | ✓ | | |
| 5(5) | Role of Audit Committee: | | | |
| | The Audit Committee shall:- | | | |
| 5(5)(a) | Oversee the financial reporting process; | ✓ | | |
| 5(5)(b) | Monitor choice of accounting policies and principles; | ✓ | | |
| 5(5)(c) | Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report; | ✓ | | |
| 5(5)(d) | Oversee hiring and performance of external auditors; | ✓ | | |
| 5(5)(e) | Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption; | ✓ | | |
| 5(5)(f) | Review along with the management, the annual financial statements before submission to the Board for approval; | ✓ | | |
| 5(5)(g) | Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval; | ✓ | | |
| 5(5)(h) | Review the adequacy of internal audit function; | ✓ | | |
| 5(5)(i) | Review the Management’s Discussion and Analysis before disclosing in the Annual Report; | ✓ | | |

| Condition No. | Title | Compliance Status (Put ✓ in the appropriate column) | | Remarks (if any) |
|-----------------|---|---|--------------|--|
| | | Complied | Not Complied | |
| 5(5)(j) | Review statement of all related party transactions submitted by the management; | ✓ | | |
| 5(5)(k) | Review Management Letters or Letter of Internal Control weakness issued by the statutory auditors; | ✓ | | |
| 5(5)(l) | Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and | ✓ | | |
| 5(5)(m) | Oversee whether the proceeds raised through Internal Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission; Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results; Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee. | - | | N/A |
| 5(6) | Reporting of the Audit Committee: | | | |
| 5(6) (a) | Reporting to the Board of Directors | | | |
| 5(6)(a)(i) | The Audit Committee shall report on its activities to the Board. | ✓ | | |
| 5(6)(a)(ii) | The Audit Committee shall immediately report to the Board on the following findings, if any: | | | |
| 5(6)(a)(ii)(a) | Report on conflicts of interests; | - | | N/A |
| 5(6)(a)(ii)(b) | Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements; | - | | N/A |
| 5(6)(a)(ii)(c) | Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and | - | | N/A |
| 5(6)(a)(ii)(d) | Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately; | - | | N/A |
| 5(6)(b) | Reporting to the Authorities: | | | |
| | If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonable ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period 6 (six) months from the date of first reporting to the Board, whichever is earlier. | - | | N/A |
| 5(7) | Reporting to the Shareholders and General Investors: | | | |
| | Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer Company. | ✓ | | |
| 6 | Nomination and Remuneration Committee (NRC): | | | |
| 6(1) | Responsibility to the Board of Directors | | | |
| 6(1)(a) | The Company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board; | - | | As a Bank company, there was no scope to constitute NRC as per BB instruction. |
| 6(1)(b) | The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive; | - | | Do |
| 6(1)(c) | The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5) (b). | - | | Do |
| 6(2) | Constitution of the NRC | | | |
| 6(2)(a) | The Committee shall comprise of at least three members including an independent director; | - | | Do |
| 6(2)(b) | At least 02 (two) members of the Committee shall be non-executive directors;" | - | | Do |
| 6(2)(c) | Members of the Committee shall be nominated and appointed by the Board; | - | | Do |
| 6(2)(d) | The Board shall have authority to remove and appoint any member of the Committee; | - | | Do |
| 6(2)(e) | In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee; | - | | Do |

| Condition No. | Title | Compliance Status (Put ✓ in the appropriate column) | | Remarks (if any) |
|---------------|---|---|--------------|------------------|
| | | Complied | Not Complied | |
| 6(2)(f) | The Chairperson of the Committee may appoint or co-opt any external expert and/ or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and / or member(s) of staff shall be required or valuable for the Committee; | - | | Do |
| 6(2)(g) | The Company secretary shall act as the secretary of the Committee; | - | | Do |
| 6(2)(h) | The quorum of the NRC meeting shall not constitute without attendance of at least an independent director; | - | | Do |
| 6(2)(i) | No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the Company. | - | | Do |
| 6(3) | Chairperson of the NRC: | | | |
| 6(3)(a) | The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director; | - | | Do |
| 6(3)(b) | In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes; | - | | Do |
| 6(3)(c) | The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders : Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM. | - | | Do |
| 6(4) | Meeting of the NRC: | | | |
| 6(4)(a) | The NRC shall conduct at least one meeting in a financial year; | - | | Do |
| 6(4)(b) | The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC; | - | | Do |
| 6(4)(c) | The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2) (h); | - | | Do |
| 6(4)(d) | The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC. | - | | Do |
| 6(5) | Role of the NRC: | | | |
| 6(5)(a) | NRC shall be independent and responsible or accountable to the Board and to the shareholders; | - | | Do |
| 6(5)(b) | NRC shall oversee, among others, the following matters and make report with recommendation to the Board: | | | |
| 6(5)(b)(i) | Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following: | - | | Do |
| 6(5)(b)(i)(a) | The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the Company successfully; | - | | Do |
| 6(5)(b)(i)(b) | The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and | - | | Do |
| 6(5)(b)(i)(c) | Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflection short and long-term performance objectives appropriate to the working of the Company and its goals; | - | | Do |
| 6(5)(b)(ii) | Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality; | - | | N/A |
| 6(5)(b)(iii) | Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommended their appointment and removal to the Board; | - | | N/A |
| 6(5)(b)(iv) | Formulating the criteria for evaluation of performance of independent directors and the Board; | - | | N/A |
| 6(5)(b)(v) | Identifying the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and | - | | N/A |
| 6(5)(b)(vi) | Developing, recommending and reviewing annually the Company's human resource and training policies; | - | | N/A |
| 6(5)(c) | The Company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report. | - | | N/A |

| Condition No. | Title | Compliance Status (Put ✓ in the appropriate column) | | Remarks (if any) |
|---------------|--|---|--------------|------------------|
| | | Complied | Not Complied | |
| 7 | External or Statutory Auditors: | | | |
| 7(1) | The issuer Company shall not engage its external or statutory auditors to perform the following services of the Company, namely: | | | |
| 7(1)(i) | Appraisal or valuation service or fairness opinions; | ✓ | | |
| 7(1)(ii) | Financial information systems design and implementation; | ✓ | | |
| 7(1)(iii) | Book-keeping or other services related to the accounting records or financial statements; | ✓ | | |
| 7(1)(iv) | Broker-dealer services; | ✓ | | |
| 7(1)(v) | Actuarial services; | ✓ | | |
| 7(1)(vi) | Internal audit services or special audit services; | ✓ | | |
| 7(1)(vii) | Any services that the Audit Committee determines; | ✓ | | |
| 7(1)(viii) | Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and | ✓ | | |
| 7(1)(ix) | Any other service that creates conflicts of interest. | ✓ | | |
| 7(2) | No partner or employees of the external audit firms shall possess any share of the Company they audit at least during the tenure of their audit assignment of that Company; his or her family members also shall not hold any shares in the said Company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as Family members. | ✓ | | |
| 7(3) | Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders. | ✓ | | |
| 8 | Maintaining a website by the Company: | | | |
| 8(1) | The Company shall have an official website linked with the website of the stock exchange. | ✓ | | |
| 8(2) | The Company shall keep the website functional from the date of listing. | ✓ | | |
| 8(3) | The Company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s). | ✓ | | |
| 9 | Reporting and Compliance of Corporation Governance: | | | |
| 9(1) | The Company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report. | ✓ | | |
| 9(2) | The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting. | ✓ | | |
| 9(3) | The directors of the Company shall state, in accordance with the Annexure-C attached, in the directors' report whether the Company has complied with these conditions or not. | ✓ | | |

REPORT OF THE AUDIT COMMITTEE

The Board of Directors of First Security Islami Bank PLC. has formed an Audit Committee (ACBD) as per BRPD Circular No.11, dated 27/10/2013 and Corporate Governance Code, dated 03 June 2018 issued by Bangladesh Securities and Exchange Commission. The ACBD performs its roles in accordance with applicable rules, regulations and policies. The committee ensures compliance of overall business plan and policies formulated by the Board.

RESPONSIBILITIES OF THE AUDIT COMMITTEE:

Major responsibilities of the Audit Committee are as follows:

- Evaluates compliance culture of the Management.
- Reviews management's actions in computerization of the Bank and its applications and Management Information System (MIS) of the bank.
- Considers whether internal control strategies recommended by internal and external auditors have been implemented by the management.
- Considers reports related to frauds, forgeries, deficiencies in internal control or other similar issues detected by internal and external auditors and inspectors of the regulatory authority and place it before the board after reviewing whether necessary corrective measures have been taken by the management.
- Reviews existing Risk Management procedures for ensuring an effective Internal Check and Control System
- Reviews efficiency and effectiveness of Internal Audit Functions.
- Monitors effectiveness of removal of the irregularities detected.
- Reviews Annual Financial Statements in line with the Accounting Standards set by Regulatory Authorities.
- Reviews monitoring activities of Internal Control & Compliance Division (IC&CD).
- Reviews findings and recommendations of the External Auditors.
- Assesses smooth running of the affairs of the Bank by the management in line with the plans and policies set by the Board.

COMPOSITION OF THE AUDIT COMMITTEE:

The Audit Committee is comprised of the following three members:

| Sl. | Name | Status in the Board | Status in the Audit Committee |
|-----|-------------------------------|----------------------|-------------------------------|
| 01. | Mohammad Masum Kamal Bhuiyan | Independent Director | Chairman |
| 02. | Md. Ruhul Amin | Independent Director | Member |
| 03. | Professor Md. Kamal Uddin PhD | Independent Director | Member |

MEETING OF THE AUDIT COMMITTEE:

Five (05) meetings of Audit Committee were held in the year 2023. The Committee met with Internal Control & Compliance Division, Finance and Accounts Division and External Auditors of the Bank to discuss their findings and to work out ways to resolve their observations.

In the year 2023, the committee reviewed:

- Internal Audit Plan for the year 2023 and approved plan for 2024.
- ICC Guidelines and recommended for approval of Board of Directors.
- Draft Financial Statements and after discussing with the External Auditors, recommended it to the Board for their considerations.

- Overall Health of the Bank.
- Bangladesh Bank's Inspection Reports and discussed the possible ways to resolve the issues mentioned in the reports.
- Significant Internal Audit findings and advised for corrective measures.
- Overall performance of IC&C Division and effectiveness of internal control system of the Bank.
- The Strength of the Internal Control and Compliance Division in terms of logistics and manpower to increase efficiency and effectiveness of the division.

APPROVAL OF FINANCIAL STATEMENTS:

The Audit Committee reviewed and examined the Annual Financial Statements for the year 2023 prepared by the Management and audited by External Auditors "Khan Wahab Shafique Rahman & Co., Chartered Accountants" and referred to those statements before the Board of Directors for consideration.

ACKNOWLEDGEMENT:

The Committee expresses its sincere thanks to the Members of the Board, Management and the employees of IC&CD for their excellent supports in discharging their duties and responsibilities effectively and efficiently.



Mohammad Masum Kamal Bhuiyan

Chairman

Audit Committee of Board of Directors

Report of the Shari'ah Council

Bismillahir Rahmanir Rahim

Honorable Shareholders,
Assalamu Alaikum Wa Rahmatullah.

All praise to Almighty Allah, by dint of whose grace we have passed another year very well. Peace and blessings be upon his beloved prophet Muhammad (Sm.) as well as all of his descendants, companions and all the believers.

We take this opportunity to express our appreciation to the hon'ble Board of Directors, Shareholders and the management of the bank for their cordial cooperation and support.

In 2023, Shariah Council inspected different branches of the Bank and discussed various operational activities which include the issues referred by the board of directors and the management and also provided due opinions and guidelines in accordance with the Shari'ah principles.

It is to be noted that, the duty of the council is to deliver independent opinions and provide necessary Shari'ah guidelines based on observing and reviewing the banking activities. On the other hand, the responsibility of the bank management is to ensure the banking activities in accordance with these Shari'ah guidelines.

Shari'ah Council performed the important activities in the year 2023 most of them are as follows:

- Shariah Council has convened required number of meetings this year on different Shari'ah issues.
- Besides Shari'ah inspection reports of branches, the council discussed about investment activities of the bank as well as the profit & loss accounts and balance sheet for the year 2023.
- The Council has introduced zone- wise 'Shari'ah Awareness Programme' including Head office.
- In 2023, the actual profit distribution rate among Mudaraba depositors has been approved.
- 'Shari'ah Manual' formulated by Shari'ah Council Sub-committee has been approved at council meeting.

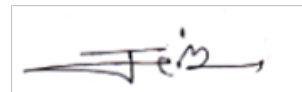
Suggestions:

- To make all executives, officers and customers more aware of Shari'ah Banking and Taqwa, Training programs are to be continuously arranged.
- By arranging workshops, meetings, seminars, symposiums and client get-togethers more awareness have to be increased among the clients about the Islamic Banking.
- To pay special attention to the service of humanity from our own position.

The council prays to Almighty Allah for further progress and success of the bank to the right direction.



Md. Shamaun Ali
Member Secretary



Prof. Dr. Mohammad Gias Uddin Talukder
Chairman

Dividend Distribution Policy of FSIB

Dividend Distribution Policy of First Security Islami Bank PLC. (FSIB) is a set of guidelines under which declaration and payment of dividend are made and governs other related matters thereto. This policy is formulated for ensuring proper distribution of declared dividend both Interim and Final to the eligible shareholders of the Bank. The Board of Directors of the Bank in its 233rd Meeting held on May 11, 2021 has approved the policy upon recommendation by the Management Committee (MANCOM) of the Bank after its review.

Procedure for payment of dividends

Dividend will be recommended by the Board of Directors based on the audited Financial Statements of the Bank and necessary notes and comments thereof. Before declaration of dividend all requisites clearance and approval shall be taken from the concerned authorities. The shareholders of the Bank in an Annual General Meeting will approve the dividend based on the recommendation of the Board of Directors. The shareholders can approve lower rate of dividend than that of the recommendation of Board of Directors but can't exceed the rate that recommended for.

The Board of Directors can neither recommend nor paid dividend other than out of profits of the year or any other undistributed profits of the Bank. No dividend shall be recommended out of the capital reserve account or the revaluation reserve account or any unrealized gain or out of profit earned prior to the incorporation of the Bank, if any, through reducing paid-up capital or through doing anything so that the post-dividend retained earnings become negative or a debit balance.

Interim dividend

Based on audited Financial Statements of the Bank, the Board of Directors of the Bank will take decisions in regard to recommendation of interim dividend for the shareholders of the Bank, declare record date for the same and will take necessary approval from the concerned regulatory bodies. Interim dividend cannot be declared as stock or bonus shares.

The Board of Directors may, from time to time, declare interim dividend to the shareholders as appears to the Board to be justified by the profits of the Bank. The decision about recommending interim dividend and entitlement for such dividend cannot be changed.

Final Dividend

The Board of Directors of the Bank shall recommend final dividend for the shareholders on the basis of audited annual Financial Statements and declare the shareholders who will be entitled to such dividend. The decision about recommending or not recommending final dividend and entitlement for such dividend, if recommended, shall be taken after considering the interim dividend already distributed and cannot be changed prior to holding of the Annual General Meeting.

The Board of Directors may consider not declaring dividend or may recommend a lower payout for a given financial year, after analyzing the prospective opportunities and threats or in the event of challenging circumstances such as regulatory and financial environment. In such event, the Board of Directors will provide rationale in the Annual Report.

In case of declaration of stock dividend for the year, the Bank shall explain and disclose in the Annual Report the reason for declaring stock dividend and utilization of such retained amount as capital.

Entitlement of dividend

The shareholders whose names would appear in the Register of Members of the Bank and/or in the Depository on the 'Record Date' would be entitled to receive the interim dividend of the Bank.

The shareholders whose names would appear in the Register of Members of the Bank and/or in the Depository on the Record Date would be entitled to join in the Annual General Meeting and entitled to receive the final dividend of the Bank.

Payment of dividend

FSIB shall pay off the interim dividend to the entitled shareholders within 30 (thirty) days of record date. It will pay off the final dividend to the entitled shareholders within 30 (thirty) days from the date of approval in an Annual General Meeting by the shareholders.

Payment of cash dividend

Cash dividend shall be paid off to the entitled shareholders observing the following rules:

- ❖ An amount equivalent to the declared cash dividend payable for the concerned year shall be kept in a separate bank account of FSIB within 10 (ten) days of declaration of cash dividend by the Board of Directors of the Bank.
- ❖ FSIB shall pay off cash dividend directly to the bank account of the entitled shareholders as available in the BO account maintained with the depository participant (DP), or the bank account as provided by the shareholders in paper form through Bangladesh Electronic Funds Transfer Network (BEFTN).
- ❖ FSIB may pay off such cash dividend through bank transfer or any electronic payment system as recognized by the Bangladesh Bank if not possible to pay off through BEFTN.
- ❖ Upon receiving the claim on cash dividend from a stock broker or a merchant banker or a portfolio manager for the margin client or customer who has debit balance or margin loan, or as per intention of the client of stock broker or merchant banker or portfolio manager. FSIB shall pay off such cash dividend to the Consolidated Customers' Bank Account (CCBA) of the stock broker or to the separate bank account of the merchant banker or portfolio manager through BEFTN.
- ❖ FSIB shall collect detailed information (e.g., BO account number, code number, bank account number, intention etc. of the client or customer including CCBA of stock broker or separate bank account of merchant banker or portfolio manager) from the stock broker or merchant banker or portfolio manager after their account for such claimed dividend in the individual client's account.
- ❖ In case of non-availability of bank account information or if not possible to distribute cash dividend through BEFTN or electronic payment system, FSIB shall issue cash dividend warrant and shall send it by post to the shareholders.
- ❖ FSIB shall pay off cash dividend to non-resident sponsor, director, shareholder or foreign portfolio investor (FPI) through the security custodian in compliance with the rules or regulations in this regard.
- ❖ FSIB shall intimate to the shareholder through a short message service (SMS) to the mobile

number or email address as provided in the BO Account or as provided by the shareholder immediately after disbursement of cash dividend and issuance of a certificate of tax deducted at source, if applicable.

- ❖ FSIB shall maintain detailed information of unpaid or unclaimed cash dividend and rationale thereof, as per BO account (number-wise or name-wise or folio number-wise) of the shareholders, and shall also disclose the summary of aforesaid information in the annual report and shall also report in the statements of financial position (Quarterly/Annually) as a separate line item 'Unclaimed Dividend Account'. FSIB shall publish the year-wise summary of its unpaid or unclaimed cash dividend in the website.
- ❖ FSIB shall transfer any unpaid or unclaimed cash dividend including accrued interest (after adjustment of bank charge, if any) thereon, if remains, shall be transferred to a separate bank account of the Bank as maintained for this purpose within 01 (one) year from the date of declaration or approval or record date, as the case may be.

Stock dividend

FSIB shall credit stock dividend directly to the BO account or issue the bonus share certificate of the entitled shareholders, as applicable, within 30 (thirty) days of declaration or approval or record date, as the case may be, subject to clearance of the exchange(s) and the Central Depository Bangladesh Limited (CDBL). FSIB shall follow the provisions of প্রবিধান ৪৬ of the ডিপজিটরি (ব্যবহারিক) প্রবিধানমালা, 2003 for issuance of bonus shares.

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

- ❖ FSIB shall send at least 3 (three) remainders to the entitled shareholders.
- ❖ The Suspense BO Account shall be held under Block Module and such undistributed or unclaimed stock dividend or bonus shares shall not be transferred in any manner except for the purposed of allotting the bonus shares as and when the allottee approaches to the Bank.
- ❖ Any corporate benefit in terms of shares accrued on such undistributed or unclaimed stock dividend or bonus shares shall be credited to the Suspense BO Account.
- ❖ FSIB shall, upon receiving application from the allottee and after proper verification of indemnity and his/her entitlement, credit the bonus shares lying with the Suspense BO Account to the BO account of the allottee, or issue bonus shares to the allottee, as applicable, within 15 (fifteen) days of receiving application with an intimation to the Bangladesh Securities and Exchange Commission (BSEC) and Dhaka Stock Exchange PLC. (DSE) and Chittagong Stock Exchange PLC. (CSE).
- ❖ Any voting right on such undistributed or unclaimed stock dividend or bonus shares shall remain suspended till the rightful ownership claim of the shareholders is established.

Payment of unclaimed or unpaid cash dividend and stock dividend

FSIB shall follow the below mentioned rules and regulations in regard to payment of unclaimed or unpaid cash dividend and stock dividend to the entitled shareholders:

- ❖ FSIB shall not forfeit any unclaimed cash dividend or stock dividend till the claim becomes barred by the law of the land in force.

- ❖ If any cash dividend remains unpaid or unclaimed or unsettled including accrued interest (after adjustment of bank charge, if any) thereon for a period of 3 (three) years from the date of declaration or approval or record date, as the case may be, shall be transferred by FSIB to the Fund as directed or prescribed by the Commission.
- ❖ FSIB shall provide detailed information to the manager of the Fund during transfer of cash dividend as directed or prescribed by the Commission.
- ❖ If any shareholder claims his/her cash dividend after transfer of such cash dividend to the Fund, within 15 (fifteen) days of receiving such claim, the Bank shall, after proper verification of the claim, recommend to the manager of the Fund to pay off such dividend from the Fund and the manager of the Fund shall pay off such cash dividend to the claimant in accordance with the provisions and procedures as directed or prescribed by the Commission.
- ❖ If any stock dividend or bonus shares remains unclaimed or unsettled including corporate benefit in terms of bonus shares thereon for a period of 3 (three) years from the date of declaration or approval or record date, as the case may be, shall be transferred in dematerialized form to the BO Account of the Fund.
- ❖ FSIB shall provide detailed information to the manager of the Fund during transfer of stock dividend or bonus shares as directed or prescribed by the Commission.
- ❖ If any shareholder claims his/her stock dividend or bonus shares after transfer of such dividend or bonus shares to the BO Account of the Fund, within 15 (fifteen) days of receiving such claim, the Bank shall, after proper verification of the claim, recommend to the manager of the Fund to pay off or transfer such stock dividend or bonus shares from the BO Account of the Fund and the manager of the Fund shall pay off or transfer such stock dividend or bonus shares to the claimant's BO Account in accordance with the provisions and procedures as directed or prescribed by the Commission.
- ❖ FSIB, by itself or by appointing an agent, shall maintain detailed information of BO account, bank account, mobile phone number, email and address of the shareholders for the purpose of proper distribution of cash dividend or stock dividend and shall maintain confidentiality of information.
- ❖ FSIB shall collect update information of BO account, bank account, mobile number, email address and contract address of shareholders at least once in a year from CDBL for the purpose of proper distribution of cash dividend or stock dividend and other compliances. The Bank shall update information in every year in case of paper shares.

Submission of dividend distribution compliance report

FSIB shall submit a dividend distribution compliance report to BSEC, DSE & CSE in a specific format issued by the regulator(s) within the stipulated time of completion of dividend distribution. FSIB shall also publish the compliance report in its website.

ফার্স্ট সিকিউরিটি ইসলামী ব্যাংকের মোবাইল ফাইন্যান্সিয়াল সার্ভিস ফার্স্টক্যাশ



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Email: mfs@fsibbd.com
Contact: 01977716257



ফার্স্ট সিকিউরিটি ইসলামী ব্যাংক পিএলসি.
FIRST SECURITY ISLAMIC BANK PLC. فارست سيكيوريتي اسلامي بنك بي.إل.سي

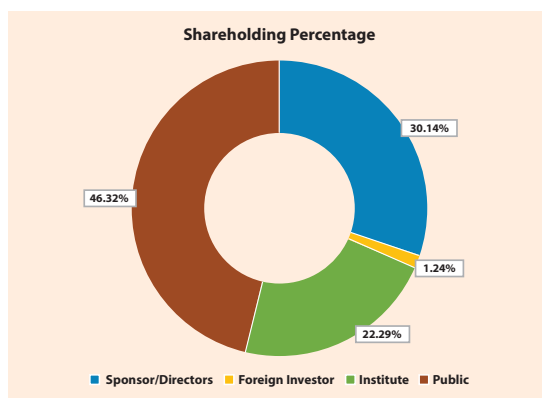


Stakeholders' *Information*

SHAREHOLDING STRUCTURE

Shareholding Structure (As on 31st December 2023)

| SL. No. | Category | No. of Shares | % of Shares |
|---------|-------------------|---------------|-------------|
| 1 | Sponsor/Directors | 346,796,408 | 30.140250 |
| 2 | Foreign Investor | 14,325,205 | 1.245011 |
| 3 | Institute | 256,495,038 | 22.292113 |
| 4 | Public | 532,992,282 | 46.322627 |
| Total | | 1,150,608,933 | 100.000000 |



Shares Held by Directors & Sponsors

| SL. No. | Name of Directors/Sponsors | Status | No. of Shares | % of Shares |
|--------------------|--|--------------------|---------------|-------------|
| 1 | Mohammed Saiful Alam | Chairman | 49,610,066 | 4.311636 |
| 2 | Mohammed Abdul Maleque | Vice Chairman | 23,012,174 | 2.000000 |
| 3 | Mrs. Farzana Parveen | Director | 55,813,490 | 4.850778 |
| 4 | Mrs. Atikur Nesa | Director | 52,616,155 | 4.572896 |
| 5 | Mrs. Rahima Begum | Director | 23,012,174 | 2.000000 |
| 6 | Mohammed Abdullah Hasan (Nominated by Nowshin Steels Limited) | Nominated Director | 26,193,116 | 2.276457 |
| 7 | Khandkar Iftekhar Ahmed (Nominated by Pusti Vegetable Ghee Limited) | Nominated Director | 24,972,674 | 2.170388 |
| 8 | Ashraful Mostafa Chowdhury (Nominated by Milkway Impexco Limited) | Nominated Director | 23,679,210 | 2.057972 |
| 9 | Sharmin Fatema | Sponsor | 51,544,997 | 4.479802 |
| 10 | Mortuza Siddique Chowdhury | Sponsor | 11,865,025 | 1.031195 |
| 11 | Didarul Alam | Sponsor | 3,420,588 | 0.297285 |
| 12 | Sarwar Jahan Maleque | Sponsor | 1,056,739 | 0.091842 |
| Total Shareholding | | | 346,796,408 | 30.140250 |

Shares Held by Placement Shareholders

| SL. No. | Name of Placement Shareholders | No. of Shares | % of Shares |
|---------------------------|--------------------------------|--------------------|------------------|
| 1 | Marzina Sharmin | 49,320,091 | 4.286434 |
| 2 | Farzana Begum | 45,984,719 | 3.996555 |
| 3 | Ms. Shahana Ferdous | 45,843,800 | 3.984308 |
| 4 | Shamshad Jahan | 15,341,445 | 1.333333 |
| 5 | Abdul Awal | 2,932,362 | 0.254853 |
| 6 | Mohammed Solaiman | 1,888,052 | 0.164092 |
| 7 | Arshadul Alam | 95,531 | 0.008303 |
| 8 | Md. Sharif Hussain. | 4,162 | 0.000362 |
| Total Shareholding | | 161,410,162 | 14.028238 |

Family Shareholding

| SL. No. | Name of Family Members | No. of Share | % of Shares |
|---------------------------|------------------------|--------------------|-----------------|
| 1 | Mohammed Saiful Alam | 49,610,066 | 4.311636 |
| 2 | Mrs. Farzana Parveen | 55,813,490 | 4.850778 |
| 3 | Maimuna Khanam | 9,637,325 | 0.837585 |
| Total Shareholding | | 115,060,881 | 9.999999 |

REDRESSAL OF INVESTORS' COMPLAINTS

FSIB tries to maintain a keen relationship with its all shareholders. It maintains Just-In-Time communication relating to financial and other information which enhances shareholders' expectations and goes a long way in establishing and maintaining trust. By understanding and aligning with shareholders' expectation and positioning, we remain best place to manage their expectations.

For timely and properly addressing the queries and complaints relating to transfer of shares, name and address change and payment of dividend, our **"Share Department"** located at the registered office of the Bank at 23, Dilkusha, Commercial Area, Dhaka-1000, is working dedicatedly.

All complaints and queries received throughout the year, in respect of shares, have been resolved amicably and timely.

Our Principles to Deal with Shareholders

We follow the below mentioned principles to communicate and mitigate any complaint in regard to shares in the mind of our valued shareholders:

- Fair treatment to all investors;
- Protection of investors' interest;
- Equal opportunity to all investors;
- Timely and properly informed to all investors;
- Amicably and timely resolution of all queries and complaints; and
- Harmonious relationship between the "Share Department" and investors.

Ways of Communication to Shareholders

Throughout the year, adequate, timely and properly communication is maintained with the shareholders in the following ways:

- By publishing all Price Sensitive Information in 02 (two) national dailies and one online news portal as well as published in our official website at **www.fsibplc.com** with a link arrangement of the website of BSEC, DSE and CSE;
- By communicating with shareholders through BSEC, DSE & CSE regarding date of conducting meeting of Board of Directors for considering and adopting Financial Statements Quarterly, Half Yearly and Annually;
- By publishing Press Release in the Printing, Electronic and Online media about the Bank's important events;
- By sending Notice, Attendance Slip, Proxy Form and Annual Report of Annual General Meeting to the shareholders through their respective email address and publishing the same in the official website of the Bank;
- By publishing Notice of Annual General Meeting in the 02 (two) national dailies;
- By publishing Quarterly, Half Yearly and Annual Financial Statements in the Newspapers;
- By holding Annual General Meeting; and
- By sending SMS in the respective mobile number of the shareholders maintained with the CDBL informing date, time and link of virtual AGM and payment of Dividend.

PERFORMANCE AT A GLANCE (Consolidated)

(Amount in million TK.)

| Sl. No. | Particulars | 2019 | 2020 | 2021 | 2022 | 2023 |
|---------|-----------------------------------|-------------------|------------------|------------------|-------------------|------------------|
| 01. | Authorized Capital | 10,000.00 | 30,000.00 | 30,000.00 | 30,000.00 | 30,000.00 |
| 02. | Paid-up Capital | 8,625.09 | 9,487.60 | 9,961.98 | 10,460.08 | 11,506.09 |
| 03. | Shareholders' Equity | 15,165.54 | 17,945.50 | 20,343.76 | 22,302.11 | 25,009.91 |
| 04. | Total Regulatory Capital | 27,472.21 | 34,915.07 | 36,632.45 | 38,705.47 | 40,896.43 |
| 05. | Statutory Reserve | 4,339.99 | 5,293.57 | 6,456.66 | 7,550.14 | 8,743.76 |
| 06. | Total Assets | 437,646.63 | 497,250.79 | 544,795.19 | 616,453.58 | 660,110.64 |
| 07. | Total Liabilities | 422,141.19 | 478,952.77 | 524,077.93 | 593,792.71 | 634,728.46 |
| 08. | Total Deposits | 376,609.70 | 428,687.22 | 469,035.38 | 473,025.03 | 455,151.17 |
| 09. | Total Investment | 364,029.96 | 414,780.69 | 455,850.14 | 523,944.39 | 569,324.14 |
| 10. | Total Contingent Liabilities | 54,806.72 | 46,909.12 | 44,525.61 | 42,861.99 | 23,655.87 |
| 11. | Total Risk Weighted Assets | 240,730.41 | 287,963.44 | 302,924.48 | 320,643.95 | 345,476.86 |
| 12. | Total Fixed Assets | 6,447.31 | 6,492.53 | 6,562.29 | 6,887.65 | 6,729.78 |
| 13. | Operating Income | 12,380.79 | 13,460.49 | 15,145.71 | 16,915.29 | 17,819.81 |
| 14. | Operating Expenditure | 6,416.27 | 7,298.58 | 7,731.07 | 9,588.04 | 9,732.06 |
| 15. | Profit before Provision & Tax | 5,964.53 | 6,161.91 | 7,414.64 | 7,327.26 | 8,087.75 |
| 16. | Profit before Tax | 3,969.66 | 4,793.90 | 5,902.11 | 5,544.88 | 6,079.71 |
| 17. | Net profit after Provision & Tax | 2,091.89 | 2,792.58 | 3,365.20 | 2,961.50 | 3,311.67 |
| 18. | Foreign Exchange Business: | 134,580.00 | 70,436.30 | 92,921.30 | 117,506.60 | 81,937.70 |
| | a) Import Business | 107,385.70 | 43,021.10 | 53,845.70 | 63,218.80 | 27,284.40 |
| | b) Export Business | 12,280.70 | 12,412.10 | 23,965.60 | 37,150.40 | 28,554.20 |
| | c) Remittance | 14,913.60 | 15,003.10 | 15,110.00 | 17,137.40 | 26,099.10 |
| 19. | Profit Earning Assets | 396,408.80 | 453,183.38 | 499,586.69 | 566,219.75 | 612,099.76 |
| 20. | Non Profit Earning Asset | 40,770.04 | 43,242.10 | 44,293.50 | 49,268.04 | 47,014.31 |

PERFORMANCE AT A GLANCE

(Consolidated)

| Sl. No. | Particulars | 2019 | 2020 | 2021 | 2022 | 2023 |
|---------|------------------------------------|--------|--------|--------|---------|---------|
| 01. | Investment as a % of Total Deposit | 90.47% | 91.90% | 91.39% | 103.13% | 118.45% |
| 02. | Capital Risk Assets Ratio (CRAR) | 11.41% | 12.12% | 12.09% | 12.07% | 11.84% |
| 03. | Earnings Per Share (EPS) (Tk.) | 2.19 | 2.79 | 3.20 | 2.56 | 2.85 |
| 04. | Price Earnings Ratio (Times) | 4.07 | 3.06 | 3.87 | 3.50 | 3.16 |
| 05. | Return on Assets (ROA) | 0.51% | 0.60% | 0.64% | 0.51% | 0.51% |
| 06. | Net Asset Value Per Share (Tk.) | 15.98 | 18.01 | 19.45 | 19.38 | 21.74 |
| 07. | Cost of Fund | 9.62% | 7.96% | 7.92% | 7.45% | 8.44% |
| 08. | No. of Foreign Correspondents | 2,500 | 2,500 | 2,600 | 2,600 | 2,600 |
| 09. | Dividend: | | | | | |
| | a) Cash | Nil | 5% | 5% | Nil | 5% |
| | b) Bonus | 10% | 5% | 5% | 10% | 5% |
| 10. | Rights Offer | Nil | Nil | Nil | Nil | Nil |
| 11. | Number of Shareholders | 50,145 | 48,221 | 53,522 | 53,019 | 53,416 |
| 12. | Number of Employees | 4,203 | 4,419 | 5,086 | 5,406 | 5,324 |
| 13. | Number of Branches | 184 | 190 | 196 | 204 | 205 |

DETAILS OF CAPITAL FUND

As on 31 December 2023

| Common Equity Tier-1 (Going-Concern Capital): | | Tk. in Crore |
|---|---|------------------|
| 1.1 | Fully Paid-up Capital/Funds from Head Office for the Purpose of Meeting the Capital Adequacy | 1,150.61 |
| 1.2 | Non-repayable Share Premium Account | - |
| 1.3 | Statutory Reserve | 874.38 |
| 1.4 | General Reserve | 357.55 |
| 1.5 | Retained Earnings | 118.32 |
| 1.6 | Dividend Equalization Reserve | - |
| 1.7 | Minority Interest in Subsidiaries | - |
| 1.8 | 5% of Deferred Tax Assets (DTA) | 3.12 |
| | Regulatory Adjustments: | - |
| 1.9 | Goodwill and all other Intangible Assets | (11.06) |
| 1.10 | Deferred Tax Assets (DTA) | (62.45) |
| A) Total Common Equity Tier-1 (Going-Concern Capital) (1.1 to 1.10): | | 2,430.47 |
| Additional Tier-1 Capital | | |
| 1.11 | Non-cumulative irredeemable preference shares | - |
| 1.12 | Instruments issued by the banks that meet the qualifying criteria for AT1 (as specified in Annex-4 of Basel III Guidelines) | 600.00 |
| 1.13 | Others (if any item approved by Bangladesh Bank) | - |
| 1.14 | Excess Amount over Maximum Limit of AT-1 | (74.39) |
| B) Total Additional Tier-1 Capital (1.10 to 1.14) | | 525.61 |
| C) Total Tier-1 Capital (A+B) | | 2,956.08 |
| Tier-2 Capital (Going-Concern Capital) | | |
| 2.1 | General Provision | 601.40 |
| 2.2 | All Other preference shares | - |
| 2.3 | Subordinated debt/Instruments issued by the banks that meet the qualifying criteria for Tier 2 capital (as per Annex 4 of Basel III Guidelines) | 510.00 |
| 2.4 | Minority Interest i.e. Tier-2 issued by consolidated subsidiaries to third parties (for consolidated reporting only) | - |
| 2.5 | Revaluation Reserves as on 31 December, 2014 (50% of Fixed Assets and Securities & 10% of Equities) | - |
| | Regulatory Adjustments: | |
| 2.6 | Revaluation Reserves for Fixed Assets, Securities & Equity Securities (follow Phase-in deductions as per Basel III) Guidelines) | - |
| 2.7 | Investment in own T-2 Instruments/Shares (as per Para 3.4.7 of Basel III Guidelines) | - |
| 2.8 | Reciprocal crossholdings in the T-2 Capital of Banking, Financial and Insurance Entities | - |
| 2.9 | Any investment exceeding the approved limit under section 26(2) of Bank Company Act, 1991 (50% of Investment) | - |
| 2.10 | Investments in subsidiaries which are not consolidated (50% of Investment) | - |
| 2.11 | Excess Amount over Maximum Limit of T-2 | - |
| D) Total Tier-2 Capital (2.1 to 2.11) | | 1,111.40 |
| E) Total Regulatory Capital (C+D) | | 4,067.48 |
| F) Total Risk Weighted Assets (RWA) | | 34,145.55 |
| G) Capital to Risk Weighted Assets Ratio (CRAR) (E/F)*100 | | 11.91% |
| H) Common Equity Tier-1 to RWA (A/F)*100 | | 7.12% |
| I) Tier-1 Capital to RWA (C/F)*100 | | 8.66% |
| J) Tier-2 Capital to RWA (D/F)*100 | | 3.25% |

FIRST SECURITY ISLAMI BANK PLC. VALUE ADDED STATEMENT

For the year ended 31 December 2023

Amount (Taka in million)

| Particulars | 2023 | 2022 |
|--|------------------|------------------|
| A) Income from Banking Services | 55,472.30 | 43,340.48 |
| Profit on Investments | 51,950.75 | 40,235.92 |
| Income from Investment in Shares and Securities | 951.09 | 788.15 |
| Commission, Exchange and Brokerage | 727.08 | 1,524.67 |
| Other Operating Income | 1,843.38 | 791.75 |
| B) Less: Cost of Services & Other Operating Expenses | 40,169.23 | 29,350.66 |
| Profit Paid on Deposits except value added participatory expenses | 37,382.09 | 26,075.28 |
| Operating Expenses except value added participatory expenses | 2,787.14 | 3,275.38 |
| C) Value Added by Banking Services (A-B) | 15,303.07 | 13,989.82 |
| Add: Non Banking Income | - | - |
| Less: Provision for Investments & Off Balance Sheet Items and Other Assets | 1,993.11 | 1,729.78 |
| D) Total Value Addition | 13,309.96 | 12,260.04 |
| E) Distribution/Application of Value Addition | 13,309.96 | 12,260.04 |
| To Employees as Salaries & Allowances | 5,905.65 | 5,287.71 |
| To Providers of Long-term finance | 559.24 | 625.37 |
| To Directors as Fees & Remunerations | 1.11 | 1.44 |
| To Providers of Capital as dividend & reserves | 3,240.09 | 2,929.91 |
| To Government as Income Tax & Deferred Tax | 2,727.98 | 2,537.49 |
| To Expansion and Growth for Bank including depreciation | 875.89 | 878.13 |

FIRST SECURITY ISLAMI BANK PLC. ECONOMIC VALUE ADDED STATEMENT

For the year ended 31 December 2023

Amount (Taka in million)

| Particulars | 2023 | 2022 |
|--|------------------|------------------|
| Shareholders' Equity | 25,190.87 | 22,440.21 |
| Add: Cumulative provision for investments including off-balance sheet Items and Others | 18,013.07 | 15,928.26 |
| | 43,203.94 | 38,368.47 |
| Average shareholders' equity | 40,786.21 | 36,536.51 |
| Earnings: | | |
| Profit after tax | 3,240.09 | 2,929.91 |
| Add: Provision for investments including off-balance sheet Items and Other Assets | 1,993.11 | 1,729.78 |
| Less: Written-off during the year | - | - |
| | 5,233.20 | 4,659.69 |
| Average cost of equity (based on dividend, weighted average rate of Shanchay Patra issued by the Government of Bangladesh) plus 2% risk premium. | 0.12 | 0.12 |
| Cost of average equity | 4,894.34 | 4,384.38 |
| Economic value added | 338.86 | 275.31 |

স্বপ্নের ডায়েরী
স্বপ্নের ডায়েরী
স্বপ্নের ডায়েরী



ঢাকা ওয়াসার বিল কালেকশনে
তানা ৫ম বারের মতো **১ম স্থান** অর্জন করলো
ফার্স্ট সিকিউরিটি ইসলামী ব্যাংক পিএলসি.

সেবাই আমাদের শক্তি
গ্রাহকদের আস্থা ও ভালবাসা আমাদের অর্জন



ফার্স্ট সিকিউরিটি ইসলামী ব্যাংক পিএলসি.
FIRST SECURITY ISLAMIC BANK PLC.

www.fsibplc.com

MOMENTS IN FRAME



24th Annual General Meeting



The 24th Annual General Meeting of First Security Islami Bank PLC. held on 20 June 2023 by using digital platform. The meeting was presided over by Mr. Mohammed Abdul Maleque, Hon'ble Vice Chairman, Board of Directors of First Security Islami Bank PLC. Among others, Professor Dr. Mohammad Gias Uddin Talukder, Chairman of Shariah Council, Members of the Board of Directors, Mr. Syed Waseque Md. Ali, Managing Director, Mr. Oli Kamal FCS, Company Secretary and significant number of Shareholders of the bank also participated in the aforesaid meeting.

24th Anniversary



First Security Islami Bank PLC. celebrated its 24th Anniversary on 25 October 2023 in a simple ceremony organized in this regard at Head Office, Dhaka. On this precious day, Mr. Syed Waseque Md. Ali, Managing Director of the bank gratefully acknowledged the support & guidance of Valued Clients, Shareholders, Regulatory Authorities, Well Wishers & Employees of the bank. Among others, Abdul Aziz and Mumammad Mustafa Khair, Additional Managing Director(s), Md. Masudur Rahman Shah, Deputy Managing Director, Divisional Heads of Head Office along with other officials were also present on the occasion.

BRANCH OPENING



First Security Islami Bank PLC. inaugurated Uttara Model Town Branch at Millennium Tower (1st and 2nd Floor), Plot # 02, Road # 07, Sector # 03, Uttara, Dhaka.

SUB-BRANCH OPENING



First Security Islami Bank PLC. inaugurated 3 sub-branches on 07 February 2023. The sub-branches are- Aturar Depo Sub-branch at Bayezid Bostami, Chattogram, Daganbhuiyan Sub-branch, Daganbhuiyan, Feni and Payra Point Sub Branch, Lebukhali, Patuakhali.



First Security Islami Bank PLC. inaugurated Dashmina Sub-branch at Patuakhali on 16 August 2023.



First Security Islami Bank PLC. inaugurated 2 Sub-branches on 12 November 2023. The Sub-branches are- Batakandi Bazar Sub-branch at Titas, Cumilla and Golar Bazar Sub-branch, Naria, Shariatpur.

AGENT BANKING OUTLET OPENING



First Security Islami Bank PLC. inaugurated 2 Agent Banking Outlets at Signboard Bazar, Kachua, Bagerhat and Teknagpara, Chandina, Gazipur on 23 March 2023.



First Security Islami Bank PLC. inaugurated 3 Agent Banking Outlets on 17 October 2023. The Agent Banking Outlets are located at Auliapur Bazar, Dashmina, Patuakhali, Raribari Jaleshwar, Savar, Dhaka and Kalamridha Bazar, Bhanga, Faridpur.



First Security Islami Bank PLC. inaugurated 5 Agent Banking Outlets on 20 December 2023. The Agent Banking Outlets are- Time Bazar Agent Banking Outlet, Moheshkhali, Cox's Bazar; Gouripur Bazar Agent Banking Outlet, Madhaia Bazar, Cumilla; Chandpur Bazar Agent Banking Outlet, Brahmanbaria, Pourasava More Agent Banking Outlet, Khulna and Munshi Bazar Agent Banking Outlet, Shyamnagar, Satkhira.

BUSINESS CONFERENCE



The Annual Business Development Conference-2023 of First Security Islami Bank PLC. held on February 04, 2023 at Radisson Blu Dhaka Water Garden. Mr. Syed Waseque Md. Ali, Managing Director of the bank presided over the conference.



First Security Islami Bank PLC. organized a daylong Town Hall Meeting on 06 October 2023 with the participation of Managers, Manager Operations and Sub-Branch In-charges under the branches of Dhaka North and South Zone of the bank.



First Security Islami Bank PLC. organized a daylong Town Hall Meeting on 07 October 2023 at Radisson Blu Chattogram Bay View with the participation of Managers, Manager Operations and Sub-Branch In-charges under the branches of Chattogram North and South Zone of the bank.

TRAINING PROGRAM



First Security Islami Bank PLC. inaugurated Foundation Course at FSIB Training Institute for newly recruited Trainee Assistant Officers with a view to building skilled human resources for providing better banking services. Mr. Syed Waseque Md. Ali, Managing Director of the Bank inaugurated the training program. In his inaugural speech, he has laid emphasize on building the bank as a modern islami bank, wished probationers bright career, advised all to be careful, honest and sincere in banking activities.



First Security Islami Bank PLC. inaugurated Foundation Course for newly recruited Trainee Assistant Cash Officers at FSIB Training Institute.



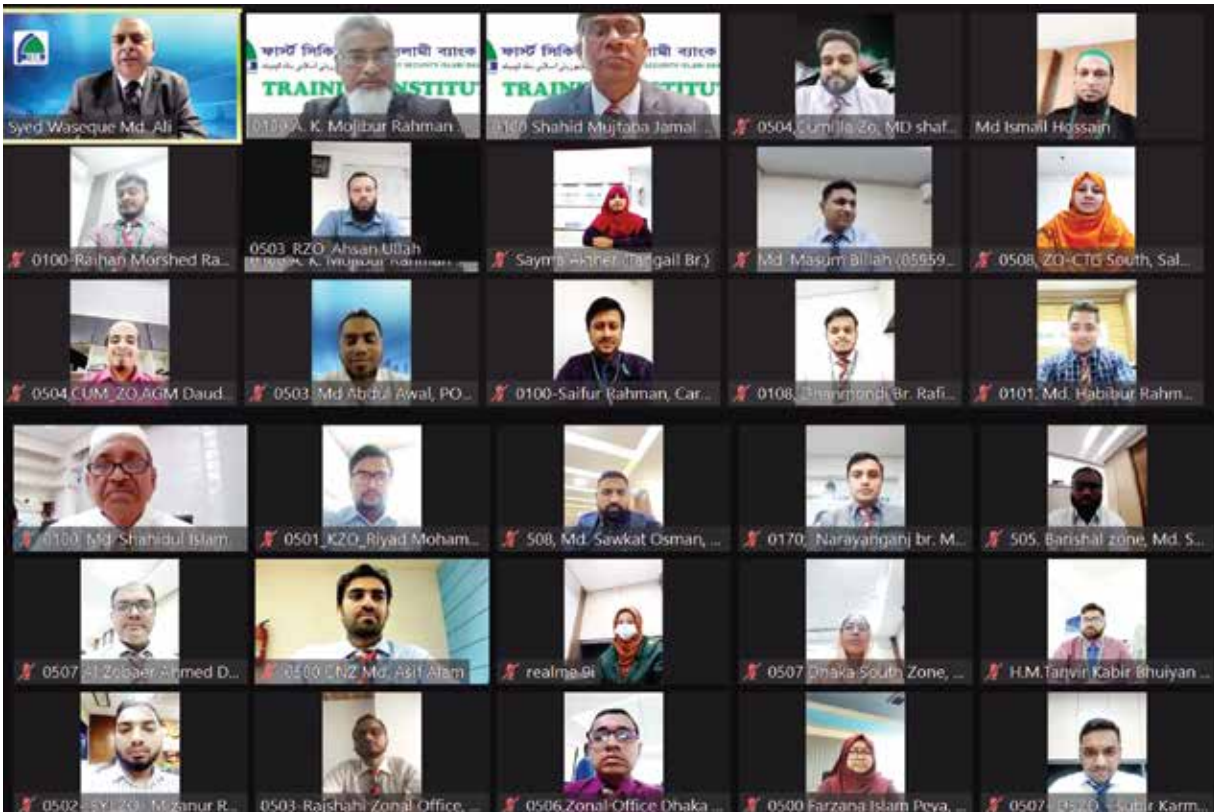
First Security Islami Bank PLC. inaugurated Refresher's Training Course' recently at FSIB Training Institute with the participation of its officers with a view to building skilled human resources for providing better banking services.



First Security Islami Bank PLC. inaugurated a training program on General Banking Operations with the participation of Sylhet and Cumilla Zone officials of the bank at FSIB Training Institute, Dhaka.



First Security Islami Bank PLC. inaugurated a training program on Internal Auditor's and Muraquib's Role towards Universal and Shariah Banking with the participation of Executives of the bank at FSIB Training Institute, Dhaka.



First Security Islami Bank PLC. organized a workshop on 'Basic Concepts of Islamic Banking & Shari'ah Compliance' with the participation of bank's employees by using digital platform.

BAMLCO AND RISK CONFERENCE



First Security Islami Bank PLC. (FSIB) organized a workshop by using digital platform on Anti-Money Laundering & Combating Financing of Terrorism titled 'BAMLCO Conference-2023' with the participation of all Branch Anti-Money Laundering Compliance Officers (BAMLCOs) of the bank. Mr. Md. Masud Biswas, Head of Bangladesh Financial Intelligence Unit (BFIU) inaugurated the workshop as a chief guest and Mr. Syed Waseque Md. Ali, Managing Director of FSIB presided over the workshop. Mr. Muhammad Mustafa Khair, Additional Managing Director and CAMLCO of FSIB delivered winding up speech in the program. There were several sessions conducted in the workshop on the topic of prevention of trade & investment based money laundering and overview on anti-money laundering & combating financing of terrorism.



First Security Islami Bank PLC. organized Annual Risk Conference 2023 with the participation of all concerned officials of the bank. Mr. Md. Zabdul Islam, Director (DOS), Bangladesh Bank inaugurated the program as a chief guest and Mr. Syed Waseque Md. Ali, Managing Director of FSIB presided over the program. Mr. Md. Masudur Rahman Shah, Deputy Managing Director delivered welcome speech and Mr. Abdul Aziz, Additional Managing Director delivered his valuable speech on risk management issues. Mr. Muhammad Mustafa Khair, Additional Managing Director and CRO of FSIB delivered winding up speech in the program. There were several sessions conducted in the workshop on the topic of risk management in banking activities.

AGREEMENT SIGNING



Bangladesh Bank and First Security Islami Bank PLC. signed a participation agreement on 'Green Transformation Fund' to accelerate the growth of environment friendly production and export-oriented sector of the country. Mr. Abdur Rouf Talukder, Honb'le Governor of Bangladesh Bank and Mr. Syed Waseque Md Ali, Managing Director of First Security Islami Bank PLC. exchanged the agreement on behalf of their respective organizations. Among others, Mr. Kazi Sayedur Rahman, Deputy Governor, Mr. Md. Khurshid Alam, Executive Director, Mr. Chowdhury Liakat Ali, Director, Sustainable Finance Department of Bangladesh Bank along with other concerned officials also were present in the program.



Bangladesh Bank and First Security Islami Bank PLC. signed a participation agreement under refinance scheme for ensuring food security of the country. For increasing the food production and ensuring nutrition of the country, the investment will be distributed to the clients on easy terms and low profit rate. In the presence of Mr. Abdur Rouf Talukder, Honb'le Governor of Bangladesh Bank, Mr. Syed Waseque Md Ali, Managing Director of First Security Islami Bank PLC. and Mr. Md. Abul Kalam Azad, Director, Agricultural Credit Department of Bangladesh Bank exchanged the agreement on behalf of their respective organizations. Among others, Mr. A. K. M Sajedur Rahman Khan, Deputy Governor of Bangladesh Bank along with other concerned officials also present in the program.



First Security Islami Bank PLC. signed an agreement with Addie Soft Ltd. to provide efficient payment solutions to more than 300 renowned educational institutions. Students of the institutions will be able to pay their academic fees & others through using digital banking channel “FSIB Cloud” and Mobile Financial Services “First Cash”. Mr. Syed Waseque Md Ali, Managing Director of First Security Islami Bank PLC. and Mr. Md. Sakib Rabbani, Managing Director of Addie Soft Limited exchanged the agreement on behalf of their respective organizations.

SPONSORSHIP



First Security Islami Bank PLC. sponsored the National Science Olympiad-2023. The ultimate goal of Science Olympiad is to develop the students science based knowledge and motivate them towards science study. The preliminary selection round called Divisional Olympiads was held throughout the country and the selected candidates attended in the final round held at Curzon Hall of Dhaka University.



First Security Islami Bank PLC. presents Global Money Week-2023 held at 71 auditorium of Daffodil Education Network. Based on the theme “Plan Your Money, Plant Your Future” in tandem with 176 countries around the world, Daffodil International University and Bangladesh Skill Development Institute jointly organized the festival to create financial awareness among the younger generation where First Security Islami Bank PLC. is the chief patron of the festival.

INVESTMENT PROJECTS

A Renowned Garments Accessories Company



A Renowned Spinning Mill Company



A Renowned Spinning Mill Company



A Renowned Beverage Company.



A Renowned Auto Spring Manufacturing Company



A Prominent Lift Supplier Company



M/S Ahsan Fish



M/S Nijum Fish



R S Agro



M/S Fajila Poultry and Dairy Farm



FINANCIAL *Information*



Independent Auditor's Report To the Shareholders of First Security Islami Bank PLC.

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of **First Security Islami Bank PLC.** (the “**Group**”) as well as the separate financial statements of First Security Islami Bank PLC. (the “**Bank**”), which comprise the consolidated and separate Balance Sheets as at December 31, 2023, consolidated and separate profit or loss accounts, consolidated and separate statement of changes in equity, consolidated and separate cash flow statement for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements of the Group and separate financial statements of the Bank (the “financial statements”) give a true and fair view of the consolidated Balance Sheets of the Group and the separate Balance Sheets of the Bank as at December 31, 2023 and its consolidated and separate profit and loss accounts, consolidated and separate statement of changes in equity and its consolidated and separate statement of cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and the Bank in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code), Bangladesh Securities Exchange and Commission (BSEC) and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) By Laws. We believe that the audit evidence we have obtained are sufficient and appropriate to provide a basis of our audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter described below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditors’ responsibilities for the audit of the consolidated and separate financial statements section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of the consolidated and separate financial statements. These results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

| Description of key audit matters | Our response to key audit matters |
|---|--|
| 1. Investments | |
| Refer to note no. 08 to the consolidated and separate financial statements | |
| <p>Investments are the main element of financial statements of the Bank. Income of the Bank is mainly dependent on the portfolio of investments. Management performance is highly dependent on the target achievement of investments. Investment disbursement requires robust documentation followed by approval from appropriate level of authority.</p> <p>We have identified investments as key audit matter because there is an inherent risk of fraud in disbursement of investments by management to meet specific targets or expectations.</p> <p>At year end the Group and the Bank reported total gross investments of BDT 56,932.41 core (2022: BDT 52,394.44 core) and BDT 57,028.67 core (2022: BDT 52,479.51 core) respectively.</p> | <p>We tested the design and operating effectiveness of key controls focusing on Investments appraisal, investment disbursement procedures, Collection of invested funds and monitoring process of investments.</p> <p>We have performed procedure to check whether the Bank has ensured appropriate documentation as per Bangladesh Bank regulations and the Bank's policy before disbursement of investments. In addition, we have performed procedure to check whether the investments are recorded completely and accurately and that are existed at the reporting date.</p> <p>Furthermore, we have assessed the appropriateness of disclosure against Bangladesh Bank guidelines.</p> |
| 2. Recognition of Investment income | |
| Refer to note no. 26 to the financial statements | |
| <p>Recognition of investment income has significant influence on financial statements and performance of the Bank.</p> <p>We identify recognition of investment income as a key audit matter because this is one of the key performance indicators of the Bank and therefore there is an inherent risk of fraud and error in recognition of investment income by management to meet specific targets or expectations.</p> <p>For the year ended the Group and the Bank reported total gross income from investments of BDT 5,209.05 core (2022: BDT 4,040.45 core) and BDT 5,195.07 core (2022: BDT 4,023.59 core) respectively.</p> | <p>We tested the design and operating effectiveness of key controls over recognition and measurement of investment income.</p> <p>We performed test of control in place to measure and recognize investment income.</p> <p>We have also performed substantive procedure to check whether investment income is recognized completely and accurately.</p> <p>We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.</p> <p>Considering the current uncertainty in economic activity for ongoing Russia and Ukraine war, there is an inherent risk that the actual recovery of accrued investment income from clients who enjoyed deferral benefit could be materially different in future.</p> |

| 3. Measurement of provision for investment | |
|---|--|
| Refer to note no. 16.3 to the financial statements | |
| Refer to note no. 08 and 16(a) to the consolidated and separate financial statements | |
| <p>The process for estimating provision for investments associated with investment risk is judgmental, significant and complex.</p> <p>For the individual analysis, these provisions consider the estimates of future business performance and the market value of collateral provided for Investment transactions.</p> <p>For the collective analysis, these provisions are manually processed that deals with voluminous data extracted from the IT system of the Bank and following the instructions of Bangladesh Bank issued time to time.</p> <p>While estimating such provision certain judgmental factors need to be considered including:</p> <ul style="list-style-type: none"> ➤ Future business performance of the investment client; ➤ Key assumptions relating to further business performance of the client; ➤ Market value of the collateral; ➤ Ability to repossess collateral; and ➤ Recovery rates. <p>Due to high level of judgment involved and using some manual process in estimating the provision for investments, we considered this to be a key audit matter.</p> <p>At year end the Group and the Bank reported total provision for investments of BDT 1,687.18 core (2022: BDT 1,522.84 core) and BDT 1,687.18 core (2022: BDT 1,522.84 core) respectively.</p> | <p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> ➤ Tested the, investment appraisal, investments disbursement procedures, monitoring and provisioning process; ➤ Reviewed identification of loss events, including early warning and default warning indicators; and ➤ Reviewed quarterly Classification of Investments (CL); <p>Our substantive procedure in relation to the provisions for investments portfolio comprised the following:</p> <ul style="list-style-type: none"> ➤ Reviewed the adequacy of the Group and the Bank's general and specific provisions; ➤ Assessed the methodologies on which the provision amounts based, recalculated the provisions and tested the completeness and accuracy of the underlying information; and ➤ Finally, assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines. <p>Completeness and timing of recognition of loss events in accordance with criteria set out in BRPD circular no 14, dated 23 September 2012, BRPD circular no. 03 dated 21 April 2019, BRPD circular no. 17 dated 28 September 2020, BRPD circular no. 56 dated 10 December 2020, BRPD Circulars no. 3 dated 31 January, 2021, BRPD Circulars no. 5 dated 24 March, 2021 and no. 51 dated 29 December 2021 and BRPD Circular letter No. 53 dated 30 December 2021 and BRPD Circular No. 14 dated 22 June 2022 and BRPD Circular no. 51 dated 18 December 2022. and as per Bangladesh Bank DBI letter no: DBI-6/51(2)/2024-280 dated April 16, 2024.</p> |

| 4. Analysis of available fund to manage performance | |
|---|---|
| <p>At the end the year, Cash and Deposit from customers have decreased sequentially by around BDT 455 billion and 473 billion. Moreover, investment to customers increased by around BDT 45.4 billion. As such the Advance to deposit ratio increased to 118.45% from 103.13% in the previous year which had negative impact on the CRR and SLR.</p> <p>However, the bank increased its placement from Bangladesh Bank and other financial institutions by BDT 54.1 billion in absence of which the ID ratio, CRR and SLR could have been affected more adversely.</p> <p>The matter has been considered key audit matter due to its complexity and regulatory requirement in reporting.</p> <p>The Bank has disclosed Placement from Bank and Other Financial Institutions amounting to BDT 134 billion at the year ended on December 31, 2023 (2022 BDT 80 billion) and Cash BDT 33 billion at the year ended on December 31, 2023 (2022 BDT 37 billion).</p> | <p>We have performed substantive procedures to check the ratio between available fund and investment made to customers.</p> <p>We also tested the CRR and SLR calculation and compare the same with the standard rate as per Bangladesh Bank guidelines.</p> |
| 5. Liquidity concern and significant Increase in Borrowing from Bangladesh Bank | |
| Refer to note no. 12(a) to the financial statements | |
| <p>At several point of time in the reporting year, the bank encountered multiple instances of liquidity challenges.</p> <p>It resulted the bank to seek external financing as borrowing from Bangladesh Bank. The year ended balance has come to BDT 134,585 million (2022: 80,484 million) which includes BDT 121,977 million as Bangladesh Bank, BDT 1,920 million as Islami Bank Bangladesh PLC, BDT 1,260 million as Sonali Bank PLC, BDT 1,670 million as Janata Bank PLC, BDT 810 million as Exim Bank PLC, BDT 1,460 million as Rupali Bank PLC and BDT 5,487 million as Borrowing from Ajman Bank, UAE. The profit rate of all of the borrowings is determined under Mudaraba Principle.</p> <p>The consequence of the liquidity challenge and increase in the borrowing from the central bank and the associated risk with it have made us determine it as key audit matter.</p> | <p>Our audit procedures in connection of the borrowing are as follows:</p> <ul style="list-style-type: none"> Assessed the effectiveness of the bank's management of liquidity risk in light of the current economic conditions and market volatility, as well as any changes in the bank's liquidity profile, such as changes in funding sources etc. Assessed whether the borrowing has been appropriately disclosed in the financial statements. Checked ledger and other documents provided by regulator on sample basis as part of audit procedure. |

| 6. Measurement of deferred tax assets (DTA) net-off liabilities | |
|--|--|
| Refer to note no. 10.4 to the financial statements | |
| <p>At the year end of 31 December 2023, the Bank reported total deferred tax assets of BDT 624 million (31 December 2022: BDT 517 million) and deferred tax income of BDT 103 million (31 December 2022 BDT 63 million) of deferred tax income.</p> <p>However, Bank has considered a portion of provision for classified investment while calculating the deferred tax which impacts on EPS.</p> <p>Significant judgment is required in relation to deferred tax assets, as their recoverability is dependent on forecasts of future profitability over a number of years.</p> <p>Accordingly, this area has been considered as key audit matter.</p> | <p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the recognition and measurement of DTAs and the assumptions used.</p> <p>We also assessed the completeness and accuracy of the data used. We involved tax specialists to assess key assumptions, controls, recognition and measurement of DTA's. Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax.</p> |
| 7. IT systems and controls | |
| <p>Our audit procedures have focused on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.</p> <p>Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are keys to ensuring IT dependent and application-based controls are operating effectively.</p> | <p>We tested the design and operating effectiveness of the Group and the Bank's IT access controls over the information systems that are critical to financial reporting. We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized.</p> <p>We tested the Group and the Bank's periodic review of access rights. We also inspected requests of changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.</p> <p>Where deficiencies were identified, we tested compensating controls or performed alternate procedures. In addition, we understood where relevant, changes were made to the IT landscape during the audit year and tested those changes that had a significant impact on financial reporting.</p> |

| 8. Legal, regulatory matters and Contingent Liabilities | |
|---|--|
| <p>We focused on this area because the Bank and its subsidiaries (the “Group”) operates in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.</p> <p>These uncertainties inherently affect the amount and timing of potential out flows with respect to the provisions which have been established and other contingent liabilities.</p> <p>Overall, the legal provision represents the Group’s best estimate for existing legal matters that have a probable and estimable impact on the Group’s financial position.</p> <p>The Bank has disclosed contingent liabilities amounting to BDT 23 billion at the year ended on December 31, 2023 (2022 BDT 42 billion).</p> <p>As per IAS 37 Contingent liabilities are not required to be recognized but disclosed in the financial statements.</p> | <p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Group’s and the Bank’s key controls over the legal compliances.</p> <p>We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.</p> <p>We enquired of the Group’s and the Bank’s internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports. We also received formal confirmations from external counsel.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Group’s and the Bank’s provisions and contingent liabilities disclosure in the financial statements as per provisions of IAS 37: Provisions, Contingent Liabilities and Contingent Assets.</p> |

Other information

Management is responsible for the other information. The other information comprises all of the information for the Periodical Report other than the consolidated and separate financial statements and our auditors’ report thereon. The Periodical Report is expected to be made available to us after the date of this auditor’s report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Group and also separate financial statements of the Bank in accordance with IFRSs as explained in note 2 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

The Banking Companies Act, 1991(as amended up to date) and the Bangladesh Bank Rules and Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Bank.

The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Bank's ability to continue as a going concern disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Bank or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Group's and the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the consolidated and separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate

financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and the bank to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the group's and the Bank's audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

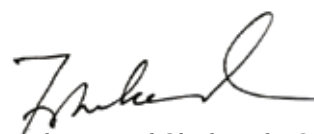
In accordance with the Companies Act 1994, the Securities and Exchange Rules 1987, the Banking Companies Act, 1991, the rules and regulations issued by Bangladesh Bank, we also report that:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the consolidated financial statements of the Group and the separate financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management' responsibility for the financial statements and internal control:
 - (a) internal audit, internal control and risk management arrangements of the Group and the Bank as disclosed in the financial statements appeared to be materially adequate;
 - (b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Group and the Bank and its related entities {other than matters disclosed in these financial statements};
- (iii) Financial statements for the year ended December 31, 2023 of Subsidiaries namely First Security Islami Capital and Investment Limited audited by Shafiq Basak and Co. Chartered Accountants,

who expressed unmodified opinion on the same and First Security Islamic Exchange Italy S.R.L (unaudited) have been reflected in the consolidated financial statements under review;

- (iv) in our opinion, proper books of accounts as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- (v) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (vi) the consolidated balance sheet and consolidated profit and loss account of the Group and the separate balance sheet and separate profit and loss account of the Bank together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- (vii) the expenditures incurred and payments made were for the purpose of the Group's and Bank's business for the year;
- (viii) the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- (ix) provisions have been made for investment and other assets as per Bangladesh Bank DBI letter no: DBI-6/51(2)/2024-280 dated April 16, 2024 as disclosed in the financial statements;
- (x) the information and explanations as required by us have been provided by the bank;
- (xi) we have reviewed over 80% of the risk-weighted assets of the Bank and spent over 7,600 person-hours; and
- (xii) the bank is required to maintain minimum capital to risk weighted assets (CRAR) 10% and 12.50% with conservation buffer, where the bank has maintained CRAR 11.91%.

Dhaka, Bangladesh
Date: 29 April, 2024



Mohammad Shaheed FCA, FCMA

Senior Partner

Enrolment no.: 1016

Khan Wahab Shafique Rahman & Co.

Chartered Accountants

DVC No.: 2404291016AS140747

FIRST SECURITY ISLAMI BANK PLC. AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2023

| | Notes | 31.12.2023 BDT | 31.12.2022 BDT |
|--|-------|------------------------|------------------------|
| <u>PROPERTY AND ASSETS</u> | | | |
| Cash | | 33,748,531,711 | 37,274,813,884 |
| In hand (including foreign currencies) | 4.1 | 4,154,881,434 | 3,954,792,300 |
| Balance with Bangladesh Bank and its Agent Bank(s) (including foreign currencies) | 4.2 | 29,593,650,277 | 33,320,021,584 |
| Balance with other Banks and Financial Institutions | 5 | 1,423,012,220 | 1,464,651,461 |
| In Bangladesh | | 1,128,287,388 | 414,301,251 |
| Outside Bangladesh | | 294,724,832 | 1,050,350,210 |
| Placement with Banks & Other Financial Institutions | 6 | 13,034,942,323 | 13,839,455,000 |
| Investments in Shares & Securities | 7 | 27,495,089,418 | 26,562,627,283 |
| Government | | 23,674,689,450 | 22,774,689,450 |
| Others | | 3,820,399,968 | 3,787,937,833 |
| Investments | | 569,324,144,273 | 523,944,389,645 |
| General Investment etc. | 8 | 566,968,148,337 | 520,442,025,226 |
| Bills Purchased and Negotiated | 8.1.B | 2,355,995,936 | 3,502,364,419 |
| Fixed Assets Including Premises, Furniture & Fixtures and Intangible Assets | 9 | 6,729,782,478 | 6,887,649,871 |
| Other Assets | 10 | 8,329,990,676 | 6,454,845,654 |
| Non Banking Assets | 11 | 25,145,280 | 25,145,280 |
| Total Assets | | 660,110,638,379 | 616,453,578,077 |
| <u>LIABILITIES AND CAPITAL</u> | | | |
| <u>Liabilities</u> | | | |
| Placement from Banks & Other Financial Institutions | 12 | 135,036,478,452 | 80,954,959,224 |
| Deposits and Other Accounts | | 455,151,173,849 | 473,025,031,130 |
| Al-Wadia Current Deposits and Other Deposit Accounts | 13.1 | 40,204,502,106 | 43,366,521,444 |
| Bills Payable | 13.2 | 3,358,829,216 | 5,679,725,957 |
| Mudaraba Savings Deposits | 13.3 | 74,392,816,865 | 70,179,141,772 |
| Mudaraba Term Deposits | 13.4 | 291,955,086,665 | 308,967,731,305 |
| Other Mudaraba Deposits | 13.5 | 45,239,938,997 | 44,831,910,652 |
| Mudaraba Subordinated Bond | 14 | 5,100,000,000 | 7,400,000,000 |
| Mudaraba Perpetual Bond | 15 | 6,000,000,000 | 6,000,000,000 |
| Other Liabilities | 16 | 33,440,803,675 | 26,412,719,484 |
| Total Liabilities | | 634,728,455,976 | 593,792,709,838 |
| <u>Capital/Shareholders' equity</u> | | | |
| Paid-up Capital | 17.1 | 11,506,089,330 | 10,460,081,210 |
| Statutory Reserve | 18 | 8,743,756,230 | 7,550,143,181 |
| Other Reserve | 19 | 3,529,279,371 | 3,173,390,980 |
| Assets Revaluation Reserve | 20 | 182,356,960 | 188,645,132 |
| Retained Earnings | 21 | 1,048,425,554 | 929,849,625 |
| Total Shareholders' Equity | | 25,009,907,445 | 22,302,110,128 |
| Non-controlling Interest | 22 | 372,274,958 | 358,758,111 |
| Total Liabilities and Shareholders' Equity | | 660,110,638,379 | 616,453,578,077 |

FIRST SECURITY ISLAMI BANK PLC. AND ITS SUBSIDIARIES
CONSOLIDATED OFF- BALANCE SHEET ITEMS
AS AT 31 DECEMBER 2023

| | Notes | 31.12.2023 BDT | 31.12.2022 BDT |
|--|-------|-----------------------|-----------------------|
| Contingent Liabilities | | | |
| Acceptances and Endorsements | | 8,440,339,360 | 18,537,397,519 |
| Letters of Guarantee | 23 | 6,151,775,666 | 6,194,871,105 |
| Irrevocable Letters of Credit | 24 | 3,983,855,256 | 9,677,652,974 |
| Bills for Collection | 25 | 5,079,903,105 | 8,452,072,863 |
| Other Contingent Liabilities | | - | - |
| Total | | 23,655,873,387 | 42,861,994,461 |
| Other Commitments | | | |
| Documentary Credits And Short Term Trade Related Transactions | | - | - |
| Forward Assets Purchased And Forward Deposits Placed | | - | - |
| Undrawn Note Issuance And Revolving Underwriting Facilities | | - | - |
| Undrawn Formal Standby Facilities, Credit Lines And Other Commitments | | - | - |
| Total | | - | - |
| Total Off -Balance Sheet Items Including Contingent Liabilities | | 23,655,873,387 | 42,861,994,461 |

The annexed notes (1 to 56) and Annexure A, B & C form an integral part of these financial statements.



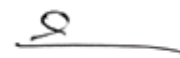
Managing Director



Director



Director



Chairman

Dhaka; April 29, 2024

Signed in terms of our separate report of even date

Dhaka, Bangladesh

Date: 29 April, 2024



Mohammad Shaheed FCA, FCMA

Senior Partner

Enrolment No.: 1016

Khan Wahab Shafique Rahman & Co.

Chartered Accountants

DVC: 240429106AS140747

FIRST SECURITY ISLAMI BANK PLC. AND ITS SUBSIDIARIES
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2023

| Operating Income: | Notes | 2023 BDT | 2022 BDT |
|--|-------|-----------------------|-----------------------|
| Investments Income | 26 | 52,090,519,971 | 40,404,498,794 |
| Profit Paid on Deposits | 27 | (37,941,332,680) | (26,700,647,345) |
| Net Investment Income | | 14,149,187,291 | 13,703,851,449 |
| Income from Investment in shares and securities | 28 | 972,121,452 | 815,456,086 |
| Commission, Exchange and Brokerage | 29 | 840,979,172 | 1,598,752,516 |
| Other Operating Income | 30 | 1,857,519,350 | 797,238,868 |
| | | 3,670,619,974 | 3,211,447,470 |
| Total Operating Income | | 17,819,807,265 | 16,915,298,919 |
| Less: Operating Expenses | | | |
| Salary and Allowances | 31 | 5,941,263,420 | 5,316,974,850 |
| Rent, Taxes, Insurances, Electricity etc. | 32 | 872,108,306 | 841,390,006 |
| Legal Expenses | 33 | 13,105,629 | 12,811,344 |
| Postage, Stamps, Telecommunication etc. | 34 | 142,651,868 | 135,237,784 |
| Stationery, Printings, Advertisements etc. | 35 | 204,048,062 | 635,114,654 |
| Managing Director's Salary and Fees | 36 | 22,200,205 | 21,331,363 |
| Directors' Fees & Expenses | 37 | 1,533,800 | 1,886,000 |
| Shariah Supervisory Committee's Fees & Expenses | 38 | 307,000 | 466,000 |
| Audit Fees | 39 | 2,604,469 | 1,867,945 |
| Depreciation & Repair of Bank's Assets | 40 | 882,590,243 | 885,772,928 |
| Zakat Expenses | | 258,371,758 | 223,591,701 |
| Other Expenses | 41 | 1,391,277,250 | 1,511,595,220 |
| Total Operating Expenses | | 9,732,062,010 | 9,588,039,795 |
| Profit/(Loss) before Provision and Tax | | 8,087,745,255 | 7,327,259,124 |
| Provisions for Investments including off-B/S items | 16.2 | 1,653,669,927 | 1,579,878,728 |
| Provisions for Diminution in Value of Inv. in Shares | | (5,110,318) | 73,201,332 |
| Other Provisions | | 327,070,978 | 100,000,000 |
| Provisions for Start-up Fund | 16.7 | 32,400,861 | 29,299,095 |
| Total Provisions | | 2,008,031,448 | 1,782,379,155 |
| Total Profit/(Loss) before Taxes | | 6,079,713,807 | 5,544,879,969 |
| Provision for Current Tax | | 2,798,116,674 | 2,647,014,248 |
| Prior year Tax paid | | 73,286,701 | - |
| Deferred Tax (Income)/Expenses | 42 | (103,359,392) | (63,637,081) |
| Total Provisions for Tax | | 2,768,043,983 | 2,583,377,167 |
| Net Profit/(loss) after Tax | | 3,311,669,824 | 2,961,502,802 |
| Net profit/(Loss) after tax attributable to: | | | |
| Equity holders of FSIB | | 3,281,499,898 | 2,942,941,910 |
| Non-controlling Interest | | 30,169,926 | 18,560,892 |
| | | 3,311,669,824 | 2,961,502,802 |
| Retained Earnings from Previous Year | | 929,849,625 | 887,102,932 |
| Profit/(Loss) available for Appropriation | | 4,241,519,449 | 3,848,605,734 |
| Appropriations: | | | |
| Statutory Reserve | | 1,193,613,049 | 1,093,479,600 |
| Other Reserve | | 412,770,004 | 303,651,817 |
| Profit/Coupon paid to perpetual bond holder | | 493,200,000 | 472,200,000 |
| Dividend (Previous year) | | 1,063,340,916 | 1,030,863,799 |
| Non-controlling Interest | | 30,169,926 | 18,560,892 |
| | | 3,193,093,895 | 2,918,756,109 |
| Retained Earnings Carried Forward | | 1,048,425,554 | 929,849,625 |
| Earnings Per Share (EPS) previous year's figure re-stated | 43 | 2.85 | 2.56 |

The annexed notes (1 to 56) and Annexure A, B & C form an integral part of these financial statements.


Managing Director


Director

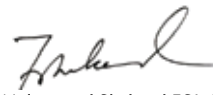

Director


Chairman

Dhaka: April 29, 2024

Signed in terms of our separate report of even date

Dhaka, Bangladesh
Date: 29 April, 2024


Mohammad Shaheed FCA, FCMA
Senior Partner
Enrolment No.: 1016
Khan Wahab Shafique Rahman & Co.
Chartered Accountants
DVC: 2404291016AS140747

FIRST SECURITY ISLAMIC BANK PLC. AND ITS SUBSIDIARIES
CONSOLIDATED CASH FLOW STATEMENT
 FOR THE YEAR ENDED 31 DECEMBER 2023

| | Notes | 2023 BDT | 2022 BDT |
|--|-------|------------------------|------------------------|
| A. Cash Flows from Operating Activities | | | |
| Investment Income Receipt | | 52,536,339,347 | 40,330,108,155 |
| Profit paid on Deposits | | (36,957,950,765) | (26,504,817,467) |
| Dividend Receipts | | 37,513,917 | 51,131,142 |
| Fees & Commission Receipt | | 840,979,172 | 1,598,752,516 |
| Recoveries from investment previously written off | | 1,000,000 | 50,000 |
| Payment to Employees | | (5,963,463,625) | (5,338,306,213) |
| Payment to Suppliers | | (462,617,896) | (894,975,292) |
| Income Tax Paid | | (2,162,148,472) | (2,595,988,948) |
| Receipts from Other Operating Activities | 46 | 1,878,545,841 | 824,548,668 |
| Payment for Other Operating Activities | 47 | (2,460,433,842) | (2,529,794,759) |
| Operating Profit before changes in Operating Assets & Liabilities | | 7,287,763,677 | 4,940,707,802 |
| Increase/(Decrease) in Operating Assets & Liabilities | | | |
| (Increase)/decrease in Investments to Customers | | (44,654,698,242) | (67,467,113,407) |
| (Increase)/decrease of Other Assets | 48 | (1,144,511,007) | (956,448,771) |
| (Increase)/decrease of Placement with Banks & other Financial Institutions | | 804,512,677 | (1,349,455,000) |
| Increase/(decrease) of Deposits Received from Customers | | (18,844,522,565) | 3,807,587,475 |
| Increase/(decrease) of Placement from Banks & other Financial Institutions | | 54,081,519,228 | 65,317,310,429 |
| Increase/(decrease) of Other Liabilities | 49 | 3,071,024,713 | 104,606,011 |
| Cash Generated from Operating Assets & Liabilities | | (6,686,675,197) | (543,513,263) |
| Net Cash Inflow/(Outflow) from Operating Activities | | 601,088,480 | 4,397,194,539 |
| B. Cash Flows from Investing Activities | | | |
| (Purchase)/ Sale of Shares and Securities | | (932,462,135) | 2,461,241,473 |
| Purchase of Property, Plant and Equipment | | (426,587,087) | (979,268,916) |
| Sale of Property, Plant and Equipment | | 15,190,272 | 18,659,095 |
| Net Cash Inflow/(Outflow) from Investing Activities | | (1,343,858,950) | 1,500,631,652 |
| C. Cash Flows from Financing Activities | | | |
| Receipt/(Redemption) for Issuance of Mudaraba Subordinated Bond | | (2,300,000,000) | (2,300,000,000) |
| Profit paid on Lease Liabilities | | (14,065,599) | (13,768,865) |
| Dividend/Coupon Paid in Cash | | (527,185,875) | (1,003,605,263) |
| Net Cash Inflow/(Outflow) from Financing Activities | | (2,841,251,474) | (3,317,374,128) |
| D. Net Increase/(Decrease) of Cash & Cash Equivalents (A+B+C) | | (3,584,021,944) | 2,580,452,063 |
| E. Effect of Exchange Rate Change on Cash & Cash Equivalents | | 16,100,530 | (4,546,589) |
| F. Opening Cash & Cash Equivalents | | 38,739,465,345 | 36,163,559,871 |
| G. Closing Cash & Cash Equivalents (D+E+F) | | 35,171,543,931 | 38,739,465,345 |
| The above closing Cash and Cash Equivalents include: | | | |
| Cash in Hand (Including Foreign Currencies) | | 4,154,881,434 | 3,954,792,300 |
| Balance with Bangladesh Bank and its Agent Bank(s) and Other Banks | | 31,016,662,497 | 34,784,673,045 |
| | | 35,171,543,931 | 38,739,465,345 |

The annexed notes (1 to 56) and Annexure A, B & C form an integral part of these financial statements.


 Managing Director

Dhaka; April 29, 2024


 Director


 Director


 Chairman

FIRST SECURITY ISLAMI BANK PLC. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2023

| Particulars | Paid-up Capital | Statutory Reserve | Other Reserve | Assets Reval. Reserve | Retained Earnings | Non-controlling Interest | Total |
|--|-----------------------|----------------------|----------------------|-----------------------|----------------------|--------------------------|-----------------------|
| | BDT | BDT | BDT | BDT | BDT | BDT | BDT |
| Balance as on 01 January 2023 | 10,460,081,210 | 7,550,143,181 | 3,173,390,980 | 188,645,132 | 929,849,625 | 358,758,111 | 22,660,868,239 |
| Changes in Accounting Policy | - | - | - | - | - | - | - |
| Restated Balance | 10,460,081,210 | 7,550,143,181 | 3,173,390,980 | 188,645,132 | 929,849,625 | 358,758,111 | 22,660,868,239 |
| Net Profit for the Year | - | - | - | - | 3,311,669,824 | - | 3,311,669,824 |
| Bonus Share Issued | 1,046,008,120 | - | - | - | (1,046,008,120) | - | - |
| Cash Dividend | - | - | - | - | (17,332,796) | (16,653,079) | (33,985,875) |
| Profit/Coupon paid to perpetual bond holder | - | - | - | - | (493,200,000) | - | (493,200,000) |
| Transfer to Statutory Reserve | - | 1,193,613,049 | - | - | (1,193,613,049) | - | - |
| Transfer to Other Reserve | - | - | 412,770,004 | - | (412,770,004) | - | - |
| Revaluation Reserve to Other Reserve | - | - | 10,061,074 | (10,061,074) | - | - | - |
| Non-controlling Interest | - | - | - | - | (30,169,926) | 30,169,926 | - |
| Deferred tax impact on Revaluation Reserve | - | - | - | - | - | - | - |
| Foreign operation translation difference | - | - | (66,942,687) | - | - | - | 3,772,902 |
| Total Group Shareholders' Equity as on 31 December 2023 | 11,506,089,330 | 8,743,756,230 | 3,529,279,371 | 182,356,960 | 1,048,425,554 | 372,274,958 | 25,382,182,403 |

FOR THE PERIOD (Q3) ENDED 31 DECEMBER 2022

| | | | | | | | |
|--|-----------------------|----------------------|----------------------|--------------------|--------------------|--------------------|-----------------------|
| Balance as on 01 January 2022 | 9,961,982,110 | 6,456,663,581 | 2,843,074,725 | 194,933,303 | 887,102,932 | 373,503,376 | 20,717,260,026 |
| Net Profit for the Year | - | - | - | - | 2,961,502,802 | - | 2,961,502,802 |
| Bonus Share Issued | 498,099,100 | - | - | - | (498,099,100) | - | - |
| Cash Dividend | - | - | - | - | (532,764,699) | (33,306,157) | (566,070,856) |
| Profit/Coupon paid to perpetual bond holder | - | - | - | - | (472,200,000) | - | (472,200,000) |
| Transfer to Statutory Reserve | - | 1,093,479,600 | - | - | (1,093,479,600) | - | - |
| Transfer to Other Reserve | - | - | 303,651,817 | - | (303,651,817) | - | - |
| Revaluation Reserve to Other Reserve | - | - | 10,061,074 | (10,061,074) | - | - | - |
| Non-controlling Interest | - | - | - | - | (18,560,892) | 18,560,892 | - |
| Deferred tax impact on Revaluation Reserve | - | - | - | - | - | - | - |
| Foreign operation translation difference | - | - | 16,603,364 | - | - | - | 3,772,903 |
| Total Group Shareholders' Equity as on 31 December 2022 | 10,460,081,210 | 7,550,143,181 | 3,173,390,980 | 188,645,132 | 929,849,625 | 358,758,111 | 22,660,868,239 |



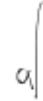
Managing Director
Dhaka: April 29, 2024



Director



Director



Chairman

FIRST SECURITY ISLAMI BANK PLC.
BALANCE SHEET
AS AT 31 DECEMBER 2023

| | Notes | 31.12.2023 BDT | 31.12.2022 BDT |
|---|---------|------------------------|------------------------|
| <u>PROPERTY AND ASSETS</u> | | | |
| Cash | | 33,744,825,890 | 37,256,204,252 |
| In hand (including foreign currencies) | 4.1(a) | 4,151,175,613 | 3,936,182,668 |
| Balance with Bangladesh Bank and its Agent Bank(s) (including foreign currencies) | 4.2(a) | 29,593,650,277 | 33,320,021,584 |
| Balance with other Banks and Financial Institutions | 5(a) | 1,310,658,053 | 1,349,723,787 |
| In Bangladesh | | 1,031,858,971 | 324,731,568 |
| Outside Bangladesh | | 278,799,082 | 1,024,992,219 |
| Placement with Banks & Other Financial Institutions | 6 | 13,034,942,323 | 13,839,455,000 |
| Investments in Shares & Securities | 7(a) | 27,467,446,480 | 26,552,763,372 |
| Government | | 23,674,689,450 | 22,774,689,450 |
| Others | | 3,792,757,030 | 3,778,073,922 |
| Investments | | 570,286,708,242 | 524,795,151,026 |
| General Investment etc. | 8.1.A | 567,930,712,306 | 521,292,786,607 |
| Bills Purchased and Negotiated | 8.1.B | 2,355,995,936 | 3,502,364,419 |
| Fixed Assets Including Premises, Furniture & Fixtures and Intangible Assets Other Assets | 9(a) | 6,725,414,524 | 6,877,634,336 |
| Non Banking Assets | 10(a) | 6,518,920,712 | 4,791,716,959 |
| Total Assets | 11 | 659,114,061,504 | 615,487,794,012 |
| <u>LIABILITIES AND CAPITAL</u> | | | |
| <u>Liabilities</u> | | | |
| Placement from Banks & Other Financial Institutions | 12(a) | 134,585,643,997 | 80,484,391,794 |
| Deposits and Other Accounts | | 455,194,995,469 | 473,046,316,737 |
| Al-Wadia Current Deposits and Other Deposit Accounts | 13.1(a) | 40,248,323,726 | 43,387,807,051 |
| Bills Payable | 13.2 | 3,358,829,216 | 5,679,725,957 |
| Mudaraba Savings Deposits | 13.3 | 74,392,816,865 | 70,179,141,772 |
| Mudaraba Term Deposits | 13.4 | 291,955,086,665 | 308,967,731,305 |
| Other Mudaraba Deposits | 13.5 | 45,239,938,997 | 44,831,910,652 |
| Mudaraba Subordinated Bond | 14 | 5,100,000,000 | 7,400,000,000 |
| Mudaraba Perpetual Bond | 15 | 6,000,000,000 | 6,000,000,000 |
| Other Liabilities | 16(a) | 33,042,552,683 | 26,116,875,125 |
| Total Liabilities | | 633,923,192,149 | 593,047,583,656 |
| <u>Capital/Shareholders' equity</u> | | | |
| Paid-up Capital | 17.1 | 11,506,089,330 | 10,460,081,210 |
| Statutory Reserve | 18 | 8,743,756,230 | 7,550,143,181 |
| Other Reserve | 19(a) | 3,575,490,973 | 3,152,659,895 |
| Assets Revaluation Reserve | 20 | 182,356,960 | 188,645,132 |
| Retained Earnings | 21(a) | 1,183,175,862 | 1,088,680,938 |
| Total Shareholders' Equity | | 25,190,869,355 | 22,440,210,356 |
| Total Liabilities and Shareholders' Equity | | 659,114,061,504 | 615,487,794,012 |

FIRST SECURITY ISLAMI BANK PLC.
OFF- BALANCE SHEET ITEMS
AS AT 31 DECEMBER 2023

| | Notes | 31.12.2023 BDT | 31.12.2022 BDT |
|--|-------|-----------------------|-----------------------|
| Contingent Liabilities | | | |
| Acceptances and Endorsements | | 8,440,339,360 | 18,537,397,519 |
| Letters of Guarantee | 23 | 6,151,775,666 | 6,194,871,105 |
| Irrevocable Letters of Credit | 24 | 3,983,855,256 | 9,677,652,974 |
| Bills for Collection | 25 | 5,079,903,105 | 8,452,072,863 |
| Other Contingent Liabilities | | - | - |
| Total | | 23,655,873,387 | 42,861,994,461 |
| Other Commitments | | | |
| Documentary Credits And Short Term Trade Related Transactions | | - | - |
| Forward Assets Purchased And Forward Deposits Placed | | - | - |
| Undrawn Note Issuance And Revolving Underwriting Facilities | | - | - |
| Undrawn Formal Standby Facilities, Credit Lines And Other Commitments | | - | - |
| Total | | - | - |
| Total Off -Balance Sheet Items Including Contingent Liabilities | | 23,655,873,387 | 42,861,994,461 |

The annexed notes (1 to 56) and Annexure A, B & C form an integral part of these financial statements.


Managing Director

Dhaka; April 29, 2024


Director


Director


Chairman

Signed in terms of our separate report of even date

Dhaka, Bangladesh
 Date: 29 April, 2024


Mohammad Shaheed FCA, FCMA
 Senior Partner
 Enrolment No.: 1016
Khan Wahab Shafique Rahman & Co.
 Chartered Accountants
 DVC: 2404291016AS140747

FIRST SECURITY ISLAMI BANK PLC.
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2023

| | Notes | 2023 BDT | 2022 BDT |
|--|---------|-----------------------|-----------------------|
| Operating Income: | | | |
| Investments Income | 26(a) | 51,950,748,666 | 40,235,923,289 |
| Profit Paid on Deposits | 27 | (37,941,332,680) | (26,700,647,345) |
| Net Investment Income | | 14,009,415,986 | 13,535,275,944 |
| Income from Investment in Shares and Securities | 28(a) | 951,094,961 | 788,146,286 |
| Commission, Exchange and Brokerage | 29(a) | 727,075,022 | 1,524,665,635 |
| Other Operating Income | 30(a) | 1,843,380,318 | 791,749,899 |
| | | 3,521,550,301 | 3,104,561,820 |
| Total Operating Income | | 17,530,966,287 | 16,639,837,764 |
| Less: Operating Expenses | | | |
| Salary and Allowances | 31(a) | 5,887,533,353 | 5,270,201,431 |
| Rent, Taxes, Insurances, Electricity etc. | 32(a) | 866,844,224 | 837,867,800 |
| Legal Expenses | 33(a) | 7,122,641 | 8,297,653 |
| Postage, Stamps, Telecommunication etc. | 34(a) | 141,980,582 | 134,505,322 |
| Stationery, Printings, Advertisements etc. | 35(a) | 203,703,685 | 634,527,589 |
| Managing Director's Salary and Fees | 36(a) | 18,120,139 | 17,505,608 |
| Directors' Fees & Expenses | 37(a) | 1,108,800 | 1,436,000 |
| Shariah Supervisory Committee's Fees & Expenses | 38.00 | 307,000 | 466,000 |
| Audit Fees | | 1,610,000 | 1,035,000 |
| Depreciation & Repair of Bank's Assets | 40(a) | 875,894,040 | 878,134,842 |
| Zakat Expenses | | 258,371,758 | 223,591,701 |
| Other Expenses | 41(a) | 1,307,193,980 | 1,435,089,391 |
| Total Operating Expenses | | 9,569,790,202 | 9,442,658,337 |
| Profit/(Loss) before Provision and Tax | | 7,961,176,085 | 7,197,179,427 |
| Provisions for Investments including off-B/S items | 16.2(a) | 1,642,427,652 | 1,542,322,027 |
| Provisions for Diminution in Value of Inv. in Shares | | (8,788,652) | 58,160,305 |
| Other Provisions | | 327,070,978 | 100,000,000 |
| Provisions for Start-up Fund | 16.7 | 32,400,861 | 29,299,095 |
| Total Provisions | | 1,993,110,839 | 1,729,781,427 |
| Total Profit/(Loss) before Taxes | | 5,968,065,246 | 5,467,398,000 |
| Provision for Current Tax | | 2,758,051,840 | 2,601,125,622 |
| Prior year Tax paid | | 73,286,701 | - |
| Deferred Tax (Income)/Expenses | 42 | (103,359,392) | (63,637,081) |
| Total Provisions for Tax | | 2,727,979,149 | 2,537,488,541 |
| Net Profit/(Loss) after Tax | | 3,240,086,097 | 2,929,909,459 |
| Retained Earnings from Previous Year | | 1,088,680,938 | 1,024,301,103 |
| Profit/(Loss) available for Appropriation | | 4,328,767,035 | 3,954,210,562 |
| Appropriations: | | | |
| Statutory Reserve | | 1,193,613,049 | 1,093,479,600 |
| Other Reserve | | 412,770,004 | 303,651,817 |
| Profit/Coupon paid to perpetual bond holder | | 493,200,000 | 472,200,000 |
| Dividend (Previous year) | | 1,046,008,120 | 996,198,206 |
| | | 3,145,591,173 | 2,865,529,624 |
| Retained Earnings Carried Forward | | 1,183,175,862 | 1,088,680,938 |
| Earnings Per Share (EPS) previous year's figure re-stated | 43(a) | 2.82 | 2.55 |

The annexed notes (1 to 56) and Annexure A, B & C form an integral part of these financial statements.


Managing Director

Dhaka; April 29, 2024


Director


Director


Chairman

Signed in terms of our separate report of even date

Dhaka, Bangladesh
Date: 29 April, 2024


Mohammad Shaheed FCA, FCMA
Senior Partner
Enrolment No: 1016
Khan Wahab Shafique Rahman & Co.
Chartered Accountants
DVC: 2404291016AS140747

FIRST SECURITY ISLAMI BANK PLC.
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023

| | Notes | 2023 BDT | 2022 BDT |
|--|-------|------------------------|------------------------|
| A. Cash Flows from Operating Activities | | | |
| Investment Income Receipt | | 52,308,338,836 | 40,079,131,874 |
| Profit paid on Deposits | | (36,957,950,765) | (26,504,817,467) |
| Dividend Receipts | | 37,513,917 | 51,131,142 |
| Fees & Commission Receipt in Cash | | 727,075,022 | 1,524,665,635 |
| Recoveries from written off investments | | 1,000,000 | 50,000 |
| Payment to Employees | | (5,905,653,492) | (5,287,707,039) |
| Payment to Suppliers | | (462,440,076) | (894,659,846) |
| Income Tax Paid | | (2,119,572,490) | (2,552,056,354) |
| Receipts from Other Operating Activities | 46(a) | 1,843,380,318 | 791,749,899 |
| Payment for Other Operating Activities | 47(a) | (2,374,913,227) | (2,465,391,122) |
| Operating Profit before changes in Operating Assets | | 7,096,778,043 | 4,742,096,722 |
| Increase/(Decrease) in Operating Assets & Liabilities | | | |
| (Increase)/decrease in Investments to Customers | | (44,637,439,811) | (67,671,379,710) |
| (Increase)/decrease of Other Assets | 48(a) | (1,058,571,869) | (496,274,701) |
| (Increase)/decrease of Placement with Banks & other Financial Institutions | | 804,512,677 | (1,349,455,000) |
| Increase/(decrease) of Deposits Received from Customers | | (18,821,986,552) | 3,802,387,876 |
| Increase/(decrease) of Placement from Banks & other Financial Institutions | | 54,101,252,203 | 65,258,342,999 |
| Increase/(decrease) of Other Liabilities | 49(a) | 3,080,781,388 | 77,492,676 |
| Cash Generated from Operating Assets & Liabilities | | (6,531,451,965) | (378,885,860) |
| Net Cash Inflow/(Outflow) from Operating Activities | | 565,326,078 | 4,363,210,862 |
| B. Cash Flows from Investing Activities | | | |
| (Purchase)/ Sale of Shares and Securities | | (914,683,108) | 2,499,800,828 |
| Purchase of Property, Plant and Equipment | | (426,461,237) | (979,215,323) |
| Sale of Property, Plant and Equipment | | 15,190,272 | 18,659,095 |
| Net Cash Inflow/(Outflow) from Investing Activities | | (1,325,954,073) | 1,539,244,600 |
| C. Cash Flows from Financing Activities | | | |
| Receipt/(Redemption) for Issuance of Mudaraba Subordinated Bond | | (2,300,000,000) | (2,300,000,000) |
| Receipt/(Redemption) for Issuance of Mudaraba Perpetual Bond | | - | - |
| Profit paid on Lease Liabilities | | (12,716,631) | (13,768,865) |
| Dividend/Coupon Paid in Cash | | (493,200,000) | (970,299,106) |
| Net Cash Inflow/(Outflow) from Financing Activities | | (2,805,916,631) | (3,284,067,971) |
| D. Net Increase/(Decrease) of Cash & Cash Equivalents (A+B+C) | | (3,566,544,626) | 2,618,387,491 |
| Effect of Exchange Rate Change on Cash & Cash Equivalents | | 16,100,530 | (4,546,589) |
| E. Opening Cash & Cash Equivalents | | 38,605,928,039 | 35,992,087,137 |
| F. Closing Cash & Cash Equivalents (D+E) | | 35,055,483,943 | 38,605,928,039 |
| The above closing Cash and Cash Equivalents include: | | | |
| Cash in Hand (Including Foreign Currencies) | | 4,151,175,613 | 3,936,182,668 |
| Balance with Bangladesh Bank and its Agent Bank(s) and Other Banks | | 30,904,308,330 | 34,669,745,371 |
| | | 35,055,483,943 | 38,605,928,039 |

The annexed notes (1 to 56) and Annexure A, B & C form an integral part of these financial statements.


Managing Director

Director

Director

Chairman

Dhaka; April 29, 2024

FIRST SECURITY ISLAMI BANK PLC.
STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2023

| Particulars | Paid-up Capital BDT | Statutory Reserve BDT | Other Reserve BDT | Assets Reval. Reserve BDT | Retained Earnings BDT | Total BDT |
|--|------------------------|--------------------------|----------------------|---------------------------------|--------------------------|----------------|
| Balance as on 01 January 2023 | 10,460,081,210 | 7,550,143,181 | 3,152,659,895 | 188,645,132 | 1,088,680,938 | 22,440,210,356 |
| Changes in Accounting Policy | - | - | - | - | - | - |
| Restated Balance | 10,460,081,210 | 7,550,143,181 | 3,152,659,895 | 188,645,132 | 1,088,680,938 | 22,440,210,356 |
| Net Profit for the Year | - | - | - | - | 3,240,086,097 | 3,240,086,097 |
| Bonus Share Issued | 1,046,008,120 | - | - | - | (1,046,008,120) | - |
| Cash Dividend | - | - | - | - | - | - |
| Profit/Coupon paid to perpetual bond holder | - | - | - | - | (493,200,000) | (493,200,000) |
| Transfer to Statutory Reserve | - | 1,193,613,049 | - | - | (1,193,613,049) | - |
| Transfer to Other Reserve | - | - | 412,770,004 | - | (412,770,004) | - |
| Revaluation Reserve transfer to Other Reserve | - | - | 10,061,074 | (10,061,074) | - | - |
| Deferred tax impact on Revaluation Reserve | - | - | - | 3,772,902 | - | 3,772,902 |
| Total Group Shareholders' Equity as on 31 December 2023 | 11,506,089,330 | 8,743,756,230 | 3,575,490,973 | 182,356,960 | 1,183,175,862 | 25,190,869,355 |

FOR THE YEAR ENDED 31 DECEMBER 2022

| | | | | | | |
|--|----------------|---------------|---------------|--------------|-----------------|----------------|
| Balance as on 01 January 2022 | 9,961,982,110 | 6,456,663,581 | 2,838,947,004 | 194,933,303 | 1,024,301,103 | 20,476,827,100 |
| Net Profit for the Year | - | - | - | - | 2,929,909,459 | 2,929,909,459 |
| Bonus Share Issued | 498,099,100 | - | - | - | (498,099,100) | - |
| Cash Dividend | - | - | - | - | (498,099,106) | (498,099,106) |
| Profit/Coupon paid to perpetual bond holder | - | - | - | - | (472,200,000) | (472,200,000) |
| Transfer to Statutory Reserve | - | 1,093,479,600 | - | - | (1,093,479,600) | - |
| Transfer to Other Reserve | - | - | 303,651,817 | - | (303,651,817) | - |
| Revaluation Reserve transfer to Other Reserve | - | - | 10,061,074 | (10,061,074) | - | - |
| Deferred tax impact on Revaluation Reserve | - | - | - | 3,772,903 | - | 3,772,903 |
| Total Group Shareholders' Equity as on 31 December 2022 | 10,460,081,210 | 7,550,143,181 | 3,152,659,895 | 188,645,132 | 1,088,680,938 | 22,440,210,356 |



Managing Director

Dhaka; April 29, 2024



Director



Director



Chairman

FIRST SECURITY ISLAMI BANK PLC.
LIQUIDITY STATEMENT (ASSETS AND LIABILITY MATURITY ANALYSIS)
AS AT 31 DECEMBER 2023

| Particulars | Up to 01 Month | 01-03 Months | 03-12 Months | 01-05 Years | More than 05 years | Total 2023 | Total 2022 |
|--------------------------------------|-------------------------|-------------------------|------------------------|-------------------------|-----------------------|------------------------|------------------------|
| | BDT | BDT | BDT | BDT | BDT | BDT | BDT |
| Assets | | | | | | | |
| Cash in Hand | 4,151,175,613 | - | - | - | - | 4,151,175,613 | 3,936,182,668 |
| Balance with Bangladesh Bank and its | | | | | | | |
| Agent Banks) | 2,593,650,277 | - | - | - | 27,000,000,000 | 29,593,650,277 | 33,320,021,584 |
| Balance with other Banks & FIs and | | | | | | | |
| Placement | 14,345,600,376 | - | - | - | - | 14,345,600,376 | 15,189,178,787 |
| Investments in Shares and Securities | 791,808,878 | - | 23,673,120,000 | 685,177,544 | 2,317,340,058 | 27,467,446,480 | 26,552,763,372 |
| Investments | 141,479,408,242 | 64,331,900,000 | 264,468,700,000 | 76,041,700,000 | 23,965,000,000 | 570,286,708,242 | 524,795,151,026 |
| Fixed Assets including Premises, | | | | | | | |
| Furniture and Fixtures | - | - | - | 1,311,627,122 | 5,413,787,402 | 6,725,414,524 | 6,877,634,336 |
| Other Assets | - | - | - | 4,580,300,000 | 19,38,620,712 | 6,518,920,712 | 4,791,716,959 |
| Non-banking Assets | - | - | - | 25,145,280 | - | 25,145,280 | 25,145,280 |
| Total Assets | 163,361,643,386 | 64,331,900,000 | 288,141,820,000 | 82,643,949,946 | 60,634,748,172 | 659,114,061,504 | 615,487,794,012 |
| Liabilities | | | | | | | |
| Placement from Banks & Other | 133,235,143,997 | - | - | 1,350,500,000 | - | 134,585,643,997 | 80,484,391,794 |
| Financial Institutions | | | | | | | |
| Deposits and Other Accounts | 114,859,343,238 | 112,484,252,231 | 123,620,300,000 | 89,594,600,000 | 14,636,500,000 | 455,194,995,469 | 473,046,316,737 |
| Mudaraba Subordinated and Perpetual | | | | | | | |
| Bond | - | - | 2,300,000,000 | 2,800,000,000 | 6,000,000,000 | 11,100,000,000 | 13,400,000,000 |
| Other Liabilities | - | 10,123,852,683 | 339,700,000 | 1,350,200,000 | 21,228,800,000 | 33,042,552,683 | 26,116,875,125 |
| Total Liabilities | 248,094,487,235 | 122,608,104,914 | 126,260,000,000 | 95,095,300,000 | 41,865,300,000 | 633,923,192,149 | 593,047,583,656 |
| Net Liquidity Gap | (84,732,843,849) | (58,276,204,914) | 161,881,820,000 | (12,451,350,054) | 18,769,448,172 | 25,190,869,355 | 22,440,210,356 |

The annexed notes (1 to 56) and Annexure A, B & C form an integral part of these financial statements.



Managing Director

Dhaka: April 29, 2024



Director



Director



Chairman

First Security Islami Bank PLC. and its Subsidiaries

Notes to the Financial Statements

As at and for the year ended 31 December 2023

1. Corporate Information:

1.1 Status of the Bank

First Security Islami Bank PLC. (hereinafter referred to as “the Bank or FSIB”) was established as a Public Limited Company in Bangladesh on 29 August 1999 under Companies Act 1994 to carry on banking business. The Bank converted its banking operation into Islamic Banking based on Islamic Shari’ah from traditional banking operation on 01 January 2009 after obtaining approval from honorable High Court, Ministry of Finance and Bangladesh Bank. It obtained permission from Bangladesh Bank on 22 September 1999 to commence its business. The Bank is one of the interest-free Shari’ah based banks in the country and its modus-operandi are substantially different from other conventional banks. The Bank went for public issue on 20 July 2008 and its shares are listed with Dhaka Stock Exchange (DSE) Ltd. and Chittagong Stock Exchange (CSE) Ltd. Presently the Bank carries out its banking activities through its 105 Agent outlets, 172 Sub-branches and 205 branches in the country. The Bank had no overseas branches as at December 31, 2023.

The registered office of the Bank is located at 23, Dilkusha C/A, Dhaka-1000.

1.2 Principal Activities

1.2.1 Commercial banking services

All kinds of commercial banking services are provided by the Bank to the customers following the principles of Islamic Shari’ah, the provisions of the Banking Company Act 1991 and Bangladesh Bank’s directives.

The bank renders commercial banking services to all types of customers. The range of services offered by the bank includes accepting deposit, making investment, purchasing bills, conducting domestic and international money transfer, carrying out foreign exchange transactions in addition to international money transfers, and offering other customer services such as safe keeping, collections and issuing guarantees, acceptances and letters of credit. Core business of the bank includes deposit mobilization and investing activities comprising working capital, short-term, long-term, import and export financing. Investment activities are extended to different sectors of the economy that could be grouped into several sectors including Rural & agriculture, Garments and Textiles, Jute, Cement and Bricks, Tannery, Steel and Engineering, Food and Beverage, Chemical and Pharmaceuticals, Printing and Packaging, Glass and Ceramics and Miscellaneous.

At a glance, the principal activities of the bank are:

- To facilitate and handle all kinds of commercial banking services to its customers authorized by Bangladesh Bank.
- To handle the export and import trade of Bangladesh
- To take part in international banking etc.

1.2.2 Mobile financial services-“First Cash”

FSIB has launched mobile banking services from 2012 under the name of “First Pay Sure Cash” now “First Cash”. First Security Islami Bank offers different services through the Mobile banking services that include free and quick opening of customer account, deposit and withdrawal of cash money, fund transfer from one account to another, receiving remittance from abroad, knowing account balance and mini-statement, giving and receiving salary, mobile recharge and payment of utility bill, merchant bill payment etc.

1.2.3 FSIB Agent Banking

First Security Islami Bank PLC. Launched its Agent Banking Operation under the brand name “FSIB Agent Banking” on May 29, 2016 upon receiving permission from Bangladesh Bank on September 01, 2015. The Agent Banking outlet is running under the ABS system integrated with CBS.

It is a banking system exactly like a model branch which is located in the remote areas, where all kinds of branch banking facilities such as Account Opening, Cash Deposit/withdrawal, Fund Transfer, BEFTN, BACH & RTGS etc. in limited scale (as per Bangladesh Bank guidelines) are provided to the underserved population through engaged agents under a valid agency agreement. Along with the general banking services, FSIB Agent Banking is rendering the other banking services like BREB Bill Collection and Foreign Remittance Services to the underserved population of Bangladesh in the remote areas.

As per Agent Banking Model, the Agent Banking Outlets are being tagged with FSIB Branches, considering the distance in terms of the nearest location from the Agent Outlet. The tagging branch manager will provide all sorts of supports to the concerned outlets as all the businesses, coming from the concerned outlets, are reflected in their affairs i.e. tagged branch, is the ultimate beneficiary of the Agent Banking Business.

1.2.4 Off Shore Banking Unit

Off-shore Banking Unit (OBU) is a Separate business unit of First Security Islami Bank PLC., governed under the rules and guidelines of Bangladesh Bank. The Bank obtained the Off-shore Banking Unit permission vide letter no. BRPD (OB)/744(126)/2020-4735 dated 06 July, 2020. The Bank commenced the operation of its Off-shore Banking Unit from August 06, 2020. The unit is located at Rangs RD Center, Block # SE(F), Plot#03, Gulshan-1, Dhaka-1212. Due to having different functional currency the operation of OBU has been considered as “foreign operation” and accordingly relevant financial reporting standards have been applied consistently. The financial statements of the OBU are included in the separate financial statements of the bank and eventually in the consolidated financial statements. The separate financial statements of OBU are shown in the functional currency (i.e. USD) as well as the presentation currency i.e. BDT of the Bank in **Annexure-C**.

1.3 Subsidiaries

1.3.1 First Security Islami Capital and Investment Limited

First Security Islami Capital and Investment Limited, a private company limited by shares has been formed and registered under the Companies Act, 1994 with the Registrar of Joint Stock Companies (RJSC), Dhaka vide certificate of incorporation no. C-88567/10 dated 02 December 2010. The Bangladesh Securities and Exchange Commission (BSEC) vide its certificate No. MB-65/2011 dated 27 March 2011 has accorded approval to the bank for a full-fledged Merchant Banking operation under the Bangladesh Securities and Exchange Commission Act, 1993. First Security Islami Bank PLC. holds 51% shares and 49% shares are held by other individuals. The company’s reporting period is January to December.

1.3.2 First Security Islami Exchange Italy S.R.L

First Security Islami Exchange Italy S.R.L has been formed as per approval of Bangladesh Bank vide their Letter No. BRPD (M) 204/17/2009-95 dated 08 September 2009 for opening an owned exchange house. The main activities of the exchange house are to carry on the remittance business and to undertake and participate in transactions activities and operations commonly carried on or undertaken by remittance and exchange houses.

2. Basis of Preparation of Financial Statements

The Financial Statements, namely, Balance Sheet, Profit and Loss Account, Cash Flow Statement, Statement of changes in Equity, Liquidity Statement (Assets and Liability Maturity Analysis) and relevant notes to the financial statements and disclosures thereto, of the Bank are prepared under historical cost convention on a going concern basis.

2.1 Statements of Compliance

The bank and its subsidiaries are being operated in strict compliance with the rules of Islamic Shariah. The Financial Reporting Act 2015 (FRA) was enacted in 2015. Under the FRA, the Financial Reporting Council (FRC) is to be formed and it is to issue financial reporting standards for public interest entities such as banks. The Bank Companies Act 1991 has been amended to require banks to prepare their financial statements under such financial reporting standards. The FRC has been formed but yet to issue any financial reporting standards as per the provisions of the FRA and hence International Financial Reporting Standards (IFRS) as issued by the Institute of Chartered Accountants of Bangladesh (ICAB) are still applicable.

The financial statements of the Bank are made for the year ended 31 December, 2023 and are prepared under the historical cost convention on a going concern basis and in accordance with the “First Schedule Section 38(4) of the Bank Companies Act, 1991 and Amendment 2013, BRPD Circular # 14 dated 25 June 2003, BRPD Circular # 15 dated 09 November 2009, Circulars, Rules and regulations issued by Bangladesh Bank time to time, International Accounting Standards and International Financial Reporting Standards, The Companies Act 1994, The Bangladesh Security and Exchange Rules 1987, Dhaka & Chittagong Stock Exchanges listing regulations, Income Tax Act-2023, the Value Added Tax and Supplementary Duty Act-2012, and other laws and rules applicable in Bangladesh. Where the reporting guidelines issued by Bangladesh Bank and Bank Companies Act differ with those of IFRS, the requirements of the Bank company Act 1991, and provisions and circulars issued by Bangladesh Bank shall prevail. Bank has departed from those requirements of IFRS in order to comply with the rules and regulation of Bangladesh Bank which are disclosed below:

i) Presentation of financial statements

IFRS: As per IAS 1 financial statements shall comprise statement of financial position, statement of profit or loss and other comprehensive income, changes in equity, cash flows statement, adequate notes comprising summary of accounting policies and other explanatory information. As per para 60 of IAS 1, the entity shall also present current and non-current assets and current and non-current liabilities as separate classifications in its statement of financial position.

Bangladesh Bank: The presentation of the financial statements in prescribed format (i.e. balance sheet, profit and loss account, cash flows statement, changes in equity, liquidity statement) and certain disclosures therein are guided by the ‘First Schedule’ (section 38) of the Banking Company Act 1991 (amendment up to 2013) and BRPD circular no. 14 dated: 25 June 2003 and subsequent guidelines of BB. In the prescribed format there is no option to present assets and liabilities under current and non-current classifications.

ii) Other Comprehensive Income

IFRS: As per IAS 1, Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single Other Comprehensive Income statement.

Bangladesh Bank: Bangladesh Bank has issued templates for financial statements which will strictly be followed by all banks. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to be included in a single Other Comprehensive Income (OCI) Statement. As such the Bank does not prepare the other comprehensive income statement. However, the elements of OCI, if any, are shown in the statements of changes in equity.

iii) Investment in shares and securities

IFRS: As per requirements of IFRS 9 investment in shares and securities generally falls either under “at fair value through profit and loss account” or under “available for sale” where any change in the fair value (as measured in accordance with IFRS 13) at the year-end is taken to profit and loss account or revaluation reserve respectively.

Bangladesh Bank: As per BRPD circular no. 14 dated: 25 June 2003 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment; otherwise investments are recognized at cost.

iv) Provision on investments and off-balance sheet exposure

IFRS: As per IFRS 9 an entity should start the impairment assessment by considering whether objective evidence of impairment exists for financial assets that are individually significant. For financial assets that are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis.

Bangladesh Bank: As per BRPD Circular no.14 dated: 23 September 2012, BRPD Circular no.05 dated:29 May 2013, BRPD Circular no.12 dated:20 August 2017, BRPD Circular no.01 dated:20 February 2018 and BRPD Circular no.52 dated:20 October 2020 a general provision at 0.25% to 2% under different categories of unclassified investment (Standard and SMA Investment) has to be maintained regard less of objective evidence of impairment. Also, Specific provision for Sub-Standard investment, Doubtful investment and Bad/Loss has to be maintained at 20%, 50% and 100% respectively for classified investments on the basis of investment Classification.

Further, as per BRPD Circular No. 15 dated: 27 September 2017, provision for short Term Agriculture and Micro credit at 1% for all unclassified investment (Regular and irregular), 5% for classified as sub-standard and Doubtful and 100% for classified as Bad /Loss.

It is also noticeable here that, as per BRPD Circular No.16 dated: 21 July 2020, provision for cottage, Micro and small investment under CMSME investment at 0.25% for all unclassified investment (Standard and SMA Investment) has to be maintained, 5% for sub-standard, 20% for Doubtful and 100% respectively for classified investments.

Furthermore, As per BRPD Circular no.14 dated: 23 September.2012, BRPD Circular no.07 dated: 21 June 2018 and BRPD Circular no.13 dated: 18 October 2018, a general provision 0%, 0.50%, 0.75% and 1% is required to be maintained for all off balance sheet exposures excluding bill for collection depending on Bangladesh Bank rating grade equivalence of Bank/Financial institute/Organization providing the counter Guarantee, such provision policies are not specify in line with those prescribed by IFRS-9.

v) Recognition of investment income in suspense

IFRS: Investment to customers are generally classified as Investment in General (loans and receivables) as per IAS 39 and Investment income is recognized through effective profit rate method over the term of the Investment. Once an investment (loan) is impaired, investment income is recognized in profit and loss account on the same basis based on revised carrying amount.

Bangladesh Bank: As per BRPD circular no. 14 dated: 23 September 2012, once an investment (loan) is classified, investment income on such investments are not allowed to be recognized as income, rather the corresponding amount needs to be credited to an investment income in suspense account, which is presented as liability in the balance sheet. In case of rescheduled investment, the unrealized income, if any, will be credited to investment income in suspense account instead of crediting the same to income account.

vi) Financial Instruments – Presentation and disclosure

In several cases Bangladesh Bank guidelines categories, recognize, measure and present financial instruments differently from those prescribed in IFRS 9. As such full disclosure and presentation requirements of IFRS 7 and IAS 32 cannot be made in the financial statements.

vii) Financial guarantees

IFRS: As per IFRS 9, financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are recognized initially at their fair value, and the initial fair value is amortized over the life of the financial guarantee. The financial guarantee liability is subsequently carried at the higher of this amortized amount and the present value of any expected payment when a payment under the guarantee has become probable. Financial guarantees are included within other liabilities.

Bangladesh Bank: As per BRPD 15/2009 financial guarantees such as letter of credit, letter of guarantee will be treated as off-balance sheet items. No liability is recognized for the guarantee except the cash margin.

viii) Balance with Bangladesh Bank (Cash Reserve Requirement)

IFRS: Balance with Bangladesh Bank should be treated as other asset as it is not available for use in day to day operations as per IAS 7 “Statements of Cash Flows”.

Bangladesh Bank: Balance with Bangladesh Bank is treated as cash and cash equivalents.

ix) Cash flow statement

IFRS: The Cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

Bangladesh Bank: As per BRPD 14 dated: 25 June 2003 and BRPD 15 dated: 09 November 2009, cash flow statement is to be prepared following a mixture of direct and indirect methods.

x) Presentation of intangible asset

IFRS: An intangible asset must be identified and recognized, and the disclosure must be given as per IAS 38.

Bangladesh Bank: Intangible Assets are shown in fixed Assets including premises, Furniture and fixtures and intangible Assets, there is no regulation for intangible assets in BRPD circular no. 14 dated: 25 June 2003 and BRPD 15 dated: 09 November 2009.

xi) Non-banking assets

IFRS: No indication of Non-banking asset is found in any IFRS and IAS.

Bangladesh Bank: As per BRPD circular no. 15 dated: 09 November 2009, and BRPD Circular no.22 dated: 20 September 2021 there must exist a face items /separate Balance sheet item title named as Non-banking asset.

xii) Off-balance sheet items

IFRS: As per IFRS, there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

Bangladesh Bank: As per BRPD circular no. 14 dated: 25 June 2003 and BRPD 15 dated: 09 November 2009, off- balance sheet items (e.g. Letter of credit, Letter of guarantee and acceptance etc.) must be disclosed separately on the face of the balance sheet.

xiii) Investments net off provision

IFRS: As per IFRS-09, Loans and advances/Investments should be presented net off provision.

Bangladesh Bank: As per BRPD circular no.14 dated: 25 June 2003 and BRPD Circular No. 15 dated:09 November 2009 provision on investments are presented separately as liability and cannot be net-off against Investments (loans and advances).

xiv) Disclosure of appropriation of profit

IFRS: There is no requirement to show appropriation of profit in the face of statement of comprehensive income.

Bangladesh Bank: As per BRPD circular no. 14 dated: 25 June 2003, an appropriation of profit should be disclosed in the face of profit and loss account.

xv) Revenue

As per IFRS 15, revenue should be recognized on accrual basis but due to the unique nature of Islamic Banks, income from investment under Mudaraba, Musharaka, Bai-Salam, and Ujarah modes (Tamin Card) is accounted for on realization basis as per AAOIFI and Bangladesh Bank guidelines.

xvi) Charges on tax on retained earnings, reserve, and surplus as per Income tax Act-2023

As per section 22 of the income tax Act-2023, Listed companies should disclose proposed dividend in the balance sheet as "among to be distributed as dividend". However, there is no provision for this in BRPD 14 dated: 25 June 2003 and BRPD 15 dated: 09 November 2009 and IFRS also restricts to disclose such presentation in the balance sheet.

2.2 Basis of Consolidation

The consolidated Financial Statements include the financial statements of First Security Islami Bank PLC. and its subsidiaries company First Security Islami Capital and Investment Limited and First Security Islami Exchange Italy S.R.L made up to the end of the December 31, 2023. Due to time gape the un-audited financial statements for the year ended 31 December 2023 of First Security Islami Exchange Italy S.R.L are consolidated at closing rate. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards 10 "Consolidated Financial Statements". The Consolidated Financial Statements are prepared for the common financial year ended 31 December 2023.

All intra-group transactions, balances, are eliminated at the time of consolidation. Profit and loss resulting from transactions is also eliminated from consolidated financial statements.

2.3 Investment in subsidiaries in the Bank separate financial statements

When the Bank prepares separate financial statements, it accounts for investments in subsidiaries at cost in accordance with IAS-27.

2.4 Functional and presentation currency

The consolidated and separate financial statements of the Bank are presented in Bangladeshi Taka which is the functional currency of the Bank and its subsidiaries except for Off-shore Banking Unit (OBU) where the functional currency is US Dollar (USD). All financial information presented in Taka (BDT) has been rounded to the nearest integer, except otherwise indicated.

2.5 Use of Estimates and Judgments

In the preparation of the financial statements management is required to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

The most critical estimates and judgments are applied to the following:

- 1) Provision for investment as explained in Note 3.1.4
- 2) Retirement benefit of employees as explained in Note 3.2.7
- 3) Deferred tax Asset/Liability as explained in Note 3.2.6.2

2.6 Comparative information and re-arrangement thereof

Comparative figures have been re-arranged wherever considered necessary to ensure suitable comparability with the current period without causing any impact on the profit and values of assets and liabilities as reported in the financial statements.

2.7 Going Concern

When preparing financial statements of the bank, the Managements make an assessment of the bank's ability to continue as a going concern assumption that the bank will continue in operation over the foreseeable future. The bank prepares financial statements on a going concern basis.

2.8 Accrual basis of accounting

The Bank prepares its financial statements other than cash flow statement, using the accrual basis of accounting. Since the accrual basis of accounting is used the bank recognizes items as assets, liabilities, equity, income and expenses when they satisfy the definition and recognition criteria for those elements in the Framework.

2.9 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

2.10 Reporting period

These financial statements of the Bank and its subsidiaries cover one calendar year from 01 January 2023 to 31 December 2023.

2.11 Basis of measurement

Measurement is the process of determining the monetary amounts at which the elements of the financial statements are to be recognized and carried in the financial statements. The measurement basis adopted by the Bank is historical cost except for land, building and few of the financial assets which are stated in accordance with the policies mentioned in the respective notes.

2.12 Statement of Cash Flow

Cash flow statement is to be prepared as it provides information about cash flows of the enterprise which is useful in providing users of financial statements with a basis to assess the ability of the enterprise to generate cash and cash equivalents and the needs of the enterprise to utilize those cash flows. Cash flow statement has been prepared under an adopted method of direct and indirect for the period, classified by operating, investing and financing activities in accordance with the BRPD Circular No. 14 dated: 25 June 2003 and BRPD Circular No. 15, dated: 09 November 2009 issued by Bangladesh Bank as well as requirements of IAS 7.

2.13 Statement of Changes in Equity

The statement of changes in equity reflects information about the increase or decrease in net assets or wealth. Statement of changes in equity has been prepared in accordance with IAS-1 and relevant guidelines of Bangladesh Bank and BRPD Circular No.14 dated: 25 June 2003.

2.14 Liquidity Statement

The liquidity statement of assets and liabilities as on the reporting date has been prepared on residual maturity term as per the following basis.

- Balance with other Banks and financial institutions, money at call and short notice, etc. are on the basis of their residual maturity term;
- Investments are on the basis of their respective residual maturity;
- General Investments are on the basis of their repayment schedule.
- Fixed assets are on the basis of their useful life;
- Other assets are on the basis of their realization / amortization;
- Borrowing from other Banks, financial institutions and agents, etc. are as per their residual maturity /repayment term;
- Deposits and other accounts are on the basis of their residual maturity term and past trend of withdrawal by the depositors;
- Provisions and other liabilities are on the basis of their payment / adjustments schedule.

2.15 Accounting for Changes in Policy, accounting estimates and errors

The bank changes its accounting policy only if the change is required by IFRS or Bangladesh Bank Guidelines or results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the entity's financial position, Financial performance or cash flows. As a result of the uncertainties inherent in business activities, many items in financial statements cannot be measured with precision but can only be estimated.

As per IAS-8 accounting policies, changes in accounting estimates and errors states that the effect of changes in accounting policy, is to be applied retrospectively in accordance with paragraph 19 of IAS-8, by adjusting the opening balance of each affected component of equity for the earliest prior period presented and the other comparative amounts disclosed for each prior period presented as if the new accounting policy had always been applied.

If need connection of material prior periods error, is to be applied retrospectively restating the comparatives amount for the prior periods presented, in which the error occurred or if the error occurred before, adjusting the opening balance of assets, liabilities and equity for the earliest prior period presented.

For changing in Accounting Estimate is to be applied prospectively by including it in profit or loss in the period of the changes.

2.16 Leases

IFRS 16 Leases, defines a lease as "A contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration". In order for such a contract to exist the user of the asset needs to have the right to:

- Obtain substantially all the economic benefits from the use of asset (identifiable asset)
- The right to direct the use of asset

A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. To apply this definition the Bank assesses whether the contract meets two key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Bank
- the Bank has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract the Bank has the right to direct the use of the identified asset throughout the period of use. The Bank assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

The Bank depreciates the right-of-use assets on a straight-line basis over the remaining useful life of the asset. The Bank also assesses the right-of-use asset for impairment when such indicators exist.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), amounts expected to be payable under a residual value guarantee, payments arising from options reasonably certain to be exercised and variable lease payments that depend on an index or a rate.

The Bank has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included other liabilities.

2.17 Accruals & Deferrals

Accruals and deferrals have been made as per the guidance of IAS # 1: Presentation of Financial Statements. In order to meet their objectives, financial statements except for Statement of Cash Flow and related information are prepared on accrual basis of accounting. Under this basis, the effects of transactions and other events are recognized when they occur (and not when cash or its equivalent is received or paid) and they are recorded in accounts and reported in the financial statements of the periods to which they relate.

2.18 Foreign currency transactions

2.18.1 Initial recognition

A foreign currency transaction is recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

2.18.2 Subsequent measurement

A foreign currency transaction may give rise to assets or liabilities that are denominated in a foreign currency. These assets and liabilities are translated into the Bank's functional currency at each reporting date. However, translation depends on whether the assets or liabilities are monetary or non-monetary items.

Monetary items

Foreign currency monetary items outstanding at the end of the reporting date are translated using the closing rate. The difference between this amount and the previous carrying amount in functional currency is an exchange gain or loss. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements is recognized in profit or loss in the period in which they arise.

Non-monetary items

Non-monetary items carried at historic cost are translated using the exchange rate at the date of the transaction when the asset arose (historical rate). They are not subsequently retranslated in the individual financial statements of the Bank. Non-monetary items carried at fair value are translated using the exchange rate at the date when the fair value was determined.

When a gain or loss on a non-monetary item is recognized in equity, any exchange component of that gain or loss is recognized in equity. Conversely, when a gain or loss on a non-monetary item is recognized in profit or loss, any exchange component of that gain or loss is recognized in profit or loss.

2.18.3 Translation of foreign currency financial statement

The assets and liabilities of foreign operations are translated into presentation currency in the current statement of financial position using the closing rate at the reporting date. The income and expenses of foreign operations are translated at spot exchange rates at the date of transactions as long as practicable; otherwise average rate of exchange has been used. Foreign currency differences arising on translation are recognized in equity under the head translation reserve.

3. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all the periods presented in these financial statements and have been applied consistently by the Bank.

3.1 Assets and basis of their valuation

3.1.1 Cash and cash equivalent

As per BRPD circular no. 15 dated: 09 November 2009 and IAS-7, cash and cash equivalents include notes and coins in hand, balances lying with ATM, unrestricted balance held with Bangladesh Bank and its agent Bank and balance with other Banks and Financial Institutions.

3.1.2 Balance with Bangladesh Bank (Cash Reserve Requirement- CRR)

IAS 7 requires balance with Bangladesh Bank to be treated as other assets. However, as per BRPD circular no 15, FSIB treats balance with Bangladesh Bank as cash and cash equivalent though the amount is restricted for CRR purpose and cannot be used in our day to day operational requirement.

3.1.3 Investment in Shares and Securities

a) The bank investment in different securities has been valued on 31.12.2023 as under:

| | |
|-------------------------------|---------|
| Quoted Shares | at Cost |
| Un-Quoted Shares (CDBL Share) | at Cost |
| Bangladesh Govt. Islamic Bond | at Cost |

All investments in securities are initially recognized at cost, including acquisition charges associated with the investment. As per BRPD Circular # 15 dated: 09 November 2009, investment in quoted shares and un-quoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment. As such the company measures and recognizes investment in are higher than the cost. However as per requirements of International Accounting Standard (IAS)-39, investment in shares falls either under **“at fair value through profit and loss account”** or under “available for sale” where any change in the fair value at the year-end is taken to profit and loss account or revaluation reserve respectively. FSIB recognizes its investment in shares and securities and accounted for the required provision for diminution in value of shares and securities in the profit and loss account as per BRPD Circular # 15 dated: 09 November 2009 issued by Bangladesh Bank.

b) Revaluation gains/losses on Government Securities

FSIB is a Bank running on Islamic Sharia’h Principal. Hence, we do not participate in buying interest bearing Government securities.

3.1.4 Investments and provisions for investments:

Investments are recognized at gross amount on the date on which they are originated. After initial recognition investments are stated in the Balance Sheet net off profit receivable and unearned income. However, provision for investments are not net-off with investments.

Profit Receivable – the amount of unexpired portion of profit charged on Bai-Murabaha investment at the time of sale of goods/ services to customer/ client.

Unearned Income - the amount of unrealized portion of profit/ value addition of fixed assets [property, plant and equipment] under Hire Purchase Under Shirkatul Melk (HPSM) investment for gestation period. Investments are stated in the Balance Sheet at the net amount excluding unearned income.

As per IAS-36 impairment assessment should be done by considering whether any objective evidence of impairment exists for financial assets that are individually significant. For financial assets that are not individually significant, the assessment can be performed on an individual or collective (portfolio) basis.

However, provision for classified and unclassified investment is made on the basis of year and review by the management and of instructions contained in Bangladesh Bank BRPD Circular No.14 dated: 23 September 2012, BRPD Circular No.05 dated: 29 May 2013, BRPD Circular No.08 dated: 02 August 2015, BRPD Circular No.12 dated: 20 August 2017, BRPD Circular No.15 dated: 27 September, 2017 BRPD Circular No.01 dated: 20 February 2018, BRPD Circular No. 07 dated: 21 June, 2018, BRPD Circular No. 13 dated: 18 October 2018, BRPD Circular No.03 dated: 21 April 2019, BRPD circular letter no.07, dated: 19 March 2020 BRPD Circular No.16 dated: 21 July 2020, BRPD Circular No.17 dated: 28 September 2020, BRPD Circular Letter No.52 dated: 20 October 2020, BRPD Circular Letter No. 56 dated: 10 December, 2020, BRPD Circular Letter No.63 dated: 31 December, 2020, BRPD Circular No.-03, dated: 31 January 2021, BRPD Circular No.-12, dated: 13 June 2021, BRPD Circular No.-13, dated: 27 June 2021, BRPD Circular No.- 19, dated: 26 August 2021, BRPD Circular No.-50 dated: 14 December 2021, BRPD Circular Letter No.- 51, dated: 29 December 2021, BRPD Circular Letter No.-52, dated: 29 December 2021 and BRPD Circular Letter No.-53, dated: 30 December 2021, BRPD Circular No.-01, date 16 January 2022, BRPD Circular No.-14, date June 22, 2022, BRPD Circular Letter No.-53, date Dec 22, 2022, BRPD Circular Letter No.-51, date Dec 18, 2022, BRPD Circular No.-11, date 20 June 2023, BRPD Circular Letter No.-03, date 02 February, 2023 and BRPD Circular Letter No.-20, date 21 June, 2023 at the following rates:

a) General Provision: Provision on standard

| Particulars | Rate |
|---|-------------|
| Unclassified Investment for SME | 0.25% |
| All other unclassified investment except SME investment | 1% |
| Investment for Consumer Financing | 2% |
| Investment for House Financing under consumer financing | 1% |
| Investment for credit card finance under consumer financing | 2% |
| Investment to Professionals to set up business under consumer | 2% |
| Investment to Broker house, merchant bank stock dealers etc. | 1% |

b) Special Mention Account: (Same as standard)

c) Specific Provision on:

| | |
|-------------|------|
| Substandard | 20% |
| Doubtful | 50% |
| Bad/Loss | 100% |

d) Provision for Short Term Agricultural and Micro-Credit:

| | |
|--|------|
| 1) All unclassified investment (Irregular and regular) | 1% |
| 2) Classified as sub-standard and doubtful | 5% |
| 3) Bad/loss | 100% |

e) Provision for off-Balance sheet Exposure

As per the referred circular, banks are required to maintain 1% general provision against the guarantees, FSIB issues for clients of FSIB since guarantee is an off-balance sheet expense. As per BRPD Circular no.7 dated 21 June 2018, banks were given exemption from maintaining any provision for those guarantees against which the counter guarantee are issued only by the multilateral development banks (MDBS)/International banks having a BB rating grade-1 equivalent outline in the guidelines on risk-based capital adequacy.

As per BRPD circular no.13 dated: 18 October 2018, the provision requirement for the bank to be maintained in the following way:

| BB Rating grade equivalence of the Bank/FI/Organization providing the counter guarantee | Provision requirement |
|---|-----------------------|
| 1 | Nil |
| 2 | 0.50 |
| 3 or 4 | 0.75 |
| Others | 1.00 |

f) Provision for cottage, Micro and small investment under CMSME:

| | |
|--|-------|
| i) All unclassified (Standard and SMA) : | 0.25% |
| ii) Sub-Standard : | 5% |
| iii) Doubtful : | 20% |
| iv) Bad and loss : | 100% |

When an investment is deemed to be uncollectible, it is written off against the related provision for impairments. Subsequent recoveries of such investments are credited to the income statement.

Investment are normally written off, when there is no chance of recovery of these amounts in accordance with BRPD Circular no. 2 dated: 13 January 2003, BRPD Circular no. 15 dated: 23 September 2012 and BRPD circular no. 13 dated: 07 November 2013. A separate Investment Monitoring and Recovery Division (IMRD) have been set up at the Head Office, which monitors investment recovery and legal action.

3.1.5 Impairment of financial assets

An asset is impaired when its carrying value exceeds its recoverable amount as per IAS 36 “Impairment of Assets”. Recoverable amount is higher of Fair value less cost of sell amount and value in use amount Fair value less cost to sell is the price that would be received to sell the assets in an orderly transaction between market participants at the measurement date less the direct incremental cost attributable to the disposal of the assets. Value in use: Cash flow projection are based on the most recent management approved budget forecasts. At each balance sheet date, First Security Islami Bank PLC. assesses whether there is objective evidence that a financial asset or a group of financial assets i.e, Investment and off balance sheet items is impaired. A financial asset or group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of a loss event that occurred after the initial recognition of the asset up to the balance sheet date; the loss event had an impact on the estimated future cash flows of the financial asset or the group of financial assets; and a reliable estimate of the loss amount can be made.

In the event of impairment loss, the Bank reviews whether a further allowance for impairment should be provided in the profit and loss statement in addition to the provision made based on Bangladesh Bank guidelines or other regulatory requirements. As per IAS -36, impairment loss are accounted for in the same way as IAS-16, Property, Plant and Equipment revaluation.

3.1.6 Property, Plant and Equipment

Recognition and Measurement

All fixed assets are stated at cost less accumulated depreciation as per IAS 16 “Property, Plant and Equipment”. is measured at cost.

The cost is the amount of cash or cash equivalents paid or the Fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognized in accordance with the specific requirements of the IFRS.

The cost of an item of property, plant and equipment is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the entity; and the cost of the item can be measured reliably. These recognition criteria apply to subsequent expenditure as well as cost incurred initially. Once recognized as an asset, items should initially be measure at cost.

The cost of an items of property, plant and equipment comprises:

- its purchase price, including import duties and non- refundable purchase taxes, after deducting trade discounts and rebates
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purpose other than to produce inventories during that period.

Subsequent Cost

The cost of replacing part of an item of fixed assets is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of fixed assets are recognized in profit or loss as incurred.

De-recognition of property, plant and equipment

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from de-recognition of an item of property, plant and equipment is included as other income in profit or loss when the item is derecognized.

Depreciation

No depreciation is charged on land. Charging depreciation against fixed assets commences from the month of acquisition (for full month) when the assets is in the location and condition necessary for its intended use and ceases at the month when the assets are disposed. Asset category-wise depreciation rates are as follows:

| Nature of Assets | Rate of Depreciation | Method of Depreciation |
|-------------------------------|----------------------|-------------------------|
| Building | 2.5% | Straight Line Method |
| Furniture and Fixtures | 10% | Reducing Balance Method |
| Office Equipment | 20% | Reducing Balance Method |
| Computer Printer & Peripheral | 20% | Straight Line Method |
| Vehicles | 12.5% | Straight Line Method |
| Books | 20% | Reducing Balance Method |

3.1.7 Presentation of Intangible Asset

Recognition

The recognition of an item as an intangible asset requires the Bank to demonstrate that the item meets the definition of an intangible asset and the recognition criteria. As per IAS-38, an Intangible Assets is an identification non-monetary asset without physical substance. An intangible asset is identifiable if it is separable (that is it can be sold, transferred, exchanged, licensed or rented to another party). An intangible asset is recognized as an asset if, and only if, it is probable that expected future economic benefits that are attributable to the asset will flow to the Bank and the cost of the item can be measured reliably.

Measurement

An intangible asset is measured at cost less any accumulated amortizations and any accumulated impairment losses. Subsequent expenditures are likely to maintain the expected future economic benefits embodied in an existing intangible asset rather than meet the definition of an intangible asset and the recognition criteria. Therefore, expenditure incurred after the initial recognition of an acquired intangible asset or after completion of an internally generated intangible asset is usually recognized in profit or loss as incurred. On disposal of an intangible assets, the gain or loss is recognized in profit or loss.

Amortization

The depreciable amount of an intangible asset with a finite useful life shall be allocated on a systematic basis over its useful life. Amortization begin when the asset is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Amortization ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognized. The rates used for amortizing intangible assets is 20.00%. An intangible asset with an indefinite life should not be amortized as per IAS-38.

3.1.8 Revaluation

Land and building are revalued as per International Accounting Standard (IAS)-16, 'Property, Plant and Equipment' as well as Bangladesh Bank BCD Circular Letter No. 12 and 18, dated: 20 April 1993 and 15 June 1993, respectively and BRPD Circular # 10 and 09, dated: 25 November 2002 and 31 December 2008 respectively. The Bank revalued its land and building in the year 2012. Reserve is created by the sum of revaluation surplus and depreciation is charged on the revalued assets except land as per the respective rate of depreciation. If revalued is in upward than the gain/difference should be recognized as revaluation surplus. A decrease in carrying amount on revaluation should be recognized as an expense in profit or loss account.

3.1.9 Impairment of fixed assets

At each balance sheet date, the Bank assesses whether there is any indication that the carrying amount of an asset exceeds its recoverable amount. An asset is carried at more than its recoverable amount if its carrying amount exceeds the amount to be recovered through use or sale of the asset. If this is the case, the asset is described as impaired and an impairment loss is recognized as an expense in the profit and loss statement unless the asset is carried at revalued amount in accordance with International Accounting Standard (IAS) 16, Property, Plant and Equipment in which case any impairment loss of a revalued asset should be treated as a revaluation decrease under that Accounting Standard. No impairment loss was recognized up to the reporting period as there were no such indication existed as on Balance Sheet date. As per IAS-16, allows a reserve transfer of the excess depreciation which is recognized in statement of changes in equity.

3.1.10 Other assets

Other assets include all other financial assets and include fees and other unrealized income receivable, advance for operating and capital expenditure and stocks of stationery and stamps.

3.1.11 Investment in subsidiary

Investment in subsidiary is accounted for under the cost method of accounting in the Bank's financial statements in accordance with the IAS 27 "Separate Financial Statements", IFRS 3 "Business Combination", IAS 36 "Impairment of Assets" and IFRS 10 "Consolidated Financial Statements".

3.1.12 Non-banking Assets

As per BRPD circular no. 15 dated: 15 September 2009 and 22 dated: 20 September 2021, Non-banking assets are acquired on account of the failure of a client to repay the investment in time after receiving the decree from the court regarding the right and title of the mortgaged property.

3.2 Liabilities and provisions

3.2.1 Placement from bank & other financial institution

Placement from banks and other financial institutions are stated in the financial statement at principal amount of the outstanding balance.

3.2.2 Deposits and other Accounts

Deposit and other accounts include Al-Wadia Current Deposit, Mudarabah Saving Deposit, Mudarabah Term Deposit and other Mudaraba deposits. Deposits by customers and banks are recognized when the Bank enters into contractual agreements with the counterparties. These items are brought to Financial Statements at the gross value of the outstanding balance.

3.2.3 Mudaraba Subordinated Bond

- The bank issued FSIB 2nd Mudaraba Subordinated Bond (Private Placement) amounting to BDT 450.00 (Four hundred fifty) crore only through private placement with 7 years maturity for enhancement of Tier-II capital as per requirement of Basel -III. The semi-annual profit has already been paid up to 31/12/2023. However, the amount of Tk. 360.00 crore had already been paid up to December 2023 as principal redemption. The rate of profit will be calculated at prevailing Mudaraba Term Deposit Profit Rate (Provisional) in 6 Months tenor plus additional 1.25% (indicative/provisional) per annum on the outstanding balance of the bond from pre-tax profit/ operating income of the Bank.
- The bank issued FSIB 3rd Mudaraba Subordinated Bond (Private Placement) amounting of BDT 700.00 (Seven hundred) crore only through private placement with 7 years maturity for enhancement of Tier-II capital as per requirement of Basel -III. The semi-annual profit has already been paid up to 31/12/2023. However, the amount of Tk. 280.00 crore had already been paid up to December 2023 as principal redemption. The rate of profit will be calculated at prevailing Mudaraba Term Deposit Profit Rate (Provisional) in 6 Months tenor plus additional 1.75% (indicative/provisional) per annum on the outstanding balance of the bond from pre-tax profit/ operating income of the Bank.

3.2.4 Mudaraba Perpetual Bond

Mudaraba Perpetual Bond (MPB) was issued by the Bank under the Mudaraba principles of Islamic Shari'ah as per approval of Bangladesh Bank Letter No. BRPD (BPIS)661/14B(P)/2020-9530 dated: 09 November 2020 and Bangladesh Securities and Exchange Commission Letter No. BSEC/CI/DS-135/PB/2020/291 dated: 09 December 2020. It is treated as a component of Additional Tier-I Capital (AT-I). The instrument subordinated to the claims of other creditors and depositors. In the case of liquidation, the subordinated debt holders would be paid just before paying to the shareholders assuming there are assets to distribute after all other liabilities

and debts have been paid. The Mudaraba Perpetual Bond (MPB) is perpetual in nature i.e. infinite maturity. Profit paid against Mudaraba Perpetual Bond is the published deposit rate to be taken from “Announced Profit rate chart of the scheduled banks (Deposit rate) (1 year but < 2 Year)” published by Bangladesh Bank in its website and an additional profit margin @ 2.50%.

3.2.5 Provisions

3.2.5.1 Provision for investments

Provision for investments is made on the basis of quarter-end review by the management and instructions contained in BRPD Circular No.14 dated: 23 September 2012, BRPD Circular No.05 dated: 29 May 2013, BRPD Circular No.08 dated: 02 August 2015, BRPD Circular No.12 dated: 20 August 2017, BRPD Circular No.15 dated: 27 September, 2017 BRPD Circular No.01 dated: 20 February 2018, BRPD Circular No.03 dated: 21 April 2019, BRPD circular letter no.07, dated: 19 March 2020 BRPD Circular No.16 dated: 21 July 2020, BRPD Circular No.17 dated: 28 September 2020, BRPD Circular Letter No.52 dated: 20 October 2020, BRPD Circular Letter No. 56 dated: 10 December, 2020, BRPD Circular Letter No.63 dated: 31 December, 2020, BRPD Circular No.-03, dated: 31 January 2021, BRPD Circular No.-12, dated: 13 June 2021, BRPD Circular No.-13, dated: 27 June 2021, BRPD Circular No.-19, dated: 26 August 2021, BRPD Circular No.-50 dated: 14 December 2021, BRPD Circular Letter No.-51, dated: 29 December 2021, BRPD Circular Letter No.-52, dated: 29 December 2021 and BRPD Circular Letter No.-53, dated: 30 December 2021, BRPD Circular No.-01, date 16 January 2022, BRPD Circular No.-14, date June 22, 2022, BRPD Circular Letter No.-53, date Dec 22, 2022, BRPD Circular Letter No.-51, date Dec 18, 2022, BRPD Circular No.-11, date 20 June 2023, BRPD Circular Letter No.-03, date 02 February, 2023 and BRPD Circular Letter No.-20, date 21 June, 2023.

3.2.5.2 Provision for diminution of value of shares and securities

Provision for diminution of value of shares and mutual funds, placed under other liability, has been made on portfolio basis (gain/loss net off) following DOS circular No. 04 dated: 24 November 2011, DOS circular no. 03 dated: 12 March 2015 and DOS circular no. 10 dated: 28 June 2015 respectively. Details are stated in Note 17.2 of these financial statements.

3.2.5.3 Provision for off balance sheet exposures

In compliance with BRPD circular no. 14 dated: 23 September 2012, BRPD Circular No.7 dated: 21 June 2018, BRPD Circular No.13 dated: 18 October 2018 and BRPD Circular No.06 dated: 25 April 2023 the Bank has been maintaining provision against off balance sheet exposures.

3.2.5.4 Provision for nostro accounts

According to guidelines of Foreign Exchange Policy Department of Bangladesh Bank, circular no. FEOD (FEMO)/01/2005-677 dated: 13 September 2005, Bank is required to make provision regarding the un-reconciled debit balance as at balance sheet date. It is reviewed semi-annually by our management along with duly certified by the external auditor.

3.2.6 Taxation

Tax expenses represent the sum of the tax which are payable during the current period.

3.2.6.1 Current Tax

Provision for corporate current income tax has been made @ 37.50% for business income and other applicable rate for other operating income as prescribed in the Finance Act 2023 of the accounting profit made by the Bank after considering some of the add backs to income and disallowances of expenditure as per income tax laws in compliance with IAS 12 Income Taxes. Provision of current income tax has been made on taxable income of the Bank as per following rates:

| Type of Income | 2023 | 2022 |
|--------------------------------|---------|---------|
| Business Income | 37.50% | 37.50% |
| Capital Gain | 10%-15% | 10%-15% |
| Other Income (Dividend income) | 20% | 20% |

3.2.6.2 Deferred Tax

Principle of recognition

The bank accounted for deferred tax as per IAS-12 income taxes. Deferred tax is accounted for any temporary difference between the carrying amount of assets and liabilities for financial reporting purposes and their tax base. Deferred tax is recognized as income or an expense amount within the tax charge, and included in the net profit or loss for the period. Deferred tax relating to items dealt with directly in equity is recognized directly in equity.

Recognition of taxable temporary difference

A deferred tax liability is recognized for all taxable differences, except to the extent that the deferred tax liability arises from the initial recognition of goodwill; or the initial recognition of an asset or liability in a transaction which is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Recognition of deductible temporary difference

A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination; and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Measurement

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax on revaluation

The revaluation does not affect taxable profits in the period of revaluation and consequently, the tax base of the asset is not adjusted. Hence a temporary difference arises. An upward revaluation will therefore give rise to a deferred tax liability. FSIB recognizes the underlying revaluation directly in equity, so the deferred tax thereon is also recognized as part of tax relating to equity. FSIB transfers each year from revaluation surplus to retained earnings an amount equal to the difference between the depreciation based on the cost of that asset. The amount transferred is net off any related deferred tax.

3.2.7 Retirement Benefits of Employees

Required in IAS 19, employee benefits, provident fund and gratuity benefits are given to eligible staff of the bank in accordance with the locally registered rules and the entity shall disclose the amount recognized as an expense for defined contribution plan. Details of the benefits plans are given below:

3.2.7.1 Provident Fund

Provident fund benefits are given to staffs of FSIB in accordance with the locally registered Provident Fund Rules. The employees' provident fund is administered by a Board of Trustees and is funded by contributions of both employees and the Bank at predetermined rate @ 10% of basic salary in equal portion. These contributions are invested separately from the assets of FSIB and the profit on such contributions credited to the members' account. The Fund recognized by the National Board of Revenue.

3.2.7.2 Gratuity

The Company operates a funded gratuity scheme for its permanent employees, under which an employee is entitled to get the benefits if his length of service is Seven (07) years in accordance with prevailing service rule as on 31 December 2023.

3.2.7.3 Social Security Benevolent Fund

The Bank operates a social security benevolent fund by all employees' contribution for the sake of death and disability of employees.

3.2.7.4 Employees Group Life Insurance Fund

The First Security Islami Bank PLC. makes Employees Group Life Insurance Fund commence with effect from 19th September 2019. The purpose of the fund is to provide medical and death cum survival benefit in lieu of group insurance (death cum endowment). The fund shall be subscribed by the employees on yearly basis and with the contribution of the Bank.

3.2.7.5 Workers' profit Participation Fund (WPPF)

As per Bangladesh Labour Act, 2006 as amended in 2013 all companies fall within the scope of WPPF (which includes Bank) are required to provide 5% of its profit before charging such expense to their eligible employees within the stipulated time. The Banking Companies Act 1991 section 11 subsection b (ii) which states: "Quote No banking company shall employ any person whose remuneration or part of whose remuneration takes the form of Commission or of a share in the profit of the company Unquote". As per the definition of "Worker" stated under section 2(65) Bangladesh Labour Act, 2006, whether employees of a bank are 'Worker' or not, it is not clear. In this regard, it is mentionable here that Banking Regulation and policy Department, Bangladesh Bank requested Ministry of Labour and Employment for clarification through the letter ref. no. BRPD (R-2) 651/9 (Miscellaneous)/2018-1336, dated 14/02/2018 but the issue has not been resolved yet.

As the requirement of Labour Act contradicts with Banking Companies Act and employees of Bank cannot be termed as a worker under section 2(65), Bangladesh Labour Act 2006, the fund cannot be established without the specific directives from appropriate authorities.

3.2.8 Profit/Rent/Compensation Suspense Account

Profit/rent/compensation accrued on classified investments are suspended and accounted for as per BRPD Circular # 15, dated: 09 November 2009 issued by the Bangladesh Bank. Moreover, income that are irregular (doubtful) as per Sharia'h are not included in the distributable income of the Bank.

Income on unclassified overdue investment of Bai-Murabaha and Bai-Muazzal is charged under compensation account instead of showing as income of the Bank.

3.2.9 Other liabilities

Other liabilities comprise items such as provision for investments, provision for taxes, profit payable, profit suspense, accrued expenses, obligation under finance lease etc. Other liabilities are recognized in the balance sheet according to the guidelines of Bangladesh Bank, income tax laws and internal policy of the Bank.

3.3 Capital/Shareholders' Equity

3.3.1 Authorized capital

Authorized capital is the maximum amount of share capital that the Bank is authorized by its Memorandum and Articles of Association.

3.3.2 Paid up Capital

Paid up capital represents total amount of shareholder capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding-up of the Bank, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation. Details are shown in Note-17.1.

3.3.3 Statutory Reserve

Statutory reserve has been maintained @ 20% of profit before tax in accordance with provisions of section 24 of the Bank Companies Act, 1991 (as amended up to 2013) until such reserve equal to its paid-up capital together with the share premium.

3.3.4 Asset Revaluation Reserve

When an asset's carrying amount is increased as a result of revaluation, the surplus amount should be credited directly to equity under the heading of revaluation surplus/reserve as per IAS-16: "Property, Plant and Equipment". The bank revalued the entire land and building during the year 2012 by an independent valuation firm according to paragraph 36 of IAS-16 which is absolutely owned by the bank. As per IAS-16, Revaluation reserve is transferred to other reserve in each year during the life time of those assets.

3.3.5 Non-controlling (minority) interest

Non-controlling (minority) interest is that portion of the profit or loss and net assets of the subsidiary (First Security Islami Capital and Investment Limited) attributable to equity interests that are not owned, directly or indirectly through subsidiaries, by the parent (First Security Islami Bank PLC.). Minority interest is reported on the consolidated balance sheet to reflect the claim on assets belonging to the other non-controlling shareholder. Also, minority interest is reported on the consolidated income statement as a share of profit belonging to the minority shareholder.

3.3.6 Regulatory capital in line with Basel-III

Till December 2014, as per Revised Regulatory Capital Framework in line with Basel III, full amount of general provision for unclassified investments and off-balance sheet items and Mudaraba Subordinated Bond as capital gone-concern. However, as per Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for Banks in line with Basel-III), BRPD No.18, dated: 21 December 2014, Assets Revaluation Reserve and Revaluation Reserve of Securities has gradually been deducted in a transitional arrangement starting from January 2015 to December 2019 (20% each year). Accordingly, regulatory capital for the period has been calculated complying with all of these changes as per Revised Regulatory Capital Framework for Banks in line with Basel-III.

3.4 Off-balance sheet items

Contingent Liabilities

Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank; or any present obligation that arises from past events but is not recognized because:

- * It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- * The amount of the obligation cannot be measured with sufficient reliability.

As per IAS 37, Contingent liabilities are not recognized but disclosed in the financial statements unless the possibility of an outflow of resources embodying economic benefits is reliably estimated. Contingent assets are not recognized in the financial statements as this may results in the recognition of income which may never be realized. However, the amount of cash margin is recognized as liability. As per BRPD Circular # 15 dated: 09 November 2009 contingent liabilities are disclosed as off-balance sheet items.

3.5 Memorandum items

Memorandum items are maintained for those items for which the Bank has only a business responsibility and no legal commitment.

3.6 Income

The revenues during the period are recognized on an accrual basis, which comply with the conditions of revenue recognition as provided in IFRS 15 Revenue from Contracts with Customers.

3.6.1 Income from Investments

Profit on investments are recognized against the investment of fund under Mudaraba, Musharaka, Murabaha, Bai-Muazzal and Hire Purchase etc. in line with related approved policy of the Bank. Profit on investment ceases to be taken into income when such investment accounts are classified. It is then kept in compensation/rent suspense account and the same is accounted for on cash basis as and when recovered or de-classified as per related BRPD circular. Fees and commission income are recognized when it is earned.

3.6.2 Sharing of investment income

In case of investment, Mudaraba fund gets preference over cost free fund. The investment income earned through deployment of Mudaraba Fund is shared by the Bank and the Mudaraba depositors at the pre-agreed ratio.

3.6.3 Income from Investments in Securities

- Dividend income on shares is accounted for on actual basis when it is received.
- Gain on sale of shares and securities are recognized as income on actual basis except. Bangladesh Govt. Mudaraba Bond.
- Profit on investment of Bangladesh Govt. Islami Bond is recognized on accrual basis.
- Profit from investment in subordinated bond is accounted for on an accrual basis.

3.6.4 Fees, commission and exchange income

Fees, commission and exchange income on services provided by the Bank are recognized as and when the related services are rendered. Commission charged to customers on letter of credit and letter of guarantee are credited to Income at the time of effecting the transactions.

3.6.5 Other Comprehensive Income

As per IAS1: Presentation of Financial Statements, Other Comprehensive Income (OCI) or components of OCI, as a part of financial statements are to be included in a single Other Comprehensive Income statement. But as per BRPD Circular # 15, dated: 09 November 2009, there is no statement of OCI and we follow the template for reporting as per the Bangladesh Bank circular. If there is any component of OCI, it is shown in statement of changes in equity.

3.7 Expenses

3.7.1 Profit paid on Deposit

As per agreement between the Mudaraba depositors and the Bank in line with Mudaraba Principle, the Mudaraba depositors are entitled to get minimum 65% of the investment income earned through deployment of Mudaraba Fund as per weightage assigned to each type of Mudaraba deposit. Mudaraba Depositors do not share any income derived from various banking services where their fund is not involved and any income derived from Investing Bank's Equity and other Cost Free Fund.

3.7.2 Management and other expenses

Expenses incurred by the Bank are recognized on an accrual basis.

3.7.3 Zakat

Zakat is paid by the bank at the rate of 2.58% (instead of 2.50% as the bank maintains its account following Gregorian year) on the closing balances of statutory reserve, other reserve, exchange equalization account and surplus retained earnings. Payment of zakat on paid up capital and deposits is the responsibility of the shareholders and depositors respectively.

3.7.4 Dividend Payments

Final dividend is recognized when it is approved by the shareholders in Annual General Meeting (AGM). Dividend payable to the Bank's shareholders is recognized as a liability and deducted from the shareholders' equity in the period in which the shareholders' right to receive the dividend is established.

3.8 Earnings Per Share (EPS)

Earnings per share (EPS) has been computed by dividing the basic earnings by the weighted average number of ordinary shares outstanding as per International Accounting Standard (IAS) - 33 "Earnings Per Share". EPS for comparative period also restated by the bonus share if issued. Details are in note 37.

Basic Earnings

This represents earnings for the year attributable to ordinary shareholders. Net profit after tax has been considered as fully attributable to the ordinary shareholders.

Weighted average number of ordinary shares

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary shares issued during the year. The basis of computation of number of shares is in line with the provisions of IAS 33 "Earnings per share". The logic behind this basis is, that the bonus shares are issued to the existing shareholders without any consideration, and therefore, the number of shares outstanding is increased without an increase in resources generating new earnings.

Diluted earnings per share

No diluted earnings per share is required to be calculated for the year as there was no scope for dilution during the year under review. It is pertinent to mention that, potential ordinary shares is in convertible subordinate bond that may entitle their holders to ordinary shares.

3.9 Reconciliation of inter-bank/inter-branch account

Books of account with regard to inter-bank (in Bangladesh and outside Bangladesh) and inter-branches are reconciled on monthly basis and there are no material differences which may affect the financial statements significantly.

Un-reconciled entries in case of inter-branch transactions as at the reporting date are not material.

3.10 Segment Reporting

As per IFRS 8 “Operating Segments”, is a component of an equity:

- (a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity)
- (b) whose operating results are regularly reviewed by the entity’s chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performances, and
- (c) for which discrete financial information is available.

Bank reported its segments in respect of business segment and geographical segment. Business segments are comprised of Islamic Banking, Off-shore Banking, First Security Islami Capital & Investment Limited and First Security Islami Exchange Italy S.R.L. Geographical segments report consist of location wise performance of above segments.

3.11 Credit rating of the Bank

As per BRPD circular no. 6 dated 5 July 2006, the Bank has done its credit rating by Emerging Credit Rating Limited (ECRL). ECRL assigned A+ (A plus) rating in the long term (indicates very strong capacity) and ST-2 in the short term (Strong certainty of timely repayment) to the Bank based on the Financial Statements as on 31 December 2022.

3.12 Risk Management

Risks are the potential that an event, action or inaction will adversely impact the ability of an entity to achieve its organizational objectives. Risk management is a process of identifying, analyzing, assessing, devising & implementation of appropriate policies to control or mitigate the material uncertainties for the organization effectively and efficiently.

FSIB has high powered ‘Board Risk Management Committee (BRMC)’ comprising of honorable vice-chairman of the bank as chairman and two directors of the Board as member. The committee defines the risk appetite for the bank, designs organizational structure to manage risk within the bank, reviews and approves risk management policies, enforces and uses adequate recordkeeping and reporting system, and monitors compliance of overall risk management in the bank.

FSIB has been addressing its risks through a separate risk management division under the direct supervision of the Chief Risk Officer (CRO). The Additional Managing Director (AMD) of FSIB has been nominated as Chief Risk Officer (CRO) to ensure the highest priority in risk management activities.

FSIB has also an Executive Risk Management Committee (ERMC) at management level consisting of member from the different core risks management divisions under the chairmanship of Chief Risk Officer (CRO) of the Bank. The Divisional Head of Risk Management Division has been assigned as the “Deputy Chief Risk Officer (DCRO)” of the bank and Member Secretary of the committee (ERMC).

The Risk Management Division of FSIB is conducting its activities through the eight different desks covering core functional areas of the bank. An overview of the operational activities is highlighted below.

3.12.1 Investment Risk Management

Investment risk is one of the core risks the bank faces. It refers to a potential financial loss from the default or investment quality deterioration of a customer or other third party with whom FSIB has a contractual obligation. It is our most important risk in terms of exposure and capital consumption. Investment risk comes from a bank’s dealing with individual, corporate, bank, NBFI or a sovereign. It may arise due to inability or

unwillingness to perform. It may stem from on-balance sheet and off-balance sheet activities. Investment risk not only includes default risk but also downgrade risk. As a result of excessive investment risk, bank's profitability, capital adequacy and cash flows are adversely affected. Effective management of investment risk requires the establishment of an appropriate investment risk culture. Board of Directors reviews and approves the bank's investment risk appetite and investment policy annually.

Investment Risk includes financial risk, operational risk, security risk, management risk, business risk, industry risk, relationship risk, market risk, social risk, fraud and forgeries, governmental risk, political risk, equity risk, commodity risk, legal risk, systematic risk, technical risk, concentration risk, profit rate risk, liquidity risk, reputational risk, strategic risk, settlement risk, environmental and climate change risk, and so on. In addition to those risks, Islami Banking has some specific risks like fiduciary risk, displaced commercial risk, liquidity risk for lack of non-structural Islamic Financial Market, Sharia'h compliance risk, etc. Risk gradation and weight changes depending on the circumstances and environment of investment.

Investment is a bank's primary source of income and cash flow. If the quality of bank investment declines, it has a negative impact on the bank's revenue, cash flow, and capital adequacy. Cash flow problem may lead to investment crunch and failure to pay the depositors on time. Erosion of depositors' confidence may result from the failure to pay and such erosion of confidence may invite bank failure. Better Investment Risk Management (IRM) gives the opportunity to greatly improve overall performance of the bank and secure a competitive advantage. The goal of Investment Risk Management is to maintain investment risk exposure within proper and acceptable parameters. It is the practice of mitigating losses by understanding the adequacy of a bank's capital and investment loss reserves (provision) at any given time. An effective Investment Risk Management system not only manages the entire investment portfolio but also individual investments. There are five basic steps that are taken to manage risk; these steps are referred to as the risk management process. It begins with identifying risks, goes on to analyze risks, then the risk is prioritized, a solution is implemented, and finally, the risk is monitored and reviewed periodically.

An Investment Risk Management Committee (IRMC) has been formed by FSIB for the implementation of the Investment Risk Management Policy/strategy approved by the Board of Directors (BoD), monitoring investment risk on the bank-wide basis and ensuring compliance with limits approved by the BoD, making recommendations to the board, for its approval, clear policies on standards for presentation of investment proposals, financial covenants, Internal Investment Risk Rating (IIRR) score, rating standards, segregation of cottage micro, small and medium enterprises and benchmarks, advising the Management for deciding delegation of investment approving powers, prudential limits on large investment exposures, standards for investment collateral, portfolio management, investment review mechanism, risk concentrations, risk monitoring and evaluation, pricing of investments, provisioning, regulatory/legal compliance, etc.

3.12.2 Foreign Exchange Risk Management

Since Foreign Exchange Risk involves purchase and sale of any national currency against other national currency, thus Foreign Exchange Risk is the chance of loss due to unexpected movement of market price of the currencies of different countries or the price of the assets denominated by foreign currencies. The Foreign Exchange Risk of the bank is minimal as all the transactions are carried out on behalf of the customers against underlying Foreign Exchange transactions.

Treasury Division independently conducts the transactions and the Back Office of treasury is responsible for verification of the deals and passing of their entries in the books of account. All foreign exchange transactions are revalued at Mark-to-Market rate as determined based on industrial weighted average at the end of the day. All Nostro accounts are reconciled on daily basis and outstanding entries beyond 30 days are reviewed by the Management for their settlement.

3.12.3 Asset Liability Management

Asset Liability Management (ALM) is an integral part of Bank Management and it is essential to have a structured and systematic process for managing the Balance Sheet. The Asset Liability committee (ALCO) of our bank consists of the senior executives chaired by the Managing Director, and the head of Treasury is the member secretary of this committee, should meet at least once every month to analyze, review and formulate strategy to manage the balance sheet and special ALCO meeting is arranged, if needed. The result of balance sheet analysis along with recommendation is placed in the ALCO meeting by the Treasury Division where important decisions are made to minimize risk and optimum return. ALCO mainly reviews the balance sheet of the bank such as liquidity requirement, the maturity of assets and liabilities, deposit and investment, pricing strategy and the liquidity contingency plan and also monitor Net Profit Income (NPI), return on assets, investment value and exchange earnings, Capital Adequacy Ratio, Investment Deposit Ratio, Investable Fund, Deposit Mix, Cost of Deposit, Cost of Fund, LCR, NSFR, and leverage ratios etc. as a part of regulatory compliance. ALCO is a decision-making unit responsible for balance sheet planning and management from risk-return perspective, and also responsible for the strategic management of profit rate risk and liquidity risks.

3.12.4 Anti-Money Laundering & Combating Financing of Terrorism

First Security Islami Bank PLC. (FSIB) is always watchful to prevent all kinds of activities regarding money laundering and financing of terrorism. Every year the honorable Managing Director of the bank declares a written clear commitment and procedures regarding Anti-Money Laundering (AML) and Combating Financing of Terrorism (CFT) for all the employees and monitors the implementation of these activities.

An Additional Managing Director (AMD) as Chief Anti-Money Laundering Compliance Officer (CAMLCO) and an Executive Vice President as Deputy Chief Anti-Money Laundering Compliance Officer (D-CAMLCO) of the bank has been duly assigned for the effective prevention of money laundering and terrorist financing activities in the bank. A powerful “Central Compliance Committee (CCC)” chaired by the aforesaid AMD consisting of senior executives and divisional heads has been continuously supervising the overall Anti-Money Laundering (AML) and Combating Financing of Terrorism (CFT) activities of the bank.

According to the Bangladesh Financial Intelligence Unit (BFIU) guidelines, a full-fledged division named “Anti Money Laundering (AML) & Combating Financing of Terrorism (CFT) Division” is headed by the D-CAMLCO has been working in the Head Office of the bank under the close supervision of CAMLCO. Zonal Heads of the bank have been nominated as Zonal Anti-Money Laundering Compliance Officer (ZAMLCO) to strengthen the AML & CFT activities in the branches of the respective zone. Under the instructions of BFIU, manager operation of every branch has been nominated as “Branch Anti-Money Laundering Compliance Officer (BAMLCO)” by the CCC of the bank for preventing money laundering and terrorist financing at the branch. The manager and the BAMLCO ensure overall AML and CFT activities in the branch along with the tagged sub-branch (es) and agent banking outlet (s).

AML and CFT risk is treated one of the core risks in bank’s risk management. The bank is always careful about identification and mitigation of AML and CFT risks. To ensure proper compliance for AML and CFT risk management, bank ensures the following mitigation mechanism:

- i) Issuance and implementation of board approved ML and TF Risk Assessment Guidelines for FSIB in line with the direction of BFIU issued ML and TF Risk Assessment Guidelines for Banks.
- ii) Issuance and implementation of board approved ML and TF Risk Management Guidelines for FSIB in line with the direction of BFIU issued ML and TF Risk Management Guidelines for Banks.
- iii) Ensuring Know Your Customer (KYC), Customer Due Diligence (CDD) and Enhanced Due Diligence (EDD) procedures for every account.

- iv) Cautious and effective monitoring of customers' transactions for submitting applicable STR/SAR to Bangladesh Financial Intelligence Unit (BFIU). It may be mentionable that a total of 757 STR/SARs have been submitted to BFIU as on 31st December 2023.
- v) Monthly submission of Cash Transaction Report (CTR) in due time to BFIU and review CTR accounts.
- vi) Circulation of necessary policies, circulars & guidelines from the AML and CFT Division in line with the instructions of BFIU.
- vii) Conducting on-site and off-site supervision in the branches. AML and CFT System Check Inspection of branches by AML and CFT Division in addition to Independent Testing Procedures (ITP) audit by Internal Control & Compliance Division. It may be mentionable that AML and CFT Division conducted AML and CFT System Check at 63 branches as on 31st December 2023.
- viii) Ensuring training/workshop on AML/CFT for every employee. Zone wise training/workshop on AML and CFT related issues for different desk officers of the bank.
- ix) Every day adverse media news collected from Hawker.com are disseminated to branches. However, bank trains employees regarding illegal hundi, cryptocurrency trading, forex trading, online betting etc. transactions.
- x) The bank distributes a huge number of leaflets and hangs posters and banners on the topic of Anti-Money Laundering and Combating Financing of Terrorism at every branch, sub-branch and agent banking outlet for building public awareness on these issues. However, social media platforms are also used for customer awareness.
- xi) For the prevention of Trade-Based Money Laundering (TBML), the bank implements the Guidelines for Prevention of TBML as per BFIU's instructions.
- xii) For the prevention of Investment Backed Money Laundering (IBML), a separate chapter regarding the prevention of IBML has been incorporated in the AML and CFT Policy for FSIB and implementation activities are done.

3.12.5 Internal Control and Compliance

Internal control is a process, effected by Board of Directors (BoD), Senior Management and all levels of personnel, designed to provide reasonable assurance regarding the achievement of objectives in the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with applicable laws, regulations, and internal policies. A system of strong internal controls can help ensure that the goals and objectives of a banking organization will be met, that the bank will achieve long-term profitability target and maintain reliable financial and managerial reporting.



First Security Islami Bank PLC. has established an appropriate and effective internal control environment through the Board of Directors, Management, organizational and procedural controls and an independent audit mechanism in order to ensure that the Bank is managed and controlled in a sound and prudent manner. The Bank identifies its weakness through internal control system and takes appropriate measures to overcome the weaknesses.

The Board of Directors of the Bank has established an Audit Committee to monitor the effectiveness of internal control system of the bank. The Audit Committee meets the Senior Management periodically to discuss the effectiveness of the internal control system of the Bank and ensure that the management has taken appropriate actions as per the recommendations of the Internal Audit Team, Bangladesh Bank's Inspection Team & External Auditors.

The key functionalities that have been established in reviewing adequacy and integrity of the system of internal control are as follows:

- The BoD set up an organizational structure of Internal Control and Compliance Division (IC and CD) in such a way that, it has no conflict of interest with the regular management of the bank and fulfill the requirements as directed in the Rule 15(Ga)(I) of BCA (Bank Company Act) 1991 for establishing and maintaining effective internal control and risk management having regard to the complexity of the activities of the bank its size, scope of operations and risk profile;
- Different committees have been formed consisting of relative stakeholders with expertise on subject matter to assist the Board in guiding the Bank's operation in line with corporate mission, vision and strategies;
- Audit and Inspection are conducted across various divisions/units and all branches, in alignment with the annual audit plan, as approved by the Audit Committee of Board. The frequency of branch audit is determined by the level of risk assessed independently and objectively. Findings of the internal audit are submitted to the Audit Committee for review during their meetings.
- Information System auditors evaluate risk management practices to determine whether the bank's IS-related risks are properly managed. They conduct audit on overall information and related technological security aspects;
- The Audit Committee of the Board reviews the internal control findings identified by the Internal Audit of the Bank, Inspection Team of Bangladesh Bank and External Auditors;
- The Head of Audit has direct access to the Audit Committee as and when required to ensure submission of internal audit findings to the Audit Committee;
- The monitoring unit of the IC and CD checks for compliance with policies and procedures and the overall effectiveness of internal control system. The Bank continues to review different control tools i.e., IDCL, DCFCL, QOR and Risk rating on regular basis and highlights of significant findings in respect of any non-compliance;
- The Compliance Unit of the IC and CD ensures timely and proper compliance (both internal and regulatory) with the relevant laws, regulatory instructions/circulars/guidelines and internal policies and procedures in banking operations. Compliance Unit acts as contact point when regulatory inspections are conducted, ensures that corrective measures are taken and appropriate and timely response is as soon as the inspection report is received;
- The Board of Directors holds meetings at suitable intervals with Senior Management, External Auditors and the Audit Committee for evaluating the effectiveness of internal control system and provides necessary guidance.

Evaluation of Effectiveness of Internal Control

The MANCOM of the Bank reviews the overall effectiveness of the control system of the bank on a yearly basis and provides feedback to the Board of Directors on the effectiveness of internal control policy, practice and procedure.

| Audit & Inspection Covers |
|----------------------------|
| 197 Branches |
| 157 Sub-Branches |
| 87 Agent Outlets |
| 09 Zonal Offices |
| 21 Divisions & Departments |
| 1 Subsidiary |

- The Audit and Inspection unit prepares reports on individual inspection programs and submits the same to the branches/business unit for rectification with a copy to line management
- IC and CD prepares an annual integrated report on the health of the Bank to be submitted to the Board of Directors for onward submission to Bangladesh Bank
- At the end of the year, a summary report on the audit findings is prepared and corrective actions taken which are forwarded to the Audit Committee of the Board and the Managing Director and CEO simultaneously
- Based on the review of monitoring reports the audit team also conduct surprise check on the branches where regular gaps are identified
- Self-Assessment of Anti-Fraud Internal Controls is carried out on half-yearly basis and is submitted to Bangladesh Bank as per requirement of DOS Circular Letter No.17 dated 07 November 2017 issued by Bangladesh Bank after receiving compliance confirmation form the respective stakeholders.

Finally, the objectives of IC and CD are to evaluate the effectiveness of the operations, accuracy and timeliness of the reporting and the compliance with the applicable laws and regulations. ICCD adds value to the bank through its independent observations on different activities performed by other units.

3.12.6 Information & Communication Technology

Banks play a pivotal role in the sustained growth of an economy. Banking sector is important to maintain financial equilibrium and economic stability. On the other hand, Information and Communication Technology (ICT) is increasingly becoming an invaluable and powerful tool for driving development, supporting growth, promoting innovation and enhancing competitiveness. It is introducing global environment which will bring all nations around the world to come together to form a global networked community. Banks are increasingly using sophisticated digital technology for banking activities with a view to achieve more customer's satisfaction with less cost. In addition, it increases the efficiency of the banking and payment system, benefiting customers and merchants leading to bridging additional risks.

Information assets are critical to the services provided by the Bank to its customers. Protection and maintenance of these assets are vital to its sustainability. In order to ensure protection of critical IT assets from unauthorized access, modification, disclosure and destruction the Bank has already taken initiative, which safeguard the interest of customers. In this context Bank has implemented a core banking software ensuring adequate security. The bank's core banking system has upgraded to a new version BankUltimus 4.0.0.5, and with it BankUltimus's slowness problems are fixed. ATM Transaction dispute management, Database and Grid infrastructures version up gradation, locker service and pay order payment service from the Remote branch, new module for CTPC for Inland Bill Purchases were successfully integrated with BankUltimus's latest version. A total of 60 MIS reports was successfully deployed as per the requirement of

management, different division, and branches. New rules for NBR TAX 53F deduction were successfully integrated with the BankUltimus system. A user manual for the BankUltimus system was developed successfully. New Deploy Locker Service module were successfully integrated with the BankUltimus system. With also newly added 01(One) Branch and 15 (Fifteen) Sub Branch-15.

The bank has started enhancement work for the data center and the re-development work is in progress. Currently, the Bank has a Data Center which is fault-tolerant, allowing us to upgrade, install patch, maintenance and any activity without downtime. The establishment enables to satisfy valued clients with sharp & better service. To protect sensitive information of core banking in the event of any disaster, the Bank has implemented a disaster Recovery Site. Up gradation of the FIRE Safety Security System for both Data Center and Disaster recovery site have been completed. The bank is now working towards establishing DC2, which will be an exact replica of Data Center, with active-active operation mode. In the meantime, the bank has started to develop Software Define Network (SDN) which allows administrators to control the network, change configuration settings, provision resources, and increase network capacity – all from a centralized user interface, without the need for more hardware. An HCI (Hyper converged Infrastructure) technology is already under deployment phase which is a combination of servers and storage into a distributed infrastructure platform with intelligent software to create flexible building blocks that replace legacy infrastructure consisting of separate servers, storage networks, and storage arrays.

The Bank has already developed its own ICT security policy for various operation and services which are closely in line with the ICT security policy guideline of Bangladesh Bank. Active Directory Domain Controller (ADC) has implemented in all branches and head office according to the Guideline of Bangladesh Bank. To enhance the security, flexibility, and control of the bank's ICT Infrastructure, OpenStack Private Cloud has been implemented. To manage Security Patch Management, Windows Update Server (WSUS) has been implemented. Additional Domain Controller (DC03) has been added on DR site to ensure HA of Active Directory Service and Integrated ManageEngine ADAudit Plus has implemented to audit the Active Directory operations/activities. Again, Implemented ManageEngine System Administration Tool has been added to gather hardware/software information from all the computers in our bank.

To ensure the information security and cyber security of the bank, ICT division has implemented Next Generation Firewall to address advanced security threats at the application level, Endpoint Security and Server Security, Network Access Center (NAC) to secure endpoints or entry points of end-user devices and servers, Web Application Firewall to protect web applications by filtering and monitoring HTTPS traffic between a web application, Email Security Gateway for virus scanning, spam scoring, real-time intent analysis, URL link protection, reputation checks and other techniques, Anti-DDoS to protect online applications and services from DDoS attacks, and Web Security to protect your users, devices, and wider network against internet-based cyberattacks. The bank use Network Behavior Analyzer (NBA) for collecting and analyzing internal network data to detect malicious or unusual activity, such as policy violations, Denial-of-Service, worms, or malware etc. FSIB has established a Security Operations Center (SOC) to monitor, prevent, detect, investigate, and respond to cyber threats around the clock and deployed Security Information and Event Management (SIEM) to aggregate network traffic logs. This allows the bank to monitor communication channels, applications, databases, and systems effectively. The inclusion of Vulnerability Assessment/Penetration Testing (VA/PT) and Source Code Analysis demonstrates a commitment to identifying and addressing vulnerabilities through systematic testing. Network Management System (NMS) solution helps the network team to monitoring their network devices and traffics, Server & Application Monitor (SAM) solution helps to monitoring the activities of server and application, Privileged Access Management (PAM) which is an identity security solution that helps to manage privileged access as well as protect unauthorized access against cyber threats. Data Center Network Up Gradation and ICT Division and CARD Division LAN segregation have been done. ITCL network traffic has been bought under Firewall. FSIB with

Bangladesh Bank DC and DR logical connectivity swap for BACH and RTGS services.

The in-house software team of ICT Division is developing various in-house software. To enhance the security of in-house software necessary steps has been taken. ICT Division has deployed “helpdesk” service to help an individual, group, or organizational function. Typically, the term refers to centralized help provided to users within an enterprise with ticketing system for specific problem identification and automation. With that keeping track of each problem & solution can be possible. The software unit has developed, (Repair Management system) mainly focuses on the repair request of hardware devices from different branches. Apart from these, ICT division has developed bKash-Remit API and Nagad-Remit API Integration, Dispute Management to track the disputed transactions through Card and IBFT, E-recruitment system for smoothing the recruitment process, Credit Card Reporting System for reporting to Bangladesh Bank mentioning all international transaction using FSIB Credit Card, E-Learning to train all employees of FSIB, within the shortest possible time and in a convenient way, New Exchange House (Shift Financial Service and GCC Remit) API Integration. The in-house software team is also responsible for various types of reporting to Bangladesh Bank and other regulatory organizations. The whole team is working on in-house development so that the Bank can reduce costs by maintaining data integrity and smooth services.

Internet banking facility has taken banking era one step ahead for future generations. Inclusion of RTGS and EFTN in i-banking platform has increased its credibility towards modernization. FSIB launched its Internet Banking Service on the year 2014 and currently, there are 1,91,906 Customers on this service. FSIB CLOUD is an Official Mobile Application of First Security Islami Bank PLC. In order to improve the service for the client FSIB Internet Banking and FSIB CLOUD have been merged into the new Web and App Based Internet Banking FSIB CLOUDNET. FSIB Corporate E-Banking has been implemented for Corporate Clients. The current customer number in this platform is 1,82,067. Now own bank Credit Card Bill payments can be done through Internet Banking and the client can use FSIB CLOUD without Mobile Data. Again, RTGS Payment from Bank to Bank, Bank to the client, and Bank to Multiple Clients through USD, EURO, and GBP have been implemented. “FirstCash” is the rebranded Mobile Financial Services of FSIB which have strong network coverage and expanding its network focusing on organizations like Educational institutions, Financial Institutions, Merchants, and Utility Bill collections. The dCloud app is a versatile mobile banking application offering services like fund receive, fund transfer, and account management through features like balance checking and mobile top-ups, utility bills, pay education fees, and make merchant payments. Users can link their FSIB Bank A/C or Card, choosing between prepaid or postpaid connections. Overall, it provides a simple and user-friendly platform for diverse financial activities. FSIB launched its Service on 25th December, 2023 and currently, there are 2,542 Customers on this service.

Training is the key component of ICT Risk Management. The Bank has been continuously conducting training sessions on sensitive ICT tasks (i.e. Operation Procedure, Business Continuity Planning, Disaster Recovery Planning, Certification Preparation Training, etc.) for relevant employees. FSIB ICT Division arranges training at regular intervals for branch personnel and in-house personnel. In the year 2023, through Licensed ZOOM apps the bank arranged training programs: 1) HelpDesk Training for all ICT Officials, 2) Cyber Security Awareness Program for all Officials of FSIB, and 3) ICT POC Training for Two officials of all FSIB Branches. The bank has also provided physical training, as required, and when considered right. This year this division has brought all the executives and officials under the scope of Cyber Security Awareness training.

The Bank has been maintaining adequate physical security inside its workplace to properly protect ICT resource. The bank is strictly following the Information security standard of Bangladesh bank covering Password Control, User ID Maintenance, Input Control, Network security, Data Encryption, Virus Protection and Access Control of Internet and Emailing. The Bank is regularly conducting internal ICT audit to all its branches and Head Office Divisions to ensure proper implementation of the ICT policy. The bank has established Disaster Recovery Site and it is a complete backup of the Data Center of the bank. Customer data

will be secured by the DR site if any unwanted disaster happens in Data Center. In situations like encountering a disaster, ICT Division can drive the Banking service through Disaster Recovery Site. FSIB established the DR site and inaugurated it on 4th June 2015 and since then the bank has started operating banking services from the DR site at the periodical interval every year. In the year 2023, the bank operated a banking service from the DR site for 48 hours.

3.12.7 Environmental Risk Management (ERM)

The Environmental risk is a facilitating element of credit risk arising from environmental issues. These can be due to environmental impacts caused by and / or due to the prevailing environmental conditions. These increase risks as they bring an element of uncertainty or possibility of loss in the context of a financing transaction. These risks may be arisen from different sources i.e. Land Location, Regulatory Non-compliance, Labour/ Social Risk, Community/ Public Opposition, Changing Export Market Conditions, Climate Change Impacts.

The overall purpose of Environmental Risk Management is to understand and manage risks that arise from environmental concerns. This brings a focus on planning and implementing policies and procedures to mitigate environmental risks.

- Examine the environmental issues and concerns associated with potential business activities proposed for financing
- Identify, evaluate and manage the environmental risks and the associated financial implications arising from these issues and concerns
- Enhance the credit risk appraisal process

Environmental Risk Management is applicable across all financing transactions undertaken by Banks/FIs as all of these occur within the context of environmental concerns. Some transactions are inherently more exposed to these risks than others. The main determinants of environmental risk are the nature of a borrower's business activity and the vulnerability of the location of the business activity. With other aspects being the same, environmental risks will vary according to different forms of transactions, e.g. risks associated to a short-term financing is considerably less compared to a long-term financing to support the establishment of a large chemical or power plant.

3.13 Risk Based Capital (Basel-III)

To comply with the international best practice and to make the bank's capital more risk sensitive as well as to build the banking industry more shock absorbent and stable, Bangladesh Bank is aimed to implement Basel-III reporting from 2015. As per the directive of Bangladesh Bank, all schedule banks in Bangladesh are now required to report risk Based capital adequacy for banks under Basel-III. All scheduled banks are also required to disclose capital adequacy in both quantitative terms as per Bangladesh Bank BRPD Circular No. 18 Dated December 21, 2014.

3.14 Stress Testing

A bank's Stress Testing is an analysis conducted under hypothetical scenarios (minor shock, moderate shock and major shock) designed to determine whether a bank has enough capital to withstand a negative economic shock. It identifies the specific vulnerabilities/area of concern i.e. (Changes in investment exposure and rating, profit rate changes, exchange rate fluctuations, events which influence liquidity, changes in equity price etc.), construction of the scenario, performing the numerical analysis and summarizing and interpreting the results. Finally, it produces a numerical estimate of the change in the value of risk exposed positions. FSIB prepares Stress Testing Report on quarterly basis and submit to Bangladesh Bank as per the guideline.

3.15 Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operational decisions. Parties are also considered to be related if they are subject to common control or common significant influence related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged as per IAS 24 “Related Party Disclosures”, Bangladesh Bank and Bangladesh Securities & Exchange Commission (BSEC) guidelines. Related party transactions have been disclosed in note # 51.2.

3.16 Regulatory and legal compliance

Among others, the Bank complied with the requirements of the following circular, rules and regulations:

- a) The Bank Companies Act, 1991 as amended
- b) The Companies Act, 1994
- c) BRPD Circular No. 14 dated 25.06.2003 and “Guidelines for Islamic Banking” issued by Bangladesh Bank through BRPD Circular No. 15 dated 09.11.2009
- d) Other circulars, rules and regulations issued by Bangladesh Bank from time to time
- e) The Securities and Exchange Rules, 2020
- f) The Securities and Exchange Ordinance, 1969
- g) The Securities and Exchange Commission Act, 1993
- h) Income Tax Act. 2023
- i) Value Added Tax and Supplementary Duty Act, 2012 and Rule, 2016
- j) Standards issued by AAOIFI
- k) The Stamp Act-1899
- l) The Customs Act-1969
- m) The Money Laundering Prevention Act, 2012
- n) The Anti-Terrorism (Amendment) Act, 2009 etc.

Compliance checklist of International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS):

The Companies/Bank complied, as per Para 12 of Securities and Exchange Rule 1987, with the following International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) in preparing the financial statements of the Bank, where we have followed Bangladesh Bank guidelines:

| IFRS Title | IFRS No. | Compliance Status |
|--|----------|-------------------|
| First-time Adoption of International Financial Reporting Standards | 1 | Not Applicable |
| Share-based Payment | 2 | Not Applicable |
| Business Combinations | 3 | Applied |
| Insurance Contracts | 4 | Not Applicable |
| Non-current Assets Held for Sale and Discontinued Operations | 5 | Not Applicable |
| Exploration for and Evaluation of Mineral Resources | 6 | Not Applicable |

| IFRS Title | IFRS No. | Compliance Status |
|--|----------|-------------------|
| Financial Instruments: Disclosures | 7 | Applied |
| Operating Segments | 8 | Applied |
| Financial Instruments | 9 | Applied |
| Consolidated Financial Statements | 10 | Applied |
| Joint Arrangements | 11 | Not Applicable |
| Disclosure of Interests in other Entities | 12 | Applied |
| Fair Value Measurement | 13 | Applied |
| Regulatory Deferral Accounts | 14 | Not Applicable |
| Revenue from Contracts with Customers | 15 | Applied |
| Leases | 16 | Applied |
| Presentation of Financial Statements | 1 | Applied |
| Inventories | 2 | Not Applicable |
| Statement of Cash Flows | 7 | Applied |
| Accounting Policies, Changes in Accounting Estimates and Errors | 8 | Applied |
| Events After the Reporting Period | 10 | Applied |
| Income Taxes | 12 | Applied |
| Property, Plant and Equipment | 16 | Applied |
| Employee Benefits | 19 | Applied |
| Accounting for Government Grants and Disclosure of Government Assistance | 20 | Not Applicable |
| The Effects of Changes in Foreign Exchange Rates | 21 | Applied |
| Borrowing Costs | 23 | Not Applicable |
| Related Party Disclosures | 24 | Applied |
| Accounting and Reporting by Retirement Benefit Plans | 26 | Not Applicable |
| Consolidated and Separate Financial Statements | 27 | Applied |
| Investments in Associates and Joint Ventures | 28 | Not Applicable |
| Financial Reporting in Hyperinflationary Economics | 29 | Applied |
| Financial Instruments: Presentation | 32 | Applied |
| Earnings Per Share | 33 | Applied |
| Interim Financial Reporting | 34 | Applied |
| Impairment of Assets | 36 | Applied |
| Provisions, Contingent Liabilities and Contingent Assets | 37 | Applied |
| Intangible Assets | 38 | Applied |
| Investment Property | 40 | Not Applicable |
| Agriculture | 41 | Not Applicable |

3.17 Impact of COVID 19

Following the declaration of COVID 19 as a pandemic by the World Health Organization (WHO) in early March 2020, like many other governments, the Governments of Bangladesh introduced restrictive measures including nationwide holidays to contain further spread of the virus, affecting free movement of people and goods. Considering the long-term impact of COVID 19 on most sectors in economy of Bangladesh, Bangladesh Bank (BB) has issued various circular not to downgrade the clients Investment classification status. In addition, BB has issued circulars to provide stimulus package for some sectors through commercial bank. Both facilitate to boost the economy and banking operations during this pandemic. The Management has also assessed the overall impact on COVID 19 and has not identified any indications that may cast doubt on going concern of the group and the bank. Bank's primary business has not impacted expressively as it has a significant growth even the pandemic declared by WHO except trade business. Moreover, The Management continue to monitor the spread of the virus and its impact.

3.18 Audited Financial Statements of the Investment Client (Loanee)

Bank collects latest audited Financial Statements of the Investment Client as available and preserve the same in the particular Investment Account in line with the instruction of Bangladesh Bank BRPD Circular letter no. 04 dated: 04 January 2021. Moreover, the bank has already signed a MOU with The Institute of Chartered Accounts of Bangladesh and obtain necessary access to the Document Verification System (DVS) for checking information the Financial Statements through the DVS. In order to comply with the requirements of BRPD Circular letter no. 35 dated: 06 July 2021 bank has verified DVC mentioned in audited Financial Statements with Document Verification System almost 100% cases from the date of having access in the DVS System.

3.19 General

- (i) Wherever considered necessary, previous year's phrases and figures have been rearranged to confirm to current year/periods presentation.
- (ii) All amounts in these financial statements have been recorded off to the nearest Taka.

| | 31.12.2023 BDT | 31.12.2022 BDT |
|--|-----------------------|-----------------------|
| 4 CASH | | |
| 4(a) Consolidated Cash | | |
| First Security Islami Bank PLC. | 33,744,825,890 | 37,256,204,252 |
| First Security Islami Capital & Investment Limited | 15,012 | 22,166 |
| First Security Islami Exchange Italy | 3,690,809 | 18,587,466 |
| | 33,748,531,711 | 37,274,813,884 |
| 4.1 Consolidated Cash in Hand (including foreign currencies) | | |
| First Security Islami Bank PLC. (Note-4.1(a)) | 4,151,175,613 | 3,936,182,668 |
| First Security Islami Capital & Investment Limited | 15,012 | 22,166 |
| First Security Islami Exchange Italy | 3,690,809 | 18,587,466 |
| | 4,154,881,434 | 3,954,792,300 |
| 4.1(a) Cash in Hand | | |
| In Local Currency | 3,608,081,922 | 3,458,737,225 |
| In Foreign Currencies (Note-4.1.1) | 2,749,191 | 2,752,443 |
| ATM Balance | 540,344,500 | 474,693,000 |
| | 4,151,175,613 | 3,936,182,668 |
| 4.1.1 In Foreign Currencies | | |
| <u>Foreign Currency</u> | | |
| US Dollar | 2,726,331 | 2,732,283 |
| EURO | 22,860 | 20,160 |
| Total | 2,749,191 | 2,752,443 |
| 4.2 Consolidated Balance with Bangladesh Bank and its Agent Bank | | |
| First Security Islami Bank PLC. (Note-4.2 (a)) | 29,593,650,277 | 33,320,021,584 |
| First Security Islami Capital & Investment Limited | - | - |
| | 29,593,650,277 | 33,320,021,584 |
| 4.2(a) Balance with Bangladesh Bank and its Agent Bank | | |
| Balance with Bangladesh Bank (Note-4.2.1) | 28,276,384,279 | 32,904,930,400 |
| Balance with Sonali Bank Ltd. (Note-4.2.2) | 1,317,265,998 | 415,091,184 |
| | 29,593,650,277 | 33,320,021,584 |
| | 33,744,825,890 | 37,256,204,252 |
| 4.2.1 Balance with Bangladesh Bank (Including Foreign Currencies) | | |
| In Local Currency | 28,024,224,002 | 32,524,402,513 |
| In Foreign Currencies | 252,160,277 | 380,527,887 |
| | 28,276,384,279 | 32,904,930,400 |
| 4.2.2 Balance with Sonali Bank Ltd. (as Agent of Bangladesh Bank) | | |
| In Local Currency | 1,317,265,998 | 415,091,184 |
| | 1,317,265,998 | 415,091,184 |
| 4.3 Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) | | |
| Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with the Section 25 & 33 of the Bank Companies Act. 1991 and subsequent BCD Circular No. 13 dated May 24, 1992; BRPD Circular No. 12 dated September 06, 1998, BRPD Circular No.12, dated September 20, 1999, BRPD Circular No. 22 dated November 06, 2003, BRPD Circular No. 03 dated 17 February, 2005 and BRPD Circular No. 11 & 12 dated 25 August 2005, Bangladesh Bank Letter # DOS (SR) 1153/120-A/2009-46 dated 22 March 2009, MPD circular # 01 dated 04 May 2010 , MPD circular # 04 & 05 dated 01 December 2010 , DOS Circular# 01 dated 19/01/2014, MPD Circular# 01 dated 23/06/2014, MPD Circular# 01 dated 03 April 2018 and DOS Circular# 26 dated 19/08/2019 and MPD Circular# 03 dated 09 April 2020. | | |
| 4.4 Cash Reserve Ratio (CRR): 4.00% of Average Demand and Time Liabilities: | | |
| Required Reserve | 18,020,806,000 | 19,127,046,000 |
| Actual Reserve maintained | 28,024,224,002 | 32,719,191,000 |
| Surplus/(Short) | 10,003,418,002 | 13,592,145,000 |

| | 31.12.2023 BDT | 31.12.2022 BDT |
|---|-----------------------|-----------------------|
| 4.5 Statutory Liquidity Ratio (SLR): 5.50% of Average Demand and Time Liabilities: | | |
| Required Reserve (including CRR) | 25,135,158,000 | 26,400,916,000 |
| Actual Reserve held (including CRR) | 27,776,579,613 | 30,161,323,000 |
| Surplus/(Short) | 2,641,421,613 | 3,760,407,000 |
| 4.6 Held for Statutory Liquidity Ratio | | |
| Cash in Hand | 4,151,175,613 | 3,936,182,000 |
| Surplus Balance with Bangladesh Bank and its Agent Bank | 11,320,684,000 | 13,952,021,000 |
| Balance of Bangladesh Govt. Islamic Bond & Other Eligible Approved | 12,304,720,000 | 12,273,120,000 |
| | 27,776,579,613 | 30,161,323,000 |
| 5 CONSOLIDATED BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS | | |
| In Bangladesh: | | |
| First Security Islami Bank PLC. (Note-5(A)) | 1,031,858,971 | 324,731,568 |
| First Security Islami Capital & Investment Limited | 44,644,368 | 31,681,897 |
| First Security Islami Exchange Italy | 183,083,127 | 176,018,707 |
| | 1,259,586,466 | 532,432,172 |
| Less: Inter-company Transaction | 131,299,078 | 118,130,921 |
| | 1,128,287,388 | 414,301,251 |
| Outside Bangladesh: | | |
| First Security Islami Bank PLC. (Note- 5(B)) | 278,799,082 | 1,024,992,219 |
| First Security Islami Capital & Investment Limited | - | - |
| First Security Islami Exchange Italy | 15,925,750 | 25,357,991 |
| | 294,724,832 | 1,050,350,210 |
| | 1,423,012,220 | 1,464,651,461 |
| 5(a) BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS | | |
| A. Balance Inside Bangladesh | | |
| Agrani Bank PLC. | 1,120,504 | 10,597,850 |
| Janata Bank PLC. | 34,977 | 35,897 |
| Rupali Bank PLC. | 3,546,752 | 3,563,247 |
| Trust Bank PLC. | 224,402,256 | 10,701,830 |
| Social Islami Bank PLC. | 176,651 | 177,261 |
| Dhaka Bank PLC. (Islamic Banking Branch) | 397,533 | 392,441 |
| Islami Bank Bangladesh PLC. | 199,192,964 | 63,322,667 |
| Eastern Bank PLC. | 25,995,828 | 18,797,533 |
| Southeast Bank PLC. (Islamic Banking Branch) | 65,361,605 | 163,557 |
| AB Bank PLC. (Islamic Banking Branch) | 712,466 | 703,451 |
| Bangladesh Commerce Bank Ltd. | - | 200,000,000 |
| Pubali Bank PLC. (Islamic Banking Branch) | 110,504,773 | 8,902,638 |
| Union Bank PLC. | 40,748,812 | 7,373,196 |
| Global Islami Bank PLC. | 8,958,488 | - |
| Al-Arafah Islami Bank PLC. | 49,768 | - |
| Mutual Trust Bank PLC. | 5,620,859 | - |
| United Commercial Bank PLC. | 345,034,735 | - |
| OBU balance with FSIB | 220 | 405,315,543 |
| | 1,031,859,191 | 730,047,111 |
| Less: OBU balance with FSIB | 220 | 405,315,543 |
| Total Inside Bangladesh | 1,031,858,971 | 324,731,568 |

| | | | | | 31.12.2023 | 31.12.2022 | |
|--|---|---|--------------|----------------|----------------|----------------|---------------|
| | | | | | BDT | BDT | |
| B. | Balance Outside Bangladesh | | | | | | |
| | In Deposit Account (non-profit bearing) with: | | | | | | |
| | Current Account: | Curre | Amount | Rate | | | |
| | | ncy | | | | | |
| | 1. | Mashreq Bank, PSC, New york | USD | 79,724.37 | 109.750 | 8,749,750 | 573,685,218 |
| | 2. | MCB Bank Ltd. Karachi | ACU\$ | 7,690.91 | 109.750 | 844,077 | 794,448 |
| | 3. | Commerz Bank AG, Frankfurt, Germany | EURO | 23,629.07 | 121.998 | 2,882,702 | 12,784,885 |
| | 4. | Bank of Bhutan, Thimpo, Bhutan | ACU\$ | 11,526.50 | 109.750 | 1,265,033 | 1,190,653 |
| | 5. | Sonali Bank Ltd. , Kolkata, India | ACU\$ | 19,047.88 | 109.750 | 2,090,505 | 1,966,556 |
| | 6. | AB Bank Ltd, Mumbai, India | ACU\$ | 550,600.78 | 109.750 | 60,428,436 | 60,170,297 |
| | 7. | ICICI Bank Ltd, Hongkong | USD | 23,201.03 | 109.750 | 2,546,313 | 6,302,491 |
| | 8. | ICICI Bank Ltd, Kolkata, India | ACU\$ | 374,952.68 | 109.750 | 41,151,057 | 77,232,995 |
| | 9. | Axis Bank Limited | ACU\$ | 8,561.58 | 109.750 | 939,633 | - |
| | 10. | Habib American Bank, N,Y | USD | 455,761.15 | 109.750 | 50,019,786 | 119,140,586 |
| | 11. | Banca UBAE SPA, Rome, Italy | USD | 212,665.61 | 109.750 | 23,340,051 | 50,998,585 |
| | 12. | Banca UBAE SPA, Rome, Italy | EURO | 292,920.77 | 121.998 | 35,735,777 | 67,196,188 |
| | 13. | Bank Al-Jazira, Jeddah | USD | 208,101.37 | 109.750 | 22,839,125 | 22,215,699 |
| | 14. | Bank Al-Jazira, Jeddah | SAR | 317,218.22 | 29.264 | 9,282,915 | 12,487,904 |
| | 15. | Aktif Yatrim Bank Istambul | USD | 89,363.07 | 109.750 | 9,807,597 | 12,202,028 |
| 16. | Aktif Yatrim Bank Istambul | JPY | 3,745,364.40 | 0.776 | 2,907,901 | 1,997,686 | |
| 17. | Aktif Yatrim Bank Istambul | GBP | 13,890.02 | 140.601 | 1,952,947 | 1,208,811 | |
| 18. | Sonali Bank Ltd. , UK, Ltd. | GBP | 14,334.76 | 140.601 | 2,015,477 | 3,417,188 | |
| | | | | | 278,799,082 | 1,024,992,219 | |
| | | | | | 1,310,658,053 | 1,349,723,787 | |
| 5.1 | Maturity -wise classification balance with other Banks & Financial Institutions | | | | | | |
| | Repayable on Demand | | | | 1,310,658,053 | 1,349,723,787 | |
| | With a residual maturity of | | | | - | - | |
| | Up to 1 month | | | | - | - | |
| | Over 1 month but not more than 3 month | | | | - | - | |
| | Over 3 month but not more than 1 year month | | | | - | - | |
| | Over 1 year but not more than 5 year | | | | - | - | |
| | More than 5 years | | | | - | - | |
| | | | | | | 1,310,658,053 | 1,349,723,787 |
| | 6 | Placement with Banks & other Financial Institutions | | | | | |
| Aviva Finance Limited | | | | 12,290,000,000 | 12,290,000,000 | | |
| Placement to Other Bank | | | | 548,750,000 | - | | |
| Placement to OBU by ID, FSIB | | | | 2,338,538,957 | 1,549,455,000 | | |
| | | | | | 15,177,288,957 | 13,839,455,000 | |
| Less: Placement to OBU by ID, FSIB | | | | 2,142,346,634 | - | | |
| | | | | | 13,034,942,323 | 13,839,455,000 | |
| Total Balance with other Banks & Financial Institutions and Placement (Note 5+6) | | | | | 14,345,600,376 | 15,189,178,787 | |
| 7 | CONSOLIDATED INVESTMENTS IN SHARES AND SECURITIES | | | | | | |
| | Government Securities | | | | | | |
| | First Security Islami Bank PLC. (Note- 7 (a)) | | | | 23,674,689,450 | 22,774,689,450 | |
| | First Security Islami Capital & Investment Limited | | | | - | - | |
| | | | | | 23,674,689,450 | 22,774,689,450 | |

| | 31.12.2023 BDT | 31.12.2022 BDT |
|--|----------------------------|----------------------------|
| Others | | |
| First Security Islami Bank PLC. (Note- 7 (a)) | 3,792,757,030 | 3,778,073,922 |
| First Security Islami Capital & Investment Limited | 344,982,996 | 327,203,969 |
| | 4,137,740,026 | 4,105,277,891 |
| Less: Inter-company Transaction | 317,340,058 | 317,340,058 |
| | 3,820,399,968 | 3,787,937,833 |
| | 27,495,089,418 | 26,562,627,283 |
| 7(a) INVESTMENTS IN SHARES AND SECURITIES | | |
| Government Securities | | |
| Bangladesh Govt. Islamic Investment Bond | 12,300,000,000 | 11,400,000,000 |
| BDG Investment Sukuk (Ijara Sukuk) | 11,373,120,000 | 11,373,120,000 |
| Central Depository Bangladesh Ltd. | 1,569,450 | 1,569,450 |
| | 23,674,689,450 | 22,774,689,450 |
| Others | | |
| Subordinated Bond | 80,000,000 | 80,000,000 |
| Investment in Beximco Green-Sukuk al Istisinaa | 600,000,000 | 600,000,000 |
| Investment in Mudaraba Perpetual Bond - Al Arafah Islami Bank PLC. | 1,000,000,000 | 1,000,000,000 |
| Investment in Mudaraba Perpetual Bond -Standard Bank PLC. | 1,000,000,000 | 1,000,000,000 |
| Investment in FSI Capital & Investment Ltd. | 255,000,000 | 255,000,000 |
| Investment in FSIE Italy S.R.L. | 62,340,058 | 62,340,058 |
| Quoted/Unquoted Shares (Note - 7.1) Annexure | 795,416,972 | 780,733,864 |
| | 3,792,757,030 | 3,778,073,922 |
| | 27,467,446,480 | 26,552,763,372 |
| 7.1 Quoted/Unquoted Shares | | |
| Name of Companies | Acquisition cost (Taka) | Acquisition cost (Taka) |
| Quoted: | | |
| ICB | 119,414,541 | 119,414,541 |
| LEGACYFOOT | - | 54,150,449 |
| MJL Bangladesh Ltd. | 126,699,779 | 87,385,258 |
| Padma Oil Company Ltd. | 69,311,117 | 63,431,537 |
| DELTALIFE | 3,563,903 | - |
| DSSL | 2,373,888 | - |
| PTL | 21,866,518 | - |
| SPCL | 176,091,188 | 176,091,188 |
| BPPL | 88,120,244 | 88,120,245 |
| Heidelberg Cement Bd. Ltd. | 24,124,440 | 22,956,054 |
| SINGERBD | 17,407,678 | 14,449,739 |
| SOURPHARMA | 100,252,611 | 108,848,671 |
| GP | 35,715,743 | 35,158,694 |
| ICICL | - | 87,980 |
| RENATA | 6,867,229 | 6,867,229 |
| PADMALIFE | - | 618,813 |
| | 791,808,878 | 777,580,398 |
| Unquoted: | | |
| Share of SWIFT | 3,608,094 | 3,153,466 |
| | 3,608,094 | 3,153,466 |
| | 795,416,972 | 780,733,864 |
| 7.2 Market Value of Quoted Shares | 628,307,609 | 584,690,476 |

| | 31.12.2023 BDT | 31.12.2022 BDT |
|--|------------------------|------------------------|
| 7.3 Remaining Maturity Grouping of Investments in Shares and Securities | | |
| Repayable on Demand | 791,808,878 | 777,580,398 |
| With a residual maturity of | | |
| Up to 1 month | - | - |
| Over 1 month but not more than 3 month | 12,300,000,000 | 11,400,000,000 |
| Over 3 month but not more than 1 year month | 11,373,120,000 | 11,373,120,000 |
| Over 1 year but not more than 5 year | 685,177,544 | 684,722,916 |
| More than 5 years | 2,317,340,058 | 2,317,340,058 |
| | 27,467,446,480 | 26,552,763,372 |
| 8 CONSOLIDATED GENERAL INVESTMENT | | |
| First Security Islami Bank PLC. (Note-8.1.A) | 567,930,712,306 | 521,292,786,607 |
| Less: Inter-company transaction (Investment in Subsidiary) | 962,563,969 | 850,761,381 |
| | 566,968,148,337 | 520,442,025,226 |
| 8(a) INVESTMENTS | | |
| General Investment etc. (Note-8.1.A) | 567,930,712,306 | 521,292,786,607 |
| Bills Purchased and Negotiated (Note - 8.1.B) | 2,355,995,936 | 3,502,364,419 |
| | 570,286,708,242 | 524,795,151,026 |
| 8.1.A General Investment etc. | | |
| Inside Bangladesh (Mode wise) | | |
| Bai-Murabaha and Quard | 526,242,692,619 | 481,337,211,917 |
| Hire-Purchase Sirkatul Meelk | 41,594,525,141 | 39,857,526,375 |
| Bai-Muajjal | 2,417,654 | 2,416,654 |
| Bai-Salam | 91,076,892 | 95,631,661 |
| | 567,930,712,306 | 521,292,786,607 |
| Outside Bangladesh | - | - |
| | 567,930,712,306 | 521,292,786,607 |
| 8.1.B Bills Purchased and Negotiated | | |
| Payable in Bangladesh | 314,808,015 | 350,835,833 |
| Payable outside Bangladesh | 68,303,300 | 31,857,137 |
| | 383,111,315 | 382,692,970 |
| Payable in Bangladesh by OBU | 1,948,870,183 | 2,152,080,830 |
| Payable outside Bangladesh by OBU | 24,014,438 | 967,590,619 |
| | 1,972,884,621 | 3,119,671,449 |
| | 2,355,995,936 | 3,502,364,419 |
| 8.2 Maturit-wise Classification | | |
| Repayable on Demand | - | - |
| With a residual maturity of | | |
| Up to 1 month | 141,479,408,242 | 96,197,051,026 |
| Over 1 month but not more than 3 month | 64,331,900,000 | 89,927,900,000 |
| Over 3 month but not more than 1 year month | 264,468,700,000 | 118,585,300,000 |
| Over 1 year but not more than 5 year | 76,041,700,000 | 112,450,600,000 |
| More than 5 years | 23,965,000,000 | 107,634,300,000 |
| | 570,286,708,242 | 524,795,151,026 |
| 8.3 Investments on the basis of Significant Concentration | | |
| Investments to Directors of Other Banks | 27,642,991,027 | 43,391,800,000 |
| Investments to Chief Executive and Other high Officials | - | - |
| Investments to Customers Group | 468,046,156,379 | 418,412,656,322 |
| Investments to Industry | 73,487,786,293 | 61,763,691,189 |
| Investment to Staff | 1,109,774,544 | 1,227,003,514 |
| | 570,286,708,242 | 524,795,151,026 |

| | 31.12.2023 BDT | 31.12.2022 BDT |
|---|------------------------|------------------------|
| 8.4 Investments to Customers for more than 10% of FSIB's Total | | |
| Eligible Capital | | |
| Number of Clients | 63 | 63 |
| Amount of Outstanding Investments | | |
| Funded | 108,525,600,000 | 100,563,500,000 |
| Non-funded | 8,636,400,000 | 19,332,900,000 |
| | 117,162,000,000 | 119,896,400,000 |

Details of investment to customer group 15.00% of regulatory equity and above. Total regulatory capital of the bank is Tk. 4,067.49 Crore as on 31 December 2023. Number of client with amount of sanctioned limit of investments exceeding 15.00% of total regulatory equity of the bank & classified amount thereon are given below:

| | | |
|---|----------------|----------------|
| Number of client | 7 | 7 |
| Amount of Outstanding Investments (Tk. Crore) | 5,904.36 | 6,150.00 |
| Classified amount thereon | - | - |
| Measure taken for recovery | Not Applicable | Not Applicable |

| Name of the Clients | Sanctioned Limit (Tk. Crore) | Outstanding as on 31.12.2023 (Tk. Crore) | Outstanding as on 31.12.2022 (Tk. Crore) |
|---------------------|------------------------------|--|--|
| Bashundhara Group | 1,699.00 | 1,310.48 | 1,335.00 |
| Sikder Group | 1,416.14 | 1,708.11 | 1,708.00 |
| Nabil Group | 1,200.00 | 255.34 | 257.00 |
| Nasa Group | 1,082.25 | 734.64 | 682.00 |
| Deshboundhu Group | 882.98 | 1,000.57 | 1,013.00 |
| Jamuna Group | 715.00 | 198.40 | 484.00 |
| S. A. Group | 705.73 | 696.82 | 671.00 |
| Total | 7,701.10 | 5,904.36 | 6,150.00 |

8.5 Industry wise Investments

Agriculture:

| | | |
|---------|---------------|---------------|
| Fishing | 948,611,870 | 1,051,695,979 |
| Others | 1,823,523,987 | 1,820,087,830 |

Textile and Readymade Garments:

| | | |
|--------------------------------------|----------------|----------------|
| Readymade Garments - Export | 25,466,794,520 | 18,755,554,319 |
| Textile and Textile Products- Import | 17,836,316,182 | 11,266,321,218 |
| Others -Export | 5,122,015,300 | 7,316,060,538 |
| Others -Import | 20,459,659,977 | 27,888,900,918 |
| Contractor Finance | 2,673,125,956 | 2,513,053,677 |
| Transport | 1,410,756,804 | 1,407,827,508 |

Internal Trade Finance:

| | | |
|--------------------|-----------------|-----------------|
| Whole Sale Trading | 199,967,701,343 | 208,479,037,508 |
| Retail Trading | 14,920,965,872 | 15,104,326,157 |
| Others | 5,587,465,240 | 7,421,417,716 |

House Building:

| | | |
|--------------------------|----------------|----------------|
| Residential & Commercial | 24,840,602,309 | 24,170,650,623 |
| Staff | 1,109,774,544 | 1,227,003,514 |

Special Program:

| | | |
|---|-----------------|-----------------|
| Consumer Finance and Hire Purchase Scheme | 140,138,470 | 221,129,970 |
| Others | 247,979,255,868 | 196,152,083,550 |

8.6 Division/Geographical wise Investment*

Urban

| | | |
|------------|------------------------|------------------------|
| Dhaka | 171,103,356,926 | 155,262,698,679 |
| Chattogram | 372,270,825,705 | 327,437,418,535 |
| Barishal | 578,309,511 | 408,447,253 |
| Rajshahi | 807,404,948 | 942,163,260 |
| Khulna | 1,623,332,044 | 1,540,810,015 |
| Rangpur | 470,804,443 | 420,874,227 |
| Sylhet | 827,839,773 | 812,443,932 |
| Mymensingh | 312,329,800 | 201,127,106 |
| | 547,994,203,150 | 487,025,983,007 |

Rural

| | | |
|------------|------------------------|------------------------|
| Dhaka | 355,337,258 | 6,520,301,989 |
| Chattogram | 20,176,022,872 | 29,113,126,797 |
| Barishal | 53,337,996 | 150,233,568 |
| Rajshahi | 81,076,169 | 96,355,711 |
| Khulna | 1,136,302,666 | 1,481,442,156 |
| Rangpur | 67,754,798 | 18,058,058 |
| Sylhet | 277,211,706 | 124,001,833 |
| Mymensingh | 145,461,625 | 265,647,908 |
| | 22,292,505,092 | 37,769,168,019 |
| | 570,286,708,242 | 524,795,151,026 |

* Division wise distribution was made on the basis of the location of the respective branch.

| | | | 31.12.2023 BDT | 31.12.2022 BDT |
|---|---------------------------|-------------|------------------------|------------------------|
| 8.7 Classification of Investments as per Bangladesh Bank Circulars | | | | |
| <u>Unclassified:</u> | | | | |
| Standard | | | 539,349,603,456 | 491,097,733,598 |
| Special Mention Account | | | 8,399,203,486 | 12,630,339,642 |
| | | | 547,748,806,943 | 503,728,073,240 |
| <u>Classified:</u> | | | | |
| Sub-standard | | | 4,338,989,642 | 2,678,392,573 |
| Doubtful | | | 4,247,699,865 | 4,776,865,379 |
| Bad & Loss | | | 13,951,211,792 | 13,611,819,834 |
| | | | 22,537,901,299 | 21,067,077,786 |
| | | | 570,286,708,242 | 524,795,151,026 |
| 8.8 Sector-wise Classification of Investments | | | | |
| <u>Unclassified:</u> | | | | |
| Small Enterprise Financing (SEF) | | | 43,419,883,843 | 40,971,850,660 |
| Consumer Financing (Other than HF & LP) | | | 132,663,951 | 213,667,839 |
| Investments to BHs/MBs/SDs against Share | | | 1,186,166,315 | 1,100,428,108 |
| Other than SMEF, CF, BHs/ MBs,/SDs | | | 401,776,861,354 | 365,665,734,074 |
| Housing Finance (HF) | | | 24,144,729,507 | 23,379,556,858 |
| Investments for professionals to set up business (LP) | | | - | - |
| Short Term Agri. Investments | | | 2,649,597,535 | 2,745,468,999 |
| Staff Investment | | | 1,109,774,544 | 1,227,003,514 |
| Others | | | 73,329,129,894 | 68,424,363,188 |
| | | | 547,748,806,943 | 503,728,073,240 |
| <u>Classified:</u> | | | | |
| Small Enterprise Financing (SEF) | | | 3,405,366,666 | 2,636,266,600 |
| Consumer Financing (Other than HF & LP) | | | 7,474,518 | 7,462,131 |
| Investments to BHs/MBs/SDs against Share | | | 114,142,311 | 100,692,516 |
| Other than SMEF, CF, BHs/ MBs,/SDs | | | 9,097,137,451 | 8,500,523,619 |
| Housing Finance (HF) | | | 1,074,586,798 | 1,083,312,053 |
| Investments for professionals to set up business (LP) | | | - | - |
| Short Term Agri. Investments | | | 113,030,662 | 117,018,810 |
| Others | | | 8,726,162,893 | 8,621,802,057 |
| | | | 22,537,901,299 | 21,067,077,786 |
| | | | 570,286,708,242 | 524,795,151,026 |
| 8.9 Particulars of Required Provision for Investments as per CL | | | | |
| <u>Classification status</u> | | | | |
| Unclassified | Base for Provision | Rate | | |
| Standard | 539,349,603,456 | 0.25-5% | 5,667,437,148 | 5,708,560,507 |
| Special Mention Account | 8,371,226,458 | 0.25-5% | 158,803,655 | 243,000,361 |
| Off -Balance Sheet Exposure | 18,575,970,281 | 1% | 185,759,703 | 344,099,216 |
| | | | 6,012,000,506 | 6,295,660,084 |
| <u>Classified:</u> | | | | |
| Sub - Standard | 3,336,756,426 | 20% | 667,351,285 | 417,709,262 |
| Doubtful | 3,296,802,174 | 50% | 1,648,401,087 | 2,016,311,598 |
| Bad and Loss | 8,542,075,674 | 100% | 8,542,075,674 | 8,157,432,739 |
| | | | 10,857,828,046 | 10,591,453,599 |
| | | | 16,869,828,552 | 16,887,113,683 |

| | 31.12.2023 BDT | 31.12.2022 BDT |
|--|-------------------|------------------------|
| Total Required Provision against Investments as per CL | 16,869,828,552 | 16,887,113,683 |
| Total Provision Maintained | 16,871,847,656 | 15,228,420,004 |
| Provision Surplus/(Deferred) | 2,019,104 | (1,658,693,679) |

Bangladesh Bank inspection Team (DBI-6) has raised additional provision amount of Tk. 65.00 Crore (including provision for other assets Tk. 13.33 crore and specific provision Tk. 51.67 crore) vide their letter no. DBI-O6/51(2)/2024-280 dated 16/04/2024 and bank has maintained provision as per Bangladesh Bank instruction.

8.10 Particulars of Investments

| | | | |
|-------|---|------------------------|------------------------|
| i) | Investments considered good in respect of which the Bank Company is fully secured. | 106,788,802,983 | 113,804,071,449 |
| ii) | Investments considered good for which the bank holds no Security other than the debtors personal security. | 267,117,165,037 | 239,825,248,761 |
| iii) | Investment considered good and secured by the personal security of one or more parties in addition to the personal security of the debtors. | 196,380,740,221 | 171,165,830,816 |
| iv) | Investments adversely classified; provision not maintained there against. | - | - |
| | | 570,286,708,242 | 524,795,151,026 |
| v) | Investments due by directors or executives of the banking company or any of them taken either separately or jointly with any other person. | 27,642,991,027 | 43,391,800,000 |
| vi) | Investments due by companies or firms in which the directors of the bank company are interested as directors partners or managing agents or in case of private companies, as members. | - | - |
| vii) | Maximum total amount of investments, including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either separately or jointly with any other person. | - | - |
| viii) | Maximum total amount of investments, including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in the case of private companies, as members. | - | - |
| ix) | Investment due from other banking companies | - | - |
| x) | Total amount of classified Investments on which profit is not credited to income | 22,537,901,299 | 21,067,077,786 |
| a. | Movement of classified Investments | | |
| | Opening balance | 21,067,077,786 | 21,571,508,990 |
| | Increase/ (Decrease) during the year | 1,470,823,513 | (504,431,204) |
| | | 22,537,901,299 | 21,067,077,786 |
| b. | Amount of provision kept against classified investment as on the reporting date of Balance Sheet | 10,857,828,046 | 10,591,453,599 |

| | 31.12.2023 BDT | 31.12.2022 BDT |
|--|-------------------|-------------------|
| c. Profit credited to the profit/Rent/Compensation Suspense Account | 2,700,475,623 | 2,535,965,967 |
| xi) Amount of written off Investment: | | |
| a. Cumulative amount | 38,026,057 | 38,026,057 |
| b. Amount written off during the year | - | - |
| c. Total amount of written off (a+b) | 38,026,057 | 38,026,057 |
| d. Amount recovered against such written- off up to this year | 1,050,000 | 50,000 |
| e. Amount of investment written- off against which suit has been filled to recover the same. | 38,026,057 | 38,026,057 |
| 8.11 Write off Investment | | |
| Balance at the beginning of the year | 37,976,057 | 38,026,057 |
| Add: Write off during the year | - | - |
| Less: Recovery of Write off Investment | 1,000,000 | 50,000 |
| Balance at the end of the year | 36,976,057 | 37,976,057 |

Investments are written-off in line with Bangladesh Bank's BRPD Circular No. 02 dated 13 January 2003, DOS Circular No. 01 dated 29 December 2004, BRPD Circular No. 13 dated 07 November 2013 and BRPD Circular No. 01 dated 02 February 2019 when prospect of recovery of such Investments become non-existent. However, such write-off does not reduce the claim against the Investment Client. Detailed records for all write-off accounts are separately maintained by the Bank to continue the recovery efforts. The total amount of written-off bad debts by banks was BDT 3.80 Crore at end of the year 2023.

8.12 Security against Investments including bills purchased & negotiated:

| | | |
|---|------------------------|------------------------|
| Collateral of movable/immovable assets | 25,219,316,305 | 24,462,868,911 |
| Local banks & financial institutions guarantee | - | 3,119,671,449 |
| Export documents | 6,884,500,566 | 5,231,392,877 |
| Own MTDR | 104,815,918,362 | 110,684,400,000 |
| MTDR of other Banks | - | - |
| Government Bonds | - | - |
| Personal guarantee | 89,677,648,718 | 83,656,261,397 |
| Other security | 1,300,308,626 | 1,201,120,624 |
| Unsecured | 342,389,015,665 | 296,439,435,768 |
| | 570,286,708,242 | 524,795,151,026 |
| 8.13 Maturity Grouping of Bills Purchased and Negotiated | | |
| Payable within 1 month | 19,216,235 | 28,566,373 |
| Over 1 month but less than 3 months | 5,130,264 | 7,626,522 |
| Over 3 months but less than 6 months | 825,533,482 | 1,227,217,352 |
| 6 Months or more | 1,506,115,955 | 2,238,954,172 |
| | 2,355,995,936 | 3,502,364,419 |
| 9 Consolidated Fixed Assets including premises & Intangible Assets | | |
| First Security Islami Bank PLC. (Note-9 (a)) | 6,725,414,524 | 6,877,634,336 |
| First Security Islami Capital & Investment Limited | 3,409,682 | 8,497,199 |
| First Security Islami Exchange Italy | 958,272 | 1,518,336 |
| | 6,729,782,478 | 6,887,649,871 |

| | 31.12.2023 BDT | 31.12.2022 BDT |
|--|-----------------------|-----------------------|
| 9(a) Fixed Assets including premises & Intangible Assets (Annexure-A) | | |
| Land | 334,631,624 | 334,631,624 |
| Building | 4,071,630,866 | 4,068,443,511 |
| Furniture & Fixtures | 2,943,697,078 | 2,797,217,162 |
| Office Equipment | 3,184,402,076 | 2,963,188,389 |
| Vehicles | 212,528,461 | 238,257,734 |
| Books | 672,960 | 672,960 |
| | 10,747,563,065 | 10,402,411,380 |
| Less: Accumulated Depreciation | 4,325,631,506 | 3,840,176,863 |
| | 6,421,931,559 | 6,562,234,517 |
| Lease Assets-Premises | | |
| Right-of-use assets | 380,680,952 | 332,468,808 |
| Less: Accumulated Depreciation | 187,792,906 | 139,046,906 |
| | 192,888,046 | 193,421,902 |
| Intangible Assets | | |
| Software -Core banking | 362,480,110 | 349,349,564 |
| Less: Accumulated Amortization | 251,885,191 | 227,371,647 |
| | 110,594,919 | 121,977,917 |
| | 6,725,414,524 | 6,877,634,336 |

Revaluation of Land and Building

As per Bangladesh Bank BRPD circular no.10 dated 24 November 2002; circular no.09 dated 31 December 2008 and circular no.24 dated 03 August 2010; the Bank revalued the entire land and building by the professional valuers for the year 2012 and 2022 respectively.

Right of use assets:

The bank has leases for the mainly for Head Office/Branch office buildings. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right -of -use asset and a lease liability. The Bank classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

10 CONSOLIDATED OTHER ASSETS

| | | |
|--|----------------------|----------------------|
| First Security Islami Bank PLC. (Note-10(a)) | 6,518,920,712 | 4,791,716,959 |
| First Security Islami Capital & Investment Limited | 2,140,251,836 | 2,036,105,755 |
| First Security Islami Exchange Italy S.R.L | 35,612,918 | 53,819,863 |
| | 8,694,785,466 | 6,881,642,577 |
| Less: Inter-company transaction | 364,794,790 | 426,796,923 |
| | 8,329,990,676 | 6,454,845,654 |
| 10(a) OTHER ASSETS | | |
| i) Income generating other assets | - | - |
| ii) Non-income generating other assets | | |
| Inter - branch Transaction Account (Note -10.1) | 5,508,715 | - |
| Accrued Income | 2,614,836,804 | 2,058,845,930 |
| Advances, Deposits and Prepayment (Note -10.2) | 3,118,265,564 | 2,008,931,823 |
| Stock of Stationery | 44,033,204 | 49,946,705 |
| Suspense Account (Note- 10.3) | 43,357,861 | 89,048,088 |
| Stamps on Hand | 7,062,640 | 6,220,784 |
| Protested Bills | 61,454,778 | 61,454,778 |
| Deferred Tax Assets (Note- 10.4) | 624,401,146 | 517,268,851 |
| | 6,518,920,712 | 4,791,716,959 |

| | 31.12.2023 BDT | 31.12.2022 BDT |
|---|----------------------|----------------------|
| 10.1 FSIB General Account (IBTA) | | |
| 10.1.1 Un-reconciled entries of Inter Branch Transaction in Bangladesh | | |
| Age | | |
| Up to 3 month | 5,508,715 | - |
| Over 3 month but not more than 6 month | - | - |
| More than 6 month | - | - |
| | 5,508,715 | - |
| 10.1.2 Un-reconciled entries of Inter Branch Transaction Outside Bangladesh | | |
| Age | | |
| Up to 3 month | - | - |
| Over 3 month but not more than 6 month | - | - |
| More than 6 month | - | - |
| | - | - |
| | 5,508,715 | - |
| Inter-branch transaction account represents net outstanding balance between Inter-branch and Head Office transaction(net) originated but yet to be responded at the balance sheet date. However, the status of non-respondent entries on 31.12.2023 have been reconciled on 27/02/2024. | | |
| 10.2 Advance, Deposits and Prepayment | | |
| Advance against Rent - Office* | 419,962,160 | 395,413,779 |
| Clearing Adjustment Account (under BACH) | 32,900,000 | 51,500,000 |
| Remittance Settlement Account | 1,526,803,818 | 729,860,482 |
| Prepayment | 1,125,640,053 | 806,645,260 |
| Prepaid Insurance | 316,945 | 480,668 |
| Advance Against Security Deposit | 6,195,800 | 6,345,567 |
| Advance Deposits | 6,446,788 | 18,686,067 |
| | 3,118,265,564 | 2,008,931,823 |
| 10.3 Suspense Account | | |
| Sundry Debtors and Others | 42,964,958 | 88,176,785 |
| Advance against TA/DA | - | 206,272 |
| Advance against petty cash | 392,903 | 665,031 |
| | 43,357,861 | 89,048,088 |
| 10.4 Deferred Tax Assets (net off liabilities) | | |
| Deferred tax asset (10.4.1) | 1,043,215,844 | 938,952,303 |
| Deferred tax liability (10.4.2) | 418,814,697 | 421,683,451 |
| | 624,401,146 | 517,268,851 |
| 10.4.1 Deferred Tax Assets | | |
| Temporary timing difference between charging Specific provision and written off B/L Investments | | |
| Cumulative provision made against bad loss Investments | 2,818,884,972 | 2,541,948,864 |
| Adjustment of corresponding provision on write off | 36,976,056 | 38,076,057 |
| Deductible temporary difference | 2,781,908,916 | 2,503,872,807 |
| Tax Rate | 37.50% | 37.50% |
| Deferred Tax Assets | 1,043,215,844 | 938,952,303 |
| Opening Deferred Tax Assets | 938,952,303 | 1,034,785,584 |
| Deferred Tax Income/(Expenses) during the year | 104,263,541 | (95,833,281) |
| 10.4.2 Deferred Tax Liabilities | | |
| Temporary timing difference in written down value of fixed Assets | | |
| Carrying amount | 6,532,526,478 | 6,684,212,434 |
| Tax base | 5,415,687,285 | 5,559,723,231 |
| Taxable temporary difference | 1,116,839,193 | 1,124,489,203 |
| Tax Rate | 37.50% | 37.50% |
| Deferred Tax Liabilities | 418,814,697 | 421,683,451 |
| Opening Deferred Tax Liabilities | 421,683,451 | 584,926,717 |
| Deferred Tax Expenses Charged in profit and Loss A/C during the year | (2,868,754) | (159,470,362) |
| Deferred Tax transfer from/(To) Asset Revaluation Reserve | (3,772,903) | (3,772,903) |
| Deferred Tax Expenses during the year | (6,641,657) | (163,243,266) |

As per International Accounting Standard (IAS)- 12 deferred tax is recognized since December 2007. Deferred tax assets have been arrived at Tk. 61.44 crore as on December 31, 2023. According to BRPD Circular No. 11 Dated 12 December 2011, the increased amount of the net income after tax due to the recognition of deferred tax will not be distributed as dividend. Deferred tax asset is recognized to the extents which are expected to recover in future.

| | 31.12.2023 BDT | 31.12.2022 BDT |
|---|--------------------------|------------------------|
| 11 NON-BANKING ASSETS | 25,145,280 | 25,145,280 |
| The Bank has been awarded ownership of the mortgage properties of M/s. Ranuka Knit Fashion (Pvt.) Ltd. according to the verdict of the Honorable Court in accordance with section 33(7) of "Artharin Adalat -2003". An amount of Tk. 25,145,280/- is reported in the financial Statements as Non-Banking Assets through the adjustment of outstanding investment against the client as on 15/10/2015. The value of Non-Banking Assets has been determined on the basis of valuation report of an Independent surveyor company | | |
| 12 CONSOLIDATED PLACEMENT FROM BANK & OTHER FINANCIAL INSTITUTION | | |
| First Security Islami Bank PLC. (Note- 12(a)) | 134,585,643,997 | 80,484,391,794 |
| First Security Islami Capital & Investment Limited | 1,413,398,424 | 1,321,328,811 |
| | 135,999,042,421 | 81,805,720,605 |
| Less: Inter Company Transaction | 962,563,969 | 850,761,381 |
| | 135,036,478,452 | 80,954,959,224 |
| 12(a) PLACEMENT FROM BANK & OTHER FINANCIAL INSTITUTION | | |
| a) Inside Bangladesh | | |
| Bangladesh Bank | 121,977,518,997 | 74,496,953,484 |
| Islami Bank Bangladesh PLC. | 1,920,625,000 | - |
| Sonali Bank PLC. | 1,260,000,000 | - |
| Janata Bank PLC. | 1,670,000,000 | 1,000,000,000 |
| Exim Bank PLC. | 810,000,000 | - |
| Rupali Bank PLC. | 1,460,000,000 | - |
| | 129,098,143,997 | 75,496,953,484 |
| b) Outside Bangladesh-OBU | | |
| Ajman Bank, UAE | 5,487,500,000 | 4,987,438,310 |
| | 134,585,643,997 | 80,484,391,794 |
| A. Security- wise grouping | | |
| Secured Placement | 24,850,000,000 | 23,250,000,000 |
| Unsecured Placement | 109,735,643,997 | 57,234,391,794 |
| | 134,585,643,997 | 80,484,391,794 |
| B. Repayment Nature wise Grouping | | |
| Repayable on demand | 5,200,000,000 | 1,000,000,000 |
| Others | 129,385,643,997 | 79,484,391,794 |
| | 134,585,643,997 | 80,484,391,794 |
| C. Maturity Analysis | | |
| Repayable on Demand | - | - |
| Repayable within One Month | 133,235,143,997 | 61,895,991,794 |
| One Month to Six Months | - | 10,207,000,000 |
| Six Month to One Year | - | - |
| One Year to Five Years | 1,350,500,000 | 8,381,400,000 |
| Five Years to Ten Years | - | - |
| | 134,585,643,997 | 80,484,391,794 |
| 13 DEPOSITS AND OTHER ACCOUNTS | | |
| A. Deposits Received from Banks (Note A-1) | 33,563,980,718.24 | 28,481,016,934 |
| B. Other than Bank | | |
| Payable on Demand (Note B-1) | 19,615,779,192 | 20,696,630,567 |
| Other Deposits (Note B-2) | 402,015,235,559 | 423,868,669,236 |
| | 421,631,014,751 | 444,565,299,803 |
| | 455,194,995,469 | 473,046,316,737 |

| | 31.12.2023 BDT | 31.12.2022 BDT |
|--|------------------------|------------------------|
| C. Maturity wise Classification of Deposits | | |
| Repayable on Demand | 19,615,779,192 | 20,696,630,567 |
| With a residual maturity of | | |
| Re-payable within 1 month | 95,243,564,046 | 56,420,486,170 |
| Over 1 month but within 6 months | 166,097,855,563 | 90,425,600,000 |
| Over 6 months but not more than 1 year | 70,006,696,668 | 96,910,400,000 |
| Over 1 year but not more than 5 years | 89,594,600,000 | 122,875,200,000 |
| Over 5 years but within for 10 years | 14,633,796,905 | 85,715,367,867 |
| Unclaimed Deposits For 10 years or more | 2,703,095 | 2,632,133 |
| | 455,194,995,469 | 473,046,316,737 |
| A-1 Deposits Received from Banks | | |
| Islami Bank Bangladesh PLC. | 29,330,154,096 | 27,412,231,349 |
| Exim Bank PLC. | 3,886,965 | 12,337,170 |
| Union Bank PLC. | 65,141,533 | 17,503,115 |
| Global Islami Bank PLC. | 282,373,362 | 532,988,008 |
| Bangladesh Commerce Bank Ltd. | 1,410,117,307 | 1,000,150 |
| Al-Arafah Islami Bank PLC. | 1,000,000,000 | - |
| AB Bank PLC. | 496,914 | 486,654 |
| Social Islami Bank PLC. | 1,471,810,542 | 504,470,488 |
| | 33,563,980,718 | 28,481,016,934 |
| Maturity wise Grouping of Deposits Received from Banks | | |
| Repayable on Demand | 2,639,713,869 | 2,467,100,821 |
| With a residual maturity of | | |
| Re-payable within 1 month | 29,924,266,850 | 26,013,916,113 |
| Over 1 month but within 6 months | 1,000,000,000 | - |
| Over 6 months but not more than 1 year | - | - |
| Over 1 year but not more than 5 years | - | - |
| Over 5 years but within for 10 years | - | - |
| | 33,563,980,718 | 28,481,016,934 |
| B-1 Payable on Demand | | |
| Al-wadiah Current Deposits | 8,908,104,973 | 9,326,676,136 |
| Mudaraba Saving Deposits (9%) | 6,695,353,518 | 6,316,122,759 |
| Security Deposit Receipt | 45,579,908 | 66,820,512 |
| Sundry Deposits | 3,966,740,793 | 4,987,011,160 |
| | 19,615,779,192 | 20,696,630,567 |
| B- 2 Other Deposits | | |
| Mudaraba Saving Deposits 91% (excluding bank deposit) | 38,367,309,251 | 36,450,787,664 |
| Mudaraba Term Deposits | 290,955,086,665 | 308,967,731,305 |
| Mudaraba Short Notice Deposits (excluding bank deposit) | 23,290,539,510 | 27,017,107,327 |
| Bills Payable (Note-13.2) | 3,358,829,216 | 5,679,725,957 |
| Bearer Certificates of Deposits | - | - |
| Mudaraba Deposit under Schemes (Note-13.5) | 45,239,938,997 | 44,831,910,652 |
| Foreign Currency Deposits | 803,531,920 | 921,406,331 |
| | 402,015,235,559 | 423,868,669,236 |
| 13.1 Consolidated Al-Wadiah Current Accounts & Other Deposit Accounts | | |
| First Security Islami Bank PLC. (Note-13.1) | 40,248,323,726 | 43,387,807,051 |
| First Security Islami Capital & Investment Limited | - | - |
| | 40,248,323,726 | 43,387,807,051 |
| Less: Inter-company transaction | 43,821,620 | 21,285,607 |
| | 40,204,502,106 | 43,366,521,444 |

| | 31.12.2023 BDT | 31.12.2022 BDT |
|--|------------------------|------------------------|
| 13.1(a) Al-Wadiah Current Accounts & Other Deposit Accounts | | |
| Al-wadiah Current Deposits | 8,883,379,793 | 9,298,754,380 |
| Mudaraba Short Notice Deposits | 26,524,366,132 | 28,085,892,912 |
| Sundry Deposits | 3,966,740,793 | 4,987,011,160 |
| Unclaimed Dividend Account (Note 13.1.1) | 24,725,180 | 27,921,756 |
| Security Deposit Receipt | 45,579,908 | 66,820,512 |
| Foreign Currency Deposits | 803,531,920 | 921,406,331 |
| | 40,248,323,726 | 43,387,807,051 |
| 13.1.1 Unclaimed Dividend Account | | |
| FSIB Bonus shares Fraction | 60,173 | 103,146 |
| FSIB Cash Dividend-2020 | 11,449,495 | 12,483,568 |
| FSIB Cash Dividend-2021 | 13,215,512 | 15,335,042 |
| | 24,725,180 | 27,921,756 |
| The BO Account Number-wise or Name-wise or Folio Number-wise Unclaimed Dividend Account contains huge number of pages which has been submitted to Bangladesh Securities and Exchange Commission. | | |
| 13.2 Bills Payable | | |
| Pay Order Issued | 3,357,044,419 | 5,677,916,160 |
| Demand Draft Payable | 1,685,847 | 1,710,847 |
| Pay Slips Issued | 98,950 | 98,950 |
| | 3,358,829,216 | 5,679,725,957 |
| 13.3 Mudaraba Savings Deposits | | |
| As per BRPD Circular No. 06, dated 24 June 07, total saving deposits amount is bifurcated into: | | |
| 9 % of total Mudaraba Savings Deposits | 6,695,353,518 | 6,316,122,759 |
| 91% of total Mudaraba Savings Deposits | 67,697,463,347 | 63,863,019,013 |
| | 74,392,816,865 | 70,179,141,772 |
| 13.4 Mudaraba Term Deposits including other Banks - Maturity wise Grouping | | |
| Payable on Demand | 4,449,192,437 | 2,812,405,533 |
| Up to Three Months | 119,105,551,226 | 120,207,501,624 |
| From Three Months to Six Months | 35,713,454,832 | 54,370,684,961 |
| Above Six Months to One Year | 74,324,026,439 | 89,250,516,552 |
| Above One Year to Two Years | 14,603,478,807 | 458,453,401 |
| Above Two Years | 43,759,382,924 | 41,868,169,234 |
| | 291,955,086,665 | 308,967,731,305 |

| | 31.12.2023 BDT | 31.12.2022 BDT |
|--|-----------------------|-----------------------|
| 13.5 Other Mudaraba Deposits | | |
| Mudaraba Deposit under Schemes: | | |
| Mudaraba Monthly Savings Scheme | 6,604,288,806 | 7,738,875,065 |
| Mudaraba Hajj Scheme | 358,647,594 | 318,847,965 |
| Mudaraba Marriage Scheme | 4,401,155,402 | 4,389,173,718 |
| Mudaraba Health Care Scheme | 21,609,315,622 | 21,382,173,679 |
| Mudaraba Education Deposit Scheme | 3,237,467,265 | 3,169,667,086 |
| Mudaraba Pension Deposit Scheme | 1,196,317,468 | 1,249,704,249 |
| Mudaraba Millionaire Deposit Scheme | 2,713,928,761 | 2,765,673,784 |
| Mudaraba Kroropoti Deposit Scheme | 2,732,615,331 | 2,558,335,658 |
| Mudaraba Probashi Deposit Scheme | 210,778,576 | 262,085,586 |
| Mudaraba Money Plant Deposit Scheme | - | 192,600 |
| Mudaraba Gift Cheque | 10,169,244 | 10,742,244 |
| Mudaraba Griheni Deposit Scheme | 291,980,840 | 304,185,756 |
| Mudaraba New Generation Deposit Scheme | 33,486,098 | 41,096,788 |
| Mudaraba Cash Waqf. Deposit Scheme | 6,733,375 | 5,635,903 |
| Mudaraba Pension Scheme (Sanchay Sukh) | 77,196,575 | 18,246,253 |
| Mudarabah Others Deposit Scheme | 1,755,858,040 | 617,274,318 |
| | 45,239,938,997 | 44,831,910,652 |
| 14 MUDARABA SUBORDINATED BOND | 5,100,000,000 | 7,400,000,000 |

The bank issued FSIB 2nd Mudaraba Subordinated Bond (Private Placement) amounting to BDT 450.00 (Four hundred fifty) crore only through private placement with 7 years maturity for enhancement of Tier-II capital as per requirement of Basel –III. The semi-annual profit has already been paid up to 31/12/2023. However, the amount of Tk. 310.00 crore had already been paid up to December 2023 as principal redemption.

The bank issued FSIB 3rd Mudaraba Subordinated Bond (Private Placement) amounting of BDT 700.00 (Seven hundred) crore only through private placement with 7 years maturity for enhancement of Tier-II capital as per requirement of Basel –III. The semi-annual profit has already been paid up to 31/12/2023. However, the amount of Tk. 280.00 crore had already been paid up to December 2023 as principal redemption.

| | | |
|-----------------------------------|----------------------|----------------------|
| 15 MUDARABA PERPETUAL BOND | 6,000,000,000 | 6,000,000,000 |
|-----------------------------------|----------------------|----------------------|

The Bangladesh Securities and Exchange Commission vide their letter No. BSEC/CI/DS-135/PB/2020/291 dated December 09, 2020 and Bangladesh Bank vide their letter no. BRPD (BPIS)661/14B(P)/2020-9530 dated November 09, 2020 have given their consent for raising regulatory capital by amount of BDT 600.00 (Six hundred) crore only through issuance of Unsecured, Contingent-Convertible, Non-Cumulative FSIB Mudaraba Perpetual Bond for enhancement of Additional Tier-1 Capital as per requirement of Basel –III. The FSIB Mudaraba Perpetual Bond has been fully subscribed by BDT 600.00 crore on 17th October 2021. The annual profit has already been paid up to 31/12/2023.

| | | |
|--|-----------------------|-----------------------|
| 16 CONSOLIDATED OTHER LIABILITIES | | |
| First Security Islami Bank PLC. (Note-16(a)) | 33,042,552,683 | 26,116,875,125 |
| First Security Islami Capital & Investment Limited | 360,160,659 | 350,022,765 |
| First Security Islami Exchange Italy S.R.L | 449,062,581 | 469,463,831 |
| | 33,851,775,923 | 26,936,361,721 |
| Less: Inter-company transaction | 410,972,248 | 523,642,237 |
| | 33,440,803,675 | 26,412,719,484 |

| | 31.12.2023 BDT | 31.12.2022 BDT |
|--|-----------------------|-----------------------|
| 16(a) OTHER LIABILITIES | | |
| Inter - branch Transaction Account | - | 506,210 |
| Current Tax Liabilities (Note-16.1) | 3,508,251,413 | 2,796,485,362 |
| Accumulated Provision against Investments(Note-16.3) | 16,871,847,656 | 15,228,420,004 |
| Profit/Rent/Compensation Suspense Account (Note -16.4) | 2,700,475,623 | 2,535,965,967 |
| Lease Liabilities | 187,882,841 | 183,532,291 |
| Accrued Profit and Expenses Payable (Note-16.5) | 7,281,242,672 | 4,052,332,671 |
| Provisions for diminution in value of Investments (Note-16.6) | 184,101,270 | 192,889,922 |
| Provision for Start up fund (Note-16.7) | 123,100,284 | 90,699,423 |
| Provisions for Others (Note-16.8) | 834,025,756 | 506,954,778 |
| Provision for Zakat | 258,371,758 | 223,591,701 |
| Provident Fund | 30,062 | 18,724 |
| Provision for Gratuity | 75,112,519 | - |
| Benevolent Fund | 499 | 4,749 |
| Compensation Realized | 44,657,604 | 26,691,678 |
| Others | 752,642,599 | 212,821,691 |
| Off-shore Banking Unit | 220,810,127 | 65,959,954 |
| | 33,042,552,683 | 26,116,875,125 |
| 16.1 Current Tax Liabilities | | |
| Provision for Tax | | |
| Opening Balance | 17,841,112,057 | 15,239,986,435 |
| Add : Provision made during the year | 2,831,338,541 | 2,601,125,622 |
| | 20,672,450,598 | 17,841,112,057 |
| Advance Income Tax | | |
| Opening Balance | 15,044,626,695 | 12,492,570,341 |
| Add : Tax paid during the year | 2,119,572,490 | 2,552,056,354 |
| | 17,164,199,185 | 15,044,626,695 |
| Net Tax Liabilities | 3,508,251,413 | 2,796,485,362 |
| Assessment for the year 1999, 2002, 2005, 2006, 2009, 2012 and 2013 have been settled. Assessment order of 2000, 2001, 2003, 2004, 2007, 2008, 2010, 2011, 2014, 2015, 2016, 2017 and 2018 are pending with High Court 2019 and 2020 are pending with Commissioner of Taxes Appeal (1st Appeal). The return for the year 2021 and 2022 have already been submitted and assessment is not yet completed by DCT level. | | |
| 16.2 Consolidated Provision for Investments during the year | | |
| First Security Islami Bank PLC. (Note-16.2(a)) | 1,642,427,652 | 1,542,322,027 |
| First Security Islami Capital & Investment Limited | 11,242,275 | 37,556,701 |
| | 1,653,669,927 | 1,579,878,728 |
| 16.2(a) Provision for Investments during the year | | |
| Specific Provision for Classified Investment | 265,374,447 | 34,972,354 |
| General Provision | 2,035,392,718 | 1,049,039,922 |
| Off -Balance Sheet exposure | (158,339,513) | (41,690,249) |
| Special General Provision-Covid-19 | (500,000,000) | 500,000,000 |
| | 1,642,427,652 | 1,542,322,027 |

| | 31.12.2023 BDT | 31.12.2022 BDT |
|---|-----------------------|-----------------------|
| 16.3 Accumulated Provision for Investments | | |
| Specific Provision for Classified Investments (Note -16.3.1) | 10,857,828,046 | 10,591,453,599 |
| General Provision (Note -16.3.2) | 5,218,734,814 | 3,183,342,096 |
| Off -Balance Sheet exposure (Note -16.3.3) | 185,759,703 | 344,099,216 |
| Special General Provision-Covid-19 (Note -16.3.4) | 609,525,093 | 1,109,525,093 |
| | 16,871,847,656 | 15,228,420,004 |
| 16.3.1 Movement in Specific Provision for Classified Investments | | |
| Provision held at the beginning of the year | 10,591,453,599 | 10,556,431,245 |
| Less: Fully provided debts written off | - | - |
| Add: Recoveries of amounts previously written off | 1,000,000 | 50,000 |
| Add/(Less): Specific Provision during the year | (251,389,814) | (2,084,941,635) |
| Add: Addition during the year as per Bangladesh Bank requirement | 516,764,261 | - |
| Add: Transferred from General Provision during the year | - | 2,119,913,989 |
| | 10,857,828,046 | 10,591,453,599 |
| 16.3.2 General Provision | | |
| Provision held at the beginning of the year | 3,183,342,096 | 2,134,302,174 |
| Add: Addition during the year as per Bangladesh Bank requirement | - | 520,000,000 |
| Add: Addition during the year | 2,035,392,718 | 2,748,953,911 |
| Less: Transferred to Specific Provision during the year | - | (2,119,913,989) |
| Less: Transferred to Provision for other Assets during the year | - | (100,000,000) |
| | 5,218,734,814 | 3,183,342,096 |
| 16.3.3 Off-balance sheet exposure | | |
| Provision held at the beginning of the year | 344,099,216 | 385,789,465 |
| Addition/(transfer) during the year | (158,339,513) | (41,690,249) |
| | 185,759,703 | 344,099,216 |
| 16.3.4 Special General Provision-Covid-19 | | |
| Provision held at the beginning of the year | 1,109,525,093 | 609,525,093 |
| Addition/(transfer) during the year | (500,000,000) | 500,000,000 |
| | 609,525,093 | 1,109,525,093 |
| 16.4 Profit/Rent/Compensation Suspense Account | | |
| A) Profit Suspense (Old) | | |
| Opening Balance | 33,163,412 | 33,676,036 |
| Add: Transferred during the year | - | - |
| | 33,163,412 | 33,676,036 |
| Less: Recovered during the year | - | 512,624 |
| Less: Amount Written off/waived during the year | - | - |
| Balance at the end of the year | 33,163,412 | 33,163,412 |
| B) Compensation Suspense Account | | |
| Opening Balance | 2,502,802,555 | 2,093,142,167 |
| Add: Addition during the year | 171,811,685 | 425,317,248 |
| | 2,674,614,240 | 2,518,459,415 |
| Less: Recovered during the year | 7,302,029 | 15,656,860 |
| Less: Amount Written off/waived during the year | - | - |
| Balance at the end of the year | 2,667,312,211 | 2,502,802,555 |
| Total (A+B) | 2,700,475,623 | 2,535,965,967 |

| | 31.12.2023 BDT | 31.12.2022 BDT |
|---|-----------------------|-----------------------|
| 16.5 Accrued Profit and Expenses Payable | | |
| Profit Payable on Deposit Accounts | 4,320,870,767 | 3,350,205,483 |
| Power and Electricity | 2,394,458 | 2,297,839 |
| Telephone | 139,298 | 147,939 |
| Office Rent | 16,826,157 | 8,013,048 |
| Wages | 12,258,372 | 525,098 |
| Insurance | 1,203,825 | 1,334,773 |
| Audit Fee | 1,035,000 | 1,035,000 |
| Others | 2,926,514,795 | 688,773,491 |
| | 7,281,242,672 | 4,052,332,671 |
| 16.6 Provisions for diminution in value of Investments in shares | | |
| Opening Balance | 192,889,922 | 134,729,617 |
| Add: Addition /(Adjustment) during the year | (8,788,652) | 58,160,305 |
| | 184,101,270 | 192,889,922 |
| 16.7 Provision for Start up fund | | |
| Opening Balance | 90,699,423 | 61,400,328 |
| Add: Addition during the year | 32,400,861 | 29,299,095 |
| | 123,100,284 | 90,699,423 |
| As per Bangladesh Bank SMESPD Circular Letter no, 05 dated April 26, 2021 provision for Start up Fund has been maintained against 1.00% net profit after tax starting from the year 2020. | | |
| 16.8 Provisions for Others | | |
| Opening Balance | 506,954,778 | 406,954,778 |
| Add: Addition during the year | 193,770,978 | - |
| Add: Addition during the year as per Bangladesh Bank requirement | 133,300,000 | 100,000,000 |
| | 834,025,756 | 506,954,778 |
| 17 CAPITAL | | |
| AUTHORISED CAPITAL | | |
| 3,000,000,000 Ordinary shares of Taka 10 each. | 30,000,000,000 | 30,000,000,000 |
| 17.1 Issued, Subscribed and Paid-Up Capital | | |
| 1,150,608,933 Ordinary Shares of Taka 10 each issued | 11,506,089,330 | 10,460,081,210 |
| | 11,506,089,330 | 10,460,081,210 |

17.2 History of paid-up capital

Given below the history of raising share capital of First Security Islami Bank PLC.:

| Particulars | Allotment Year | Amount of Share Capital | Total Paid up Capital (Cumulative) |
|---|----------------|-------------------------|------------------------------------|
| First (Subscription to the Memorandum & | 1999 | 200,000,000 | 200,000,000 |
| Paid up capital increase | 2003 | 120,000,000 | 320,000,000 |
| Paid up capital increase | 2005 | 280,000,000 | 600,000,000 |
| Paid up capital increase | 2006 | 300,000,000 | 900,000,000 |
| Paid up capital increase | 2007 | 100,000,000 | 1,000,000,000 |
| Paid up capital increase | 2008 | 1,300,000,000 | 2,300,000,000 |
| 10% Bonus Share | 2010 | 230,000,000 | 2,530,000,000 |
| 20% Right Share | 2010 | 506,000,000 | 3,036,000,000 |
| 12% Bonus Share | 2011 | 364,320,000 | 3,400,320,000 |
| 10% Bonus Share | 2012 | 340,032,000 | 3,740,352,000 |
| 10% Bonus Share | 2013 | 374,035,200 | 4,114,387,200 |
| 10% Bonus Share | 2015 | 617,158,080 | 4,731,545,280 |
| 50% Right Share | 2015 | 2,057,193,600 | 6,788,738,880 |
| 5% Bonus Share | 2017 | 339,436,940 | 7,128,175,820 |
| 10% Bonus Share | 2018 | 712,817,580 | 7,840,993,400 |
| 10% Bonus Share | 2019 | 784,099,340 | 8,625,092,740 |
| 10% Bonus Share | 2020 | 862,509,270 | 9,487,602,010 |
| 5% Bonus Share | 2021 | 474,380,100 | 9,961,982,110 |
| 5% Bonus Share | 2022 | 498,099,100 | 10,460,081,210 |
| 10% Bonus Share | 2023 | 1,046,008,120 | 11,506,089,330 |
| Total | | 11,506,089,330 | |

| | 31.12.2023 BDT | 31.12.2022 BDT |
|--|-----------------------------|-----------------------------|
| 17.3 Category of shareholding as at 31 December 2023 | | |
| <u>Name of Category</u> | <u>Percentage(%)</u> | <u>Percentage(%)</u> |
| Sponsors / Directors | 30.14 | 33.02 |
| Foreign Investor | 1.25 | 1.25 |
| Institute | 22.29 | 19.28 |
| General Public | 46.32 | 46.45 |
| | 100.00 | 100.00 |
| 17.4 Classification of Shareholders by holding position as at 31 December 2023 | | |
| <u>Shareholding Range</u> | <u>No. of Shares</u> | <u>No. of Shares</u> |
| Up to 500 Shares | 2,676,672 | 2,730,654 |
| 501 to 5000 Shares | 49,677,156 | 48,470,688 |
| 5001 to 10,000 Shares | 28,887,817 | 26,463,173 |
| 10,001 to 20,000 Shares | 35,579,786 | 31,867,267 |
| 20,001 to 30,000 Shares | 24,179,383 | 22,634,423 |
| 30,001 to 40,000 Shares | 17,204,501 | 16,138,432 |
| 40,001 to 50,000 Shares | 13,486,832 | 13,589,522 |
| 50,001 to 100,000 Shares | 45,647,442 | 41,850,213 |
| 100,001 to 1,000,000 Shares | 140,377,775 | 126,390,251 |
| Over 1,000,000 Shares | 792,891,569 | 715,873,498 |
| | 1,150,608,933 | 1,046,008,121 |
| 17.5 <u>Capital to Risk Weighted Assets Ratio (CRAR) Under Basel-III (Consolidated Basis)</u> | | |
| <u>Tier-1 Capital:</u> | | |
| Common Equity Tier-1 Capital (CET-1): | | |
| Paid up Capital | 11,506,089,330 | 10,460,081,210 |
| Statutory Reserve | 8,743,756,230 | 7,550,143,181 |
| Other Reserve | 3,529,279,371 | 3,173,390,980 |
| Retained Earnings | 1,048,425,554 | 929,849,625 |
| Non-controlling Interest | 372,274,958 | 358,758,111 |
| Regulatory Adjustment | (734,996,065) | (639,246,768) |
| Others (5% of Deferred Tax Assets) | 31,220,057 | 25,863,443 |
| | 24,496,049,435 | 21,858,839,782 |
| Additional Tier-1 Capital (AT-1) | 5,286,365,549 | 4,809,659,299 |
| | 29,782,414,984 | 26,668,499,081 |
| <u>Tier -2 Capital:</u> | | |
| General Provision | 6,014,019,610 | 4,636,966,405 |
| Assets Revaluation Reserves | - | - |
| Subordinated Debt | 5,100,000,000 | 7,400,000,000 |
| Adjustment (Assets Revaluation Reserves @ 100%) | - | - |
| | 11,114,019,610 | 12,036,966,405 |
| Maximum Limit of Tier-2 Capital (Tier-2 Capital can be maximum up to 4.00% of the Total RWA or 88.89% of CET-1, whichever is higher) | 11,114,019,610 | 12,825,758,131 |
| A. Total Regulatory Capital | 40,896,434,594 | 38,705,465,486 |
| B. Total Risk Weighted Assets | 345,476,860,786 | 320,643,953,286 |
| C. Capital to Risk Weighted Assets Ratio (CRAR) (A/B)*100 | 11.84% | 12.07% |
| D. Common Equity Tier-1 To RWA (A -CET/B)*100 | 7.09% | 6.82% |
| Requirement of Minimum CET-1 plus Capital Conservation Buffer | 7.00% | 7.00% |
| E. Tier-1 Capital to RWA (A -CET/B)*100 | 8.62% | 8.32% |
| Requirement of Minimum Tier-1 Capital Ratio | 8.50% | 8.50% |
| F. Tier-2 Capital to RWA (A- AT/B)*100 | 3.22% | 4.00% |
| G. Minimum Capital Requirement (MCR) | 34,547,686,079 | 32,064,395,329 |
| Capital Surplus /(Deficiency) against MCR (A-G) | 6,348,748,516 | 6,641,070,157 |
| H. Required Minimum Capital Plus Capital Conservation Buffer. | 43,184,607,598 | 40,080,494,161 |

| | 31.12.2023 BDT | 31.12.2022 BDT |
|---|------------------------|------------------------|
| 17.5(a) Capital to Risk Weighted Assets Ratio (CRAR) Under Basel-III (Solo Basis) | | |
| <u>Tier-1 Capital:</u> | | |
| Common Equity Tier-1 Capital (CET-1): | | |
| Paid up Capital | 11,506,089,330 | 10,460,081,210 |
| Statutory Reserve | 8,743,756,230 | 7,550,143,181 |
| Other Reserve | 3,575,490,973 | 3,152,659,895 |
| Retained Earnings | 1,183,175,862 | 1,088,680,938 |
| Regulatory Adjustment | (734,996,065) | (639,246,768) |
| Others (5% of Deferred Tax Assets) | 31,220,057 | 25,863,443 |
| | 24,304,736,387 | 21,638,181,898 |
| Additional Tier-1 Capital (AT-1) | 5,256,103,099 | 4,767,632,698 |
| | 29,560,839,486 | 26,405,814,596 |
| <u>Tier -2 Capital:</u> | | |
| General Provision | 6,014,019,610 | 4,636,966,405 |
| Assets Revaluation Reserves | - | - |
| Subordinated Debt | 5,100,000,000 | 7,400,000,000 |
| Adjustment (Assets Revaluation Reserves @ 100%) | - | - |
| | 11,114,019,610 | 12,036,966,405 |
| Maximum Limit of Tier-2 Capital (Tier-2 Capital can be maximum up to 4.00% of the Total RWA or 88.89% of CET-1, whichever is higher) | 11,114,019,610 | 12,713,687,196 |
| A. Total Regulatory Capital | 40,674,859,096 | 38,442,781,001 |
| B. Total Risk Weighted Assets | 341,455,472,195 | 317,842,179,891 |
| C. Capital to Risk Weighted Assets Ratio (CRAR) (A/B)*100 | 11.91% | 12.09% |
| D. Common Equity Tier-1 To RWA (A -CET/B)*100 | 7.12% | 6.81% |
| Requirement of Minimum CET-1 plus Capital Conservation Buffer | 7.00% | 7.00% |
| E. Tier-1 Capital to RWA (A -CET/B)*100 | 8.66% | 8.31% |
| Requirement of Minimum Tier-1 Capital Ratio | 8.50% | 8.50% |
| F. Tier-2 Capital to RWA (A- AT/B)*100 | 3.25% | 4.00% |
| G. Minimum Capital Requirement (MCR) | 34,145,547,220 | 31,784,217,989 |
| Capital Surplus /(Deficiency) against MCR (A-G) | 6,529,311,877 | 6,658,563,012 |
| H.Required Minimum Capital Plus Capital Conservation Buffer | 42,681,934,024 | 39,730,272,486 |
| 18 STATUTORY RESERVE | | |
| Opening Balance | 7,550,143,181 | 6,456,663,581 |
| Add: Addition during the year | 1,193,613,049 | 1,093,479,600 |
| | 8,743,756,230 | 7,550,143,181 |
| This has been done at least @ 20% or more of the net profit before tax according to Sec. 24 of Bank Companies Act, 1991 Amendment 2013 and shall be maintained until & unless it equals to Paid-up Capital. | | |
| 19 CONSOLIDATED OTHER RESERVE | | |
| First Security Islami Bank PLC. (Note 19(a)) | 3,575,490,973 | 3,152,659,895 |
| First Security Islami Exchange Italy S.R.L | 41,300,000 | 41,300,000 |
| Translation Reserve | (46,211,602) | 20,731,085 |
| | 3,570,579,371 | 3,214,690,980 |
| Less: Intercompany Transaction | 41,300,000 | 41,300,000 |
| | 3,529,279,371 | 3,173,390,980 |

| | 31.12.2023 BDT | 31.12.2022 BDT |
|--|----------------------|----------------------|
| 19(a) OTHER RESERVE | | |
| Opening Balance | 3,152,659,895 | 2,838,947,004 |
| Add: Addition during the year | 412,770,004 | 303,651,817 |
| Add: Transferred from Asset Revaluation Reserve | 10,061,074 | 10,061,074 |
| | 3,575,490,973 | 3,152,659,895 |
| 20 ASSETS REVALUATION RESERVE | | |
| Opening Balance | 188,645,132 | 194,933,303 |
| Add: Additional made this year | - | - |
| Add: Deferred tax impact on excess depreciation | 3,772,903 | 3,772,903 |
| Less: Transfer to Other Reserve | 10,061,074 | 10,061,074 |
| | 182,356,960 | 188,645,132 |
| <p>The Bank revalued the entire land and building during the year 2012 by an independent valuation firm according to paragraph 36 of IAS-16 as per approval of the meeting of 129th Board of Directors of the Bank. As per IAS-16, Revaluation reserve is transferred to Other Reserve in each year during the lifetime of those assets.</p> | | |
| 21 CONSOLIDATED RETAINED EARNINGS | | |
| Opening Balance | 929,849,625 | 887,102,932 |
| Add: Post tax profit for the period | 3,311,669,824 | 2,961,502,802 |
| Less: Transfer to Statutory Reserve | 1,193,613,049 | 1,093,479,600 |
| Less: Transfer to Other Reserve | 412,770,004 | 303,651,817 |
| Less: Dividend paid during the period | 1,063,340,916 | 1,030,863,799 |
| Less: Dividend/Coupon Paid to Perpetual Bond Holder | 493,200,000 | 472,200,000 |
| Less: Non-controlling Interest | 30,169,926 | 18,560,892 |
| | 1,048,425,554 | 929,849,625 |
| 21(a) RETAINED EARNINGS | | |
| Opening Balance | 1,088,680,938 | 1,024,301,103 |
| Add: Post tax profit for the period | 3,240,086,097 | 2,929,909,459 |
| Less: Transfer to Statutory Reserve | 1,193,613,049 | 1,093,479,600 |
| Less: Transfer to Other Reserve | 412,770,004 | 303,651,817 |
| Less: Dividend paid during the period | 1,046,008,120 | 996,198,206 |
| Less: Dividend/Coupon Paid to Perpetual Bond Holder | 493,200,000 | 472,200,000 |
| | 1,183,175,862 | 1,088,680,938 |
| 22 NON-CONTROLLING INTEREST | | |
| Opening Balance | 358,758,111 | 373,503,376 |
| Add: Capital Increase in Subsidiary | - | - |
| Add: Transfer during the year | 30,169,926 | 18,560,892 |
| Less: Dividend paid (Previous year) | 16,653,079 | 33,306,157 |
| | 372,274,958 | 358,758,111 |

| | 31.12.2023 BDT | 31.12.2022 BDT |
|--|----------------------|----------------------|
| 23 LETTER OF GUARANTEES | | |
| Money for which the Bank is contingently liable in respect of guarantees are given favoring: | | |
| Letters of Guarantee - Local | 6,141,521,166 | 6,193,807,705 |
| Letter of Guarantee - Foreign | 10,254,500 | 1,063,400 |
| | 6,151,775,666 | 6,194,871,105 |
| 23.1 Money for Which the Bank is Contingently Liable in respect of | | |
| Directors | - | - |
| Government | - | - |
| Banks and Other Financial Institutions | - | - |
| Others | 6,151,775,666 | 6,194,871,105 |
| | 6,151,775,666 | 6,194,871,105 |
| 24 IRREVOCABLE LETTERS OF CREDIT | | |
| Letters of Credit - Cash | 2,422,791,190 | 7,431,607,044 |
| Letter of Credit - Cash Inland | - | - |
| Back to Back letters of Credit - Local | 917,956,415 | 1,552,984,664 |
| Back to Back letters of Credit - Foreign | 643,107,651 | 693,061,266 |
| | 3,983,855,256 | 9,677,652,974 |
| 25 BILLS FOR COLLECTION ISSUED BY THE BANK | | |
| Foreign Documentary Bills | 732,152,030 | 1,283,675,970 |
| Outward Bills | - | - |
| Inland Documentary Bills | 4,347,751,075 | 7,168,396,893 |
| | 5,079,903,105 | 8,452,072,863 |

| | 2023 BDT | 2022 BDT |
|---|-----------------------|-----------------------|
| 26 CONSOLIDATED INVESTMENT INCOME | | |
| First Security Islami Bank PLC. (Note-26 (a)) | 51,950,748,666 | 40,235,923,289 |
| First Security Islami Capital & Investment Limited | 228,000,511 | 250,976,281 |
| | 52,178,749,177 | 40,486,899,570 |
| Less: Inter Company Transaction | 88,229,206 | 82,400,776 |
| | 52,090,519,971 | 40,404,498,794 |
| 26(a) INVESTMENT INCOME | | |
| Profit Received from: | | |
| Bai Murabaha - General | 1,411,480,069 | 831,500,826 |
| Bai Murabaha Hypothecation | 23,338,340,988 | 19,846,540,879 |
| Bai Murabaha against MTD | 13,657,173,675 | 9,140,261,856 |
| Bai Murabaha Post Import (LTR) | 993,455,423 | 474,732,947 |
| Bai Murabaha Post Import (Pledge) | 6,883,964 | 6,543,703 |
| Bai Murabaha Import Bill | 132,840,305 | 263,591,014 |
| Investment in Placements | 700,780,581 | 1,118,240,437 |
| Bai Murabaha Import | 614,368,240 | 320,010,780 |
| Bai Murabaha Export | 25,567,785 | 1,570,053 |
| Bai Murabaha SME Investment | 2,777,267,217 | 2,919,866,554 |
| Bai-Murabaha (EMI) Investment | 1,479,729,554 | 965,839,495 |
| Bai-Murabaha(General) Under SME Invest | 102,185,144 | 86,121,857 |
| Bai-Murabaha Post Import(TR)-Under SME | 69,016,065 | 70,299,711 |
| Bai-Murabaha (EQI) Investment | 649,882,123 | 1,170,370,585 |
| Mudaraba Foreign Currency Investment (EDF) | 693,968,871 | 194,129,021 |
| Inland Documentary Bills Purchased (Foreign Currency Bills) | 36,096,952 | 57,827,603 |
| Pre-shipment Investment | 65,578 | 1,914,674 |
| HPSM Transport | 60,998,777 | 57,262,644 |
| HPSM Real Estate | 508,285,072 | 320,153,338 |
| HPSM Consumer | 28,890,069 | 30,437,144 |
| HPSM Agriculture | 11,687,150 | 11,806,522 |
| HPSM SME | 41,206,790 | 32,812,092 |
| HPSM HBL Commercial | 580,903,222 | 553,949,729 |
| HPSM Industrial | 1,205,519,844 | 975,173,368 |
| Rent on HPSM Scheme | - | 2,678 |
| HPSM House Building - Staff | 26,486,080 | 32,531,425 |
| Agriculture Investment | 170,899,336 | 153,758,448 |
| Investment against Provident Fund (Staff) | 7,401,179 | 6,124,789 |
| Quard against MTDR | 12,021,631 | 12,459,626 |
| Wajira Bill Okalah | 192 | 132,522 |
| SME Investment (Others) | 976,801,412 | 770,064,140 |
| Bai-Murabaha Import Non-AD | - | 7,102,964 |
| Tamin Card | 1,662,445 | 168,262 |
| Income from Off-shore Banking Unit | 1,628,882,933 | 217,559,360 |
| | 51,950,748,666 | 40,650,861,046 |
| Less: Regulatory Adjustment | - | 414,937,757 |
| | 51,950,748,666 | 40,235,923,289 |

| | 2023 BDT | 2022 BDT |
|--|-----------------------|-----------------------|
| 27 PROFIT PAID ON DEPOSITS/ BORROWINGS, ETC. | | |
| Profit Paid on: | | |
| Mudaraba Term Deposit | 17,654,319,551 | 16,351,037,960 |
| Mudaraba Double Benefit Deposits Scheme | 1,285,313,724 | 1,204,810,200 |
| Mudaraba Monthly Savings Scheme | 459,988,884 | 477,074,267 |
| Mudaraba Monthly Benefit Savings Scheme | 80,659,943 | 244,296,420 |
| Mudaraba Savings Deposits | 3,291,351,557 | 1,970,012,892 |
| Mudaraba Short Notice Deposits | 1,832,556,129 | 1,067,261,351 |
| MSB & Placement from Other Banks | 7,300,669,276 | 1,208,451,264 |
| Lease liabilities IFRS-16 | 12,716,631 | 13,768,865 |
| Mudaraba Hajj Deposit Scheme | 29,488,724 | 26,258,614 |
| Mudaraba Student SB AC | 7,609,187 | 7,511,222 |
| Mudaraba Salary A/C | 24,312,984 | 24,506,425 |
| Mudaraba Senior Citizen AC | 19,743,168 | 19,918,655 |
| Mudaraba Marriage Scheme | 299,194,307 | 256,539,667 |
| Mudaraba Health Care Scheme | 1,468,345,964 | 1,240,461,628 |
| Mudaraba Education Deposit Scheme | 218,638,393 | 183,757,375 |
| Mudaraba Pension Deposit Scheme | 82,645,687 | 73,433,381 |
| Mudaraba Millionaire Deposit Scheme | 188,775,756 | 165,003,922 |
| Mudaraba Kroropoti Deposit Scheme | 188,128,485 | 146,772,641 |
| Mudaraba Triple Times Deposit Scheme | 19,647,738 | 26,301,451 |
| Mudaraba Four Times Deposit Scheme | 174,776,053 | 151,875,060 |
| Mudaraba Probashi Deposit Scheme | 15,305,761 | 16,663,369 |
| Mudaraba Money Plant Deposit Scheme | 29,000 | 14,000 |
| Mudaraba Griheni Deposit Scheme | 20,604,212 | 18,155,912 |
| Mudaraba Gift Cheque | 220,592 | 172,188 |
| Agent Savings A/C-Mobile Bank | 2,405,501 | 2,113,162 |
| Mudaraba New Generation Savings Scheme | 9,977,886 | 9,579,076 |
| Mudaraba New Generation Deposit Scheme | 2,434,538 | 2,968,989 |
| Mudaraba Shramajibi Savings | 21,117,754 | 18,145,637 |
| Mudaraba Cash Waqf. Deposit Scheme | 548,357 | 289,604 |
| Agent Banking Saving A/C | 19,073,194 | 11,369,318 |
| Agent Banking Float A/C | 48,174,569 | 39,790,134 |
| Mudaraba Monthly Profit 1 Year | 28,123,258 | 103,524,049 |
| Mudaraba Monthly Profit 2 Years | 17,900,646 | 29,476,507 |
| Mudaraba Specialized Saving Account (10 Taka) | 844,090 | 847,644 |
| Mudaraba Monthly Deposit Scheme GOLD | 5,541,736 | 4,774,235 |
| Mudaraba Mushafir Deposit Scheme | 52,174,520 | 28,832,564 |
| Mudaraba Monthly Profit Scheme (Morobbi) 1 Year | 166,408,634 | 408,575,609 |
| Mudaraba Sanchay Scheme 3 Years | 149,146,417 | 330,919,624 |
| Mudaraba Monthly Profit Scheme (Mahiyasi) | 228,559,839 | 549,800,772 |
| Mudaraba Workers Savings A/C | 739,769 | 498,455 |
| Mudaraba Corporate Monthly Deposit Scheme (FSIBL Merchant) | 1,739,743 | 240,379 |
| Mudaraba Pension Scheme (Sanchay Sukh) | 3,731,159 | 292,335 |
| Mudaraba Special Monthly Profit Scheme (Utshob) | 702,977,115 | 94,772,340 |
| Mudarabah Monthly Deposit Scheme-Durbar | 16,489,388 | - |
| Mudarabah FSIBL Smart Saving Account | 72,362,621 | - |
| Mudarabah Deposit Double Scheme-Samania | 11,567,180 | - |
| Mudarabah Term Deposit Account-FSIBL Century | 279,349,334 | - |
| Mudarabah Special Monthly Deposit Scheme-FSIBL Ehsan | 1,780,196 | - |
| Mudaraba Special Gift Monthly Profit Scheme "Utshob-24" | 130,753,536 | - |
| Mudarabah Smart Deposit Double Scheme | 54,100,142 | - |
| Mudarabah Term Deposit Account "Double Century" | 108,609 | - |
| Off-shore Banking Unit | 1,238,161,243 | 169,778,183 |
| | 37,941,332,680 | 26,700,647,345 |

| | 2023 BDT | 2022 BDT |
|--|----------------------|----------------------|
| 28 CONSOLIDATED INCOME FROM INVESTMENT IN SHARES & SECURITIES | | |
| First Security Islami Bank PLC. (Note-28 (a)) | 951,094,961 | 788,146,286 |
| First Security Islami Capital & Investment Limited | 21,026,491 | 27,309,800 |
| | 972,121,452 | 815,456,086 |
| 28(a) INCOME FROM INVESTMENT IN SHARES & SECURITIES | | |
| Bangladesh Govt. Islamic Investment Bond | 676,537,728 | 497,802,459 |
| Dividend on Shares | 37,513,917 | 51,131,142 |
| Profit on Sale of Shares | 1,753,316 | 16,144,822 |
| Profit Received on MSB | 1,050,000 | 8,050,000 |
| Profit Received on Muduraba Perputual Bond | 164,400,000 | 158,046,849 |
| Profit Received on Sukuk Bond | 69,840,000 | 57,323,014 |
| | 951,094,961 | 788,498,286 |
| Less: Regulatory Adjustment dividend on Shares | - | 352,000 |
| | 951,094,961 | 788,146,286 |
| 29 CONSOLIDATED COMMISSION, EXCHANGE AND BROKERAGE | | |
| First Security Islami Bank PLC. (Note-29 (a)) | 727,075,022 | 1,524,665,635 |
| First Security Islami Capital & Investment Limited | 32,538,887 | 21,906,502 |
| First Security Islami Exchange Italy | 81,365,263 | 52,180,379 |
| | 840,979,172 | 1,598,752,516 |
| 29(a) COMMISSION, EXCHANGE AND BROKERAGE | | |
| Commission | 349,627,330 | 668,747,945 |
| Exchange Gain | 377,447,692 | 855,917,690 |
| Exchange Earning | 3,292,760,880 | 1,838,176,758 |
| Less: Exchange Loss | 2,915,313,188 | 982,259,068 |
| | 727,075,022 | 1,524,665,635 |
| 30 CONSOLIDATED OTHER OPERATING INCOME | | |
| First Security Islami Bank PLC. (Note-30 (a)) | 1,843,380,318 | 791,749,899 |
| First Security Islami Capital & Investment Limited | 12,216,307 | 5,488,969 |
| First Security Islami Exchange Italy | 1,922,725 | - |
| | 1,857,519,350 | 797,238,868 |
| 30(a) OTHER OPERATING INCOME | | |
| Charges on Account Closing | 3,079,264 | 4,996,969 |
| Standing Instruction Charges | 4,811,030 | 11,677,945 |
| Gain/(Loss) on Sale of Fixed Assets | 11,804,971 | 14,586,288 |
| Supervision profit on Investment | 1,008,656,562 | - |
| Service Charge on Quard | 1,390,908 | 15,126,780 |
| Other Income (Note-30.1) | 813,637,583 | 745,361,917 |
| | 1,843,380,318 | 791,749,899 |

| | 2023 BDT | 2022 BDT |
|--|----------------------|----------------------|
| 30.1 Other Income | | |
| Postage Recoveries - Local | 631,234 | 703,641 |
| Tel/Fax/E-mail Chg. Recoveries | 13,907,823 | 23,958,879 |
| Incidental Charge on Al-Wadiah CD A/C | 20,157,620 | 21,253,325 |
| Incidental Charge on Mudaraba SB A/C | 86,860,748 | 85,269,699 |
| Incidental Charge on Mudaraba SND A/C | 13,273,974 | 12,452,118 |
| Income from Online | 20,829,414 | 51,760,043 |
| Investment Processing Fee | 93,529,386 | 60,599,780 |
| Income from ATM | 80,701,090 | 78,138,804 |
| Income from SMS Banking Services | 276,921,338 | 261,425,232 |
| Income from Internet Banking Services | 71,200 | 1,554,300 |
| Other Operational Income from TAMIN Card | 816,203 | 142,169 |
| Income From Automated Challan System(ACS) | 3,379,431 | 4,489,512 |
| Miscellaneous Earnings | 147,683,122 | 143,587,165 |
| Off-shore Banking Unit | 54,875,000 | 27,250 |
| | 813,637,583 | 745,361,917 |
| 31 CONSOLIDATED SALARY and ALLOWANCES | | |
| First Security Islami Bank PLC. (Note-31 (a)) | 5,887,533,353 | 5,270,201,431 |
| First Security Islami Capital & Investment Limited | 18,365,917 | 19,160,932 |
| First Security Islami Exchange Italy | 35,364,150 | 27,612,487 |
| | 5,941,263,420 | 5,316,974,850 |
| 31(a) SALARY and ALLOWANCES | | |
| Basic Salary | 2,226,265,375 | 2,078,281,162 |
| Bonus | 758,738,592 | 641,757,102 |
| Allowances | 2,349,022,294 | 2,055,494,372 |
| Bank's Contribution to Staff Provident Fund | 216,088,240 | 186,143,110 |
| Gratuity | 325,477,249 | 296,285,666 |
| Employees' Insurance | 6,072,570 | 6,125,280 |
| Off-shore Banking Unit | 5,869,033 | 6,114,739 |
| | 5,887,533,353 | 5,270,201,431 |
| 32 CONSOLIDATED RENT, TAXES, INSURANCE,ELECTRICITY ETC. | | |
| First Security Islami Bank PLC. (Note-32 (a)) | 866,844,224 | 837,867,800 |
| First Security Islami Capital & Investment Limited | 1,096,696 | 941,900 |
| First Security Islami Exchange Italy | 4,167,386 | 2,580,306 |
| | 872,108,306 | 841,390,006 |
| 32(a) RENT, TAXES, INSURANCE, ELECTRICITY ETC. | | |
| Rent | 518,807,323 | 465,442,514 |
| Insurance | 199,066,681 | 224,840,912 |
| Rates and Taxes | 16,493,007 | 27,935,076 |
| Water Charges | 5,498,377 | 4,787,338 |
| Gas Charges | 3,219,345 | 3,146,659 |
| Electric Bills* | 123,759,491 | 111,715,301 |
| | 866,844,224 | 837,867,800 |

*During the period from January -2023 to June-2023 total power and electricity bill is Tk. 51,660,907.

| | 2023 BDT | 2022 BDT |
|--|--------------------|--------------------|
| 33 CONSOLIDATED LEGAL EXPENSES | | |
| First Security Islami Bank PLC. (Note-33 (a)) | 7,122,641 | 8,297,653 |
| First Security Islami Capital & Investment Limited | - | - |
| First Security Islami Exchange Italy | 5,982,988 | 4,513,691 |
| | 13,105,629 | 12,811,344 |
| 33(a) LEGAL EXPENSES | | |
| Legal fee and charges | 276,067 | 314,275 |
| Other legal expenses | 6,846,574 | 7,983,378 |
| | 7,122,641 | 8,297,653 |
| 34 CONSOLIDATED POSTAGE, STAMP AND TELECOMMUNICATION ETC. | | |
| First Security Islami Bank PLC. (Note-34 (a)) | 141,980,582 | 134,505,322 |
| First Security Islami Capital and Investment Limited | 671,286 | 732,462 |
| | 142,651,868 | 135,237,784 |
| 34(a) POSTAGE, STAMP AND TELECOMMUNICATION ETC. | | |
| Postage | 9,742,213 | 10,335,359 |
| Stamp | 134,757 | 125,749 |
| Telephone - Office | 8,859,875 | 9,341,506 |
| Telex, Fax and Email | 17,742,324 | 15,831,476 |
| Telephone - Residence | 8,632 | 12,569 |
| Data Communication | 105,207,167 | 98,539,215 |
| Off-shore Banking Unit | 285,614 | 319,448 |
| | 141,980,582 | 134,505,322 |
| 35 CONSOLIDATED STATIONERY, PRINTING AND ADVERTISEMENT ETC. | | |
| First Security Islami Bank PLC. (Note-35 (a)) | 203,703,685 | 634,527,589 |
| First Security Islami Capital & Investment Limited | 177,820 | 315,446 |
| First Security Islami Exchange Italy | 166,557 | 271,619 |
| | 204,048,062 | 635,114,654 |
| 35(a) STATIONERY, PRINTING AND ADVERTISEMENT ETC. | | |
| Publicity and Advertisement | 92,808,113 | 542,715,007 |
| Printing and Stationery | 104,884,084 | 87,581,002 |
| Computer Stationery | 6,011,488 | 4,231,580 |
| | 203,703,685 | 634,527,589 |
| 36 CONSOLIDATED MANAGING DIRECTOR'S SALARY AND FEES | | |
| First Security Islami Bank PLC. (Note-36 (a)) | 18,120,139 | 17,505,608 |
| First Security Islami Capital and Investment Limited | 4,080,066 | 3,825,755 |
| | 22,200,205 | 21,331,363 |

| | 2023 BDT | 2022 BDT |
|---|--------------------|--------------------|
| 36(a) MANAGING DIRECTOR'S SALARY AND FEES | | |
| Basic Pay | 7,864,839 | 7,490,322 |
| House rent allowances | 2,100,000 | 2,100,000 |
| Leave Fare Assistance | 1,800,000 | 1,800,000 |
| Bonus | 2,323,000 | 2,010,000 |
| House Maintenance | 2,100,000 | 2,100,000 |
| Other Allowances | 1,932,300 | 2,005,286 |
| | 18,120,139 | 17,505,608 |
| 37 CONSOLIDATED DIRECTORS' FEES and EXPENSES | | |
| First Security Islami Bank PLC. (Note-37 (a)) | 1,108,800 | 1,436,000 |
| First Security Islami Capital and Investment Limited | 425,000 | 450,000 |
| | 1,533,800 | 1,886,000 |
| 37(a) DIRECTORS' FEES & EXPENSES | | |
| Directors Fees | 1,108,800 | 1,436,000 |
| Meeting Expenses | - | - |
| | 1,108,800 | 1,436,000 |
| 38 SHARIAH SUPERVISORY COMMITTEE'S FEES and EXPENSES | | |
| Shariah Council Meeting Expenses | 307,000 | 466,000 |
| | 307,000 | 466,000 |
| 39 CONSOLIDATED AUDIT FEES | | |
| First Security Islami Bank PLC. | 1,610,000 | 1,035,000 |
| First Security Islami Capital & Investment Limited | 220,513 | 209,013 |
| First Security Islami Exchange Italy | 773,956 | 623,932 |
| | 2,604,469 | 1,867,945 |
| 40 CONSOLIDATED DEPRECIATION AND REPAIRS OF FIXED ASSETS | | |
| First Security Islami Bank PLC. (Note-40 (a)) | 875,894,040 | 878,134,842 |
| First Security Islami Capital and Investment Limited | 5,295,962 | 5,424,284 |
| First Security Islami Exchange Italy | 1,400,241 | 2,213,802 |
| | 882,590,243 | 885,772,928 |
| 40(a) DEPRECIATION AND REPAIRS OF BANK'S ASSETS | | |
| Depreciation on Fixed Assets (Annexure - A) | 617,157,649 | 618,002,585 |
| Repairs: | 258,736,391 | 260,132,257 |
| Office equipment | 44,120,241 | 44,691,704 |
| Renovation and Repair of Office Premises | 1,275,657 | 3,773,207 |
| Furniture and Fixtures | 2,535,082 | 2,665,680 |
| Maintenance and Services of SWIFT | 2,441,587 | 1,164,662 |
| Maintenance of Routers | 2,921,295 | 2,384,482 |
| Elect. Fitt. Rep. and Replacement | 6,218,673 | 14,654,087 |
| Office Maintenance Expenses | 39,614,434 | 36,514,160 |
| Maintenance of Software | 141,000,669 | 142,557,418 |
| Maintenance Expenses of ATM Machine | 7,808,753 | 6,426,857 |
| Maintenance of Disaster Recovery Site | 10,800,000 | 5,300,000 |
| | 875,894,040 | 878,134,842 |

| | 2023 BDT | 2022 BDT |
|---|----------------------|----------------------|
| 41 CONSOLIDATED OTHER EXPENSES | | |
| First Security Islami Bank PLC. (Note-41 (a)) | 1,307,193,980 | 1,435,089,391 |
| First Security Islami Capital and Investment Limited | 151,957,049 | 138,256,034 |
| First Security Islami Exchange Italy | 20,355,427 | 20,650,571 |
| | 1,479,506,456 | 1,593,995,996 |
| Less: Inter Company Transaction | 88,229,206 | 82,400,776 |
| | 1,391,277,250 | 1,511,595,220 |
| 41(a) OTHER EXPENSES | | |
| Training, Seminar and Workshop | 12,527,823 | 14,383,239 |
| Entertainment | 65,926,234 | 68,268,944 |
| Traveling | 23,525,696 | 24,063,366 |
| Donation | 124,540,343 | 311,522,210 |
| Subscription | 19,552,602 | 18,042,629 |
| Newspaper and Periodicals | 1,091,977 | 833,994 |
| Wages | 591,388,987 | 662,410,278 |
| Conveyance | 18,743,173 | 17,098,481 |
| Business Development | 86,561,232 | 181,769,036 |
| Plantation | 1,086,480 | 1,165,963 |
| Liveries and Uniform | 4,372,298 | 4,628,009 |
| Photocopying | 7,000,083 | 7,274,483 |
| Generator Fuel | 16,170,161 | 12,120,186 |
| Car Expense | 17,062,578 | 14,413,318 |
| Cash Carrying | 23,310,443 | 23,799,439 |
| Washing and Cleaning | 2,989,315 | 3,026,880 |
| Cartage and Freight | 24,600 | 80,670 |
| ATM Expenses | 53,266,614 | 40,520,449 |
| Meeting Expenses | 12,301,968 | 15,133,405 |
| Mobile Financial Service Expense | 21,218 | 26,095 |
| Bank Charges | 72,023,454 | 13,182,600 |
| Office Maintenance | 1,197,740 | 942,050 |
| Recruitment Expenses | 3,344,860 | 84,150 |
| Incentive against Wage Earners' Inward Foreign Remittance | 93,995,579 | - |
| Off-shore Banking Unit | 55,168,522 | 299,517 |
| | 1,307,193,980 | 1,435,089,391 |

In order to comply with the requirement of Bangladesh Bank BRPD Circular letter no. 28 dated: 26 July 2022 and Circular letter no. 30 dated: 27 July 2022 Bank has been reducing its operational and development expenses i.e. purchasing vehicle, entertainment expenses, traveling expenses, computer expenses, electric goods, furniture and fixture, stationary and energy expenses from January 2023 to June 2023 compare to previous period

42 DEFERRED TAX INCOME/(EXPENSE)

| | | |
|--|--------------------|-------------------|
| Closing balance of Deferred Tax Assets | 624,401,146 | 517,268,851 |
| Less: Opening balance of Deferred Tax Assets | (517,268,851) | (449,858,867) |
| Deferred Tax liabilities on revaluation reserve | (3,772,903) | (3,772,903) |
| Deferred Tax Income Charged in Profit and Loss A/c during the year | 103,359,392 | 63,637,081 |

Deferred Tax liabilities on revaluation reserve by the amount of Tk. 0.38 crore has been transferred to Assets Revaluation Reserve in the statement of changes in equity as an other comprehensive income.

| | 2023 BDT | 2022 BDT |
|--|----------------------|----------------------|
| 43 CONSOLIDATED EARNINGS PER SHARE | | |
| Profit after taxation | 3,311,669,824 | 2,961,502,802 |
| Less: Preference dividend | - | - |
| Less: Profit attributable to Minority | 30,169,926 | 18,560,892 |
| Profit attributable to ordinary shareholders of parent | 3,281,499,898 | 2,942,941,910 |
| Weighted average number of shares outstanding | 1,150,608,933 | 1,150,608,933 |
| Earnings Per Share (EPS) (Restated) | 2.85 | 2.56 |
| 43(a) EARNINGS PER SHARE | | |
| Profit after taxation | 3,240,086,097 | 2,929,909,459 |
| Less: Preference dividend | - | - |
| Profit attributable to ordinary shareholders | 3,240,086,097 | 2,929,909,459 |
| Weighted average number of shares outstanding | 1,150,608,933 | 1,150,608,933 |
| Earnings Per Share (EPS) (Restated) | 2.82 | 2.55 |
| Earnings Per Share (EPS) has been calculated as per IAS-33 "Earnings Per Share". | | |
| We calculate Earnings per share in accordance with IAS-33 "Earnings Per Share" (EPS) which has been calculated by net profit or loss attributable to the shareholder dividing by the weighted average number of ordinary shares outstanding during the period. Due to increase Net Investment Income by the amount of Tk. 44.53 Crore for the year ended 31 December 2023 compared to the previous year 2022. As a result, consolidated EPS has been increased to 2.85 for the current year 2023 from 2.56 for the previous year 2022. It is noted that, as per Bangladesh Bank DOS Letter no. DOS(CAMS)1157/01(II)-A/2020-3790 dated December 01, 2020 Bank has to maintain minimum 7.00% common equity Tier 1 Capital. As a result to strengthen the common equity tier 1 capital the amount of Tk. 23.00 Crore has been transferred to other reserve as per Guidelines on Risk Based Capital Adequacy issued by Bangladesh Bank. According to the Bangladesh Bank BRPD Letter no. BRPD(BS)661/14(P)/2022-3257 dated March 30, 2022 Bank has to pay dividend/Coupon to the perpetual bond holder from distributable items/Retained Earnings. | | |
| 44 CONSOLIDATED NET ASSET VALUE PER SHARE (NAV) | | |
| Net Asset Value | 25,009,907,445 | 22,302,110,128 |
| Weighted average number of shares outstanding | 1,150,608,933 | 1,150,608,933 |
| | 21.74 | 19.38 |
| 44(a) NET ASSET VALUE PER SHARE (NAV) | | |
| Net Asset Value | 25,190,869,355 | 22,440,210,356 |
| Weighted average number of shares outstanding | 1,150,608,933 | 1,150,608,933 |
| | 21.89 | 19.50 |
| 45 CONSOLIDATED NET OPERATING CASH FLOW PER SHARE (NOCFPS) | | |
| Net Cash Inflow/(Outflow) from Operating Activities | 601,088,480 | 4,397,194,539 |
| Weighted average number of shares outstanding | 1,150,608,933 | 1,150,608,933 |
| | 0.52 | 3.82 |

| | 2023 BDT | 2022 BDT |
|---|---------------|---------------|
| 45(a) NET OPERATING CASH FLOW PER SHARE (NOCFPS) | | |
| Net Cash Inflow/(Outflow) from Operating Activities | 565,326,078 | 4,363,210,862 |
| Weighted average number of shares outstanding | 1,150,608,933 | 1,150,608,933 |
| | 0.49 | 3.79 |

* Note no. 43 to 45(a) weighted average number of shares outstanding as on 31 December 2022 has been restated.

Explanation for decreasing NOCFPS:

Deposits Received from Customers has been decreased by the amount of Tk. 2,265.21 Crore compare to the previous year. As a result, the net operating cash inflow per share has been decreased to 0.52 as on 31 December 2023 compared to 3.82 on 31 December 2022.

46 CONSOLIDATED RECEIPTS FROM OTHER OPERATING ACTIVITIES

| | | |
|--|----------------------|--------------------|
| First Security Islami Bank PLC. (Note-46 (a)) | 1,843,380,318 | 791,749,899 |
| First Security Islami Capital and Investment Limited | 33,242,798 | 32,798,769 |
| First Security Islami Exchange Italy | 1,922,725 | - |
| | 1,878,545,841 | 824,548,668 |

46(a) RECEIPTS FROM OTHER OPERATING ACTIVITIES

| | | |
|-------------------------------------|----------------------|--------------------|
| Charges on Account Closing | 3,079,264 | 4,996,969 |
| Standing Instruction Charges | 4,811,030 | 11,677,945 |
| Gain/(Loss) on Sale of Fixed Assets | 11,804,971 | 14,586,288 |
| Supervision Charge On Investment | 1,008,656,562 | - |
| Service Charge on Quard | 1,390,908 | 15,126,780 |
| Other Income | 813,637,583 | 745,361,917 |
| | 1,843,380,318 | 791,749,899 |

47 CONSOLIDATED PAYMENT FOR OTHER OPERATING ACTIVITIES

| | | |
|--|----------------------|----------------------|
| First Security Islami Bank PLC. (Note-47(a)) | 2,374,913,227 | 2,465,391,122 |
| First Security Islami Capital and Investment Limited | 65,165,188 | 38,248,431 |
| First Security Islami Exchange Italy | 20,355,427 | 26,155,206 |
| | 2,460,433,842 | 2,529,794,759 |

47(a) PAYMENT FOR OTHER OPERATING ACTIVITIES

| | | |
|---|----------------------|----------------------|
| Rent, Taxes, Insurances, Electricity etc. | 915,590,224 | 884,216,756 |
| Legal Expenses | 7,122,641 | 8,297,653 |
| Postage, Stamps, Telecommunications etc. | 141,980,582 | 134,505,322 |
| Audit Fees and Expenses | 1,610,000 | 1,380,000 |
| Directors' fees | 1,108,800 | 1,436,000 |
| Shariah Supervisory Committee's Fees and Expenses | 307,000 | 466,000 |
| Other Expenses | 1,307,193,980 | 1,435,089,391 |
| | 2,374,913,227 | 2,465,391,122 |

| | 2023 BDT | 2022 BDT |
|--|------------------------|----------------------|
| 48 CONSOLIDATED INCREASE /DECREASE OF OTHER ASSETS | | |
| First Security Islami Bank PLC. (Note-48 (a)) | (1,058,571,869) | (496,274,701) |
| First Security Islami Capital & Investment Limited | (104,146,083) | (453,421,879) |
| First Security Islami Exchange Italy | 18,206,945 | (6,752,191) |
| | (1,144,511,007) | (956,448,771) |
| 48(a) INCREASE /DECREASE OF OTHER ASSETS | | |
| Advances Deposits and Prepayment | 3,118,265,564 | 2,008,931,823 |
| Stock of Stationery | 44,033,204 | 49,946,705 |
| Suspense Account | 43,357,861 | 89,048,088 |
| Stamps on Hand | 7,062,640 | 6,220,784 |
| Protested Bills | 61,454,778 | 61,454,778 |
| | 3,274,174,047 | 2,215,602,178 |
| (Increase)/Decrease during the year | (1,058,571,869) | (496,274,701) |
| 49 CONSOLIDATED INCREASE /DECREASE OF OTHER LIABILITIES | | |
| First Security Islami Bank PLC. (Note-49 (a)) | 3,080,781,388 | 77,492,676 |
| First Security Islami Capital & Investment Limited | 10,644,575 | 65,289,170 |
| First Security Islami Exchange Italy | (20,401,250) | (38,175,835) |
| | 3,071,024,713 | 104,606,011 |
| 49(a) INCREASE /DECREASE OF OTHER LIABILITIES | | |
| Compensation Realized | 44,657,604 | 26,691,678 |
| Others | 4,267,339,469 | 1,204,524,007 |
| | 4,311,997,073 | 1,231,215,685 |
| Increase /(Decrease) during the year | 3,080,781,388 | 77,492,676 |
| 50 Reconciliation of Net profit after Taxation & Operating Profit before changes in operating assets & Liabilities: | | |
| Cash flows from Operating activities: | | |
| Net profit after Taxation | 3,240,086,097 | 2,929,909,459 |
| Provision for Tax | 2,727,979,149 | 2,537,488,541 |
| Provision for Investment share & Contingent Liability | 1,993,110,839 | 1,729,781,427 |
| (Increase)/Decrease profit receivable | (555,990,874) | (717,252,455) |
| Increase/(Decrease) profit payable on Deposits | 1,161,716,871 | 182,061,013 |
| Depreciation & Amortization of fixed Assets | 617,157,649 | 618,002,585 |
| Recoveries from investment previously written off | 1,000,000 | 50,000 |
| Income tax paid | (2,119,572,490) | (2,552,056,354) |
| Profit/(Loss) on sale of Bank's Assets | 15,190,272 | 18,659,095 |
| Effect of exchange rate changes on cash & cash equivalents | 16,100,530 | (4,546,589) |
| Operating profit before Changes Operating assets and liabilities | 7,096,778,043 | 4,742,096,722 |

GENERAL DISCLOSURE:
51 RELATED PARTY DISCLOSURES

As per IAS-24 "Related Party Disclosures" a related party is a person or entity that is related to the entity (i.e. FSIB) that is preparing its financial statements. Related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged as per IAS-24.

Related Parties include the Bank's Directors, key management personnel, associates, companies under common directorship etc. as per IAS-24 "Related Party Disclosures". All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes, as admissible.

51.1 DIRECTORS' INTEREST IN DIFFERENT BUSINESSES OR ENTITIES AS ON 31.12.2023:

| Sl. No. | Name of the Directors | Status with the Bank | Names of firms/companies in which interested as proprietor, partner, director, managing agent, guarantor, employee, etc. |
|---------|-----------------------|----------------------|--|
| 1 | Mohammed Saiful Alam | Chairman | <p><u>Chairman of Board of Director:</u> First Security Islami Capital & Investment Ltd. Aviva Finance Ltd. S. S. Power I Limited Norinco Engineering Ltd. C&H Power Management Company Ltd. Aviva Equity Management Ltd. Ekushey Television Ltd. Karnaphuli Prakritik Gas Ltd.</p> <p><u>Managing Director:</u> S. Alam Steels Ltd. S. Alam Brothers Ltd. S. Alam Hatchery Ltd. S. Alam Trading Company (Pvt.) Ltd. S. Alam Bag Manufacturing Mills Ltd. S. Alam Soyaseed Extraction Plant Ltd. S. Alam Refined Sugar Industries Ltd. S. Alam Luxury Chair Coach Services Ltd. S. Alam Tank Terminal Ltd. S. Alam Properties Ltd. Sonali Cargo Logistics (Pvt.) Ltd. Fatehabad Farm Ltd. Portman Cements Ltd. Nexus Television & Media Network Limited Pavilion International Ltd. Crest Holdings Ltd. Virgin Assets Ltd. Noor Islamic Holdings Ltd. Disney Business Solution Ltd.</p> <p><u>Director:</u> S. Alam Cold Rolled Steels Ltd. Northern Islami Insurance Co. Ltd.</p> <p><u>Sponsor Shareholder:</u> Al-Arafah Islami Bank Ltd. S. Alam Super Edible Oil Ltd. S. Alam Vegetable Oil Ltd. S. Alam Power Generation Ltd. S. Alam Cement Ltd.</p> <p><u>Shareholder:</u> Padma Islami Life Insurance Ltd. Global Islami Bank PLC.</p> <p><u>Proprietor:</u> S. Alam & Co.</p> |

| Sl. No | Name of the Directors | Status with the Bank | Names of firms/companies in which interested as proprietor, partner, director, managing agent, guarantor, employee, etc. |
|--------|------------------------|----------------------|--|
| 2 | Mohammed Abdul Maleque | Vice-Chairman | <p><u>Chairman:</u> ABM Tower Ltd.</p> <p><u>Chairman & Managing Director :</u> Kharana Fish & Poultry Ltd.</p> <p><u>Director :</u> First Security Islami Capital & Investment Ltd.</p> <p><u>Ex-Director :</u> Chittagong Chamber of Commerce & Industry</p> <p><u>Proprietor :</u> M/S. Bengal Corporation M/S. Bengal Trading M/S. Lucky Electronics</p> |
| 3 | Mrs. Farzana Parveen | Director | <p><u>Chairman of Board of Director</u> Nexus Television & Media Network Limited</p> <p><u>Managing Director :</u> Dewan Assets Ltd.</p> <p><u>Director:</u> First Security Islami Capital & Investment Ltd. Aviva Equity Management Ltd. S. Alam Vegetable Oil Ltd. Prasad Paradise Resorts Ltd. S. Alam Power Plant Ltd. S. Alam Properties Ltd. Sonali Cargo Logistics (Pvt.) Ltd. Norinco Engineering Ltd. Affinity Assets Ltd. Wesco Limited Noor Islamic Holdings Ltd. Artsy Holdings Limited Shining Assets Limited</p> <p><u>Shareholder:</u> S. Alam Steels Ltd. S. Alam Cold Rolled Steels Ltd. Union Bank PLC. Aviva Finance Ltd. Ekushey Television Ltd. Padma Islami Life Insurance Ltd. Global Islami Bank PLC.</p> <p><u>Proprietor:</u> Fairy Trade International</p> |

| Sl. No | Name of the Directors | Status with the Bank | Names of firms/companies in which interested as proprietor, partner, director, managing agent, guarantor, employee, etc. |
|--------|-------------------------|---|---|
| 4 | Mrs. Rahima Begum | Director | <u>Chairman:</u> Marsa Aviation Ltd. M/s. Mortoza Assets Ltd. Marsa Transport Ltd. <u>Managing Director :</u> Marsa Fishing Ltd. <u>Director:</u> Marsa Food & Beverage Ltd. Parkview Hospital Limited |
| 5 | Mrs. Atikur Nessa | Director | <u>Proprietor:</u> Atikur Nisa Enterprise Ideal Filling Station <u>Partner:</u> Rafe Enterprise Khorshed Paribahan Sangstha <u>Shareholder:</u> Aviva Finance Ltd. |
| 6 | Khandkar Iftekhar Ahmad | Nominated Director (Pusti Vegetable Ghee Ltd.) | Air Commodore (Retired) Bangladesh Air Force. |
| 7 | Mohammed Abdullah Hasan | Nominated Director (Nowshin Steels Limited) | <u>Managing Director :</u> Hasan Abasan (Pvt.) Limited Modern Property Limited <u>Director:</u> First Security Islami Capital & Investment Ltd. S. Alam Luxury Chair Coach Services Ltd. S. Alam Brothers Limited Portman Cements Limited S. Alam Soyaseed Extraction Plant Ltd. S. Alam Refined Sugar Industries Ltd. Sonali Cargo Logistics (Pvt.) Ltd. S. Alam Tank Terminal Ltd. Fatehabad Farm Limited <u>Shareholder:</u> S. Alam Steels Ltd. S. Alam Vegetable Oil Ltd. S. Alam Super Edible Oil Ltd. S. Alam Cement Ltd. <u>Proprietor:</u> M/s. Abdullah Hasan M/s. Bering Sea Lines |

| Sl. No | Name of the Directors | Status with the Bank | Names of firms/companies in which interested as proprietor, partner, director, managing agent, guarantor, employee, etc. |
|--------|--------------------------------|---|---|
| 8 | Md. Ruhul Amin | Independent Director | Retired Bureaucrat |
| 9 | Mohammad Masum Kamal Bhuyan | Independent Director | Retired Official of Central Bank |
| 10 | Professor Md. Kamal Uddin, PhD | Independent Director | Professor University of Dhaka |
| 11 | Ashraful Mostafa Chowdhury | Nominated Director (Milkway Impexco Limited) | Managing Director : J.M.C. Shipping Lines (Pvt.) Ltd. J. M.C. Builders (Pvt.) Ltd. Director: Moon Express (Pvt.) Ltd. |
| 12 | Syed Waseque Md. Ali | Managing Director | First Security Islami Bank PLC. |

51.2 Related party balances and transactions

Nature and type of related party balance/transactions of the Bank during the year 2023 are as follows

| <u>Name of the Party</u> | <u>Nature of Transaction</u> | <u>Nature of Relationship</u> | <u>Total Value (in Tk.)</u> |
|--|------------------------------|-------------------------------|-----------------------------|
| Northern Islami Insurance Ltd. | Insurance | Common Director | 16,228,914 |
| Northern Islami Insurance Ltd. | Premium | | |
| | Deposit | Common Director | 127,889,331 |
| Aviva Finance Ltd. | Deposit | Common Director | 231,385 |
| Aviva Finance Ltd. | Placement | Common Director | 12,290,000,000 |
| Aviva Finance Ltd. | Sub. Bond | Common Director | 80,000,000 |
| Ekushey Television Ltd. | Deposit | Common Director | 62,031,035 |
| Ekushey Television Ltd. | Advertisement | Common Director | 12,250,000 |
| Nexus Television & Media | Advertisement | Common Director | 14,030,000 |
| Network Limited | | | |
| First Security Islami Capital & Investment Limited | Deposit | Common Director | 43,892,268 |
| First Security Islami Capital & Investment Limited | Capital | Common Director | 255,000,000 |
| First Security Islami Capital & Investment Limited | Investment | Common Director | 962,563,969 |
| Directors of the Bank | Meeting Fees | Director | 1,108,800 |

51.3 COMPENSATION OF KEY MANAGEMENT PERSONNEL:

Transactions with key Management personnel of the bank for the period January-December 2023 is given below:

| Particulars | 2023 | 2022 |
|-----------------------------|------------|------------|
| Short-term employee benefit | 18,120,139 | 17,505,608 |

Key management personnel get car facilities as per existing company policy and other benefits are provided as per service rule if eligible.

51.4 Other related party disclosures

- There was no contracts of significance wherein a director has interests subsisted at any time during the year or at the end of the year.
- Investment to related parties is effected as per requirement of section 27 of Bank Company Act, 1991 as amended.
- Share issued to Directors and Executives without consideration or exercisable at discount is Nil.
- Other disclosures are not applicable as required by BRPD Circular No. 14 dated 25 June, 2003 and BRPD Circular No. 15 dated 09 November 2009.

52 APPROVAL OF FINANCIAL STATEMENTS AND EVENTS AFTER THE BALANCE SHEET DATE

The financial statements were approved by the Board of Directors in its 263rd meeting held on 29 December 2024. The Board of Directors in its 263rd meeting held on 29 December 2024 recommended @ 5% (Five percent) cash dividend and @ 5% (Five percent) stock dividend for eligible shareholders for the year 2023 to be approved in the Annual General Meeting. The total amount of dividend is Taka 1,150,608,933.00 (One hundred fifteen crore six lac eight thousand nine hundred thirty three) only. Stock dividend has been declared to strengthen the capital base of the Bank and the amount of stock dividend Other than the mentioned above issue, no material events which have occurred after the reporting period which could affect the values stated.

53 AUDIT COMMITTEE

a) Constitution:

The Bank has constituted an Audit Committee of the Board of Directors pursuant to the BRPD circular no. 11 dated 27 October 2013 with a view to act as a bridge among the Board of Directors, Executive Authority, Depositors, Shareholders etc so that the Committee can make an effective role in establishing an efficient, strong and secured banking system. Our Audit Committee has been formed comprising three members of the Board of Directors as follows :

| Name | Status with the Bank | Status with the Committee |
|--------------------------------|----------------------|---------------------------|
| Mohammad Masum Kamal Bhuiyan | Independent Director | Chairman |
| Md. Ruhul Amin | Independent Director | Member |
| Professor Md. Kamal Uddin, PhD | Independent Director | Member |

b) During the year under review, the Audit Committee of the Board conducted 05 (Five) meetings.

c) The following steps have been taken for implementation of an effective Internal Control Procedure of the Bank:

A strong powerful division formed for internal audit and inspection as well as compliance thereof.

The division is divided into three separate units i.e. Audit & Inspection , compliance and Monitoring to implement effective internal control and compliances headed by highly experienced bankers.

Audit and Inspection unit is established with a view to carrying out comprehensive internal audit in the branch level and ensure the transparency and accountability in the banking operations in light of the guidelines of the regulatory authorities and policies set by the bank with regular intervals.

Monitoring Unit is established with a view to implementing proper banking practices in the branches. Day to day operations is the focusing area to implement the rules and procedures of the regulatory bodies, bank's policies and other prudential guidelines.

Compliance unit is established to take effective measures for collection and timely submission of compliances of internal, external and Bangladesh Bank Inspection Reports.

The committee is placing its report regularly to the Board of Directors of the bank mentioning its review and recommendations on internal system, compliance of rules and regulations and establishment of good governance within the organization.

The board has given the responsibility to implement internal control system in the bank as per requirement of core risk management and framework provided by the Bangladesh Bank.

54 Number of Employees

The number of employees including contractual engaged for the whole year or part.

| | 2023 | 2022 |
|--------------------------------|--------------|--------------|
| Executives and Officers | 4,417 | 4,484 |
| Members of Staff (Contractual) | 907 | 922 |
| | 5,324 | 5,406 |

55 Coverage of External Audit:

The external auditors of the Bank, M/S Khan Wahab Shafique Rahman & Co., Chartered Accountants worked about in excess of 7,600 man hours. During their audit, they audited above 80% of the Bank's risk weighted assets as on the Balance Sheet date.

56 Share Trading

The bank traded its ordinary shares in Central Depository Bangladesh Limited (CDBL) through Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE). The closing market price on 31 December 2023 was Tk. 8.90 at Dhaka Stock Exchange (DSE) and Tk. 9.10 at Chittagong Stock Exchange (CSE).



Managing Director
Dhaka; April 29, 2024



Director



Director



Chairman

Annexure - A

FIRST SECURITY ISLAMI BANK PLC.
STATEMENT OF FIXED ASSETS
AS AT 31 DECEMBER 2023

Figure in Taka

| Particulars | C O S T | | | D E P R E C I A T I O N | | | | Written down value as at 31 December 2023 |
|----------------------|----------------------------------|--------------------------------|--------------------------------------|----------------------------------|---------------------------|---|-----------------------------------|---|
| | Balance as on 01 January 2023 | Addition during the Year | Sales/Transfer during the Year | Balance as on 01 January 2023 | Charge during the year | Adjustment on sale/transfer during the Year | Balance as on 31 December 2023 | |
| Land | 334,631,624 | - | - | - | - | - | - | 334,631,624 |
| Building | 4,068,443,511 | 3,187,355 | - | 576,267,066 | 101,752,568 | - | 678,019,634 | 3,393,611,232 |
| Furniture & Fixtures | 2,797,217,162 | 157,342,680 | 10,862,764 | 1,294,697,522 | 161,827,266 | 5,484,210 | 1,451,040,578 | 1,492,656,500 |
| Office Equipment | 2,963,188,389 | 252,392,363 | 31,178,676 | 1,820,048,181 | 267,315,565 | 26,821,690 | 2,060,542,056 | 1,123,860,020 |
| Vehicles | 238,257,734 | 408,293 | 26,137,566 | 148,577,924 | 12,986,213 | 26,137,562 | 135,426,575 | 77,101,886 |
| Books | 672,960 | - | - | 586,170 | 16,493 | - | 602,663 | 70,297 |
| Sub-Total | 10,402,411,380 | 413,330,691 | 68,179,006 | 3,840,176,863 | 543,898,105 | 58,443,462 | 4,325,631,506 | 6,421,931,559 |

Lease Assets- Premises

| | | | | | | | | |
|---------------------|-------------|------------|--|-------------|------------|---|-------------|-------------|
| Right-of-use assets | 332,468,808 | 48,212,144 | | 380,680,952 | 48,746,000 | - | 187,792,906 | 192,888,046 |
|---------------------|-------------|------------|--|-------------|------------|---|-------------|-------------|

Software-Amortization

| | | | | | | | | |
|----------------------------|-----------------------|--------------------|--------------------|-----------------------|--------------------|--------------------|----------------------|----------------------|
| Software -Core Banking | 349,349,564 | 13,130,546 | - | 362,480,110 | 24,513,544 | - | 251,885,191 | 110,594,919 |
| Total December 2023 | 11,084,229,752 | 474,673,381 | 68,179,006 | 11,490,724,127 | 617,157,649 | 58,443,462 | 4,765,309,603 | 6,725,414,524 |
| Total December 2022 | 10,238,152,453 | 979,215,323 | 133,138,024 | 11,084,229,752 | 618,002,585 | 104,510,092 | 4,206,595,416 | 6,877,634,336 |

Annexure - B

First Security Islami Bank PLC.
Financial Highlights (Solo)
 As at and for the year ended 31 December 2023

| SL # | Particulars | 31.12.2023 | 31.12.2022 |
|------|--|-----------------|-----------------|
| 1 | Paid-up Capital | 11,506,089,330 | 10,460,081,210 |
| 2 | Total Capital Fund | 40,674,859,096 | 38,442,781,001 |
| 3 | Capital Surplus/(deficit) against Minimum Capital Requirement | 6,529,311,877 | 6,658,563,012 |
| 4 | Total Assets | 659,114,061,504 | 615,487,794,012 |
| 5 | Total Deposits | 455,194,995,469 | 473,046,316,737 |
| 6 | Total Investments | 570,286,708,242 | 524,795,151,026 |
| 7 | Total Contingent Liabilities and Commitments | 23,655,873,387 | 42,861,994,461 |
| 8 | Investment Deposit Ratio (in %) * | 118.45% | 103.13% |
| 9 | Percentage of Classified Investments against total Investments(in %) | 3.95% | 4.01% |
| 10 | Profit after tax & provision | 3,240,086,097 | 2,929,909,459 |
| 11 | Amount of Classified Investments | 22,537,901,299 | 21,067,077,786 |
| 12 | Provision kept against Classified Investments | 10,857,828,046 | 10,591,453,599 |
| 13 | Provision Surplus/(deficit) against Classified Investments | - | - |
| 14 | Cost of Fund | 8.44% | 7.45% |
| 15 | Profit Earning Assets | 612,099,755,098 | 566,219,753,127 |
| 16 | Non-profit Earning Assets | 47,014,306,406 | 49,268,040,885 |
| 17 | Return on Investment in Shares & securities(ROI)(in %) | 3.52% | 2.87% |
| 18 | Return on Assets (ROA)(in %) | 0.51% | 0.51% |
| 19 | Income from Investment in Shares and Securities | 951,094,961 | 788,146,286 |
| 20 | Earnings Per Share (EPS)-Restated | 2.82 | 2.80 |
| 21 | Net Income Per Share (Tk.) | 2.82 | 2.80 |
| 22 | Price Earnings Ratio (Times) | 3.16 | 3.50 |

* Investment Deposit ratio has been computed as per Bangladesh Bank guideline.

First Security Islami Bank PLC. (Off-shore Banking Unit)
Balance Sheet
As at 31 December 2023

| Particulars | Notes | 31.12.2023 | | 31.12.2022 | |
|--|-------|---------------|---------------|---------------|---------------|
| | | USD | Taka | USD | Taka |
| PROPERTY AND ASSETS | | | | | |
| Cash | | | | | |
| In hand (including foreign currencies) | | - | - | - | - |
| Balance with Bangladesh Bank and its Agent Bank (s) | | - | - | - | - |
| (including foreign currencies) | | - | - | - | - |
| Balance with other Banks and Financial Institutions | | | | | |
| In Bangladesh | 3 | 2.00 | 220 | 3,923,788.14 | 405,315,543 |
| Outside Bangladesh | | - | - | - | - |
| | | 2.00 | 220 | 3,923,788.14 | 405,315,543 |
| Placement with Banks & other Financial Institutions | | 52,000,000.00 | 5,707,000,000 | 15,000,000.00 | 1,549,455,000 |
| Investments | | | | | |
| General Investment etc. | 4 | - | - | - | - |
| Bills Purchased and Negotiated | 5 | 17,976,169.67 | 1,972,884,621 | 30,200,987.92 | 3,119,671,449 |
| Fixed Assets Including Premises, Furniture and Fixtures and Intangible Assets | | 17,976,169.67 | 1,972,884,621 | 30,200,987.92 | 3,119,671,449 |
| Other Assets | 6 | - | - | - | - |
| Non Banking Assets | 7 | 1,929,954.21 | 211,812,475 | 102,927 | 10,632,091 |
| Total Assets | | 71,906,125.88 | 7,891,697,315 | 49,227,703.45 | 5,085,074,083 |
| LIABILITIES AND CAPITAL | | | | | |
| Liabilities | | | | | |
| Placement from Banks & Other Financial Institutions | 8 | 69,520,242.68 | 7,629,846,634 | 48,282,508.79 | 4,987,438,310 |
| Deposits and other Accounts | | | | | |
| Al-Wadia Current Deposits and Other Deposit Accounts | 9 | - | - | - | - |
| Mudaraba Savings Deposits | | - | - | - | - |
| Mudaraba Term Deposits | | - | - | - | - |
| Other Liabilities | 10 | 2,011,935.37 | 220,809,907 | 638,546.66 | 65,959,954 |
| Total Liabilities | | 71,532,178.05 | 7,850,656,541 | 48,921,055.45 | 5,053,398,265 |
| Capital / Shareholders' equity | | | | | |
| Paid up capital | | - | - | - | - |
| Statutory Reserve | | - | - | - | - |
| Retained Earnings | | 373,947.83 | 41,040,774 | 306,648 | 31,675,818 |
| Total Shareholders' Equity | | 373,947.83 | 41,040,774 | 306,648 | 31,675,818 |
| Total Liabilities and Shareholders' Equity | | 71,906,125.88 | 7,891,697,315 | 49,227,703.45 | 5,085,074,083 |
| OFF- BALANCE SHEET ITEMS | | | | | |
| Contingent Liabilities | 11 | | | | |
| Acceptances and Endorsements | | - | - | - | - |
| Letters of guarantee | | - | - | - | - |
| Irrevocable letters of credit | | - | - | - | - |
| Bills for collection | | - | - | - | - |
| Other contingent liabilities | | - | - | - | - |
| Total | | - | - | - | - |
| Other commitments | | | | | |
| Documentary credits and short term trade Related Transactions | | - | - | - | - |
| Forward Assets purchased And Forward Deposits Placed | | - | - | - | - |
| Undrawn Note Issuance And Revolving Underwriting Facilities | | - | - | - | - |
| Undrawn Formal Standby Facilities , Credit Lines And Other Commitments | | - | - | - | - |
| Total | | - | - | - | - |
| Total Off-Balance Sheet Items including contingent liabilities | | - | - | - | - |

First Security Islami Bank PLC. (Off-shore Banking Unit)

Profit and Loss Account

For the year ended 31 December 2023

| Particulars | Notes | 2023 | | 2022 | |
|--|-------|-------------------|--------------------|-------------------|-------------------|
| | | USD | Taka | USD | Taka |
| Investments Income | 12 | 11,714,352.51 | 1,285,650,188 | 2,106,153.71 | 217,559,360 |
| Profit Paid on Deposits | 13 | (11,281,651.42) | (1,238,161,243) | (1,734,581.71) | (179,177,087) |
| Net Investment Income | | 432,701.09 | 47,488,945 | 371,572.00 | 38,382,273 |
| Commission, Exchange, and Brokerage | 14 | - | - | - | - |
| Other Operating Income | 15 | 500,000.00 | 54,875,000 | 263.80 | 27,250 |
| Total Operating Income | | 932,701.09 | 102,363,945 | 371,835.80 | 38,409,523 |
| Salaries and Allowances | 16 | 53,476.38 | 5,869,033 | 59,195.71 | 6,114,739 |
| Rent, Taxes, Insurance, Electricity, etc. | 17 | - | - | - | - |
| Legal Expenses | | - | - | - | - |
| Postage, Stamp, Telecommunication, etc. | 18 | 2,602.41 | 285,614 | 3,092.52 | 319,448 |
| Stationery, Printing, Advertisements, etc. | 19 | - | - | - | - |
| Auditors' fees | | - | - | - | - |
| Depreciation & repair of Bank's Assets | 20 | - | - | - | - |
| Other Expenses | 21 | 502,674.47 | 55,168,523 | 2,899.57 | 299,517 |
| Total Operating Expenses | | 558,753.26 | 61,323,170 | 65,187.80 | 6,733,704 |
| Profit before provision and Taxes | | 373,947.83 | 41,040,774 | 306,648.00 | 31,675,818 |
| Provisions for Investments including off-B/S items | | - | - | - | - |
| Provisions for Diminution in Value of Investment in Shares | | - | - | - | - |
| Total provision | | - | - | - | - |
| Total profit before taxes | | 373,947.83 | 41,040,774 | 306,648.00 | 31,675,818 |
| Provision for Current Tax | | - | - | - | - |
| Deferred Tax Income | | - | - | - | - |
| Net profit after taxation | | 373,947.83 | 41,040,774 | 306,648.00 | 31,675,818 |

First Security Islami Bank PLC. (Off-shore Banking Unit)

Cash Flow Statement

For the year ended 31 December 2023

| Particulars | 2023 | | 2022 | |
|---|-----------------------|----------------------|---------------------|---------------------|
| | USD | Taka | USD | Taka |
| A) Cash flows from Operating Activities | | | | |
| Investment Income Receipt | 9,887,325.69 | 1,085,133,994 | 2,003,226.32 | 206,927,269 |
| Profit Paid in Deposits | (9,908,262.71) | (1,087,431,832) | (1,205,624.80) | (122,550,530) |
| Fees and commission receipt | - | - | - | - |
| Payments to Employees | (53,476.38) | (5,869,033) | (59,195.71) | (6,114,739) |
| Payments to Suppliers | (2,602.41) | (285,614) | (3,092.52) | (319,448) |
| Receipts from other Operating Activities | 500,000.00 | 54,875,000 | 263.80 | 27,250 |
| Payments for other Operating Activities | (502,674.47) | (55,168,523) | (2,899.57) | (299,517) |
| Operating Profit before changes in Operating Assets and Liabilities | (79,690.28) | (8,746,008) | 732,677.52 | 77,670,285 |
| Increase / (Decrease) in operating Assets and Liabilities | | | | |
| (Increase)/decrease of Placement with Banks & other Financial Institutions | (37,000,000.00) | (4,060,750,000) | (15,000,000) | (1,549,455,000) |
| (Increase)/decrease in Investments to Customers | 12,224,818.25 | 1,341,673,803 | (977,042.69) | (630,764,473) |
| (Increase)/decrease of Other Assets | - | - | - | - |
| Increase/(decrease) of Placement from Banks & other Financial Institutions | 21,237,733.89 | 2,330,841,294 | 19,350,149.45 | 2,523,364,742 |
| Increase/(decrease) of Deposits Received from Customers | - | - | - | - |
| Increase/(decrease) of Other Liabilities | - | - | - | - |
| Cash Generated from Operating Assets and Liabilities | (3,537,447.86) | (388,234,903) | 3,373,106.76 | 343,145,269 |
| Net Cash Inflow/(Outflow) from Operating Activities | (3,617,138.14) | (396,980,911) | 4,105,784.28 | 420,815,554 |
| B) Cash flows from investing activities | | | | |
| (Purchase)/ Sale of Shares and Securities | - | - | - | - |
| Purchase of Property, Plant and Equipment | - | - | - | - |
| Net Cash Inflow/(Outflow) from Investing Activities | - | - | - | - |
| C) Cash flows from financing activities | | | | |
| Receipt/(Payment) for Issuance of Mudaraba Bond | - | - | - | - |
| Profit transferred to main operation | (306,648.00) | (33,654,618) | (181,996.14) | (15,500,011) |
| Net cash use in financing activities | (306,648.00) | (33,654,618) | (181,996.14) | (15,500,011) |
| D) Net increase / (decrease) in cash and cash equivalents (A+ B + C) | (3,923,786.14) | (430,635,529) | 3,923,788.14 | 405,315,543 |
| E) Effects of exchange rate changes on cash and cash equivalents | - | 25,320,206 | - | - |
| F) Cash and cash equivalent at beginning of the year | 3,923,788.14 | 405,315,543 | - | - |
| G) Cash and cash equivalent at end of the year(D+E+F) | 2.00 | 220 | 3,923,788.14 | 405,315,543 |
| The above closing Cash and Cash Equivalents include: | | | | |
| Cash in Hand (Including Foreign Currencies) | - | - | - | - |
| Balance with Bangladesh Bank and its Agent Bank(s) and Other Banks | 2.00 | 220 | 3,923,788 | 405,315,543 |
| | 2.00 | 220 | 3,923,788.14 | 405,315,543 |

First Security Islami Bank PLC. (Off-shore Banking Unit)

Notes to the Financial Statements

As at for the year ended 31 December 2023

1.1 Status of the unit

Off-shore Banking Unit (OBU) is a Separate business unit of First Security Islami Bank PLC., governed under the rules and guidelines of Bangladesh Bank. The Bank obtained the Off-shore Banking Unit permission vide letter no. BRPD (OB)/744(t26)/2020-4735 dated 06 July, 2020. The Bank commenced the operation of its Off-shore Banking Unit from August 06 2020. The unit is located at Rangs RD Center, Block #SE(F), Plot#03, Gulshan-1, Dhaka-1212.

1.2 Principal activities

The principal activities of the OBU are to provide all kind of Islami Sharih based commercial banking services to its customers Complying the application rules and regulations.

Significant accounting policies and basis of preparation of financial statements

1.2.1 Basis of accounting

The accounting records of the Off-shore Banking Unit are maintained in USD from and the financial statements are prepared on a going concern basis under the historical cost convention and in accordance with International Financial Reporting Standards (IFRS) as issued by the Institute of Chartered Accountants of Bangladesh (ICAB) and the requirements of the Bank Companies Bank Act 1991, the rules and regulations issued by Bangladesh Bank, the Companies Act 1994, Bangladesh Securities and Exchange Rules 1987 and other laws and rules applicable in Bangladesh Bank.

1.2.2 Foreign currency transaction

a) Foreign currencies translation

Foreign currency transactions are converted into equivalent Taka currency at the ruling exchange rates on the respective dates of such transactions as per IAS-21. Assets and liabilities in foreign currencies as at 31 December 2023 have been converted into Taka currency at the average of the prevailing buying and selling rates of the concerned foreign currencies at that date except "balances with other banks and financial institutions" which have been converted as per directives of Bangladesh Bank vide its circular no BRPD(R) 717/2004-959 dated 21 November 2004.

b) Commitments

Commitments for outstanding forward foreign exchange contracts disclosed in these financial statements are translated at contracted rates. Contingent liabilities / commitments for letter of credit and letter of guarantee denominated in foreign currencies are expressed in Taka terms at the rates of exchange ruling on the balance date.

c) Translation gains and losses

As per provision of IAS-21: The Effects of Changes in Foreign Exchange Rates, foreign currency transactions are translated into Taka at rates prevailing (contracting) on the dates of such transactions. The resulting exchange transaction gains and losses arising through foreign currency buying and selling transactions effected on different dates of the year have been adjusted by debiting /crediting exchange gain or loss charged to profit and loss account.

1.2.3 Cash flow statement

Cash flow statement has been prepared in accordance with the International Accounting Standard-7 "Cash Flow Statement" under the direct method or the indirect method as recommended in the BRPD Circular No.15, dated November 9, 2009 issued by the Banking Regulation & Policy Department of Bangladesh Bank.

1.2.4 Reporting period

These financial statements cover from January 01 to December 31, 2023.

1.3 Assets and basis of their valuation

1.3.1 Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, balances lying with ATM unrestricted balances held with Bangladesh Bank and its agent Bank and balance with Other Bank and financial Institutions and highly liquid financial asset which are subject to insignificant risk of changes in their fair value, and are used by the unit management for its short-term commitments.

1.3.2 Fixed assets and depreciation

As required in Paragraph 43 of ISA-16 "Property, Plant and Equipment", Depreciation on additional to fixed assets is charged from the month when the asset is available for use and the charge of depreciation is ceased from the month when the assets is sold out/disposed off/fully depreciated.

1.4 Revenue recognition

1.4.1 Profit income

In terms of the provisions of the IAS-18 "Revenue", the Profit income is recognized on accrual basis.

1.4.2 Fees and commission income

Fees and commission income arises on services provided by the units are recognized on a cash receipt basis. Commission charged to customers on letters of credit and letters of guarantee are credited to income at the time of effecting the transactions.

1.4.3 Profit paid and other expenses

In terms of the provisions of the IAS - 1 "Presentation of Financial Statements" Profit and other expenses are recognized on accrual basis.

2. Common expense

a. Expenditure for audit fees has not been separately accounted for in the financial statements of OBU.

b. Provision for taxation, Investment and off-Balance sheet items have not been accounted for in the separate Financial Statement of the OBU. However all provisions have been accounted for in the Financial Statement of First Security Islami Bank Limited instead of OBU.

2.1 General

a) These financial statements are presented in Taka, which is the Bank's functional currency. Figures appearing in these financial statements have been rounded off to the nearest Taka.

b) Assets and liabilities & income and expenses have been converted into Taka currency weighted average rate @ US\$1 = Taka 109.7500 as at 31st December 2023.

| | 31.12.2023 | | 31.12.2022 | |
|---|----------------------|----------------------|----------------------|----------------------|
| | USD | Taka | USD | Taka |
| 3 Balance with Other Banks and Financial Institutions | | | | |
| In Bangladesh (Note-3.1) | 2.00 | 220 | 3,923,788.14 | 405,315,543 |
| Outside Bangladesh (Note-3.2) | - | - | - | - |
| | 2.00 | 220 | 3,923,788.14 | 405,315,543 |
| 3.1 In Bangladesh | | | | |
| First Security Islami Bank PLC. | 2.00 | 220 | 3,923,788.14 | 405,315,543 |
| First Security Islami Capital & Investment Limited | - | - | - | - |
| | 2.00 | 220 | 3,923,788.14 | 405,315,543 |
| 3.2 Outside Bangladesh (Nostro accounts) | | | | |
| Currents accounts | - | - | - | - |
| | - | - | - | - |
| 4 Investments | | | | |
| i) General Investment etc. | | | | |
| Bai-Murabaha | - | - | - | - |
| Others | - | - | - | - |
| | - | - | - | - |
| ii) Bills Purchased and Negotiated (note-5) | | | | |
| Payable Inside Bangladesh | | | | |
| Inland bills purchased | 17,757,359.30 | 1,948,870,183 | 20,833,914.15 | 2,152,080,830 |
| Payable Outside Bangladesh | | | | |
| Foreign bills purchased | 218,810.37 | 24,014,438 | 9,367,073.77 | 967,590,619 |
| | 17,976,169.67 | 1,972,884,621 | 30,200,987.92 | 3,119,671,449 |
| | 17,976,169.67 | 1,972,884,621 | 30,200,987.92 | 3,119,671,449 |
| 5 Bills purchased and discounted | | | | |
| Payable in Bangladesh | 17,757,359.30 | 1,948,870,183 | 20,833,914.15 | 2,152,080,830 |
| Payable outside Bangladesh | 218,810.37 | 24,014,438 | 9,367,073.77 | 967,590,619 |
| | 17,976,169.67 | 1,972,884,621 | 30,200,987.92 | 3,119,671,449 |
| 6 Fixed Assets including premises, Furniture & Intangible Assets at cost | | | | |
| Furniture and fixtures | - | - | - | - |
| Office equipment | - | - | - | - |
| Vehicles | - | - | - | - |
| | - | - | - | - |
| 7 Other Assets | | | | |
| Advances, Deposits and Prepayment | - | - | - | - |
| Profit receivable on placement with other bank & financial institute | 7,455.55 | 818,247 | 102,927.39 | 10,632,091 |
| Profit receivable on placement with DBU,FSIBL | 1,922,498.66 | 210,994,228 | - | - |
| Stock of Stationery | - | - | - | - |
| | 1,929,954.21 | 211,812,475 | 102,927.39 | 10,632,091 |
| 8 Placement from Banks and Other Financial Institutions | | | | |
| First Security Islami Bank PLC. | 19,520,242.68 | 2,142,346,634 | - | - |
| Other Bank & financial Institutions | 50,000,000.00 | 5,487,500,000 | 48,282,508.79 | 4,987,438,310 |
| | 69,520,242.68 | 7,629,846,634 | 48,282,508.79 | 4,987,438,310 |

| | 31.12.2023 | | 31.12.2022 | |
|---|---------------------|--------------------|---------------------|--------------------|
| | USD | Taka | USD | Taka |
| 9. Al-Wadiah Current Accounts & Other Deposit Accounts | | | | |
| Al-Wadia Current Deposits | - | - | - | - |
| Mudaraba Short Notice Deposits | - | - | - | - |
| Security Deposit Receipt | - | - | - | - |
| Sundry Deposits(9.1.1) | - | - | - | - |
| | - | - | - | - |
| 9.1.1 Sundry deposits | | | | |
| Sundry Creditors | - | - | - | - |
| Margin on L/C | - | - | - | - |
| Others | - | - | - | - |
| | - | - | - | - |
| 10 Other liabilities | | | | |
| Accrued Profit and Expenses Payable | 2,011,935.37 | 220,809,907 | 638,546.66 | 65,959,954 |
| Due to Head Office | - | - | - | - |
| | 2,011,935.37 | 220,809,907 | 638,546.66 | 65,959,954 |
| 11 Contingent liabilities | | | | |
| 11.1 Acceptance and endorsement | | | | |
| Back to Back bills | - | - | - | - |
| | - | - | - | - |
| Less: Margin | - | - | - | - |
| | - | - | - | - |
| 11.2 Letters of guarantee | | | | |
| Letters of guarantee (Local) | - | - | - | - |
| Letters of guarantee (Foreign) | - | - | - | - |
| Foreign counter guarantees | - | - | - | - |
| | - | - | - | - |
| Less: Margin | - | - | - | - |
| | - | - | - | - |
| 11.3 Irrevocable Letters of credits | | | | |
| Letters of credits-Cash | - | - | - | - |
| Back to Back letter of credit-Local | - | - | - | - |
| | - | - | - | - |
| Less: Margin | - | - | - | - |
| | - | - | - | - |
| 11.4 Bills For Collection Issued By The Bank | | | | |
| Foreign Documentary Bills | - | - | - | - |
| Outward Bills | - | - | - | - |
| | - | - | - | - |
| Less: Margin | - | - | - | - |
| | - | - | - | - |
| 12 Investments Income | | | | |
| Inland Documentary Bills Purchased (Foreign Currency Bills) | 1,812,023.26 | 198,869,553 | 1,252,921.62 | 129,423,045 |
| Foreign Documentary Bills Purchased (Foreign Currency Bills) | 170,998.22 | 18,767,055 | 665,321.04 | 68,725,667 |
| Others | - | - | - | - |
| | 1,983,021.48 | 217,636,607 | 1,918,242.66 | 198,148,712 |

| | | | | |
|---|----------------------|----------------------|---------------------|--------------------|
| Profit on balance with other banks and financial institutions | 3,701,963.58 | 406,290,503 | 187,911.05 | 19,410,648 |
| Placement with DBU, FSIBL | 6,029,367.45 | 661,723,078 | - | - |
| Profit received from FC account | - | - | - | - |
| | 9,731,331.03 | 1,068,013,581 | 187,911.05 | 19,410,648 |
| | 11,714,352.51 | 1,285,650,188 | 2,106,153.71 | 217,559,360 |
| Less: Inter Bank transaction | - | - | - | - |
| Total Interest income | 11,714,352.51 | 1,285,650,188 | 2,106,153.71 | 217,559,360 |
| | | | | |
| 31.12.2023 | | 31.12.2022 | | |
| | USD | Taka | USD | Taka |
| | | | | |
| 13 PROFIT PAID ON DEPOSITS | | | | |
| a) Mudaraba Term Deposit | - | - | - | - |
| b) Profit paid on local bank accounts | 3,288,754.64 | 360,940,822 | 105,728.12 | 10,921,398 |
| c) Profit paid on foreign bank accounts | 7,992,896.78 | 877,220,422 | 1,628,853.59 | 168,255,689 |
| | 11,281,651.42 | 1,238,161,243 | 1,734,581.71 | 179,177,087 |
| Less: Inter Bank transaction | - | - | - | - |
| | 11,281,651.42 | 1,238,161,243 | 1,734,581.71 | 179,177,087 |
| | | | | |
| 14 COMMISSION, EXCHANGE AND BROKERAGE | | | | |
| Commission on L/Cs | - | - | - | - |
| Other commission | - | - | - | - |
| | - | - | - | - |
| Exchange Gain | - | - | - | - |
| Brokerage | - | - | - | - |
| | - | - | - | - |
| | | | | |
| 15 OTHER OPERATING INCOME | | | | |
| Postage Recoveries - Local | - | - | - | - |
| Miscellaneous earnings | 500,000.00 | 54,875,000 | 263.80 | 27,250 |
| | 500,000.00 | 54,875,000 | 263.80 | 27,250 |
| | | | | |
| 16 SALARY & ALLOWANCES | | | | |
| Basic Salary | 25,464.77 | 2,794,759 | 59,195.71 | 6,114,739 |
| Allowances | 25,465.03 | 2,794,787 | - | - |
| Bonus | - | - | - | - |
| Bank's Contribution to Staff Provident Fund | 2,546.58 | 279,487 | - | - |
| Gratuity | - | - | - | - |
| | 53,476.38 | 5,869,033 | 59,195.71 | 6,114,739 |
| | | | | |
| 17 RENT, TAXES, INSURANCE, ELECTRICITY ETC. | | | | |
| Rates and Taxes | - | - | - | - |
| Electric Bills | - | - | - | - |
| | - | - | - | - |
| | | | | |
| 18 POSTAGE, STAMP AND TELECOMMUNICATION ETC. | | | | |
| Postage | 2,602.41 | 285,614 | 3,092.52 | 319,448 |
| Telephone - Residence | - | - | - | - |
| | 2,602.41 | 285,614 | 3,092.52 | 319,448 |
| | | | | |
| 19 STATIONERY, PRINTING AND ADVERTISEMENT ETC. | | | | |
| Publicity and Advertisement | - | - | - | - |
| Printing and Stationery | - | - | - | - |
| Computer Stationery | - | - | - | - |
| | - | - | - | - |
| | | | | |
| 20 DEPRECIATION AND REPAIRS OF BANK'S ASSETS | | | | |
| Depreciation | | | | |
| Depreciation on Fixed Assets | - | - | - | - |
| | - | - | - | - |
| Repairs | | | | |
| Furniture and Fixtures | - | - | - | - |
| Maintenance of Software | - | - | - | - |
| | - | - | - | - |
| | - | - | - | - |
| | | | | |
| 21 Other Expenses | | | | |
| Washing and Cleaning | - | - | - | - |
| Wages | 2,674.47 | 293,523 | 2,899.57 | 299,517 |
| Misellineous Expenses | 500,000.00 | 54,875,000 | - | - |
| | 502,674.47 | 55,168,523 | 2,899.57 | 299,517 |



FIRST SECURITY ISLAMI

Capital & Investment Limited

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF FIRST SECURITY ISLAMI CAPITAL & INVESTMENT LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion:

We have audited the financial statements of First Security Islami Capital & Investment Limited which comprise the financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give true and fair view, in all material respects, of the financial position of the Company as at 31 December 2023 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 1.0 to 25.0

Basis for Opinion:

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls:

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS's as explained in note 1.0 to 25.0 and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error. The Companies Act, 1994 require the Management to ensure effective internal audit, internal control and risk management functions of the Company.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Shafiq Basak & Co.
Chartered Accountants

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the financial statements.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules 2020, we also report the following:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) the statements of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns;

Place: Dhaka
Date: 16 March 2024


(Sarwar Mahmood FCA)
Partner
Shafiq Basak & Co.
Chartered Accountants
DVC:-2403190239AS478509

First Security Islami Capital & Investment Limited
Statement of Financial Position

As at 31 December 2023

| Particulars | Notes | Figures in BDT | |
|--|--------------|----------------------|----------------------|
| | | 2023 | 2022 |
| ASSETS: | | | |
| Non-Current Assets: | | 3,409,682 | 8,497,199 |
| Property, Plant and Equipment | 3.01 | 235,803 | 182,868 |
| Right of Use Asset (ROU) | 3.02 | 3,173,879 | 8,314,331 |
| Investment in marketable securities | 5.00 | 344,982,996 | 327,203,969 |
| Current Assets | | 2,184,911,218 | 2,067,809,817 |
| Margin Finance to Portfolio Clients | 6.00 | 2,100,549,897 | 2,016,960,588 |
| Accounts Receivable | 7.00 | 24,445,622 | 653,905 |
| Advance Income Tax | | 13,389,440 | 17,027,294 |
| Advance, Prepayments & Deposits | 8.00 | 1,866,879 | 1,413,967 |
| Cash and Cash Equivalents | 9.00 | 44,659,380 | 31,704,063 |
| Guard against Car Leasing Scheme (Staff) | 10.00 | - | 50,000 |
| Total Assets | | 2,533,303,896 | 2,403,510,985 |
| EQUITY AND LIABILITIES | | | |
| Shareholders' Equity: | | 759,744,813 | 732,159,410 |
| Share Capital | 11.00 | 679,717,500 | 679,717,500 |
| Capital Reserve | 12.00 | 9,945,065 | - |
| Retained Earnings | 13.00 | 70,082,248 | 52,441,910 |
| Long Term Liabilities: | | | |
| Borrowings from Financial Institutions | 14.00 | 1,413,398,424 | 1,321,328,810 |
| Current Liabilities: | | 360,160,659 | 350,022,765 |
| Accruals and Provisions | 15.00 | 186,185 | 239,049 |
| Accounts Payable | 16.00 | 75,631,606 | 64,997,631 |
| Leases Liability | 4.00 | 4,211,275 | 9,116,083 |
| Provision for Investments | 17.00 | 216,347,341 | 201,426,732 |
| Provision for Taxation | 18.00 | 37,333,750 | 48,547,588 |
| Sale Proceeds in Transit | | 8,694,075 | 691,356 |
| Portfolio Investors' Fund | | 17,756,427 | 25,004,326 |
| Total Equity and Liabilities | | 2,533,303,896 | 2,403,510,985 |
| Net Assets Value (NAV) per share | 23.00 | 111.77 | 107.72 |

The annexed notes 1.00 to 25.00 form an integral part of these financial statements.



Chief Executive Officer



Director



Chairman

Signed in terms of our report of even date.

Place: Dhaka
Date: 16 March 2024



(Sarwar Mahmood FCA)

Partner
Shafiq Basak & Co.
Chartered Accountants
DVC-2403190239AS478509

First Security Islami Capital & Investment Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2023

| Particulars | Notes | Figures in BDT | |
|--|-------|--------------------|--------------------|
| | | 2023 | 2022 |
| Revenue: | | 293,782,196 | 305,681,552 |
| Profit on Margin Investment | | 228,000,511 | 250,976,281 |
| Income from Portfolio Management Services | | 4,591,428 | 6,135,424 |
| Settlement and Transaction Fees | | 27,947,459 | 15,771,078 |
| Profit on Sale of Share | | 11,548,242 | 18,434,096 |
| Trustee fees | | 4,950,000 | - |
| Dividend Income | | 9,478,249 | 8,875,704 |
| Other Operating Income | 19.00 | 7,266,307 | 5,488,969 |
| Operating Expenses: | | 182,290,309 | 169,315,826 |
| General and Administrative Expenses | 20.00 | 45,242,664 | 40,653,772 |
| Financial Expenses | 21.00 | 137,047,645 | 128,662,054 |
| Operating Profit/(Loss) | | 111,491,887 | 136,365,726 |
| Total Provision for Investments: | | 14,920,609 | 52,597,728 |
| Provision for Diminution in Value of Investments | 17.01 | 3,678,334 | 15,041,027 |
| Provision for Clients' Negative Equity | 17.02 | 11,242,275 | 37,556,701 |
| Profit/(Loss) before Taxation | | 96,571,278 | 83,767,998 |
| Income Tax Expenses: | | 35,000,000 | 45,888,626 |
| Prior year Tax Paid | | - | 1,388,626 |
| Current Year Tax Expenses | | 35,000,000 | 44,500,000 |
| Profit/(Loss) after Taxation | | 61,571,278 | 37,879,372 |
| Retained Earnings from previous year | | 52,441,910 | 82,534,288 |
| | | 114,013,188 | 120,413,660 |
| Appropriations: | | | |
| Capital Reserve | | 9,945,065 | - |
| Dividend previous year | | 33,985,875 | 67,971,750 |
| Earnings Per Share (EPS) | 22.00 | 9.06 | 5.57 |

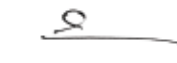
The annexed notes 1.00 to 25.00 form an integral part of these financial statements.



Chief Executive Officer



Director



Chairman

Signed in terms of our report of even date.



(Sarwar Mahmood FCA)

Partner

Shafiq Basak & Co.

Chartered Accountants

DVC-2403190239AS478509

Place: Dhaka

Date: 16 March 2024

First Security Islami Capital & Investment Limited
Statement of Changes in Equity
For the year ended 31 December 2023

| Particulars | Figures in BDT | | | |
|--|--------------------|-------------------|------------------|--------------------|
| | Share Capital | Retained Earnings | Capital Reserve | Total |
| Opening Balance on 01-01-2023 | 679,717,500 | 52,441,910 | - | 732,159,410 |
| Reserve during the year | - | (9,945,065) | 9,945,065 | - |
| Dividend Paid for the year 2022 | - | (33,985,875) | - | (33,985,875) |
| Net Profit/(Loss) for the year | - | 61,571,278 | - | 61,571,278 |
| Balance as on 31 December, 2023 | 679,717,500 | 70,082,248 | 9,945,065 | 759,744,813 |

For the year ended 31 December, 2022

| Particulars | Figures in BDT | | | |
|--|--------------------|-------------------|-----------------|--------------------|
| | Share Capital | Retained Earnings | Capital Reserve | Total |
| Opening Balance on 01-01-2022 | 679,717,500 | 82,534,288 | - | 762,251,788 |
| Dividend Paid for the year 2021 | - | (67,971,750) | - | (67,971,750) |
| Net Profit/(Loss) for the year | - | 37,879,372 | - | 37,879,372 |
| Balance as on 31 December, 2022 | 679,717,500 | 52,441,910 | - | 732,159,410 |

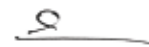
The annexed notes 1.00 to 25.00 form an integral part of these financial statements.



Chief Executive Officer



Director



Chairman

Signed in terms of our report of even date.

Place: Dhaka

Date: 16 March 2024



(Sarwar Mahmood FCA)

Partner

Shafiq Basak & Co.
Chartered Accountants
DVC-2403190239AS478509

First Security Islami Capital & Investment Limited
Statement of Cash Flows
For the year ended 31 December 2023

| Particulars | Notes | Figures in BDT | |
|--|-------------------|---------------------|----------------------|
| | | 2023 | 2022 |
| A) Cash flows from Operating Activities: | | | |
| Cash Received from Operating Income | | 293,782,196 | 305,681,552 |
| Margin Finance to Clients | | (83,589,309) | (327,258,795) |
| Payment for Administrative & Financial Expenses | | (181,796,328) | (168,203,440) |
| (Increase)/Decrease of Advance, Deposit & Prepayment | | (452,912) | 255,593 |
| (Increase)/Decrease of Accounts Receivable | | (23,791,717) | 44,628,086 |
| Increase/(Decrease) of Accounts Payable | | 10,633,975 | (8,988,027) |
| Guard against Car Leasing Scheme (Staff) | | 50,000 | 300,000 |
| Liability for Expenses | | (238,288) | (228,855) |
| Portfolio Investors' Fund | | 754,820 | (22,220,823) |
| Tax Paid | | (42,575,982) | (43,932,594) |
| Net Cash flows from Operating Activities | | (27,223,546) | (219,967,304) |
| B) Cash flows from Investing Activities: | | | |
| Acquisition of Fixed Assets | | (125,850) | (53,593) |
| Investment in Marketable Securities | | (17,779,027) | (38,559,354) |
| Net Cash used in Investing Activities | | (17,904,877) | (38,612,947) |
| C) Cash flows from Financing Activities: | | | |
| Mudaraba Finance from Bank | | 92,069,614 | 331,330,214 |
| Dividend Paid | | (33,985,875) | (67,971,750) |
| Net Cash used in Financing Activities | | 58,083,739 | 263,358,464 |
| D) Net cash flows for the year (A+B+C) | | 12,955,317 | 4,778,213 |
| E) Cash and Cash Equivalents at beginning of the year | | 31,704,063 | 26,925,850 |
| F) Cash and Cash Equivalents at end of the year (D+E) | Note-9.00 | 44,659,380 | 31,704,063 |
| Net Operating Cash Flows per Share (NOCFPS) | Note-24.00 | (4.01) | (32.36) |

The annexed notes 1.00 to 25.00 form an integral part of these financial statements.


Chief Executive Officer


Director


Chairman

Signed in terms of our report of even date.

Place: Dhaka
Date: 16 March 2024


(Sarwar Mahmood FCA)
Partner
Shafiq Basak & Co.
Chartered Accountants
DVC-2403190239AS478509

First Security Islami Capital & Investment Limited
Notes to the Financial Statements
For the year ended 31 December 2023

1.00 Background Information

1.01 Incorporation and Legal Status

First Security Islami Capital & Investment Limited (FSICIL) the "Company", a subsidiary of First Security Islami Bank PLC. was incorporated under the Companies Act, 1994 on 02 December 2010 under Registration No. C-88567/10 with a view to run and manage the merchant banking operations. First Security Islami Capital & Investment Limited also obtained license on 27 March 2011 vide SEC's Reg.# MB-65/2011 under the Securities and Exchange Commission Act 1993 to carry out merchant banking business in Bangladesh.

First Security Islami Capital & Investment Limited wants to achieve the reputation as a leading Merchant Banker through providing portfolio management services by maintaining a high level of professional expertise and integrity in client relationship. FSICIL's registered office is located at Al-Amin Centre (12th Floor), 25/A, Dilkusha C/A, Dhaka-1000. FSICIL's has only branch office situated at Akhtaruzzaman Centre (7th Floor), 21/22, Agrabad C/A, Chittagong-4100.

1.02 Nature of business of First Security Islami Capital & Investment Limited (FSICIL)

Main activities of First Security Islami Capital & Investment Limited (FSICIL) include Issue Management, Portfolio Management, Corporate Counseling, Investment Counseling, Capital Structuring, Underwriting, etc. FSICIL performs its portfolio management activities in three ways (i) Investors Discretionary Account (IDA), where portfolio management operates as per client's decision, (ii) Merchant Bank's Discretionary Account (MBDA), where portfolio management operates as per bank's decision using clients' money and (iii) Non-Discretionary Investment Account (NIDA). On the other hand, own portfolio management operates as per bank's decision by using bank's money.

2.00 Significant Accounting Policies

2.01 Basis of Presentation of Financial Statements

The financial statements have been prepared and the disclosures of information made in accordance with the requirements of the Companies Act, 1994, and International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and other laws and rules applicable thereto.

2.02 Accounting Convention and Assumption

The financial statements are prepared under the historical cost convention, except Investments, which are measured at procurement cost.

2.03 Property, Plant and Equipment (IAS-16):

Fixed assets are stated at cost less accumulated Depreciation and Impairment losses. Cost represents cost of acquisition and includes purchase price and other directly attributable cost of bringing the assets to working conditions for its intended use.

2.04 Depreciation

Depreciation is charged on all applicable fixed assets using Straight Line Method at rates varying from 10% to 33% based on the nature and useful lives of the assets. The depreciation rates are as under:

| Category of Assets | Rate of Depreciation | |
|------------------------|----------------------|------|
| | 2023 | 2022 |
| Furniture and Fixtures | 10% | 10% |
| Electronics Appliance | 20% | 20% |
| Motor Vehicle | 20% | 20% |
| Office equipment | 20% | 20% |
| Office Renovation | 20% | 20% |
| Software | 33% | 33% |

Depreciation on addition to fixed assets is charged when the asset is available for use as per para 55 of IAS 16.

2.05 Right of Use Asset (ROU)

All leasing arrangements except those having less than 12 months of useful life and underlying asset values of less than Taka 425,000 when new, have been capitalized as "right-of-use" asset with a corresponding financial liability on the financial position.

Leased assets are capitalized from the start date of the lease agreement at the present value of the future lease payments, based on the rate of interest entered in the asset master data. Low value (Taka 425,000) and short term leases (12 months) have been excluded from the recognition requirements and charged to statement of profit or loss as rental costs. Lease reassessment and lease modification to increase/decrease the value of an asset depending on a

The asset is written off on a straight-line basis over the tenure of the lease agreements. Hence, the useful life of any lease assets depends on the periods the assets can be used. The useful life of such assets are dependent on individual agreement and can vary from one agreement to another.

2.06 Revenue Recognition

Settlement fee
Profit on SND account.
Profit earned from IDA Investment.
Documentation fee
Gain From sale of shares
Dividend Income
Underwriting Commission
Issue Management fee
Trustee Fees

Revenue is recognized on accrual basis. Profit earned from IDA Investment, Settlement fee, Underwriting commission, and Issue management fee are admitted only if its' realization is reasonably certain. Profit on Sale of Share, Trustee fee and Cash Dividend received are recognized when these are realized.

Taxation

Provision for current year's taxation is made at the ruling rate prescribed in The Income Tax Act, 2023

2.07 Current Tax

Current tax provision for the Company has been made @ 37.50% for Business income, 20% for dividend income and @10% for profit on sale of listed companies' shares as per Income Tax laws.

Deferred Tax

Deferred tax has not been recognized on temporary difference on depreciation because tax provision is made after considering like to all tax liability. Besides, company filed tax return under "Universal Self Assessment" system of The Income Tax Act, 2023 and being accepted accordingly.

2.08 Earnings Per Share:

Basic Earnings Per Share has been calculated in accordance with IAS-33 "Earnings Per Share" which has been shown on the face of Statement of Profit or Loss and Other Comprehensive Income. This have been calculated by dividing the basic earnings/(loss) by the number of ordinary shares outstanding during the year.

2.09 Reporting Period:

The Company's reporting period is 01 January 2023 to 31 December 2023.

2.10 General

- (i) Previous year's figures have been rearranged wherever necessary, to conform to the current year's presentation.
- (ii) Figures have been rounded off to the nearest Bangladeshi Taka (BDT).

| Notes Sl. No. | Particulars | Notes | Figures in BDT | |
|------------------|---|------------------|----------------------|----------------------|
| | | | 2023 | 2022 |
| 3.00 | Property, Plant and Equipment | | | |
| | This is made up as follows: | | | |
| | Property, Plant and Equipment | Note-3.01 | 235,803 | 182,868 |
| | Right of Use Asset (ROU) | Note-3.02 | 3,173,879 | 8,314,331 |
| | | | 3,409,682 | 8,497,199 |
| 3.01 | Property, Plant and Equipment | | | |
| | A) Cost : | | 69,518,155 | 69,392,305 |
| | Opening Balance | | 69,392,305 | 69,338,712 |
| | Add : Addition during the year | | 125,850 | 53,593 |
| | B) Accumulated Depreciation: | | 69,282,352 | 69,209,437 |
| | Opening Balance | | 69,209,437 | 68,925,604 |
| | Add: Charge during the Year | | 72,915 | 283,833 |
| | Written Down Value (A-B) | | 235,803 | 182,868 |
| 3.02 | Right of Use Asset (ROU) | | | |
| | Opening Balance (WDV) | | 8,314,331 | 13,454,782 |
| | Add: Addition during the year | | - | - |
| | Less: Depreciation during the year | | 5,140,452 | 5,140,451 |
| | Written Down Value | | 3,173,879 | 8,314,331 |
| | Details of Property, Plant and Equipment have been shown in Annexure-A | | | |
| 4.00 | Lease Liability | | 4,211,275 | 9,116,083 |
| 5.00 | Investment in Marketable Securities | | | |
| | Quoted Shares & Bonds | | 344,982,996 | 327,203,969 |
| | Unquoted Shares | | - | - |
| | | | 344,982,996 | 327,203,969 |
| 5.01 | Market Value of Quoted Shares & Bonds | | 269,412,515 | 255,310,841 |
| 6.00 | Margin Finance to Portfolio Clients | | | |
| | Investor's Discretionary Accounts (IDA) | | 2,100,549,897 | 2,016,960,588 |
| | | | 2,100,549,897 | 2,016,960,588 |
| 7.00 | Accounts Receivable | | | |
| | This is made up as follows: | | | |
| | Receivable from brokers (TREC Holders) | | 24,445,622 | 653,905 |
| | | | 24,445,622 | 653,905 |
| | Details of Receivable from brokers (TREC Holders) are given below: | | | |
| | AVIVA Equity Management Ltd. | | 227,504 | - |
| | United Financial Trading Company Ltd. | | 16,561,344 | 2,294 |
| | UniCap Securities Limited | | 2,301,988 | 651,612 |
| | Shanta Securities Ltd. | | 5,354,786 | - |
| | | | 24,445,622 | 653,905 |

The above amount represents the balance of sale value of shares of client accounts and FSICIL's own Portfolio account less transactions/settlement fee of brokers.

| Notes Sl. No. | Particulars | Notes | Figures in BDT | |
|--|---|------------------|-------------------|-------------------|
| | | | 2023 | 2022 |
| 8.00 Advances, Deposits & Prepayments | | | | |
| | Advances | Note-8.01 | 1,612,879 | 1,159,967 |
| | Deposits | Note-8.02 | 254,000 | 254,000 |
| | | | 1,866,879 | 1,413,967 |
| 8.01 Advances | | | | |
| | Advance Rent | | 932,879 | 1,159,967 |
| | Advance for IPO subscription | | 680,000 | - |
| | | | 1,612,879 | 1,159,967 |
| 8.02 Deposits | | | | |
| | T & T Board | | 54,000 | 54,000 |
| | Central Depository Bangladesh Limited | | 200,000 | 200,000 |
| | | | 254,000 | 254,000 |
| 9.00 Cash and Cash Equivalents | | | | |
| | Cash in Hand | | 15,012 | 22,166 |
| | Cash at Bank | Note-9.01 | 44,644,368 | 31,681,897 |
| | | | 44,659,380 | 31,704,063 |
| 9.01 Cash at Bank | | | | |
| | FSIB PLC, STD-101-131-0000219-0 | | 1,713,740 | 2,165,969 |
| | FSIB PLC, CD-101-111-0002710-5 | | 728,882 | 117,413 |
| | FSIBL, STD-129-131-0000039-2 | | 41,349,158 | 18,307,675 |
| | FSIB PLC, CD-129-111-0000187-6 | | 29,840 | 694,550 |
| | Union Bank PLC, STD-0131210000075 | | 548,347 | 10,202,171 |
| | Global Islami Bank PLC, STD-0113000000767 | | 274,401 | 194,119 |
| | | | 44,644,368 | 31,681,897 |

Bank balances have either been agreed or reconciled with the related bank statements/certificates.

10.00 Guard against Car Leasing Scheme (Staff)

This is made up as follows:

| | | |
|----------------------------------|--------|---------------|
| Opening Balance | 50,000 | 350,000 |
| Add : Addition during the year | - | - |
| | 50,000 | 350,000 |
| Less: Adjustment during the year | 50,000 | 300,000 |
| | - | 50,000 |

| Notes Sl. No. | Particulars | Notes | Figures in BDT | |
|------------------|--|-----------------------|--------------------|--------------------|
| | | | 2023 | 2022 |
| 11.00 | Share Capital | | | |
| | <u>Authorized:</u> | | | |
| | 30,000,000 ordinary shares of Tk. 100/- each | | 3,000,000,000 | 3,000,000,000 |
| | <u>Issued, Subscribed and Paid up:</u> | | | |
| | 6,797,175 ordinary shares of Tk 100/- each fully paid up | | 679,717,500 | 679,717,500 |
| | Details of Shareholders are given below: | | | |
| | <u>Name of Shareholder's</u> | <u>Nos. of Shares</u> | | |
| | First Security Islami Bank PLC. | 3,466,559 | 346,655,900 | 346,655,900 |
| | Mr. Mohammed Saiful Alam | 1,325,450 | 132,545,000 | 132,545,000 |
| | Ms. Farzana Parveen | 1,306,030 | 130,603,000 | 130,603,000 |
| | Mr. Shahidul Alam | 174,784 | 17,478,400 | 17,478,400 |
| | Ms. Sharmin Fatema | 167,796 | 16,779,600 | 16,779,600 |
| | Mr. Md. Abdullah Hasan | 174,784 | 17,478,400 | 17,478,400 |
| | Ms. Marzina Sharmin | 174,770 | 17,477,000 | 17,477,000 |
| | Ms. Halima Begum | 14 | 1,400 | 1,400 |
| | Ideal Flour Mills Ltd. | 10 | 1,000 | - |
| | Chemon Ispat Ltd. | 6,978 | 697,800 | 698,800 |
| | | 6,797,175 | 679,717,500 | 679,717,500 |
| 12.00 | Capital Reserve | | | |
| | Opening Balance | | - | - |
| | Addition during the year | | 9,945,065 | - |
| | | | 9,945,065 | - |

The company has made Capital Reserve @ 10% of profit after tax of last year and current year as per requirement of Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy) Rules, 2019.

13.00 Retained Earnings

| | | |
|----------------------------------|-------------------|-------------------|
| Opening Balance | 52,441,910 | 82,534,288 |
| Less: Capital Reserve | 9,945,065 | - |
| Less: Stock/Cash Dividend | 33,985,875 | 67,971,750 |
| | 8,510,970 | 14,562,538 |
| Add: Comprehensive Income/(Loss) | 61,571,278 | 37,879,372 |
| | 70,082,248 | 52,441,910 |

During the year, dividend @ 5% on profit of previous year has been distributed as per decision of AGM.

14.00 Borrowings from Financial Institutions

| | | |
|---|----------------------|----------------------|
| First Security Islami Bank PLC (Motijheel Branch) | 962,563,969 | 850,761,381 |
| Union Bank PLC (Panthapath Branch) | 450,834,455 | 470,567,429 |
| | 1,413,398,424 | 1,321,328,810 |

The Company has availed mudaraba finance facilities from above mentioned banks.

Nature of Security:

- Hypothecation of own portfolio's stock & Margin Clients' equity on reporting date.
- Registered mortgage of fixed and floating assets of the company.
- Other charges which will be imposed by bank from time to time.

15.00 Accruals and Provisions

| | | |
|----------------|----------------|----------------|
| CDBL Charges | 23,018 | 75,275 |
| Audit fee | 163,013 | 163,013 |
| Other Expenses | 154 | 761 |
| | 186,185 | 239,049 |

| Notes Sl. No. | Particulars | Notes | Figures in BDT | |
|---|--|-------------------|--------------------|--------------------|
| | | | 2023 | 2022 |
| 16.00 Accounts Payable | | | | |
| | Payable to Broker/TREC Holders | Note-16.01 | 15,749,057 | - |
| | Profit payable to Bank | | 59,882,549 | 64,997,631 |
| | | | 75,631,606 | 64,997,631 |
| 16.01 Payable to Broker / TREC Holders | | | 15,749,057 | - |
| | The above amount represents the purchase value of shares of client accounts and FSICIL's own portfolio account transactions & settlement fee of brokers. | | | |
| 17.00 Provision for Investments | | | | |
| | Provision for Diminution in Value of Investments | Note-17.01 | 75,571,462 | 71,893,128 |
| | Provision for Clients' Negative Equity | Note-17.02 | 140,775,879 | 129,533,604 |
| | | | 216,347,341 | 201,426,732 |

17.01 Provision for Diminution in Value of Investments

The company has made provision as per requirement against unrealized loss on investment in share as at 31 December, 2023 due to decrease in market price of shares.

17.02 Provision for Clients' Negative Equity

Provisions for clients' negative equity have been maintained as per directive no. BSEC/SMMID/NE/2023/840 dated on 22 October, 2023 of the Bangladesh Securities & Exchange Commission against margin finance to the clients' portfolio.

| | | |
|--------------------------------------|--------------------|--------------------|
| Specific Provision (*) | 21,005,499 | - |
| Provision on clients negative equity | 119,770,380 | 129,533,604 |
| | 140,775,879 | 129,533,604 |

(*) Specific provision (mandatory provision) has been made @1% of all outstanding margin exposures as required by the Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy) Rules, 2019.

18.00 Provision for Taxation

This is made up as follows:

| | | |
|-----------------------------|-------------------|-------------------|
| Opening Balance | 48,547,588 | 42,349,998 |
| Add: Provision for the year | 35,000,000 | 44,500,000 |
| | 83,547,588 | 86,849,998 |
| Less: Paid/Adjustments | 46,213,838 | 38,302,410 |
| | 37,333,750 | 48,547,588 |

19.00 Other Operating Income

| | | |
|-----------------------------------|------------------|------------------|
| Documentation Charge | 41,000 | 37,000 |
| Rent Received from Broker | 744,000 | 999,000 |
| Account Settlement Charge | 12,155 | 12,863 |
| Profit Earned from Bank Account | 6,310,590 | 667,062 |
| Annual BO Account Maintenance Fee | 158,562 | 203,044 |
| Issue Management fee etc. | - | 300,000 |
| Other income | - | 150,000 |
| Underwriting Commission | - | 3,120,000 |
| | 7,266,307 | 5,488,969 |

| Notes Sl. No. | Particulars | Notes | Figures in BDT | |
|------------------|--|------------------|--------------------|--------------------|
| | | | 2023 | 2022 |
| 20.00 | General and Administrative Expenses | | | |
| | Salary and Allowances | | 21,588,224 | 22,148,519 |
| | CDBL Charges | | 4,638,091 | 2,991,386 |
| | Traveling Expenses | | 962,000 | 445,250 |
| | Local Conveyance | | 187,367 | 179,883 |
| | Medical | | 257,672 | - |
| | Entertainment | | 745,927 | 843,732 |
| | Fuel & Car Maintenance | | 702,555 | 688,752 |
| | Newspapers, Magazines, Books etc. | | 16,607 | 14,255 |
| | Insurance | | 87,940 | 25,515 |
| | Postage, Stamps, Telecommunication etc. | | 202,784 | 248,839 |
| | Internet | | 468,502 | 483,623 |
| | Repair and Maintenance | | 82,595 | 9,575 |
| | Security Guard Bill | | 270,000 | 270,000 |
| | Cleaning expenses | | 306,000 | 306,000 |
| | Stationery | | 116,820 | 211,401 |
| | Office Maintenance | | 349,102 | 231,702 |
| | Renewal Expenses | | 267,200 | 439,700 |
| | Printing | | 6,500 | 25,290 |
| | Directors Fee | | 425,000 | 450,000 |
| | Board Meeting Expenses | | 795,000 | 1,442,000 |
| | Fees & Charges | | 49,133 | 100,000 |
| | Audit fees | | 220,513 | 209,013 |
| | Consultancy/ Professional fees | | 88,750 | 140,460 |
| | Business Promotion Expenses | | 1,278,000 | 555,000 |
| | Subscription & Membership Fees | | 111,000 | 117,000 |
| | Utilities Bill | | 1,008,756 | 916,385 |
| | Company's Contribution to Recognized PF | | 857,759 | 838,168 |
| | Advertisement | | 54,500 | 64,500 |
| | Depreciation Expenses | Note-3.01 | 72,915 | 283,833 |
| | Depreciation on Right of Use Asset (ROU) | Note-3.02 | 5,140,452 | 5,140,451 |
| | Training Expenses | | - | 13,540 |
| | Gratuity Expenses | | 3,885,000 | 820,000 |
| | | | 45,242,664 | 40,653,772 |
| 21.00 | Financial Expenses | | | |
| | Profit Paid for Mudaraba Finance | | 135,095,152 | 126,565,270 |
| | Financial Cost for Lease Rent | | 1,348,968 | 1,692,709 |
| | Bank Charges, excise duty & commission | | 603,526 | 404,075 |
| | | | 137,047,645 | 128,662,054 |
| 22.00 | Basic Earnings Per Share (EPS) | | | |
| | (a) Earning attributable to the ordinary shareholders | | 61,571,278 | 37,879,372 |
| | (b) Weighted average number of ordinary shares outstanding during the year | | 6,797,175 | 6,797,175 |
| | (c) Earnings Per Share (EPS) (a/b) | | 9.06 | 5.57 |

Earnings per shares (EPS) have been computed by dividing the basic earnings by the number of ordinary shares outstanding as on 31 December 2023.

| Notes Sl. No. | Particulars | Notes | Figures in BDT | |
|--|--|-------|--------------------|--------------------|
| | | | 2023 | 2022 |
| 23.00 Net Asset Value per Share (NAV) | | | | |
| | Total Assets | | 2,533,303,896 | 2,403,510,985 |
| | Less: Long Term Liabilities | | 1,413,398,424 | 1,321,328,810 |
| | Less: Current Liabilities | | 360,160,659 | 350,022,765 |
| | (a) Net Asset Value (NAV) | | 759,744,813 | 732,159,410 |
| | (b) Weighted average number of ordinary shares outstanding during the year | | 6,797,175 | 6,797,175 |
| | (c) Net Asset Value per Share (NAV) (a/b) | | 111.77 | 107.72 |
| 24.00 Net Operating Cash Flows per share (NOCFPS) | | | | |
| | (a) Net Cash flows from Operating Activities | | (27,223,546) | (219,967,304) |
| | (b) Weighted average number of ordinary shares outstanding during the year | | 6,797,175 | 6,797,175 |
| | (c) Net Operating Cash Flows per Share (NOCFPS) (a/b) | | (4.01) | (32.36) |

25.00 Others

25.01 Each Director has been paid Tk 10,000 (excluding Tax & VAT) for attending each Board Meeting.

25.02 Key Management Personnel Compensation

During the year, the of compensation paid to key management personnel including board of directors is as under: (As per para 17 of IAS 24 - Related Party Disclosures)

| | | |
|-------------------------------------|-------------------|-------------------|
| Short Term Employees Benefits | 21,588,224 | 22,148,519 |
| Post- Employee Benefits | - | - |
| Other Long Term Benefits (Gratuity) | 3,885,000 | 820,000 |
| Termination Benefits | - | - |
| Others (Directors' Fees) | 425,000 | 450,000 |
| | 25,898,224 | 23,418,519 |

There is no other benefits provided by the company to its' employees other than a contributory provident fund scheme.

25.03 Related Party Transaction

First Security Islami Bank PLC. (FSIB) is the banker of the company, and also hold 51% equity shares. Besides this, the company has availed mudaraba finance facilities of BDT 962,563,969/- from FSIB's Motijheel Branch for its clients financing purpose. No other related party transaction was made during the year.


Chief Executive Officer


Director


Chairman

Shafiq Basak & Co.
Chartered Accountants

First Security Islami Capital & Investment Limited
Schedule of Property, Plant & Equipment
For the year ended 31 December, 2023

Annexure A

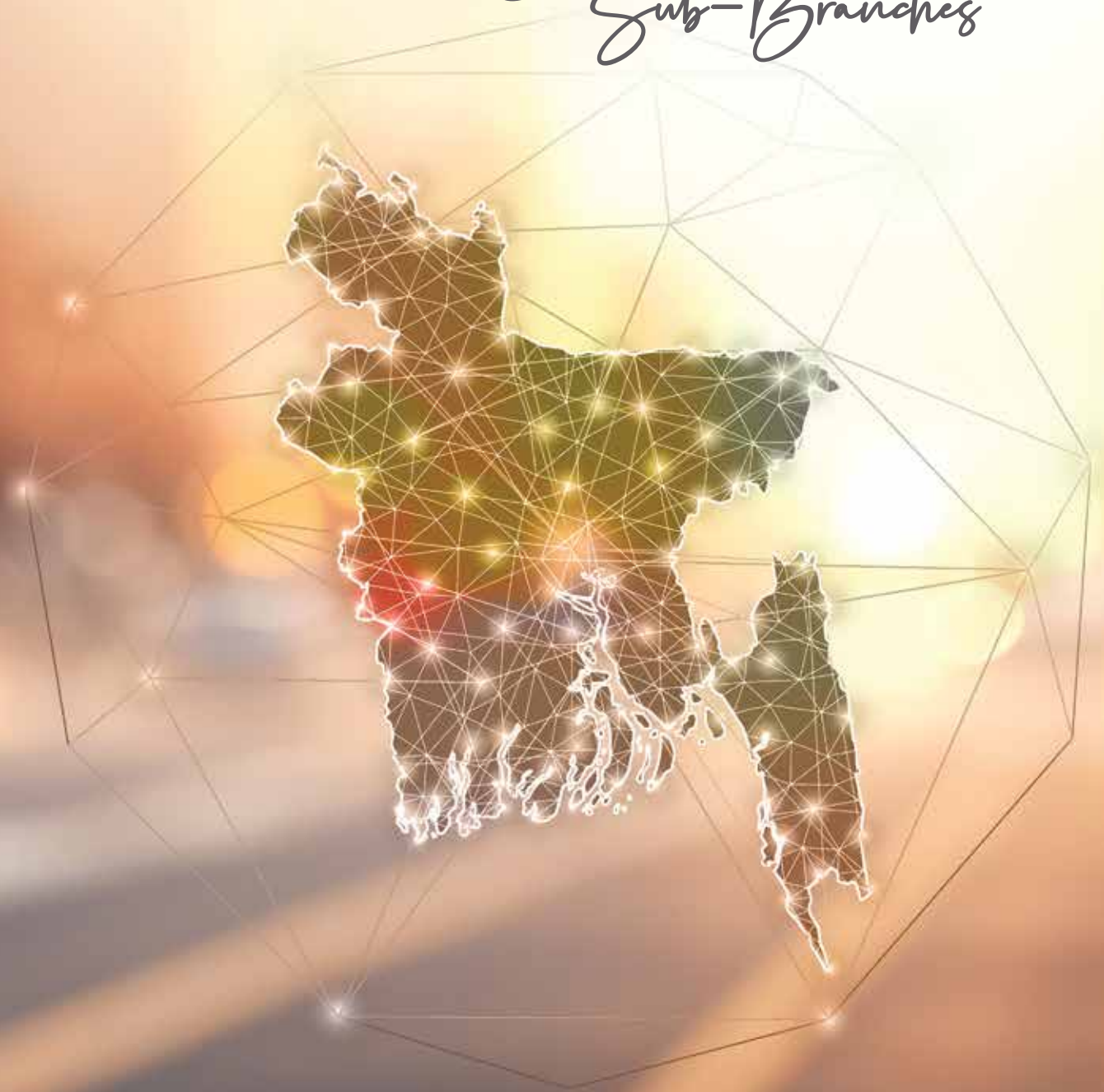
(a) Own Assets:

| Particulars | COST | | | Rate % | DEPRECIATION | | | Written Down Value as on 31.12.2023 |
|-----------------------------|-----------------------------|------------------------------|-----------------------------|-----------|-----------------------------|----------------------------|-----------------------------|---|
| | Balance as on 01.01.2023 | Additions during the year | Balance as on 31.12.2023 | | Balance as on 01.01.2023 | Charged during the year | Balance as on 31.12.2023 | |
| Furniture & Fixtures | 2,280,583 | - | 2,280,583 | 10% | 2,280,582 | - | 2,280,582 | 1 |
| Electrical Appliance | 5,747,393 | 26,400 | 5,773,793 | 20% | 5,742,055 | 7,098 | 5,749,153 | 24,641 |
| Office Equipment | 18,037,533 | 99,450 | 18,136,983 | 20% | 17,874,891 | 50,935 | 17,925,826 | 211,158 |
| Office Renovation | 37,114,139 | - | 37,114,139 | 20% | 37,114,138 | - | 37,114,138 | 1 |
| Motor Vehicles | 3,364,157 | - | 3,364,157 | 20% | 3,364,156 | - | 3,364,156 | 1 |
| Software | 2,775,000 | - | 2,775,000 | 33% | 2,774,999 | - | 2,774,999 | 1 |
| Computer | 73,500 | - | 73,500 | 33% | 58,616 | 14,883 | 73,499 | 1 |
| Total Own Assets (a) | 69,392,305 | 125,850 | 69,518,155 | | 69,209,437 | 72,915 | 69,282,352 | 235,803 |

(b) Leased Assets:

| | | | | | | | | |
|---------------------------------------|-------------------|----------------|-------------------|----------|-------------------|------------------|-------------------|------------------|
| Right of Use Asset (ROU) | 23,800,057 | - | 23,800,057 | - | 15,485,726 | 5,140,452 | 20,626,178 | 3,173,879 |
| Total Leased Assets (b) | 23,800,057 | - | 23,800,057 | - | 15,485,726 | 5,140,452 | 20,626,178 | 3,173,879 |
| Balance as at 31-12-2023 (a+b) | 93,192,362 | 125,850 | 93,318,212 | - | 84,695,163 | 5,213,367 | 89,908,530 | 3,409,682 |
| Balance as at 31-12-2022 | 93,138,869 | 53,593 | 93,192,462 | | 79,270,979 | 5,424,284 | 84,695,263 | 8,497,199 |

LIST OF
Branches
&
Sub-Branches





Barishal ZONE

BRANCHES UNDER BARISHAL ZONE (14)

AMTALI BRANCH

First Security Islami Bank PLC.
Building Name-Maa Shefali Market, Holding
Number-1135/A, Road Name-College Road,
Amtali, Barguna.
Mobile-01992044293, 01708160293

BARGUNA BRANCH

First Security Islami Bank PLC.
Shahabuddin Plaza, Holding: 3127
Bangabandhu Road, Barguna.
Phone:0448-51296
Mobile-01992044201, 01708160201

BARISHAL BRANCH

First Security Islami Bank PLC.
M.Jahan Tower (2nd & 3rd Floor)
Holding No # 790, ward No-09,
Kotawali, Barishal.
Phone: 0431-2177278
Mobile-01992044163, 01708160163

BAUPHAL BRANCH

First Security Islami Bank PLC.
Mridha Bhaban, Bauphal High School Road,
Bauphal, Patuakhali.
Phone:442-256381-2
Mobile-01992044230, 01708160230

BHOLA BRANCH

First Security Islami Bank PLC.
Howlader Complex, Holding no-794,
Road Name- Natun Bazar,
Bhola Sadar, Bhola.
Mobile-01992044226, 01708160226

DAMUDYA BRANCH

First Security Islami Bank PLC.
1223-1227, Munshi Super Market (1st Floor)
Municipality Station, Damodya, Shariatpur.
Telephone- 06023-56418
Mobile-01992044180, 01708160180

GALACHIPA BRANCH

First Security Islami Bank PLC.
Jamal Talukdar Villa, 262, Samudabad Road,
Galachipa, Patuakhali.
Phone-04424-56444
Mobile-01992044194, 01708160194

GOURONODI BRANCH

First Security Islami Bank PLC.
Kazi Market, Holding No: 3840-01,
Thana Road, Gouronodi, Barisal.
Mobile-01992044271, 01708160271

NARIA BRANCH

First Security Islami Bank PLC.
Shawakat Plaza, Chakdh Bazar,
Noria, Shariatpur.
Mobile-01992044181, 01708160181

PANCHAR BRANCH

First Security Islami Bank PLC.
Sonar Bangla Plaza, Panchar Bazar,
Shibchar, Madaripur.
Mobile: 01992044210, 01708160210

PATUAKHALI BRANCH

First Security Islami Bank PLC.
Manabi Plaza, Patuakhali Natun Bazar,
Sadar Road, Patuakhali.
Phone-0441-64287(PABX)
Mobile-01992044144, 01708160144

SWARUPKATI BRANCH

H.A. Bhaban, Holding No.-413,
JagannatKathi Bazar, Swarupkathi,
Nesarabad, Pirojpur.
Phone- 0462-756108
Mobile- 01992044195, 01708160195

TAKERHAT BRANCH

First Security Islami Bank PLC.
J K Complex, Palli Bidyut Office Road, Purba
Sorumongol, Takerhat Bazar,
Rajoir, Madaripur.
Mobile- 01958544301, 01896060301

WAZIRPUR BRANCH

First Security Islami Bank PLC.
6, Barakotha Union,
Malikanda, Uzirpur, Barisal.
Mobile-01992044209, 01708160209

SUB BRANCHES UNDER BARISHAL ZONE (13)

NARIA BAZAR SUB-BRANCH

Mega Plaza, Holding No: B/12,
Chakdha Bazar Road, Naria, Shariatpur.
Mobile: 01958642001

SAKHIPUR SUB-BRANCH

Sarkar Plaza, Sakhipur Bazar,
Sakhipur Sadar, Shariatpur.
Mobile: 01958642061

KALISURI BAZAR SUB-BRANCH

Khan Manjil, Kalisuri Bazar,
Bauphal, Patuakhali.
Mobile: 01958642025

PANDITSAR BAZAR SUB-BRANCH

Hawlader Market, Panditsar Bazar,
Union- Naria, Shariatpur.
Mobile: 01958642028

SURJANAGAR BAZAR SUB-BRANCH

S A Tower, Surjanagar Bazar,
Ward Number-01, Union-Datta Para,
Shibchar, Madaripur.
Mobile: 01958642107

CHAKAR SUB-BRANCH

Dipa Market, Chakar Bus Stand,
Madarkhati, Banaripara, Barishal.
Mobile: 01958642127

PAYRA POINT SUB-BRANCH

Payra Point Shopping Complex, University
Square, Lebukhali, Karthik Pasha,
Dumki, Patuakhali.
Mobile: 01958642160

GOSAIRHAT BAZAR SUB-BRANCH

Aman Bhavan, Sadar Road,
Goshairhat Bazar, Goshairhat, Shariatpur.
Mobile: 01958642161

BETAGI SUB-BRANCH

Khan Mansion, Holding No.-396,
Sadar Road, Betagi Bazar, Betagi, Barguna.
Mobile: 01958642166

KUNJERHAT SUB-BRANCH

Hena Kutir, Chakdosh, Kunjerhat Bazar,
Borhan Uddin, Bhola.
Mobile: 01958642167

DASHMINA SUB-BRANCH

Haji Abul Kalam Complex,
High School Road, Dashmina Bazar,
Dashmina, Patuakhali.
Mobile: 01958642168

GOLAR BAZAR SUB-BRANCH

Lal Sharif Dhali Smriti Market,
Golar Bazar, Naria, Shariatpur.
Mobile: 01958642172

RUPATALI SUB-BRANCH

Al-Haj Mubarak Ali Mullah Complex,
Holding Number- 407, Rupertoli Goal
Chattor, Barishal-Jalkhati Road, Barishal
Sadar, Barishal.
Mobile: 01958642032



Chattogram ZONE

BRANCHES UNDER CHATTOGRAM NORTH ZONE (31)

ANDERKILLA BRANCH

First Security Islami Bank PLC.
Fahim Mansion (1st floor)
House # 10, Anderkillah Road,
Kotwali, Chattogram.
Phone: 031-2858653
Mobile- 01992044134, 01708160134

BANDARTILA BRANCH

First Security Islami Bank PLC.
Area Nou Kallan Foundation Bhaban,
Navy Hospital Gate, Nabik Colony-2,
Bandartila, EPZ, Chattogram.
Phone: 031-742175
Mobile- 01992044184, 01708160184

BARATAKIA BRANCH

First Security Islami Bank PLC.
Abu Sufian Shopping Complex
Mayani, Mirsarai, Chattogram.
Mobile- 01992044263, 01708160263

BIBIRHAT BRANCH

First Security Islami Bank PLC.
Hoque Market, Holding Number-972,
College Road, Bibirhat,
Fatikcchari, Chattogram.
Mobile- 01992044294, 01708160294

CHAWKBAZAR BRANCH

First Security Islami Bank PLC.
B.K. Tower, 182/183 Lal Chand Road
Chawkbazar, Chattogram.
Telephone- 031-2867442
Mobile- 01992044166, 01708160166

COLONEL HAT BRANCH

First Security Islami Bank PLC.
Total Tower, New Monsurabad,
(Firoz Shah Housing Estate), D.T Road,
Colonel Hat, Chattogram.
Mobile-01992044289, 01708160289

DOVASHI BAZAR BRANCH

First Security Islami Bank PLC.
Alam Market (1st Floor) Dovashi Bazar,
Ranguniya, Chattogram.
Telephone-0351-51028
Mobile-01992044124, 01708160124

FATEYABAD BRANCH

First Security Islami Bank PLC.
S.N Tower, Fatehabad, Chowdhuryhat,
Fatehabad, Chattogram.
Mobile: 01992044249, 01708160249

HALISHAHAR BRANCH

First Security Islami Bank PLC.
Plot no.6, Block-K, Port Connecting Road,
Halisahar Housing State, Chattogram.
Telephone- 031-727407
Mobile-01992044185, 01708160185

HATHAZARI BRANCH

First Security Islami Bank PLC.
Siddique Center (1st floor)
Hathazari-Fatikchari Road,
Hathazari, Chattogram.
Phone-031-26013613
Mobile-01992044137, 01708160137

JUBILEE ROAD BRANCH

First Security Islami Bank PLC.
Supreme Jubilee Tower, Holding No-215,
Jubilee Road, Kotwali, Chattogram.
Telephone- 031-2855735, 627026
Mobile-01992044107, 01708160107

KADAMTALI BRANCH

First Security Islami Bank PLC.
Noor Hossain Market Bhaban,
835/863, D.T. Road, Dhaniapara,
Kadamtali, Chattogram.
Telephone-031-2522161
Mobile-01992044212, 01708160212

KATIRHAT BRANCH

First Security Islami Bank PLC.
2 No. Dhalai Union Porishod Bhaban,
Katirhat Bazar, Katirhat,
Hathazari, Chattogram.
Mobile-01992044206, 01708160206.

KHATUNGANJ BRANCH

First Security Islami Bank PLC.
S.M. Trade Centre, 263/84, Khatungonj,
Kotowali, Chattogram.
Telephone- 031-619414, 031-2854628
Mobile-01992044102, 01708160102

KHULSHI BRANCH

First Security Islami Bank PLC.
Arcadia Shopping Centre,
Holding No-10/A/1/77, Road No-04,
Jakir Hossain Road, Khulshi, Chattogram.
Mobile-01992044276, 01708160276

KORERHAT BRANCH

First Security Islami Bank PLC.
Meah Complex, Union: Korirhat,
Jorargonj, Mirsarai, Chattogram.
Mobile-01992044240, 01708160240

KUMIRA BRANCH

First Security Islami Bank PLC.
Bismillah Shopping Complex (1st Floor),
Choto Kumira, Mosajiddah, Shitakunda,
Chattogram.
Telephone- 0304-251321
Mobile-01992044193, 01708160193

MOHILA BRANCH

First Security Islami Bank PLC.
Karnaphuli Tower (1st Floor),
63, S.S. Khaled Road Kazir Dewri, Chattogram.
Telephone- 031-2868210
Mobile-01992044167, 01708160167

NAZIRHAT SME/KRISHI BRANCH

First Security Islami Bank PLC.
H Plaza, Daulatpur, Nazirhat Bazar,
Fatikchari, Chattogram.
Mobile-01992044164, 01708160164

NAZU MEAH HAT BRANCH

First Security Islami Bank PLC.
Nur Ali Bari, Kaptai Road, Nazu Meah Hat,
Hathazari, Chattogram.
Telephone- 031-2570823
Mobile-01992044114, 01708160114

OXYGEN BRANCH

First Security Islami Bank PLC.
Compact Square (Mayer Dowa),
Holding No.-5435/6756, Oxygen-Quaish Road,
Bangabandhu Avenue,
Bayazid Bostami, Chattogram.
Mobile-01992044300, 01708160300

PAHARTALI BRANCH

First Security Islami Bank PLC.
440/504, Torab Arched (1st Floor),
Dhaka Trunk (D.T) Road, Chattogram.
Mobile-01992044159, 01708160159

PAHARTALI CHOWMUHONI BRANCH

First Security Islami Bank PLC.
Green Center (Near CUET), Pahartali,
Chowmuhoni, Raozan, Chattogram.
Phone: 031-2773042
Mobile-01992044196, 01708160196

PATHERHAT BRANCH

First Security Islami Bank PLC.
Khayez Ahammad Shopping Centre,
Noapara, Raozan, Chattogram.
Telephone- 031-2572441-2
Mobile-01992044145, 01708160145

RAHATTARPUL BRANCH

First Security Islami Bank PLC.
R. Ahmed Complex, Holding No-3019/2/4410,
Rahattarpul Mor,
Shah Amanat Setu Songok Sarak,
Bakalia, Chattogram.
Mobile-01992044259, 01708160259

RANGAMATI BRANCH

First Security Islami Bank PLC.
L. K. Tower (1st Floor)
Kata Hill Lane, Kotwali,
Rangamati, Chattogram.
Mobile-01992044262, 01708160262

RANIRHAT SME/KRISHI BRANCH

First Security Islami Bank PLC.
Amiruzzaman Sawdagor Market
Maddayo Ghagra, Thandachari,
Rangunia, Chattogram.
Mobile-01992044156, 01708160156

RAOZAN BRANCH

First Security Islami Bank PLC.
Hazi Noor Center, 0787-000-Shah Latif Road,
Fakirhat, Raozan, Chattogram.
Mobile-01992044279, 01708160279

SADARGHAT BRANCH

First Security Islami Bank PLC.
Betak Preyangon
Holding# 77/87, 74/84
Sadarghat Road, Sadarghat, Chattogram.
Telephone- 031-626521
Mobile-01992044239, 01708160239

SITAKUNDA BRANCH

First Security Islami Bank PLC.
Secure City, Holding No.-248, Road No.-01,
Mohadebpur, Dhaka Trunk Road,
Sitakunda, Chattogram.
Mobile-01992044299, 01708160299

TOKIRHAT BRANCH

First Security Islami Bank PLC.
Al-Madina Shopping Complex
Tokirhat, Jafothnagar, Fatikchari,
Chattogram.
Mobile-01992044235, 01708160235

**SUB-BRANCHES UNDER
CHATTOGRAM NORTH
ZONE (27)**
MAJHIRGHAT ROAD SUB-BRANCH

Zakaria Bhaban, Holding No:203/A,
Majhirghat Road, Sadarghat,
Chattogram.
Mobile-01958642020

KALPOLOK SUB-BRANCH

A.S.M. Jeddah Complex,
Holding Number-154/AF,
(Opposite of Kalpolok R/A),
Shah Amanat Setu
Songjog Sarak(Arkan Sarak),
Bakalia, Chattogram.
Mobile-01958642049

BOUBAZAR SUB-BRANCH

Rafique Plaza, Halisohor Road,
Halishohor, Chattogram.
Mobile-01958642054

BORO DAROGARHAT SUB-BRANCH

Nag Market, Boro Darogar Hat,
Sitakunda, Chattogram.
Mobile-01958642055

RESERVE BAZAR SUB-BRANCH

New Rangamati Bazar Jam E Masjid Complex,
Kotowali, Rangamati, Chattogram.
Mobile-01958642056

KADAMRASUL SUB-BRANCH

King Tower, Kadamrasul Keshabpur,
Sitolpur, Sonai Chori Union Parishad,
Sitakunda, Chattogram.
Mobile-01958642071

ROAZARHAT SUB-BRANCH

Thalukdhar Bhaban
(Opposite of Rangunia Police Station),
Holding Number: 1198/OO,
Rangunia, Chattogram.
Mobile-01958642072

BANSHBARIA SUB-BRANCH

Monsur Alam Chowdhury Market,
Sitakundu, Chattogram.
Mobile-01958642084

CHARIA BAZAR SUB-BRANCH

Amin Center, Village-Charia,
Hathazari, Chattogram.
Mobile-01958642093

**CHATTOGRAM UNIVERSITY 1 NO. GATE
SUB-BRANCH**

Habib Plaza, Ctg university 1 No. Gate,
Shaheed Abdur Rouf Road,
Hathazari, Chattogram.
Mobile-01958642095

GOCHARA CHOWMUHANI SUB-BRANCH

Hafez Chowdhury Tower, Gochora Bazar,
Kaptai Road, Rangunia, Chattogram.
Mobile-01958642099

MOGOLTULI SUB-BRANCH

Hashem Bhaban, Holding Number-1330,
1180 Commerce College Road,
Katabotgach Mor, Sadarghat, Chattogram.
Mobile-01958642100

ICHAPUR SUB-BRANCH

Almas Super Market, Foyzia Bazar,
Rahimpur, Chattogram-Rangamati Road,
Hathazari, Chattogram.
Mobile-01958642102

KAGATIA BAZAR SUB-BRANCH

Dulal Chowdhury Market, Kagatia,
Raozan, Chattogram
Mobile-01958642103

AZADIBAZAR SUB-BRANCH

Islam Market, Dharmapur,
Union Parishad Road, Fatikchhari, Chattogram.
Mobile-01958642129

AKBARSHAH SUB-BRANCH

Holding No./Plot-243 & 244, Block-C,
Grade-H, Road-Kaibalyadham Housing
State Road, Firozshah,
Akbarshah, Chattogram.
Mobile-01958642145

JUGIR HAT SUB-BRANCH

Al-Soha Plaza, Khandakia Road,
Jugir Hat Bazar, Chikandandi Union
Parishad, Yunus Nagar (4338),
Hathazari, Chattogram.
Mobile-01958642150

SARKARHAT SUB-BRANCH

Hoque Tower, Sarkarhat Bazar,
Mirzapur, Hathazari, Chattogram.
Mobile-01958642154

KARNAFULI SUB-BRANCH

Hazi Jafar Ahmed Market, Moijjartek,
Karnafuli, Chattogram
Mobile-01958642002

MAIZVANDAR SUB-BRANCH

Gulzar-E-Ibrahim Emporium,
Village: Maizvandar Darbar Sharif,
Fatikchari, Chattogram.
Mobile-01958642009

MOGOLERHAT SUB-BRANCH

Badiul Alam Shopping Complex,
Mogoler Hat, Rangunia, Chattogram,
Mobile-01958642010

RIAZUDDIN BAZAR SUB-BRANCH

Makka Tower, Holding Number- 104/7-12,
R.S. Road, Kotowali, Chattogram.
Mobile-01958642031

FISHARIGHAT SUB-BRANCH

Chabedul Haque Bhaban,
Holding Number-168/218, Iqbal Road,
Road Number-32, Kotwali, Chattogram.
Mobile-01958642043

**ANSAR CLUB SHAH AMANAT
SUB-BRANCH**

Holding Number-1540/1259/1329,
Bundle Road Badar Patti, Road Number-16,
Kotowali, Chattogram.
Mobile-01958642044

**HALISHAHAR HOUSING ESTATE
SUB-BRANCH**

Block-B, Road No.-02, Lane-04, Plot-02,
Halishahar, Chattogram.
Mobile-01958642048

MARIAMNAGAR SUB-BRANCH

Hazrat Shah Muzibullah (R:) Market,
Chowmuhan Bazar, Rangunia, Chattogram.
Mobile-01958642070

BARAIYARHAT SUB-BRANCH

Abu Usama Market,
Jorarganj, Chattogram.
Mobile-01958642085

**BRANCHES UNDER
CHATTOGRAM
SOUTH ZONE (22)**
AGRABAD BRANCH

First Security Islami Bank PLC.
H & M Tower, Holding-23, Sheikh Mujib Road,
Agrabad, Doublemuring, Chattogram.
Phone-031-2517511
Mobile-01992044104, 01708160104

BAHADDARHAT BRANCH

First Security Islami Bank PLC.
Tayyabiya Market, Holding Number- 4068/4522,
Road Name-Arkan Road, Chandgaon,
Chattogram.
Mobile- 01992044123, 01708160123

BANSHKHALI BRANCH

First Security Islami Bank PLC.
Haji Rowshan Monjil, North Jaldi,
Banskhali, Chattogram.
Phone-0303-756008
Mobile-01992044187, 01708160187

BOALKHALI BRANCH

First Security Islami Bank PLC.
Al-Madina Market, Holding: 1/77,
Kanungopara Road, Gomdondi, Boalkhali,
Chattogram.
Mobile-01992044277, 01708160277

CHAKARIA BRANCH

First Security Islami Bank PLC.
Al-Rahamat Shopping Complex (1st Floor),
Chiringa, Chakaria, Cox's Bazar.
Phone-03442-56490
Mobile-01992044142, 01708160142

CHANDANAISH BRANCH

First Security Islami Bank PLC.
Younus Market (1st Floor), Jaforabad,
Boiltoli, Chandanaish, Chattogram.
Mobile-01992044234, 01708160234

COURT BAZAR BRANCH

First Security Islami Bank PLC.
Chowdhury Tower (1st Floor), Court Bazar Sadar,
Ratna Palong, Ukhiya, Cox's Bazar.
Telephone- 03427-56151
Mobile-01992044135, 01708160135

COXS BAZAR BRANCH

First Security Islami Bank PLC.
940, Koral Reef Plaza.
Cox's Bazar Main Road, Cox's Bazar.
Telephone-0341-51582
Mobile-01992044139, 01708160139

EIDGAON BRANCH

First Security Islami Bank PLC.
Arafat Shopping Complex,
Eidgah Bus Stand, Eidgah, Cox's Bazar
Telephone- 03432-58413
Mobile-01992044151, 01708160151

HNILA BRANCH

First Security Islami Bank PLC.
Hnila New Market, Hnila,
Teknaf, Cox's Bazar.
Mobile-01992044221, 01708160221

KERANIHAT BRANCH

First Security Islami Bank PLC.
National Tower, Satkhania, Chattogram.
Mobile-01992044110, 01708160110

LOHAGARA BRANCH (CHATTOGRAM)

First Security Islami Bank PLC.
Karnafuly City Complex (1st floor)
Lohagara, Chattogram.
Telephone- 0303-456591
Mobile-01992044147, 01708160147

LINK ROAD BRANCH

First Security Islami Bank PLC.
Trade Link Center, Area-Link Road,
Cox's Bazar Sadar, Cox's Bazar.
Mobile-01992044296, 01708160296

MIRZAKHIL BRANCH

First Security Islami Bank PLC.
Ishak Bhaban, Bangla Bazar, Mirzakhil,
Sonakania, Satkhania, Chattogram.
Mobile-01992044218, 01708160218

MOHRA SME/KRISHI BRANCH

First Security Islami Bank PLC.
Hossain Building, 2107/2208 Arkan Road
(Kaptai Rastar Matha), Chandgaon,
Chattogram.
Mobile-01992044161, 01708160161

MOHESHKHALI BRANCH

First Security Islami Bank PLC.
Rabeya Super Market (1st & 2nd Floor),
Holding No.-141/5, Gorakghata Main Road,
Moheshkhali, Cox's Bazar.
Mobile-01992044297, 01708160297

PANCHLAISH BRANCH

First Security Islami Bank PLC.
Al-Arobi Hossain Tower, 81/178,
Hathazari Road, Mirzarpul,
Panchlaish, Chattogram.
Telephone-031-2552398
Mobile-01992044236, 01708160236

PATIYA BRANCH

First Security Islami Bank PLC.
N.J. Complex, 1280, Shahid Sabur Road
Patiya, Chattogram.
Telephone- 03035-56695
Mobile-01992044152, 01708160152

PATIYA MOHILA BRANCH

First Security Islami Bank PLC.
I.D.T.C.L. Aftab Center
College Road, Patiya Pourashava,
Patiya, Chattogram.
Mobile-01992044182, 01708160182

PEKUA BRANCH

First Security Islami Bank PLC.
Shah Shopping Complex (1st Floor),
Panbazar Road, Alhaz Kabir Ahmed
Chowdhury Bazar, Pekua, Cox's Bazar.
Telephone-03428-56194
Mobile-01992044192, 01708160192

PRABARTAKMOR BRANCH

First Security Islami Bank PLC.
Equity Point, Holding-135/144/157,
K.B. Fazlul Kader Road, Prabartak Mor,
Panchlaish, Chattogram
Mobile-01992044119, 01708160119

RAMU BRANCH

First Security Islami Bank PLC.
Monisha Green Tower, Ramu Chowmohoni,
Ramu, Cox's Bazar.
Telephone- 0342-556302
Mobile-01992044200, 01708160200

SUB-BRANCHES UNDER CHATTOGRAM SOUTH ZONE (25)

KANUNGOPARA SUB-BRANCH

Lila Complex, Kanungopara 3 Rastar Mor,
Boalkhali, Chattogram
Mobile-01958642013

KOLGHAR BAZAR SUB-BRANCH

Tamim Market, Kolghar Bazar,
Ramu, Cox's Bazar.
Mobile-01958642015

TARABANIACHARA SUB-BRANCH

Rihab Plaza, Holding No: 0191-02,
Khurushkul Road, Cox's Bazar.
Mobile-01958642016

WHYKONG SUB-BRANCH

Pritom Plaza, Whykong Bus Station,
Teknaf, Cox's Bazar.
Mobile-01958642018

KELISHAHAR SUB-BRANCH

Khaja Ajmir Market,
Ramesh Babur Hat/Darogar Hat,
Patiya, Chattogram.
Mobile-01958642026

CHANDANAISH SADAR SUB-BRANCH

Haji Abdul Jabbar Market, Holding No. 20,
Barkal Road, Chattogram.
Mobile-01958642027

DULAHAZARA SUB-BRANCH

Aslam Chowdhury Market,
Chakaria, Cox's Bazar.
Mobile-01958642057

PADUA SUB-BRANCH

N K City, Holding Number-1025,
Chattogram-Cox's Bazar Main Road,
Lohagara, Chattogram.
Mobile-01958642063

KHUTAKHALI SUB-BRANCH

Bhai-Bhai New Market, Khutakhali Bazar,
Chakaria, Cox's Bazar.
Mobile-01958642069

SARWAR BAZAR SUB-BRANCH

Ilias Tower, Area-Sarwar Bazar,
Satkhania, Chattogram.
Mobile-01958642076

MORICHA SUB-BRANCH

Iqbal Tower, Holding Number-401,
Area-Moricha Bazar, Ukhiya, Cox's Bazar.
Mobile-01958642086

GUNAGARI SUB-BRANCH

Al-Amin Shopping Center,
Village: Ram Das Munshir Hat,
Gunagari, Banshkali, Chattogram.
Mobile-01958642091

SATKANIA SUB-BRANCH

Satkania New Market, Holding Number-653,
Adalath Road, Satkania, Chattogram.
Mobile-01958642092

SADAR UPAZILA BAZAR SUB-BRANCH

Z K Tower, Holding Number-1364,
Professor Mohammad Jashim Uddin Road,
Cox's Bazar.
Mobile-01958642104

PEKUA CHOWMUHANI SUB-BRANCH

Kremlin Chowdhury Plaza & Brothers Market,
Area-Pekua Chowmuhani,
Pekua, Cox's Bazar.
Mobile-01958642131

UKHIYA SUB-BRANCH

Icon Complex, South Station, Muhori Para,
Area-Ukhiya Sadar, Mouza-Wala Palang,
Ukhiya, Cox's Bazar.
Mobile-01958642132

NAIKHONGCHHARI SUB-BRANCH

Naikhongchhari Thana Central Mosque Building,
Naikhongchhari Sadar, Bandarban.
Mobile-01958642134

OSMANIA POLER GORA SUB-BRANCH

B.N. Tower, Holding Number-420/A,
Road Name-Osmania Poler Gora Road,
Chandgaon, Chattogram.
Mobile-01958642140

**BAHADDARHAT KACHA BAZAR
SUB-BRANCH**

Jafar Tower, House Number-01,
Plot Number-01, Road Number-01,
New Chandgaon R/A,
Bahaddarhat Kacha Bazar Road,
Chattogram.
Mobile-01958642144

DEODIGHI SUB-BRANCH

Deo Dighi New Market Bhavan,
Deo Dighi Bazar, Satkhania-Banskhali Road,
Satkhania, Chattogram.
Mobile-01958642146

BADARKHALI SUB-BRANCH

Nahar Shopping Complex
(Prokash Al-Hossain Market),
Poschim Notun Ghona Road,
Badarkhali Bazar, Chakaria, Cox's Bazar.
Mobile-01958642147

KUTUBDIA SUB-BRANCH

Arisha Bhavan, Holding Number-310,
Azam Khan Road, Kutubdia, Cox's Bazar.
Mobile-01958642151

**SHAKPURA CHOWMUHANI
SUB-BRANCH**

Nurul Hoque Plaza,
Shakpura Chowmuhani Bazar,
Arkan Road, Boalkhali, Chattogram.
Mobile-01958642155

ROWSHANHAT SUB-BRANCH

Hazi Bazal Ali Market, Rowshanhat,
Kanchannagar, Chandanaish, Chattogram.
Mobile-01958642156

ATURAR DEPO SUB-BRANCH

Tofazzal Sawdagar Market,
Holding No.-10/10, Aturar Depo,
Bayezid Bostami, Chattogram.
Mobile-01958642158



Cumilla ZONE

BRANCHES UNDER CUMILLA ZONE (21)

BAGMARA BAZAR BRANCH

First Security Islami Bank PLC.
Sawdagar Shopping Complex
Bagmara Bazar, Lalmai, Cumilla.
Mobile-01992044273, 01708160273

BANGADDA BAZAR BRANCH

First Security Islami Bank PLC.
Alhaj Abdul Momin Shopping Center,
Bangadda, Nangalkot, Cumilla.
Mobile-01992044265, 01708160265

BOKHTER MUNSHI BAZAR BRANCH

First Security Islami Bank PLC.
Khandaker Tower, Baktar Munshi Bazar
Mongolkandi, Sonagazi, Feni.
Mobile-01992044232, 01708160232

BRAHMANBARIA BRANCH

First Security Islami Bank PLC.
SA Plaza 1146/1147, Sorok Bazar Road,
Brahmanbaria.
Phone-0851-62451,
Mobile-01992044243, 01708160243

CHANDPUR BRANCH

First Security Islami Bank PLC.
Rayhan Plaza ,711, Hazi Mohsin Road,
Chandpur.
Telephone-0841-67882
Mobile-01992044241, 01708160241

CHOWDHURYHAT BRANCH

First Security Islami Bank PLC.
Al-Salam Shopping Complex
Chowdhuryhat, Companygonj, Noakhali.
Mobile-01992044244, 01708160244

CUMILLA BRANCH

First Security Islami Bank PLC.
Ayub Mansion (1st floor), 34/32, Chawk Bazar,
Kotoyali, Cumilla.
Telephone- 081-64899
Mobile-01992044150, 01708160150

DHORKORA BAZAR BRANCH

First Security Islami Bank PLC.
Master Plaza, Dhorkora Bazar,
Choddogram, Cumilla.
Mobile-01992044246, 01708160246

FENI BRANCH

First Security Islami Bank PLC.
Hazi Shah Alam Tower (1st & 2nd Floor),
322, S.S.K Road, Feni Model Thana, Feni.
Telephone-0331-73936
Mobile-01992044165, 01708160165

FULGAZI BRANCH

First Security Islami Bank PLC.
Hazi Bachhu Mian Market, Fulgazi, Feni
Mobile-01992044255, 01708160255

HAJIGANJ BRANCH

First Security Islami Bank PLC.
Hajiganj Oitihashik Boro Mosjid Complex,
Rajanigandha Market, Hajiganj, Chandpur.
Mobile-01992044292, 01708160292

HOMNA BRANCH

First Security Islami Bank PLC.
Hazi Sundor Ali Mansion, Homna, Cumilla.
Mobile-01992044257, 01708160257

KASBA BRANCH

First Security Islami Bank PLC.
Kasba Plaza Market, Holding no-610,611,
Kasba, Brahmanbaria.
Mobile-01992044287, 01708160287

LAKSHMIPUR BRANCH

First Security Islami Bank PLC.
Miraz Tower, Holding-518, Ganzi Hata Road,
Road-3, Lakshmipur, Lakshmipur.
Mobile-01992044256, 01708160256

LASKARHAT BRANCH

First Security Islami Bank PLC.
Shafi Center, Laskarhat Bazar,
Laskarhat, Feni.
Mobile-01992044233, 01708160233

MADHAIYA BAZAR BRANCH

First Security Islami Bank PLC.
Bhuyan Plaza, Madhaiya Bazar,
Chandina, Cumilla.
Mobile-01992044254, 01708160254

RAMGANJ BRANCH

First Security Islami Bank PLC.
287, Jannat Plaza (1st Floor), Kalabagan,
Ramgonj, Laxmipur.
Phone-03824-75115
Mobile-01992044131, 01708160131

SHAHRASTI BRANCH

First Security Islami Bank PLC.
Hazi Harun Tower, Suchipara Dokhhin Bazar,
Shahrasti, Chandpur.
Mobile-01992044283, 01708160283

SARAIL BRANCH

First Security Islami Bank PLC.
Esha Kha Shopping Center, Sarail Bazar,
Sarail, Brahmanbaria.
Mobile- 01958544302, 01896060302

TANTAR BRANCH

First Security Islami Bank PLC.
Khandakar Market (1st Floor), Tantor Bazar,
Bus Stand, Akhaura, Brahmanbaria.
Mobile- 01992044229, 01708160229

TORABGANJ BRANCH

First Security Islami Bank PLC.
Noor Sayera Super Market, Torabganj,
Komol Nagar, Lakshmipur.
Mobile- 01992044267, 01708160267

**SUB-BRANCHES UNDER
CUMILLA ZONE (17)**
BATTALI SUB-BRANCH

Arif Super Market, Battali Bazar,
Chandraganj, Lakshmipur.
Mobile-01958642045

AMZAD HAT SUB-BRANCH

Bhuiyan Plaza, Holding Number-47,
Road Name-Amzad Hat Link Road,
Fulgazi, Feni.
Mobile-01958642064

TARASHAIL SUB-BRANCH

Farhad Market, Village-Tarashail-3583,
Chauddagram, Cumilla.
Mobile-01958642080

MEHAR KALIBARI SUB-BRANCH

Ummul Kora Super Market,
Holding Number-117, Doavangha-Dolta,
Kalibari, Shahrasti, Chandpur.
Mobile-01958642081

SHARSHADI BAZAR SUB-BRANCH

Bismillah Market, Holding Number-65,
Sharshadi Bazar Main Road, Feni Sadar, Feni.
Mobile-01958642094

CUMILLA EPZ SUB-BRANCH

63/3, Road Name-EPZ Road, 1 Number Gate,
Sadar Dakkhin, Cumilla.
Mobile-01958642111

BANGLABAZAR SUB-BRANCH

VIP Palace, Area-Musapur,
Companyganj, Noakhali.
Mobile-01958642112

MONKASHAIR SUB-BRANCH

Siddique Shopping Mall,
Road Name-Cumilla-Sylhet Mohasarak,
Area-Monkashair Bazar Bus Stand,
Kasba, Brahmanbaria.
Mobile-01958642113

ALGI BAZAR SUB-BRANCH

Maji Bhaban, Road Name-Thana Road,
Haimchar, Chandpur.
Mobile-01958642114

PIRBARI SUB-BRANCH

Ali Plaza, Holding Number-541,
Area-Paschim Medda Pir Bari,
Brahmanbaria Sadar, Brahmanbaria.
Mobile-01958642133

DAGANBHUIYAN SUB-BRANCH

Saderezzaman Market, Holding No-307,
Faziler Ghat Road, Daganbhuiyan, Feni.
Mobile-01958642159

BADSHA MIA BAZAR SUB-BRANCH

Mofij Mansion, Holding No.-0468-00,
Nur Masjid Road, Badsha Mia Bazar,
Kotowali Model Police Station, Cumilla.
Mobile-01958642163

CHATKHIL SUB-BRANCH

Haji Atikullah Nirala Super Market,
Holding No.-847,
Chatkhil-Ramganj Road (C & B Road),
Sundarpur, Chatkhil, Noakhali.
Mobile-01958642165

BATAKANDI BAZAR SUB-BRANCH

A. R. Plaza, Batakandi Bazar, Titas, Cumilla.
Mobile-01958642171

HARISHCHAR BAZAR SUB-BRANCH

Hanif Tower, Harishchar Chowrasta,
Harishchar Bazar, Lalmai, Cumilla.
Mobile-01958642023

BATTALI BAZAR SUB-BRANCH

Mukthijoddha Market, Battali Bazar,
Purbo Shibpur, Fazilpur Feni Sadar, Feni.
Mobile-01958642029

PATHANNAGAR BAZAR SUB-BRANCH

Chowdhury Market, Pathan Nagar Bazar,
Chhagalnaiya, Feni.
Mobile-01958642030



Dhaka ZONE

BRANCHES UNDER HEAD OFFICE (8)

BANANI BRANCH

First Security Islami Bank PLC.
Prashad Trade Centre, Mezanin Floor,
House#6, Kamal Ataturk Avenue,
Dhaka-1213.
Telephone-02-9889754
Mobile-01992044115, 01708160115

BANGSHAL BRANCH

First Security Islami Bank PLC.
121/2, Lutfar Rahman Lane (2nd Floor),
North South Road, Dhaka-1100.
Telephone- 02-9558944
Mobile-01992044106, 01708160106

CORPORATE BRANCH

First Security Islami Bank PLC.
Rangs RD Center (1st Floor),
Block- SE (F), Plot-3, Gulshan Avenue,
Gulshan-1, Dhaka-1212
Mobile-01992044181, 01708160181

DHANMONDI BRANCH

First Security Islami Bank PLC.
Holding No.-19, Plot No.-108 (Old), 19 (New),
Road No.-02, Dhanmondi, Dhaka.
Mobile-01992044108, 01708160108

DILKUSHA BRANCH

First Security Islami Bank PLC.
23, Dilkusha Commercial Area, Dhaka- 1000.
Telephone- 02-9560229
Mobile-01992044101, 01708160101

GULSHAN BRANCH

First Security Islami Bank PLC.
122, Gulshan Avenue,
Gulshan-2, Dhaka-1212.
Phone-02-9895381
Mobile-01992044112, 01708160112

MOHAKHALI BRANCH

First Security Islami Bank PLC.
Khaja Tower, 95, Mohakhali C/A,
Dhaka-1212.
Telephone- 02-9888046
Mobile-01992044103, 01708160103

MOTIJHEEL BRANCH

First Security Islami Bank PLC.
Swantex Bhaban, 9/I,
Motijheel C/A, Dhaka-1000.
Telephone- 02-9570423
Mobile-01992044129, 01708160129

**SUB-BRANCHES
UNDER HEAD OFFICE (3)**
PRAGATI SARANI SUB-BRANCH

Five Beni Rahila Monjil,
Holding No: Talbasha-15/5,
Pragati Sarani, Dhaka-1212.
Mobile-01958642003

MANIKNAGAR SUB-BRANCH

Shanti Plaza, 89/123, R. K. Mission Road,
Gopibagh, Police Station-Wari, Dhaka.
Mobile-01958642050

JIGATALA SUB-BRANCH

Holding Number-23/1,
Road Name-Zigatala,
P.S-Hazaribagh, Dhaka.
Mobile-01958642122

**BRANCHES UNDER
DHAKA NORTH ZONE (26)**
AFTABNAGAR BRANCH

First Security Islami Bank PLC.
SB Bhavan, Holding No.-C-2, Block-C,
Main Road, Aftabnagar, Dhaka.
Mobile-01992044298, 01708160298

AZAMPUR BRANCH

First Security Islami Bank PLC.
Panna Plaza, 64-65, Muktijodda Road
Azampur Super Market, Dokkhin Khan,
Uttara, Dhaka.
Telephone-02-7911307
Mobile-01992044140, 01708160140

BASHUNDHARA BRANCH

First Security Islami Bank PLC.
Rams Chowdhury Tower, Plot No.-22,
Road Name-Bashundhara Main Road
(Abdus Subhan Road), Block-A,
Bashundhara R/A, Vatara, Dhaka.
Telephone- 02-8402605-7
Mobile-01992044177, 01708160177

BHALUKA BRANCH

First Security Islami Bank PLC.
Ridoy Super Market, 89, Bhaluka,
Mymensingh.
Telephone-09022-56063
Mobile-01992044168, 01708160168

BHUANPUR BRANCH

First Security Islami Bank PLC.
Ibrahim Khan Govt. College Market Bhaban
(1st Floor), 274(1)/4, Tarakandi Road,
Bhuapur, Tangail.
Telephone-09223-56091
Mobile-01992044202, 01708160202

BIRULIA BRANCH

First Security Islami Bank PLC.
City University Campus, 69, Biruliya Road,
Khagan, Asulia, Savar, Dhaka.
Telephone- 02-7747585
Mobile-01992044178, 01708160178

COLLEGE GATE BRANCH

First Security Islami Bank PLC.
Bodur Uddin Mansion, Nishat Nagar-1711,
College Gate, Tongi, Gazipur.
Telephone-02-981621-3
Mobile-01992044125, 01708160125

GAZIPUR CHOWRASTA BRANCH

First Security Islami Bank PLC.
Hazrat Shahjalal Mansion,
Dhaka Joydebpur Chowrasta Road, Gazipur.
Telephone-02-9261893
Mobile-01992044214, 01708160214

HAMIDPUR BRANCH

First Security Islami Bank PLC.
Saustir Neer, Hamidpur Bazar,
Union: Digor, Thana: Ghatail, Tangail.
Mobile-01992044238, 01708160238

JAMIRDIA MASTERBARI BRANCH

First Security Islami Bank PLC.
Haji Abdus Satter Plaza (1st Floor)
Dhaka Mymensingh Road, Jamirdia,
Masterbari, Bhaluka, Mymensingh.
Mobile-01992044183, 01708160183

JOYNAL MARKET DOKKHINKHAN BRANCH

First Security Islami Bank PLC.
Al- Modina Complex,
443, Joynal Market Dokkhin Khan, Dhaka-1230.
Telephone- 02-7914957
Mobile-01992044237, 01708160237

KURIL BISHWAROAD BRANCH

First Security Islami Bank PLC.
Simex Shimul Trishna Trade Centre,
Holding- Ka-86/1, Kuril Biswa Road,
Progotisharoni, Bhatara, Dhaka.
Mobile-01992044260, 01708160260

MANIKGANJ BRANCH

First Security Islami Bank PLC.
Bismillah Super Market (1st Floor),
79, Shahid Rafique Sarak,
Manikganj Sadar, Manikganj.
Telephone-02-7720046
Mobile-01992044203, 01708160203

MIRPUR BRANCH

First Security Islami Bank PLC.
793, Begum Rokeya Sarani, Kazipara,
Mirpur, Dhaka.
Tel- 02-8035649
Mobile-01992044113, 01708160113

MYMENSINGH BRANCH

First Security Islami Bank PLC.
Brojoraj Niketan, Holding # 62,
Choto Bazar, Kotowaly, Mymensingh.
Telephone- 091-64043
Mobile-01992044160, 01708160160

RANABHOLA BRANCH

First Security Islami Bank PLC.
13/1, Sheikh Villa, Ranabhola,
Horirampur, Turag, Dhaka-1711
Mobile-01992044228, 01708160228

RUPNAGAR BRANCH

First Security Islami Bank PLC.
Arambag Bhaban, E/7, Arambag Housing,
Arambag Main Road, Rupnagar,
Mirpur, Dhaka.
Telephone- 02-9022525
Mobile-01992044223, 01708160223

SAVAR BRANCH

First Security Islami Bank PLC.
Savar City Centre (2nd Floor),
Savar, Dhaka.
Telephone- 02-7744656
Mobile-01992044149, 01708160149

SAVAR NABINAGAR BRANCH

First Security Islami Bank PLC.
Ekota Bhaban, Savar Cantonment (1344),
Ashulia, Savar, Dhaka.
Mobile- 01958544303, 01896060303

SENANIBASH BRANCH

First Security Islami Bank PLC.
Euro Star Tower (1st and 2nd Floor),
82/4/A, Ibrahimpur, Kachukhet Main Road,
Kafrul, Dhaka-1206.
Mobile: 01992044126, 01708160126

SHAFIPUR BRANCH

First Security Islami Bank PLC.
K. Z. Tower, Holding-70/1, Shafipur Bazar,
Kaliakoir, Gazipur.
Mobile: 01992044117, 01708160117

SREEPUR BRANCH

First Security Islami Bank PLC.
Nurul Islam Khan Complex, D.B. Road,
Sreepur, Gazipur.
Telephone- 06825-51767
Mobile: 01992044143, 01708160143

TANGAIL BRANCH

First Security Islami Bank PLC.
Dipangan Bhaban, Holding No: 2497,
Masjid Road, Tangail Sadar, Tangail.
Mobile-01992044253, 01708160253

UTTARA BRANCH

First Security Islami Bank PLC.
Plot# 10 (1st & 2nd floor), Garib-A-Newaz Avenue,
Sector-13, Uttara Model Town, Uttara, Dhaka.
Telephone- 02-8953806
Mobile: 01992044158, 01708160158

UTTARA MODEL TOWN BRANCH

First Security Islami Bank PLC.
Millennium Tower (1st & 2nd Floor),
Holding No.-02, Road No.-07, Sector-03,
Uttara Model Town, Dhaka.
Mobile: 01958-544305, 01896-060305.

ZIRABO RANCH

First Security Islami Bank PLC.
Yearpur, Zirabo, Ashulia, Savar, Dhaka.
Telephone- 02-7792369-70
Mobile: 01992044148, 01708160148

**SUB-BRANCHES
UNDER DHAKA NORTH
ZONE (20)**
MASKANDA SUB-BRANCH

Sughanda Abasik Alaka
(Dhaka-Mymensingh Main Road),
Maskhanda Polytechnic Mor, Mymensingh.
Mobile-01958642042

MC BAZAR SUB-BRANCH

Shafiqul Islam Shapan Saheber Building,
MC Bazar Bus Stand, Sreepur, Gazipur.
Mobile-01958642051

SIGNBOARD SUB-BRANCH

K.K.Tower, Signboard,
Board Bazar, Gazipur.
Mobile-01958642052

GHATAIL SUB-BRANCH

Maolana Super Market,
Holding Number-486/487,
Dhaka-Mymensingh Highway,
Ghatail, Tangail.
Mobile-01958642077

PALIMA SUB-BRANCH

S. M. Super Market, Palima, Kalihati, Tangail.
Mobile-01958642083

PATHRAIL SUB-BRANCH

Rony Market, Pathrail, Delduar, Tangail.
Mobile-01958642089

AULIABAD SUB-BRANCH

College Market, Village: Auliabad,
Kalihati, Tangail.
Mobile-01958642090

RAJASHON SUB-BRANCH

A.P.M Plaza,
Holding Number-89/1 (Purbo Rajashon),
Birulia Road, Savar, Dhaka.
Mobile-01958642097

SHIMULTALI SUB-BRANCH

Bikalpa Tower, Holding Number-448,
Road Name-Shahid Zaman Sarak,
Joydebpur, Gazipur.
Mobile-01958642098

KATALTOLA FAYDABAD SUB-BRANCH

Mayer Dowa Junayed Villa,
Holding Number-1492,
Road Name- Shukkur Ali Masjid Road,
Dakkhin Khan, Dhaka.
Mobile-01958642110

KALMA SUB-BRANCH

Al-Hasan Super Market, South Kalma,
Savar, Dhaka.
Mobile-01958642123

KALSHI SUB-BRANCH

Mahbub Villa, Holding Number-345-347,
Road Name-Kalshi Road, Pallabi, Dhaka.
Mobile-01958642124

TRISHAL SUB-BRANCH

Sarkar Plaza, Holding Number-69,
Dhaka-Maymensingh Highway,
Trishal, Mymensingh.
Mobile-01958642137

BAUNIA BAZAR SUB-BRANCH

Razzak Market, Holding Number-1841,
Area-Baunia Bazar Main Road,
Uttara Model Town, Turag, Dhaka.
Mobile-01958642139

BLARA BAZAR SUB-BRANCH

Biswas Super Market, Blara Bazar,
Harirampur, Manikganj.
Mobile-01958642162

SANKI PARA SUB-BRANCH

Nurul Islam building, Holding No.-01,
Sanki Para Nayan Moni Market,
Coronation Road, Mymensingh.
Mobile-01958642170

SATAISH SUB-BRANCH

Firoz Khan Plaza,
Holding Number-17/2,
Sataish Road, Tongi, Gazipur.
Mobile-01958642035

SIRAJKANDI SUB-BRANCH

Mosaddak Market, Sirajkhanda Bazar,
Bhuanpur, Tangail.
Mobile-01958642036

KANCHKURA BAZAR SUB-BRANCH

Kachkura High School Market,
College Road, Uttar Khan, Dhaka.
Mobile-01958642005

KALACHANDPUR SUB-BRANCH

Dokkina Hawa Bhaban, Ka 1/3,
North Baridhara Road (Kalachandpur),
Dhaka
Mobile-01958642034

**BRANCHES UNDER
DHAKA SOUTH ZONE (23)**
BALIGAON-TONGIBARI BRANCH

First Security Islami Bank PLC.
H.M Hatem Plaza, Baligaon Bazar,
Main Road, Baligaon, Tongibari,
Munshigonj-1520.
Mobile-01992044199, 01708160199

BANASREE BRANCH

First Security Islami Bank PLC.
House # 35, Road # 2, Block # C,
Banasree Eastern Housing Project,
Rampura, Dhaka.
Telephone-02-8399689
Mobile-01992044138, 01708160138

BISHWA ROAD BRANCH

First Security Islami Bank PLC.
Tropical Saleh Tower,
27, Atish Dipankar Road,
Sabujbag, Dhaka-1214.
Mobile-01992044120, 01708160120

BOALMARI BRANCH

First Security Islami Bank PLC.
Sikder Shopping Complex, Holding No: 549,
Main Road, Boalmari, Faridpur.
Mobile-01992044270, 01708160270

DHANMONDI MODEL BRANCH

First Security Islami Bank PLC.
Holding No-21 (Old-352/B), Road-16 (Old-27),
Dhanmondi, Dhaka-1215.
Mobile-01992044290, 01708160290

DONIA BRANCH

First Security Islami Bank PLC.
Plot No-454, Nayapara, Donia,
Shyampur, Dhaka-1236.
Telephone- 02-7553807
Mobile-01992044121, 01708160121

FARIDPUR BRANCH

First Security Islami Bank PLC.
15/A, Mujib Road, Word # 4,
Kotwali, Faridpur.
Telephone- 0631-67167
Mobile-01992044162, 01708160162

ISLAMPUR BRANCH

First Security Islami Bank PLC.
105, Mabud Tower (2nd Floor),
Islampur Road, Islampur, Dhaka.
Telephone- 02-57392464
Mobile-01992044155, 01708160155

KAKRAIL BRANCH

First Security Islami Bank PLC.
Khulna Trade Square, 19/1, Kakrail Road,
Kakrail, Dhaka-1000.
Telephone- 02-48310741
Mobile-01992044248, 01708160248

KARWAN BAZAR BRANCH

First Security Islami Bank PLC.
Holding No-40/A, Karwan Bazar C/A,
Tejgaon, Dhaka.
Mobile-01992044176, 01708160176

KERANIGANJ BRANCH

First Security Islami Bank PLC.
Abdul Latif Mansion (Hridoy Community Center),
Dakkin Keraniganj, Dhaka.
Mobile-01992044207, 01708160207

KHILGAON BRANCH

First Security Islami Bank PLC.
Syed Bhaban, Holding: 1419/2/A,
Shahid Baki Road, Khilgaon, Dhaka.
Mobile-01992044274, 01708160274

KONAPARA BRANCH

First Security Islami Bank PLC.
Sarkar Plaza, Holding No.-15,
Padadghar Konapara Main Road,
Demra, Dhaka.
Telephone- 02-7559739
Mobile-01992044190, 01708160190

MADHABDI SME/KRISHI BRANCH

First Security Islami Bank PLC.
N D Tower, Holding No.- 248/1,
Algee Road, Madhabdi, Narsingdi.
Telephone- 02-9446878
Mobile-01992044154, 01708160154

MALIBAG BRANCH

First Security Islami Bank PLC.
Union Mahbuba Garden (1st Floor),
86, New Circular Road, Malibag, Dhaka.
Telephone- 02-8318725
Mobile-01992044174, 01708160174

MOHAMMADPUR BRANCH

First Security Islami Bank PLC.
14/26, Shajahan Road,
Mohammadpur, Dhaka.
Telephone- 02-9132150
Mobile-01992044186, 01708160186

MUKSUDPUR BRANCH

First Security Islami Bank PLC.
Tanshir Padma Lake City,
Fultala, Dohar, Dhaka.
Mobile-01992044127, 01708160127

NARAYANGANJ BRANCH

First Security Islami Bank PLC.
123, Bangabandhu Road, Narayanganj.
Telephone- 02-7641955
Mobile-01992044170, 01708160170

NAWABGANJ BRANCH

First Security Islami Bank PLC.
Hazi Karim Complex, Nawabganj, Dhaka.
Mobile: 01992044250, 01708160250

POSTAGOLA BRANCH

First Security Islami Bank PLC.
Kader Tower, 22/1, Karimullarbagh,
N.C.G. Road, Arisngate, Postagola,
Shyampur, Dhaka.
Telephone- 02-7446141
Mobile-01992044225, 01708160225

RAYERBAZAR BRANCH

First Security Islami Bank PLC.
Sikder Tower, 309, Rayerbazar,
Road No.- 04 (Monowara Sikder Road),
Hazaribag, Dhaka-1209.
Telephone-02-9123153
Mobile-01992044245, 01708160245

RING ROAD BRANCH

First Security Islami Bank PLC.
16/A/3 (Ground & 1st floor),
Block # F, Mohammadpur Housing State,
Ring Road, Muhammadpur, Dhaka-1207.
Mobile-01992044133, 01708160133

TOPKHANA ROAD BRANCH

First Security Islami Bank PLC.
Bengal Centre (1st Floor),
28, Topkhana Road, Dhaka-1000.
Telephone- 02-9553149
Mobile: 01992044118, 01708160118

**SUB-BRANCHES UNDER
DHAKA SOUTH ZONE (22)**
LOHARPOOL SUB-BRANCH

BS Tower, Holding No:85/86, K.B. Road,
Loharpool, Gandaria, Dhaka.
Mobile-01958642008

DOKKHIN BANASREE SUB-BRANCH

Holding Number-11, Avenue 08,
Block-M, Banasree, Dhaka.
Mobile-01958642038

ALFADANGA SUB-BRANCH

Akram Chairman Bhaban,
Holding Number-684,
Gopalpur Kashiani Sarak,
Alfadanga, Faridpur.
Mobile-01958642041

**BONDHO CHATGAON ZINZIRA
SUB-BRANCH**

Hasan Plaza, Holding Number-15/1,
Road Name-Bus Road, Zinzira,
Keraniganj Model, Dhaka.
Mobile-01958642053

GOBINDAPUR SUB-BRANCH

Abdur Razzak Super Mansion,
Gobindapur Bazar, Boro Gobindhopur,
Nawabganj, Dhaka.
Mobile-01958642062

JALKURI SUB-BRANCH

Hashem Master Complex, Holding No: A-01,
Jalkuri, Dhaka-Narayanganj Link Road,
Siddirganj, Narayanganj.
Mobile-01958642067

SANARPAR SUB-BRANCH

Holding Number: B/147,
Siddirganj, Narayanganj
Mobile-01958642068

MEGHULA SUB-BRANCH

Alamgir Tower, Area-Meghula Bazar,
Dohar, Dhaka.
Mobile-01958642078

VELANAGAR SUB-BRANCH

Nur Muhammad Khan Tower,
Holding Number-1021,
Velanagar Mor (Jailkhanar Mor),
Dhaka-Sylhet Highway, Narsingdi.
Mobile-01958642079

HAZARIBAGH SUB-BRANCH

Holding Number-33 (In Front of Hazaribagh Park),
Road Name-Nilambar Saha Road,
Hazaribagh, Dhaka.
Mobile-01958642087

TARABO BAZAR SUB-BRANCH

Holding No.-377/1, Tarabo Uttar,
Tarabo Pourashava, Rupganj, Narayanganj.
Mobile-01958642101

PATILJHAP BAZAR SUB-BRANCH

Madbor Plaza, Area-Patiljhaph Bazar,
Union-Sholla, Nawabganj, Dhaka.
Mobile-01958642109

MADHUKHALI SUB-BRANCH

Murtaza Complex,
Holding Number-0056-00,
Road-Dhaka-Khulna Highway,
Madhukhali, Faridpur.
Mobile-01958642128

DHAKA UDDAN SUB-BRANCH

Ridisha Tower, Holding Number-01,
Road Number-01, Block-C, Dhaka Uddan,
Mohammadpur, Dhaka.
Mobile-01958642135

MOYENDIA BAZAR SUB-BRANCH

Molla Tower, Moyendia Bazar,
Sreenagar, Boalmari, Faridpur.
Mobile-01958642152

BOSILA SUB-BRANCH

Shopno Villa, Holding No.-01, Road No.-04,
Block-B, Bosila City Developers Ltd.,
Mohammadpur, Dhaka.
Mobile-01958642153

TANBAZAR SUB-BRANCH

Sattar Tower, Holding No.-48 (New), 50 (Old),
S. M. Maleh Road, Tanbazar, Narayanganj.
Mobile-01958642164

KANAIPUR BAZAR SUB-BRANCH

H.K. Super Market, Kanaipur Puratan Bazar,
09 No. Kanaipur Union Parishad,
01 No. Ward, Faridpur.
Mobile-01958642169

RAMPURA SUB-BRANCH

Rafan Tower, Holding No:02, DIT Road,
East Rampura, Dhaka.
Mobile-01958642004

JATRABARI SUB-BRANCH

Noor Tower, Holding No:14/4,
North-West Jatrabari, Wash Road,
Jatrabari, Dhaka.
Mobile-01958642006

TONGIBARI BAZAR SUB-BRANCH

Tongibari Bazar, Tongibari,
Tongibari Union Parishad,
Tongibari, Munshigonj.
Mobile-01958642007

SADARGHAT SUB-BRANCH

Jowto Plaza, Holding No; 5/1,
Sadarghat Road, Kotowali, Dhaka.
Mobile-01958642022



BRANCHES UNDER KHULNA ZONE (29)

BAGANCHRA BRANCH

First Security Islami Bank PLC.
Alhaj Abu Siddique Super Market (1st Floor),
Bagachra Bazar, Sharsha, Jashore.
Phone-042-3251180
Mobile: 01992044213, 01708160213

BAGERHAT BRANCH

First Security Islami Bank PLC.
6/1, Khan Jahan Ali Road,
Bagerhat Pourashava, Bagerhat.
Telephone-0468-64100
Mobile: 01992044172, 01708160172

BARO BAZAR BRANCH

First Security Islami Bank PLC.
Amina Super Market, Village: Barobazar,
Kaliganj, Jhenaidah.
Mobile: 01992044211, 01708160211

CHOWGACHA BRANCH

First Security Islami Bank PLC.
B K Plaza, Holding No.-248, Vaskorjer Mor,
Jashore-Chowgacha Road,
Chowgacha Bazar, Chowgacha, Jashore.
Mobile: 01958544304, 01896060304

DAKBANGLA BRANCH

First Security Islami Bank PLC.
87, Lower, Jashore Road, Khulna.
Mobile: 01992044282, 01708160282

DAULATPUR BRANCH

First Security Islami Bank PLC.
Holding #724, Jashore Road, Khulna.
Mobile: 01992044285, 01708160285

FAKIRHAT BRANCH

First Security Islami Bank PLC.
Old Dhaka Road, Fakirhat Bazar,
Fakirhat, Bagerhat.
Telephone- 04653-56334
Mobile: 01992044215, 01708160215

GOPALGANJ BRANCH

First Security Islami Bank PLC.
Belayet Plaza (1st Floor), 175, Puratan Bazar Road,
Gopalganj Sadar, Gopalganj-8100.
Telephone-02-6681010
Mobile-01992044247, 01708160247

JASHORE BRANCH

First Security Islami Bank PLC.
Bangabazar (1st Floor),
31, Netaji Suvash Chandra Road, Jashore.
Phone:0421-51955
Mobile: 01992044141, 01708160141

JHENAI DAH BRANCH

First Security Islami Bank PLC.
Jahan Tower (1st Floor), 14 E, Sher-E-Bangla Road,
Jhenaidah Sadar, Jhenaidah.
Phone-0451-63622
Mobile: 01992044197, 01708160197

JHIKARGACHA BRANCH

First Security Islami Bank PLC.
Building Name-Choto Saheb Market,
Holding Number-521, Jashore-Benapole Road,
Jhikargacha, Jashore.
Mobile: 01992044291, 01708160291

KALAROA BRANCH

First Security Islami Bank PLC.
Maleka Tower, Kalaroa, Satkhira.
Mobile: 01992044266, 01708160266

KALIA BRANCH

First Security Islami Bank PLC.
Riyon Tower, Holding# 55, Road #02,
Kalia, Narail.
Mobile: 01992044269, 01708160269

KALIGANJ BRANCH

First Security Islami Bank PLC.
M.M. Palace, Bazargram, Thana Road,
Kaliganj, Satkhira.
Telephone- 0472-556010
Mobile: 01992044224, 01708160224

KAPILMUNI BRANCH

First Security Islami Bank PLC.
Mofazzal & Rezina Hossain Shopping Complex,
Kapilmuni Bazar, Paikgacha, Khulna
Mobile: 01992044208, 01708160208

KESHABPUR BRANCH

First Security Islami Bank PLC.
Ankhi Plaza (1st Floor), Trimohini More,
Plot No.SA-144, Keshobepur, Jashore.
Telephone- 04226-56302
Mobile: 01992044188, 01708160188

KHAJURA BAZAR BRANCH

First Security Islami Bank PLC.
Nurjahan Mohol, Khajura Bazar,
Gournagar, Bagharpara, Jashore.
Mobile: 01992044220, 01708160220

KHULNA BRANCH

First Security Islami Bank PLC.
City Trade Centre, 75, K.D.A Avenue, Khulna.
Telephone- 041-2830433
Mobile: 01992044116, 01708160116

LANGALBANDH BAZAR BRANCH

First Security Islami Bank PLC.
Zotindra Mohon Mala Super Market
Langalbandh Bazar, Shoilkupa, Jhenaidah.
Mobile: 01992044268, 01708160268

LOHAGARA SME/KRISHI BRANCH

First Security Islami Bank PLC.
485, Mojumder Complex (1st Floor)
School Road, Lohagara Bazar, Narail.
Telephone- 04823-56267
Mobile: 01992044157, 01708160157

MAGURA BRANCH

First Security Islami Bank PLC.
1512, Syed Ator Ali Road, Magura.
Telephone- 0488-62241
Mobile: 01992044173, 01708160173

MORRELGANJ BRANCH

First Security Islami Bank PLC.
Al-Safa Super Market (1st Floor)
Morrelgonj Bazar, Bagerhat.
Telephone-04656-56412
Mobile: 01992044216, 01708160216

NALTA BRANCH

First Security Islami Bank PLC.
Sarder Market, Nalta Mobaraknagar,
Kaliganj, Satkhira.
Mobile: 01992044272, 01708160272

NARAIL BRANCH

First Security Islami Bank PLC.
81, Bhuiyan Shopping Mall (1st Floor),
Narail-Jashore Road, Rupgonj Bazar, Narail.
Telephone-0481-62992
Mobile: 01992044204, 01708160204

NAVARON BRANCH

First Security Islami Bank PLC.
Rashid Super Market, Navaron Rail Bazar,
Sharsha, Jashore.
Telephone- 04228-76345
Mobile: 01992044198, 01708160198

PATKELGHATA BRANCH

First Security Islami Bank PLC.
Shova Palaza, College Road,
Patkelghata, Satkhira.
Mobile: 01992044278, 01708160278

PHULTALA BRANCH

First Security Islami Bank PLC.
Janani Super Market, Damodar,
Fultola, Khulna.
Telephone- 041-701700
Mobile: 01992044222, 01708160222

SATKHIRA BRANCH

First Security Islami Bank PLC.
Molla Tower (1st floor), Holding no- 024,
Abul Kashem Sarak, Satkhira.
Telephone- 0471-65648
Mobile: 01992044146, 01708160146

SHYAMNAGAR BRANCH

First Security Islami Bank PLC.
Jaman Commercial Complex (1st Floor),
Shyamnagar, Satkhira.
Telephone-0472-644126
Mobile: 01992044205, 01708160205

**SUB-BRANCHES UNDER
KHULNA ZONE (26)**
MONIRAMPUR SUB-BRANCH

G. N. Market, Holding Number-13/02,
Main Road, Monirampur Bazar,
Monirampur, Jashore
Mobile-01958642040

SIMAKHALI SUB-BRANCH

Mondal Super Market, Shalika, Magura.
Mobile-01958642046

KOYRA SUB-BRANCH

Tarafdar Market, Madinabad Union
Parishad, Koyra, Khulna.
Mobile-01958642058

ARPARA SUB-BRANCH

Mohamaya Market, Village-Arpara,
Shalika, Magura.
Mobile-01958642065

LAHURIA KALIGANJ SUB-BRANCH

Lahuria Kaliganj Bazar Sheikh Super Market,
Lohagora, Narail.
Mobile-01958642066

MUJGUNNI SUB-BRANCH

Plot Number: N/71, N/72, N/73,
Mujgunni Main Road, Kalishpur, Khulna.
Mobile-01958642073

BOYRA SUB-BRANCH

Natun Hat Shopping Complex,
Holding Number-117, Road Name-Boyra
Bazar Road, Sonadanga, Khulna.
Mobile-01958642074

SHAHPUR SUB-BRANCH

Gazi Super Market, Shahpur Union Parishad,
Dumuria, Khulna.
Mobile-01958642075

CHUTIPUR SUB-BRANCH

Masud-Mamun Super Market,
Road Name-Jashore-Chutipur Road,
Jhikargacha, Jashore.
Mobile-01958642088

DAKBANGLA BAZAR SUB-BRANCH

Alauddin Super Market, Area-Dakbangla Bazar,
Jhenaidah Sadar, Jhenaidah.
Mobile-01958642096

BOROBABAR SUB-BRANCH

Jahan Shopping Complex (Puratan Tibbet Market),
Holding Number-24, Hela Tala Road,
Khulna Sadar, Khulna.
Mobile-01958642108

RAJGANJ SUB-BRANCH

Rup Tower, Area-Rajganj Bazar,
Monirampur, Jashore.
Mobile-01958642115

JATRAPUR SUB-BRANCH

Bhai Bhai Market, Kancha Bazar Road,
Area-Jatrapur, Bagerhat Sadar, Bagerhat.
Mobile-01958642116

TALA SUB-BRANCH

Par Market, Area-Tala Bazar,
Ward Number-08, Tala, Satkhira.
Mobile-01958642117

JAMIRA SUB-BRANCH

Sardar Market, Area-Jamira Bazar,
Ward Number-09, Fultala, Khulna.
Mobile-01958642118

MOHAMMADPUR SUB-BRANCH

Sathi Tower, Area-Mohammadpur,
Mohammadpur, Magura.
Mobile-01958642125

KRISHNANAGAR SUB-BRANCH

Sowkhin Plaza, Area-Rogunathpur,
Kaliganj, Satkhira.
Mobile-01958642126

PATGATI SUB-BRANCH

Joti Super Market, Holding Number-241,
Road Name-Sadar Road, Area-Patgati Bazar,
Tungipara, Gopalganj.
Mobile-01958642130

DEY PARA BAZAR SUB-BRANCH

Arafat Complex, Area-Kamargati
Dhopakhali, Kachua, Bagerhat.
Mobile-01958642138

BARINAGAR SUB-BRANCH

Lalitadoho Super Market,
Area-Barinagar Bazar Satmail,
Barinagar High School Road,
Barinagar, Jashore Sadar, Jashore.
Mobile-1958642141

JHAUDANGA BAZAR SUB-BRANCH

Raihan Enterprise, Area-Waria,
Satkhira Sadar, Satkhira.
Mobile-01958642142

MITHAPUR BAZAR SUB-BRANCH

Akram Market, Mithapur Bazar,
Hat Mithapur (7513), Lohagora, Narail.
Mobile-01958642149

PULERHAT SUB-BRANCH

Abu-Sayed Market, Pulerhat Bazar,
Kotowali, Jashore.
Mobile-01958642014

BUDHATABAZAR SUB-BRANCH

Shova Plaza, Budh-Hata Bazar,
Ashashuni, Satkhira.
Mobile-01958642019

BARADIABAZAR SUB-BRANCH

Nobganga Super Market, Baradia Bazar,
Chorkhali, Kalia, Narail.
Mobile-01958642021

PARULIA BAZAR SUB-BRANCH

Ichhmoti Market, Debhata, Satkhira.
Mobile-01958642024



Rajshahi ZONE

BRANCHES UNDER RAJSHAHI ZONE (20)

BADALGACHI BRANCH

First Security Islami Bank PLC.
Mondol Tower, Bodolgachi Charmatha,
Bodolgachi, Naogaon.
Mobile: 01992044284, 01708160284

BADARGANJ BRANCH

First Security Islami Bank PLC.
Bhai Bhai Plaza, Holding no-37,
C.O Road, Badarganj, Rangpur.
Mobile: 01992044286, 01708160286

BOGURA BRANCH

First Security Islami Bank PLC.
Plot # 1717, Shantahar Road,
Borogola, Bogura.
Telephone-051-65933
Mobile: 01992044130, 01708160130

CHAPAINAWABGANJ BRANCH

First Security Islami Bank PLC.
M.N Hoq Bhaban, Godagari Road,
Chapainawabganj Sadar, Chapainawabganj.
Mobile: 01992044288, 01708160288

CHUADANGA BRANCH

First Security Islami Bank PLC.
Malik Tower, Holding No-107,
Shahid Abul Kashem Sharak, Chuadanga.
Telephone- 0761-63212
Mobile: 01992044191, 01708160191

DHUPOIL BAZAR BRANCH

First Security Islami Bank PLC.
Mustari Bhaban, Dhupoil Bazar, Lalpur, Natore.
Telephone-07722-72205
Mobile: 01992044217, 01708160217

DINAJPUR BRANCH

First Security Islami Bank PLC.
Nargis Plaza, 1548/1458 Ganeshtola,
Charubabur More, Kotwali, Dinajpur.
Telephone- 0531-66133
Mobile: 01992044171, 01708160171

JOYPURHAT BRANCH

First Security Islami Bank PLC.
Fouzia Market, Main Road,
Joypurhat Sadar, Joypurhat.
Mobile: 01992044264, 01708160264

KANSAT BRANCH

First Security Islami Bank PLC.
Biswas Market, Kansat,
Shibganj, Chapainawabganj.
Mobile: 01992044227, 01708160227

KUSHTIA BRANCH

First Security Islami Bank PLC.
44, N. S. Road, (1st Floor),
Kustia Sadar, Kushtia
Telephone- 071-63106
Mobile: 01992044179, 01708160179

MEHERPUR BRANCH

First Security Islami Bank PLC.
901, Manik Mia Tower (1st Floor),
Lord Market Road, Meherpur.
Telephone-0791-62082
Mobile: 01992044219, 01708160219

NAOGAON BRANCH

First Security Islami Bank PLC.
Manila Plaza, Plot # 438,
Chakdeb Main Road,
Naogaon Sadar, Naogaon.
Telephone- 0741-81215
Mobile: 01992044189, 01708160189

NATORE BRANCH

First Security Islami Bank PLC.
F. K. Zaman Plaza, Station Road,
Alaipur, Natore.
Telephone- 0771-62165
Mobile: 01992044231, 01708160231

PABNA BRANCH

First Security Islami Bank PLC.
2, Abdul Hamid Road (Traffic More),
Pabna Sadar, Pabna.
Telephone- 0731-52443-4
Mobile: 01992044169, 01708160169

RAJSHAHI BRANCH

First Security Islami Bank PLC.
99, Shaheb Bazar (Zero Point),
Ghoramara, Boyalia, Rajshahi.
Telephone- 0721-775653
Mobile: 01992044136, 01708160136

RANGPUR BRANCH

First Security Islami Bank PLC.
Aziz Supper Market (1st Floor),
Station Road (Nawabgonj Bazar),
Rangpur-5400.
Mobile: 01992044109, 01708160109

SIRAJGANJ BRANCH

First Security Islami Bank PLC.
Noorjahan Plaza, Holding No: 864 & 865,
SS Road, Sirajganj Sadar, Sirajganj.
Mobile- 01992044251, 01708160251

SYEDPUR BRANCH

First Security Islami Bank PLC.
Nizam Uddin Plaza,
Holding No. : 222 & 226,
Shohid Dr. Zikrul Haque Road,
Syedpur, Nilphamari.
Mobile- 01992044252, 01708160252

THAKURGAON BRANCH

First Security Islami Bank PLC.
Islam Plaza, Holding No. : 7304-00,
Bangabandhu Road, Kotoali, Thakurgaon.
Mobile- 01992044261, 01708160261

ULIPUR BRANCH

First Security Islami Bank PLC.
Khan Plaza, Ulipur, Kurigram.
Mobile- 01992044275, 01708160275

SUB-BRANCHES UNDER RAJSHAHI ZONE (12)

AMBARI SUB-BRANCH

Ambari Bazar, Choto Ramchandrapur,
Parbatipur, Dinajpur.
Mobile-01958642037

SHIBGANJ SUB-BRANCH

Holding Number-302, Shibganj Bazar,
Shibganj Main Road, Shibganj,
Chapainawabganj.
Mobile-01958642039

SANTAHAR SUB-BRANCH

Mohammad Mahbubul Islam Talukdar Bhaban,
Holding No. - 10, Naogaon-Bogura Road,
Adam Dighi, Bagura.
Mobile-01958642059

MATAJI HAT SUB-BRANCH

Omar Market, Bus Stand, Mataji Hat,
Mohadevpur, Naogaon.
Mobile-01958642060

GANGACHARA SUB-BRANCH

Kader Complex,
Gangachara Bazar, Rangpur.
Mobile-01958642082

RANIHATI SUB-BRANCH

Alam New Market, Area-Ranihati Bazar,
Pardiad, Shibganj, Chapainawabganj.
Mobile-01958642121

SINGRA BAZAR SUB-BRANCH

Holding Number-298, Parajoy Nagar,
Murgee Hatir Mor, Road Name-Upazilla
Road, Singra, Natore.
Mobile-01958642136

SALANGA BAZAR SUB-BRANCH

Afia Zaman Tower, Holding No.-190,
Bhushal Hata, Bot Tola, Salanga Bazar,
Salanga, Sirajganj.
Mobile-01958642011

NAOHATA SUB-BRANCH

Lakshmi Villa, Holding No: 776,
Poba, Rajshahi.
Mobile-01958642012

UTTARA EPZ SUB-BRANCH

Lamia Plaza, Uttara EPZ,
Boro Sangolshi, Nilphamari Sadar,
Nilphamari.
Mobile-01958642017

BHULLI SUB-BRANCH

Raisa Chowdhury Plaza,
Holding No. 1800, Panchpeer Road, Bhulli
Bazar, Bhulli, Thakurgaon.
Mobile-01958642047

TALORA SUB-BRANCH

Holding No. 427, Durgapur Road,
3 Matha Mor, Dupchachia, Bogura.
Mobile-01958642033



Sylhet ZONE

BRANCHES UNDER SYLHET ZONE (11)

AMBERKHANA BRANCH

First Security Islami Bank PLC.
Moyen Complex, Holding # 640, 641,
Waves B/88, West Amborkhana,
Sylhet-3100.
Telephone-0821-728202
Mobile- 01992044128, 01708160128

BARLEKHA BRANCH

First Security Islami Bank PLC.
Habib Market, Holding Number-189,
Area-Hajiganj Bazar, Barlekha, Moulvibazar.
Mobile- 01992044295, 01708160295

BEANIBAZAR BRANCH

First Security Islami Bank PLC.
Zaman Plaza (1st Floor), 1858, Main Road,
Beanibazar, Sylhet.
Telephone-08223-56303
Mobile- 01992044175, 01708160175

BISHWANATH BRANCH

First Security Islami Bank PLC.
Haji Abdul Khaliq Super Market,
Natun Bazar, Rampasha Road,
Biswanath, Sylhet.
Telephone- 08224-56014
Mobile- 01992044105, 01708160105

CHHATAK BRANCH

First Security Islami Bank PLC.
Monika Plaza, Holding-03, West Bazar,
Chhatak, Sunamganj.
Mobile- 01992044258, 01708160258

GOBINDAGANJ BRANCH

First Security Islami Bank PLC.
Hazi Abdus Salam Market (1st Floor),
Gobindagonj, Syedrgaon Chhatak,
Sunamgonj.
Telephone- 0871-31038
Mobile- 01992044132, 01708160132

JURI BRANCH

First Security Islami Bank PLC.
Fariz Super Market, Bhobanigonj Bazar,
Juri, Moulvibazar
Telephone- 08627-57204
Mobile- 01992044242, 01708160242

MOULVIBAZAR BRANCH

First Security Islami Bank PLC.
61, Central Road (M. Saifur Rahman Road),
Moulvibazar.
Telephone- 0861-63095
Mobile- 01992044122, 01708160122

NOAPARA BAZAR BRANCH

First Security Islami Bank PLC.
M. R. Tower, Noapara,
Madhabpur, Hobiganj.
Mobile- 01992044280, 01708160280

SYLHET BRANCH

First Security Islami Bank PLC.
Salim Mansion (1st Floor), Mendibag C/A,
Biswa Road Asian Highway, Sylhet.
Telephone- 0821-717430
Mobile- 01992044111, 01708160111

TALTOLA BRANCH

First Security Islami Bank PLC.
Probaha-17, Taltola, Sylhet-3100.
Telephone- 0821-723136
Mobile- 01992044153, 01708160153

**SUB-BRANCHES UNDER
SYLHET ZONE (7)**
MUNSHIBAZAR SUB-BRANCH

Jisa Complex, Road Name-Fenchuganj
Road, Area-Uttarbazar, Rajnagar,
Moulvibazar.
Mobile-01958642105

ROBIR BAZAR SUB-BRANCH

Khan Shopping City,
Area-Dakkin Robir Bazar,
Kulaura, Moulvibazar.
Mobile-01958642106

MIRABAZAR SUB-BRANCH

Holding Number-Rasos-64/B,
Area-Mirabazar(Ray Nagar),
Road Name-Sylhet-Tamabil Main Road,
Kotowali, Sylhet.
Mobile-01958642119

LALABAZAR SUB-BRANCH

Landmark Shopping Complex,
Area-Lala Bazar, Dakkin Surma,
District-Sylhet.
Mobile-01958642120

**HABIGANJ INDUSTRIAL PARK
SUB-BRANCH**

Habibur Rahman Market, Olipur Bazar,
Shahazi Bazar, Shayestaganj, Habiganj.
Mobile-01958642143

**OSMANI MEDICAL ROAD
SUB-BRANCH**

Rain Tree Market, Holding No. 278,
Osmani Medical Road,
Kajalshah, Kotowali, Sylhet.
Mobile-01958642148

MADINA MARKET SUB-BRANCH

Hoque Mansion, Holding No. 0713-02,
Sunamganj Road, Madina Market,
Brahmanshasan, Sylhet Sadar, Sylhet.
Mobile-01958642157



ফার্স্ট সিকিউরিটি ইসলামী ব্যাংক পিএলসি
FIRST SECURITY ISLAMI BANK PLC.

Registered Office: 23 Dilkusha C/A, Dhaka-1000
Tel: 02223356431, web: www.fsibplc.com

Affix
Revenue Stamp
Taka 20/-

Proxy Form

I/we of
.....being a member of First Security Islami
Bank PLC, do hereby appoint Mr./Ms of

.....
as my/our proxy to participate and vote for my/our behalf in the 25th Annual General Meeting of
the Bank to be held on Monday, June 24, 2024 at 10:00 a.m. by using Digital Platform
through the link: <https://fsibplc.virtualagmbd.com>

Signed thisday of, 2024

(Signature of the Member)

(Signature of Proxy)

BO A/c No.:

| | | | | | | | | | | | | | | | | | | | |
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No. of Shares:

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- Note: i. Signature must agree with the recorded signature.
ii. The proxy Form duly completed and stamped must be deposited at the
Registered Office at least 48 hours before the time fixed for AGM.



ফার্স্ট সিকিউরিটি ইসলামী ব্যাংক পিএলসি
FIRST SECURITY ISLAMI BANK PLC.

Registered Office: 23 Dilkusha C/A, Dhaka-1000
Tel: 02223356431, web: www.fsibplc.com

Attendance Slip

I/we hereby record my participation in the 25th Annual General Meeting of the Bank being
held on Monday, June 24, 2024 at 10:00 a.m. by using Digital Platform through the link:
<https://fsibplc.virtualagmbd.com>.

Name of the Member / Proxy:

Member's BO A/c No.:

| | | | | | | | | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
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No. of Shares:

| | | | | | | | | | | | | | | | | | | | |
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(Signature of the Member/Proxy)

Glossary

| | |
|--------|---|
| AAOIFI | Accounting and Auditing Organization for Islamic Financial Institutions |
| AD | Authorized Dealer |
| ADB | Asian Development Bank |
| ADC | Alternative Delivery Channel |
| AGM | Annual General Meeting |
| ALCO | Asset Liability Committee |
| ATM | Automated Teller Machine |
| BAB | Bangladesh Association of Banks |
| BACH | Bangladesh Automated Clearing House |
| BACPS | Bangladesh Automated Cheque Processing System |
| BAFEDA | Bangladesh Foreign Exchange Dealers Association |
| BAS | Bangladesh Accounting Standards |
| BB | Bangladesh Bank |
| BBTA | Bangladesh Bank Training Academy |
| BCP | Business Continuity Plan |
| BDT | Bangladeshi Taka |
| BEFTN | Bangladesh Electronic Fund Transfer Network |
| BFIU | Bangladesh Financial Intelligence Unit |
| BFRS | Bangladesh Financial Reporting Standards |
| BIBM | Bangladesh Institute of Bank Management |
| BO | Beneficiary Owners |
| BRPD | Banking Regulation & Policy Department |
| BSA | Bangladesh Standards on Auditing |
| BSEC | Bangladesh Security and Exchange Commission |
| CAMLCO | Chief Anti Money Laundering Compliance Officer |
| CAR | Capital Adequacy Ratio |
| CDBL | Central Depository Bangladesh PLC. |
| CEO | Chief Executive Officer |
| CFO | Chief Financial Officer |
| CGG | Corporate Governance Guidelines |
| CIPPS | Centralized Investment Proposal Processing System |
| CIB | Credit Information Bureau |
| CNG | Compressed Natural Gas |
| CPI | Consumer Price Index |
| CRAR | Capital Adequacy Assessment Ratio |
| CRISL | Credit Rating Information and Services PLC. |
| CRO | Chief Risk Officer |
| CRR | Cash Reserve Requirement |

| | |
|--------|--|
| CSR | Corporate Social Responsibility |
| CSBIBB | Central Shariah Board for Islamic Banks of Bangladesh |
| CSE | Chattogram Stock Exchange |
| CTR | Cash Transaction Report |
| DAIBB | Diplomaed Associate of the Institute of Bankers, Bangladesh |
| DC | Data Center |
| DCFCL | Departmental Control Function Check List |
| DOS | Department of Off-site Supervision |
| DRS | Disaster Recovery Site |
| DSE | Dhaka Stock Exchange Ltd. |
| EFT | Electronic Fund Transfer |
| eIBS | Electronic Integrated Banking System |
| EPS | Earnings Per Share |
| ETP | Effluent Treatment Plants |
| EU | European Union |
| EVA | Economic Value Added |
| FCB | Foreign Commercial Bank |
| FIs | Financial Institutions |
| FSIBL | First Security Islami Bank PLC. |
| FSICIL | First Security Islami Capital & Investment Ltd. |
| FY | Financial Year |
| CIBAFI | General Council for Islamic Banks and Financial Institutions |
| GDP | Gross Domestic Product |
| GOB | Government of Bangladesh |
| GRI | Global Reporting Initiative |
| HDS | Household Durables Scheme |
| HFT | Held for Trading |
| HPSM | Hire Purchase under Shirkatul Melk |
| HR | Human Resources |
| HTM | Held to Maturity |
| IAS | International Accounting Standards |
| IBB | Institute of Bankers, Bangladesh |
| IBCF | Islamic Banks Consultative Forum |
| IBCA | Inter Branch Credit Advice |
| IBDA | Inter Branch Debit Advice |
| IBP | Inland Bill Purchase |
| ICAB | Institute of Chartered Accountants of Bangladesh |
| ICMAB | Institute of Cost and Management Accountants of Bangladesh |
| ICB | Investment Corporation of Bangladesh |
| ICT | Information and Communication Technology |
| IDB | Islamic Development Bank |
| IFRS | International Financial Reporting Standards |

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| IIRC | International Integrated Reporting Council |
| IPO | Initial Public Offering |
| IRG | Investment Risk Grading |
| LC | Letter of Credit |
| MCR | Minimum Capital Requirement |
| MICR | Magnetic Ink Character Recognition |
| MIS | Management Information System |
| MPB | Mudaraba Perpetual Bond |
| NAV | Net Asset Value |
| NOC | No Objection Certificate |
| NPI | Non-performing Investment |
| NPL | Non-performing Loan |
| NRD | Non Resident Dollar account |
| OBU | Offshore Banking Unit |
| PCB | Private Commercial Banks |
| POS | Point of Sales |
| PPD | Profit Paid on Deposits |
| PV | Present Value |
| RDS | Rural Development Scheme |
| R&D | Research and Development |
| RMG | Readymade Garments |
| ROA | Return on Assets |
| ROE | Return on Equity |
| ROI | Return on Investment |
| RTGS | Real Time Gross Settlement |
| RWA | Risk Weighted Assets |
| SAFA | South Asian Federation of Accountants |
| SEC | Securities and Exchange Commission |
| SLR | Statutory Liquidity Ratio SME Small & Medium Enterprise |
| SMS | Short Message Service |
| SMA | Special Mention Account |
| SOB | State Owned Banks |
| SRP | Supervisory Review Process |
| STR | Suspicious Transaction Report |
| SWIFT | Society for Worldwide Inter-Bank Financial Tele-communication |
| TA | Traveling Allowance |
| TOR | Terms of Reference |
| VAT | Value Added Tax |
| WAN | Wide Area Network |
| WED | Women Entrepreneur Desk |
| PLC | Public Limited Company |

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Manager

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Transfer

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