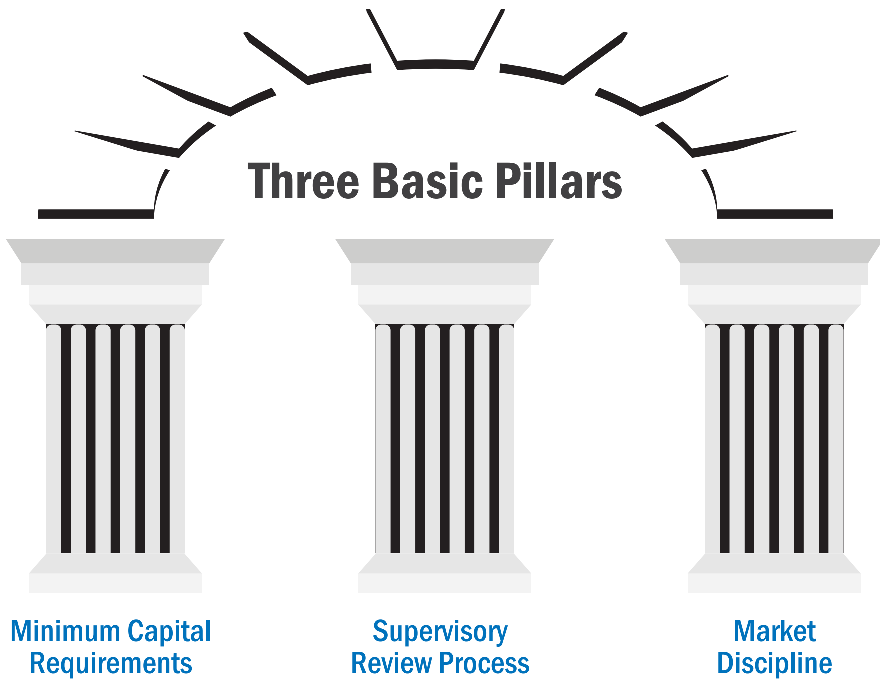
Disclosures on
Risk Based Capital under Basel III
for the Year Ended on December 31, 2015



1. Scope of the Application

Qualitative Disclosure

a) The name of top corporate entity in the group to which this guideline applies	BRAC BANK আস্থা অবিচল
b) An outline of differences in the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities within the group: (i) that are fully consolidated, (ii) that are given a deduction treatment; and (iii) that are neither consolidated nor deducted	BRAC Bank Ltd. is one of the third generation private commercial banks (PCBs) which inaugurated its banking operation on 4th July, 2001 under the Banking Companies Act 1991. The Bank went for public issue of its shares in 2006 and its shares are listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited in 2007. At present the Bank has 105 Branches, 48 SME Krishi Branches and 21 SME Service Centers and 456 own ATM booths. **Subsidiaries:** Subsidiaries are all entities over which the bank has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. A parent of a subsidiary should present consolidated financial statements according to BAS-27: Consolidated and Separate financial statements and BFRS 10: Consolidated Financial Statements. The financial statements of subsidiary are included in the consolidated financial statements from the date that control effectively commences until the date that the control effectively ceases. The Bank has five subsidiary companies namely, BRAC EPL Investments Limited, BRAC EPL Stock Brokerage Limited, BRAC Saajan Exchange Limited (SWMTL) incorporated in UK, b-Kash Limited, BRAC IT Services Limited. **BRAC EPL Investments Limited:** BRAC EPL Investments Limited (BEIL) a public limited company, formally commenced operation under a new management team on October 01, 2009 following obtaining merchant bank license from the Securities and Exchange Commission. **BRAC EPL Stock Brokerage Limited:** BRAC EPL Stock Brokerage Limited is one of the leading stock brokers in the country. The company offers brokerage services to international institutions, domestic institutions, retail clients and non-resident Bangladeshis (NRBs).It is also the pioneer and leader in facilitating foreign portfolio investments in Bangladesh and boasts one of the best Equity Research teams of the country. **B-Kash Limited:** bKash Limited, a subsidiary of BRAC Bank, started as a joint venture between BRAC Bank Limited, Bangladesh and Money in Motion LLC, USA. In April 2013, International Finance Corporation (IFC), a member of the World Bank Group, became an equity partner and in April 2014, Bill & Melinda Gates Foundation became the investor of the company. The ultimate objective of bKash is to ensure access to a broader range of financial services for the people of Bangladesh.

	BRAC Saajan Exchange Limited: BRAC Saajan Exchange Limited mainly provides remittance services to the large Bangladeshi Communities living in UK. Apart from its remittance services the Company also caters to the investment needs of the NRBs through its parent organization BRAC Bank. **BRAC IT Services Limited:** BRAC IT Services Ltd. (biTS) is an IT Solution and Services company and is a subsidiary jointly owned by BRAC Bank and BRAC. biTS has been formed in 2013 through the merger of a subsidiary IT company. It strives to become the most trustworthy company in Bangladesh providing technology solutions and managed IT Services
c) Basis of Consolidation	According to BRPD Circular-12, 24, 35 (dated March 29, 2010, August 03, 2010 & December 29, 2010 respectively) and BRPD circular letter no-08, dated July 23, 2012, investments in subsidiaries have been consolidated for the purpose of assessing capital adequacy, the ratio of which is calculated both on Consolidated and Solo basis. The consolidated financial statements have been prepared in accordance with Bangladesh Accounting Standard 27: Consolidated financial statements and accounting for investments in subsidiaries. The consolidated financial statements include the financial statements of BRAC Bank Limited and its subsidiaries BRAC EPL Investments Limited, BRAC EPL Stock Brokerage Limited, bKash Limited, BRAC Saajan Exchange Limited and BRAC IT Services Limited as those of a single economic entity. The consolidated financial statements have been prepared in accordance with Bangladesh Accounting Standard (BAS) 27: Consolidated and Separate financial statements and Bangladesh Financial Reporting Standard (BFRS) 10: Consolidated Financial Statements. The consolidated financial statements are prepared to a common reporting year ended 31 December 2015.

Quantitative Disclosure

a) The aggregate amount of capital deficiencies in all subsidiaries not included in the consolidation that are deducted and the name(s) of such subsidiaries.	It does not hold here. The assets, liabilities, revenue and expenses of the subsidiaries are combined with the BBL's consolidated audited financial statement as of year ended December 31, 2015 which ensures the elimination of inter-company transactions, balances and intra-group gains on transactions between group companies.

2. Capital Structure

Qualitative Disclosure

<table>
<tr>
<td>a) Summary information on the terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in CET 1, Additional Tier 1 or Tier 2.</td>
<td>
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 raised both the quality and quantity of the regulatory capital base and enhanced the risk coverage of the capital framework. To this end, the predominant form of Tier 1 capital is to 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 is to be comprised of instruments that are subordinated, have fully discretionary noncumulative dividends or coupons and have neither a maturity date 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
According to the guidelines of Bangladesh Bank, in line with Basel III, capital of banks consists of the followings:
Tier I (Going Concern):
a) Common equity Tier 1 (CET 1) :
I. Paid up capital
II. Non-repayable share premium account
III. Statutory reserve
IV. General reserve
V. Retained earnings
VI. Dividend equalization reserve
VII. Minority interest in subsidiaries
Less: Regulatory adjustments applicable on CET1
b) additional Tier 1
Tier II (Gone Concern):
i. General Provisions
ii. Subordinated debt
iii. Minority interest
Less: Regulatory adjustments applicable on Tier 2 capital
</td>
</tr>
</table>

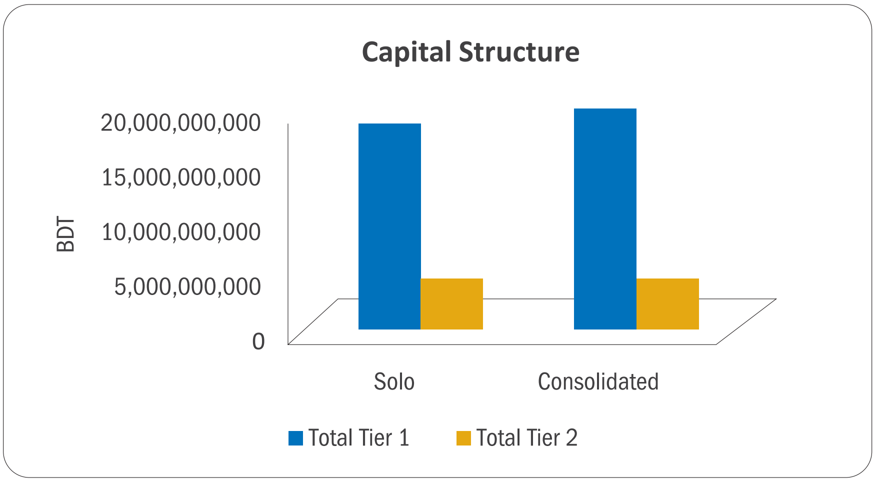
Quantitative Disclosure (Amount BDT)

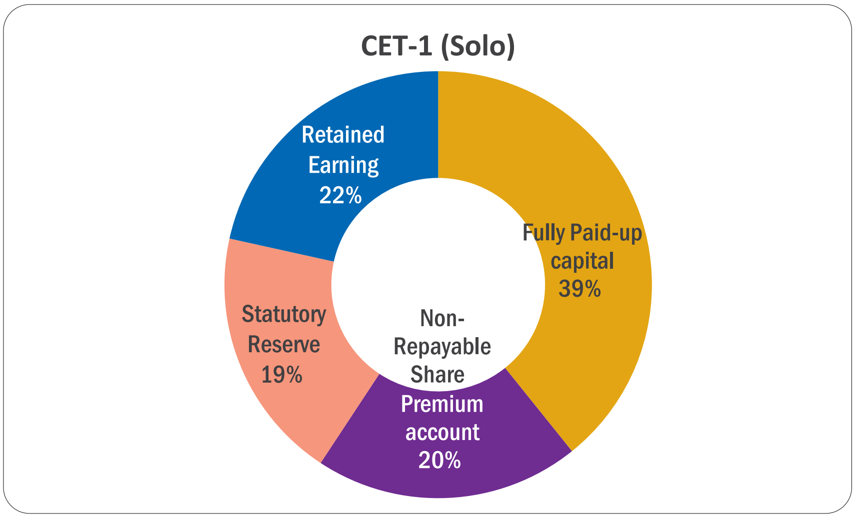
Common Equity Tier-1 (Going Concern Capital)	Solo	Consolidated
Fully Paid-up capital/funds from Head office For the purpose of meeting The capital adequacy	7,092,873,210	7,092,873,210
Non-Repayable Share Premium account	3,622,522,880	4,781,671,715
Statutory Reserve	3,470,350,332	3,470,350,332
General Reserve		
Retained Earning	3,892,934,140	4,088,724,423
Dividend Equalization Reserve		
Minority Interests in Subsidiaries	-	1,297,477,645
Actuarial gain/loss (Actuarial gain/loss kept in books in Bangladesh for foreign Banks)		
Non-repatriable interest free funds from Head Office for the purpose of Acquisition of property And held in a separate Account and have the ability to absorb Losses regardless of their losses. (Applicable for foreign Banks)		
Others (If Any item Approved by Bangladesh Banks)	-	23,718,584
Sub-total	**18,078,680,562**	**20,754,815,909**
Regulatory Adjustments		
Shortfall in Provision Required Against Non-performing Loans (NPLs)		
Shortfall in Provision Required Against Investment in shares		
Remaining Deficit on Account of revolution of investments in Securities After netting off from Any other surplus of the securities.		
Goodwill and all other intangible Assets	-	1,412,198,710
Deferred Tax Assets (DTA)	963,887,229	963,887,229
Defined Benefit pension fund Assets		
Gain on Sale Related to securitization Transactions		
Investment in own CET-1 Instruments/shares (as per Para 3.4.7 of Basel III Guidelines)		
Reciprocal Crossholdings in The CET-1 Capital of Banking, financing And insurance entities.		
Any investment Exceeding the Approved Limit under section 26(2) of Bank company act. 1991 (50% of investment)		
Investment of subsidiaries which are not Consolidated (50% of investment)		
Others If any		
Sub-total	**963,887,229**	**2,376,085,939**
Additional Tier-1 Capital		
Non-Cumulative irredeemable Preference Shares		
Instruments issued By the Banks that meet the qualifying Criteria For AT1 (As specified in Annex-4 of Basel III Guidelines)		

Quantitative Disclosure	(Amount BDT)	
Minority Interest i.e AT1 issued by Consolidated subsidiaries to third parties as specified in Annex-4 of Basel III Guidelines (For Consolidated Reporting)		
Head Office Borrowing in foreign currency by Foreign Banks operation in Bangladesh for inclusion In Additional tier-1 capital which comply with the regulatory requirements as specified in Annex-4 of Basel III Guidelines (Applicable For foreign Banks)		
Any other item especially allowed by BB from time to time for inclusion in Additional Tier-1 capital (applicable for foreign banks).		
Others (If any item Approved By Bangladesh Bank)		
Regulatory Adjustments:		
Investment in own AT-1 instrument/Shares(as per para 3.4.7 of Basel III Guidelines)		
Reciprocal Crossholdings in The AT-1 Capital of Banking, financing And insurance entities.		
Others (If any)		
Total Additional Tier-1 Capital Available		
Excess amount over maximum Limit Of AT-1		
Sub-total	-	-
Total Admissible Tier-1 Capital	**17,114,793,333**	**18,378,729,970**
Tier-2 Capital (Gone-Concern Capital)		
General Provision (Eligible For inclusion in Tier 2 will be limited to a maximum 1.25 percentage points of Credit Risk Weighted Assets Calculated under the Standardized Approach)	1,783,186,562	1,857,726,067
All other preference shares		
Subordinated debt/Instruments issued by the Banks that meet the qualifying criteria For tier-2 Capital (as per Annex 4 of Basel III Guidelines)	1,200,000,000	1,200,000,000
Minority interest i.e. Tier 2 issued by Consolidated Subsidiaries to third Parties(For Consolidated Reporting Only)		
Head Office (HO) borrowings in foreign Currency Received that meet the Criteria of tier 2 Debt Capital (Applicable For Foreign banks).		
Revaluations Reserve as on 30th June, 2015 (50% of Fixed Assets And Securities & 10% of equities)	346,502,408	346,502,408
Others (If Any item approved by Bangladesh bank)		
Sub-total	**3,329,688,970**	**3,404,228,475**
Regulatory Adjustments		
Revaluation Reserve For Fixed Assets and Security & equity securities (Follow Phase-in deduction as per Basel III guidelines)	69,300,482	69,300,482

Quantitative Disclosure (Amount BDT)

Investment in own T2 Instruments/Shares (as Per para 3.4.7 of Basel III Guidelines)		
Reciprocal Crossholdings in The AT-2 Capital of Banking, financing And insurance entities.		
Any investment Exceeding the Approved Limit under section 26(2) of Bank company act. 1991 (50% of investment)		
Investment of subsidiaries which are not Consolidated (50% of investment)		
Others If Any		
Total Tier-2 Capital Available	3,260,388,488	3,334,927,993
Excess amount over Maximum limit of T-2		
Total Admissible Tier-2 capital	**3,260,388,488**	**3,334,927,993**
Total Regulatory Capital	**20,375,181,821**	**21,713,657,963**





3. Capital Adequacy

Qualitative Disclosure

a) A summary discussion of the bank's approach to assessing the adequacy of its capital to support current and future activities.	BRAC Bank Limited with its focused strategy on risk management has always been consistent in maintaining capital adequacy ratio above the regulatory requirements. BRAC Bank Limited has been successfully managing the incremental growth of the Risk Weighted Assets by ensuring diversification of the portfolio in SME, Retail and Corporate segments. However, RWA is also managed by taking collaterals against loans. With regard to regulatory capital calculation approaches (Minimum Capital Requirement) the bank is following the prescribed approach of Bangladesh Bank. Below are risk wise capital computation approaches that the bank is currently applying: Credit Risk – Standardized Approach (SA) Market Risk – Standardized Approach (SA) **Operational Risk –** Basic Indicator Approach (BIA)

Quantitative Disclosure

Description	Solo	Consolidated
a) Capital requirement for Credit Risk	14,265,492,497	14,861,808,537
b) Capital requirement for Market Risk	337,126,014	370,451,488
c) Capital requirement for Operational Risk	2,059,597,686	2,439,149,533
Minimum Capital Requirement	**16,662,216,198**	**17,671,409,558**
d) Capital Ratio:		
CET 1 Capital	17,114,793,333	18,378,729,970
Total Tier 1 Capital	17,114,793,333	18,378,729,970
Total Tier 2 Capital	3,260,388,488	3,334,927,993
Total Capital	**20,375,181,821**	**21,713,657,963**
Total Risk Weighted Assets (RWA):	**166,622,161,980**	**176,714,095,576**
Capital to Risk Weighted Assets Ratio (CRAR) (A5/B)*100	12.23%	12.29%
Common Equity Tier-1 to RWA (A2/B)*100	10.27%	10.40%
Tier-1 Capital to RWA (A1/B)*100	10.27%	10.40%
Tier-2 Capital to RWA (A4/B)*100	1.96%	1.89%
Minimum Capital Requirement (MCR)	**16,662,216,198**	**17,671,409,558**

4. Credit Risk

Qualitative Disclosure

a) Definitions of past due and impaired loans	Credit risk is the risk of financial losses resulting from the failure by a client or counterparty to meet its contractual obligations to the Bank. Credit risk arises from the Bank's dealings with or lending to corporate, individuals, and other banks or financial institutions. Bank's provision for loans and advances is created based on the period of arrears by following Bangladesh Bank BRPD Circulars No. 16 of December 06, 1998, 09 of May 14, 2001, 09 and 10 of August 20, 2005, 05 of June 05, 2006, 8 of August 07, 2007, 10 of September 18, 2007, 05 of April 29, 2008, 32 of October 12, 2010, 14 of September 23, 2012, 15 of September 23, 2012, 19 of December 27, 2012 and 05 of May 29, 2013 respectively. This is also reviewed by the management as and when requisite. Interest on loans and advances is calculated daily on product basis but charged and accounted monthly and quarterly on accrual basis. Classification and provisioning for loans and advances is created based on the period of arrears by following Bangladesh Bank BRPD circulars no. 14, of 23 September 2012, 15 of 23 September 2012, 19 of 27 December 2012 and 05 of 29 May 2013 respectively. This is also reviewed by the management. Interest on classified loans and advances is calculated as per BRPD circular No. 27, dated August 31, 2010 and recognized as income on realization as per BRPD circular no. 14 and 15, dated September 23, 2012.

b) Description of approaches followed for specific and general allowances and statistical methods

Rate of provision:

	Business Unit	Rates of Provision				
		Un-classified (UC)		Classified		
		Standard	Special Mention Account (SMA)	Substandard (SS)	Doubtful (DF)	Bad loan (BL)
Consumer	House building and loans for professionals	2%	2%	20%	50%	100%
	Other than house building and professionals	5%	5%	20%	50%	100%
Loans to BHs/ MBs against share etc.		2%	2%	20%	50%	100%
Small and medium enterprise		0.25%	0.25%	20%	50%	100%
Short term Agri/Micro credit		2.5%	0%	5%	5%	100%
All others		1%	1%	20%	50%	100%
Off Balance Sheet		1%	-	-	-	-

c) Discussion of the bank's credit risk management policy	**Corporate Credit Policy:** BRAC Bank Limited is managing its Credit Risk through a Board directed and approved Corporate Credit Policy in line with the Bangladesh Bank Core Risk Management Guidelines, which outlined robust processes and procedures to ensure the quality of its assets portfolio. The Credit Policy also contains the general principles to govern the implementation of detailed lending procedures and risk grading systems of the borrowers. And, as such, it specifically addresses the areas of (a) Loan Originating; (b) Credit Approval; (c) Credit Administration; (d) Risk Management; and (e) Monitoring, Collection and Recovery activities. **Credit Risk Management:** Conventionally, the core function of a Credit Risk Management (CRM) Team is to optimize the risk adjusted return from Bank's Loans and Advances by maintaining an appropriate standard in the underwriting process. However, the scope of BRAC Bank's CRM is not just limited to this. At BBL, a more holistic approach towards risk management is taken, where socioeconomic and environmental impacts of the decisions made are emphasized upon. This particular practice is the hallmark of BRAC Bank's credit risk management objective. We believe in development rather than growth, and sustainability rather than mere financial return from a transaction. We strive to create value rather than be the consumer of the value. To achieve this goal we manage the credit risk inherent in the entire portfolio of the bank as well as the risks associated with individual credit proposals or transactions. We believe that the effective management of credit risk is a critical component of a comprehensive approach to risk management. In the last couple of years, BRAC bank has been focusing on adopting environmental risk management programs through the assistance, guidance, and/or requirements provided by IFC as well as regulatory guidelines. Bringing in social and environmental risk assessment into the credit approval process contributes to the wellbeing of the society. Moreover, as the lion share of the total revenue of BRAC Bank Limited comes particularly through SME lending, so the future prospect of the Bank depends on quality of its asset portfolio. Thus efficient management of the Loans and Advances is of paramount importance for the bank. Determination of credit risk involves review of the borrower's past credit history and its income assessment. We have established an appropriate credit risk environment, operating under a sound credit-granting process, maintaining a robust credit administration and monitoring process, and ensuring adequate controls over credit risk. In the last couple of years, we have been focusing on adopting environmental risk management programs through the assistance, guidance, and/or requirements provided by IFC as well as regulatory guidelines. Bringing in social and environmental risk assessment into the credit approval process contributes to the wellbeing of the society. There are differentiated and dedicated credit models for SME Banking, Retail Banking and Wholesales Banking to ensure the quality asset growth of the bank while implementing the risk mitigation strategies for each portfolio. There is a distributed collection model that consistently follows up with the borrowers for the timely repayments. A wing named 'Special Asset Management (SAM)' deals

with nonperforming assets through amicable settlement, execution of decrees and arrangements of auctions to sell the mortgaged properties. SAM is also engaged to monitor Early Alert Accounts. At BBL, we are very keen to identify, measure, monitor and control credit risk and ensure that adequate capital against these risks are maintained, at the same time they are satisfactorily compensated against the risk of potential losses.

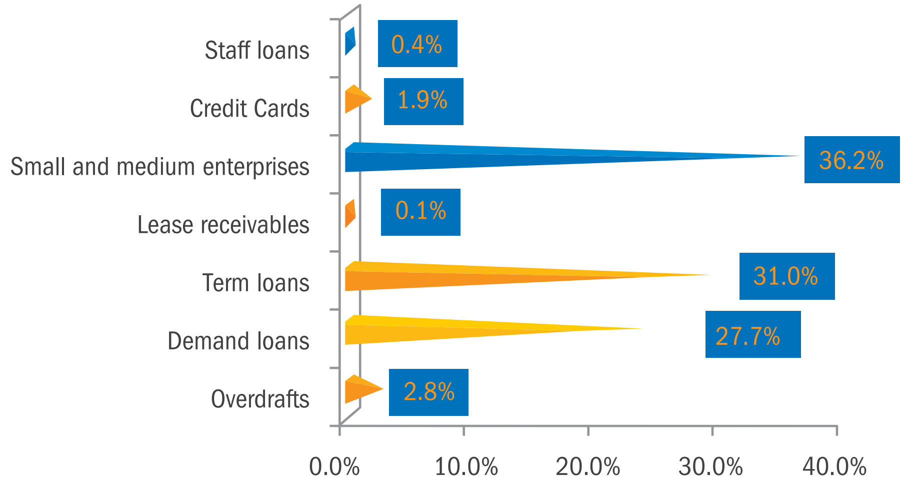
Final authority and responsibility for all activities that expose the bank to credit risk rests with the Board of Directors. The Board however delegated authority to the Managing Director and CEO or other officers of the credit risk management division. BRAC bank has a board approved own Credit Risk Management policy. The Board also sets credit policies and delegates authority to structure the credit risk management framework in the bank. The Credit Policy Manual contains the core principles for identifying, measuring, approving, and managing credit risk in the bank and designed to meet the organizational requirements that exist today as well as to provide flexibility for future. The policy covers corporate, retail, small and medium enterprise exposures. Policies and procedures has structured and standardized credit risk management process both in obligor and portfolio level and also follow central bank guide line. Total Credit Administration Process has been centralized which have mitigated various risks. Credit risk management function is Independent of business origination functions to establish better internal control and to reduce conflict of interest.

Risk Weighted Assets (RWA)	Solo	Consolidated
Credit Risk	142,654,924,972.34	148,618,085,368.12
On- Balance sheet	123,714,607,144.69	129,677,767,540.47
Off- Balance sheet	18,940,317,827.65	18,940,317,827.65

Quantitative Disclosure

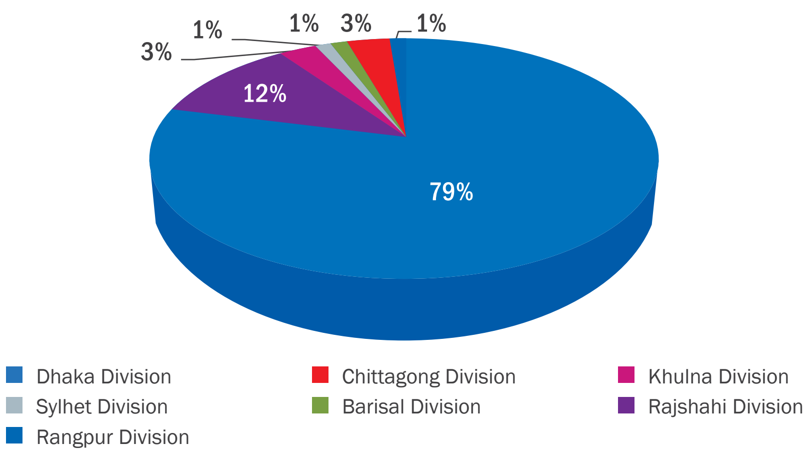
a) **Total Gross Credit Risk Exposure Broken down by Major Types of Credit Exposure**

Particulars	Amount (BDT)
Overdrafts	4,042,663,721
Demand loans	40,525,260,123
Term loans	45,237,856,876
Lease receivables	160,906,409
Small and medium enterprises	52,884,165,867
Credit Cards	2,717,537,726
Staff loans	577,221,717
Sub-total	**146,145,612,439**
Bills purchased and discounted	1,287,994,847
Total	**147,433,607,286**



b) Geographical Distribution, Broken down in Significant Areas by Major Types of Credit Exposures

Particulars	Amount (BDT)
Dhaka Division	116,416,876,225
Chittagong Division	16,764,815,776
Khulna Division	4,118,496,803
Sylhet Division	1,794,992,730
Barisal Division	1,749,764,111
Rajshahi Division	4,760,531,045
Rangpur Division	1,828,130,596
Total	**147,433,607,286**

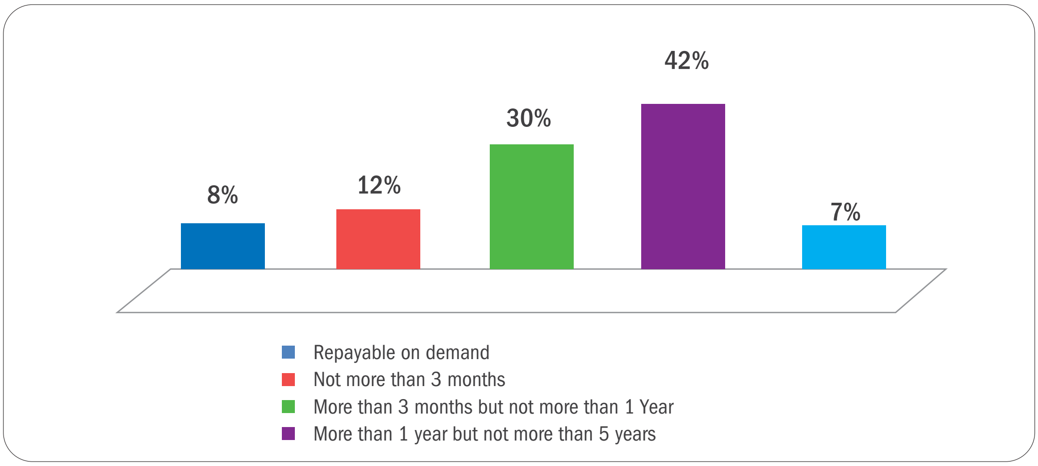


c. Industry or Counterparty Type Distribution of Exposure Broken down by Major Types of Credit Exposure

Particulars	Amount (BDT)
Government:	
Private:	
Agriculture, fishing, forestry and dairy firm	3,221,204,187
Industry (jute, textile, garments, chemicals, cements etc.)	29,806,987,816
Working capital financing	22,887,527,986
Export credit	129,876,893
Commercial credit	51,697,827,962
Small and cottage industries	5,777,338,186
Miscellaneous	33,912,844,256
Total	**147,433,607,286**

d. Residual Contractual Maturity Breakdown of the Whole Portfolio, Broken down by Major Types of Credit Exposure

Particulars	Amount (BDT)
Repayable on demand	12,221,952,427
Not more than 3 months	18,367,331,412
More than 3 months but not more than 1 Year	44,391,158,342
More than 1 year but not more than 5 years	62,621,508,994
More than 5 years	9,831,656,111
Total	**147,433,607,286**



e. **By major industry or counterparty type:** Amount of impaired loans and past due loans with provisions, specific & general provisions, and Charges for specific allowances and charge-offs during the period

Status	Outstanding Loans and advances 2015	Base for provision	Percentage (%) of required provision	Required provision 2015
Unclassified				
All unclassified loans (Other than Small and Medium enterprise Financing, Consumer Finan cing, BHs/MBs/SDs, Housing and loans for professional)	68,653,724,975	68,076,503,259	1.00%	680,765,033
Small and Medium enterprise financing	48,651,210,035	48,651,210,035	0.25%	121,628,025
Loans to BHs/MBs/SDs against share etc.	1,768,886,903	1,768,886,903	2.00%	35,377,738
Housing and loan for professional	9,856,281,411	9,856,281,411	2.00%	197,125,628
Loans for professionals to Set up business (LP)	349,617,468	349,617,468	2.00%	6,992,349
Consumer finance	8,226,659,067	8,226,659,067	5.00%	411,332,953
Short Term Agricultural and Micro Credit	1,088,586,712	1,088,586,712	2.50%	27,214,668
Total				**1,480,436,394**

f. **Non Performing Assets (NPAs)**

Classified-Specific provision	Outstanding Loans and advances 2015	Base for provision	Percentage (%) of required provision	Required provision 2015
Sub-standard (Short Term Agricultural Credit)	421,855	421,855	5%	21,093
Sub-standard	1,061,772,418	757,553,530	20%	151,510,706
Doubtful	673,482,710	438,155,818	50%	218,852,797
Bad/Loss	7,102,963,731	5,261,772,515	100%	5,640,956,869
	-	-	-	6,011,341,465
Required provision for loans and advances	-	-	-	7,491,777,860
Total provision maintained	-	-	-	8,417,328,266
Excess/(Short) provision at 31 December 2015				925,550,407

**BHs = Brokerage Houses, MBs = Merchant Banks, SDs = Stock Dealers Against Shares*

5. Equities: Disclosure for Banking Book Positions

Qualitative Disclosure

a) Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons:	Investment in equity securities are broadly categorized into two parts: **i. Quoted Securities** Common or Preference Shares & Mutual Fund) that are traded in the secondary market. **ii. Unquoted securities** include shares of Central Depository Bangladesh Limited (CDBL), Industrial and Infrastructure Development Finance Co. Ltd., Bangladesh Rating Agency of Bangladesh Limited., BRAC Asset Management Company Ltd., BRAC Impact Ventures Limited.
b) Discussion of important policies covering the valuation and accounting of equity holdings in the banking book. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices	All investment securities including acquisition charges associated with the investment are initially recognized at cost. Premiums are amortized and discount accredited, using the effective yield method and are taken to discount income. The valuation methods of Marking to Market for investment used are i. Held to Maturity (HTM) and by definition the investments which have "Fixed or determinable" payments and fixed maturity that the group has the positive intent and ability to hold to maturity other than those that meet the definition of 'Held at amortized cost others' are classified as held to maturity. These investments are subsequently measured at amortized cost, less any provision for impairment in value. Amortized cost is calculated by taking into account any discount or premium in acquisition. Any gain or loss on such investments is recognized in the statement of income when the investment is derecognized or impaired as per IAS-39 "Financial Instruments : Recognition and Measurement" ii. Held for Trading (HFT) is a method where investments are acquired principally for the purpose of selling or repurchasing or in short trading or if designated as such by the management. After initial recognition, investments are measured at present value and any change in the fair value is recognized in the statement of income for the period in which it arises. Transaction costs, if any, are not added to the value of investments at initial recognition. iii. Revaluation: According to DOS Circular no.-05, dated 26th May 2008, the HFT securities are revalued once each week using Marking to Market concept and the HTM securities are amortized once a year according to Bangladesh Bank guidelines. The HTM securities are also revaluated if they are reclassified to HFT category with the Board's approval

Quantitative Disclosure

			Amount (BDT)
Quoted Shares			
Particular	Cost of holding	Market Value	Unrealized Gain
Ordinary shares	1,280,304,986	1,050,697,622	(229,607,363)

Unquoted	Cost of holding
Industrial and Infrastructure Development Finance Co. Limited	19,683,820
Central Depository Bangladesh Limited	16,277,770
Bangladesh Rating Agency of Bangladesh Limited	12,497,600
BRAC EPL Investments Limited	752,715,794
BRAC EPL Stock Brokerage Limited	1,344,147,500
bKash Limited	168,921,800
BRAC Saajan Exchange Limited	59,388,531
BRAC IT Service Limited	31,224,000
BRAC Asset Management Company Limited	13,527,657
Preference shares	
Summit Uttaranchal Power Co Limited	14,194,800
Summit Purbanchal Power Co Limited	21,584,600
Union Capital Preference Share	50,000,000
Total	**2,504,163,872**

Required Capital Charge on Equities		
	Consolidated	Solo
General Market Risk	121,732,498.85	105,069,762.24
Specific Risk	121,732,498.85	105,069,762.24
Total Capital Charge	**243,464,997.70**	**210,139,524.48**

6. Interest Rate Risk in the Banking Book (IRRB)

Qualitative Disclosure

a) The general qualitative disclosure requirement including the nature of IRRBB and key assumptions, including assumptions regarding loan prepayments and behavior of non-maturity deposits, and frequency of IRRBB measurement	Interest rate risk is the risk where changes in market interest rates might adversely affect a bank's financial condition. It is the risk related to interest income arising from a mismatch between the duration of assets and liabilities that arises in the normal course of business activities. Changes in interest rates affect the underlying value of the bank's assets, liabilities, and off-balance-sheet (OBS) instruments because the present value of future cash flows (and in some cases, the cash flows themselves) change when interest rates change. **i. Approach of Assessing IRRB** In BRAC Bank Limited, the Asset & Liability Management (ALM) unit under the supervision of Asset and Liability Committee (ALCO) is responsible for managing market risk arising from BRAC Bank's banking book activities. Our interest rate risk management involves the application of four basic elements in the management of assets, liabilities, and OBS instruments. These are (a) appropriate senior management oversight; (b) adequate risk management policies and procedures, (c) appropriate risk measurement, monitoring, and control functions; and d) comprehensive internal controls. **ii. Techniques of Addressing IRRB:** Following techniques for managing the IRRB in BRAC Bank Limited are applied: **Re-pricing Schedules:** It is the simplest techniques for measuring a bank's interest rate risk exposure and that is generating a maturity/re-pricing schedule that distributes interest-sensitive assets, liabilities, and OBS positions into a certain number of predefined time bands according to their maturity (if fixed-rate) or time remaining to their next re-pricing (if floating-rate). Those assets and liabilities lacking definitive re-pricing intervals (e.g. sight deposits or savings accounts) or actual maturities that could vary from contractual maturities are assigned to re-pricing time bands according to the judgment and past experience of the bank. **Gap Analysis:** It helps to assess the interest rate risk of current earnings. To evaluate earnings exposure, interest rate-sensitive liabilities in each time band are subtracted from the corresponding interest rate-sensitive assets to produce a re-pricing "gap" for that time band. This gap is then multiplied by an assumed change in interest rates to yield an approximation of the change in net interest income that would result from such an interest rate movement. **i. Duration:** A maturity/re-pricing schedule is also used to evaluate the effects of changing interest rates on a bank's economic value by applying sensitivity weights to each time band. Typically, such weights are based on estimates of the duration of assets and liabilities that fall into each time band. **ii. Quarterly Stress Testing:** It is conducted on quarterly basis as per the directives of Bangladesh Bank to gain better insight into the vulnerable issue of IRRB.

Quantitative Disclosure

Particulars	Amount (BDT)		
Market Value of Assets	222,222,700,000		
Market Value of Liabilities	205,014,000,000		
Weighted Average of Duration of Assets (DA)	1.33		
Weighted Average of Duration of Liabilities (DL)	0.24		
Duration GAP (DA-DL)	1.11		
Yield to Maturity (YTM-Assets)	47.95%		
Yield to Maturity (YTM-Liability)	8.15%		
Magnitude of Interest Rate Change	1%	2%	3%
Change in market value of equity due to and increase in interest rate	-166.6876177	-333.3752354	-500.0628531
Stress Testing	Minor	Moderate	Major
Regulatory capital (after shock)	17,993,700,000	16,326,800,000	14,660,000,000
RWA (after shock)	150,141,200,000	148,474,300,000	146,807,500,000
CAR (after shock)	11.98%	11.00%	9.99%

7. Market Risk

Qualitative Disclosure

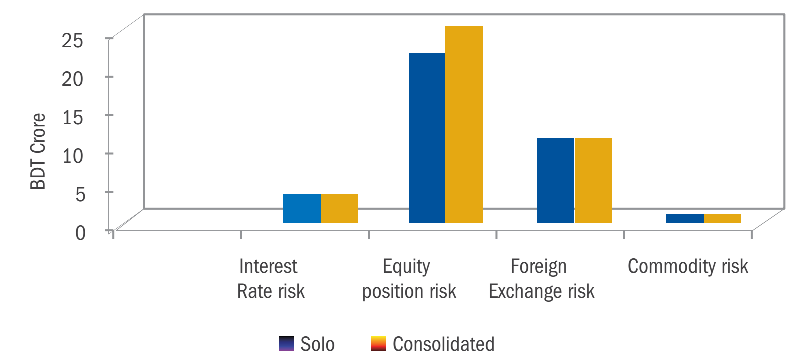
a) Views of Board of Directors (BOD) on trading/ investment activities.	There is a approved policy to monitor risks related to changes in market dynamics. The Board approves all policies related to market risk, sets limits and reviews compliance on a regular basis. The objective is to obtain the best balance of risk and return whilst meeting customers' requirements.
b) Methods used to Measure Market risk	Standardized (Rule Based) Approach is used to measure the market risk as per the guidelines of Bangladesh Bank where, for Interest Rate Risk and Equity Risk both General and Specific risk factors are applied for calculating required capital charges against Market Risk.
c) Market Risk Management System	The Treasury Division manages market risk covering liquidity, interest rate and foreign exchange risks with oversight from Asset-Liability Management Committee (ALCO) comprising senior executives of the Bank. ALCO is chaired by the Managing Director.
d) Policies and Processes for mitigating market risk.	i. **Asset Liability Management:** BRAC Bank Limited gives adequate emphasis so that the level of balance sheet risks is effectively managed. Appropriate policies and procedures have been established as per the guidelines of Bank's Board of Directors (BOD) including relevant circular guidelines of Bangladesh Bank to control and limit these risks and proper resources are available for the evaluation and control of these risks. The Asset Liability Committee (ALCO) of the bank monitors Balance Sheet and liquidity risk of the bank.

ii. **Foreign Exchange Risk Management:** Foreign exchange risk (also known as FX risk, exchange rate risk or currency risk) is a financial risk that exists when a financial transaction is denominated in a currency other than that of the base currency. The risk is that adverse fluctuations in exchange rates may result in a loss in earnings. We have our own board approved policy for the management of FX risk. We have developed different strategies to handle foreign exchange risk by setting different types of limits and risk parameters to measure and monitor foreign exchange risk exposure of the Bank.

The bank maintains various Nostro accounts in order to conduct operations in different currencies. The management of the bank sets limits for conducting Nostro account transactions. All Nostro accounts are reconciled on monthly basis and outstanding entries are reviewed by the management for its settlement/ adjustment. The position maintained by the bank at the end of the day is within the stipulated limit prescribed by the central Bank. Changes in market liquidity and/or interest rate exposes Bank's business to the risk of loss. Treasury department is vested with the responsibility to measure and minimize the risk associated with bank's assets and liabilities including Foreign Exchange Risk. All Treasury functions are clearly demarcated between Treasury Front Office and Back Office. The Front Office is involved only in dealing activities while the Back Office is responsible for related support and monitoring functions. All the Treasury Front and Back Office personnel are guided as per Bangladesh Bank Core Risk Management guidelines. And they have separate and independent reporting lines to ensure segregation of duties and accountabilities. Dealing room is equipped with Reuter's information, voice screen recorder.

Quantitative Disclosure

		(Amount in BDT)
The Capital Requirements for Market Risk	**Solo**	**Consolidated**
Interest Rate risk	25,711,859	25,711,859
Equity position risk	210,139,524	243,464,998
Foreign Exchange risk	101,274,631	101,274,631
Commodity risk	0	0
Total	**337,126,014**	**370,451,488**



8. Operational Risk

Qualitative Disclosure

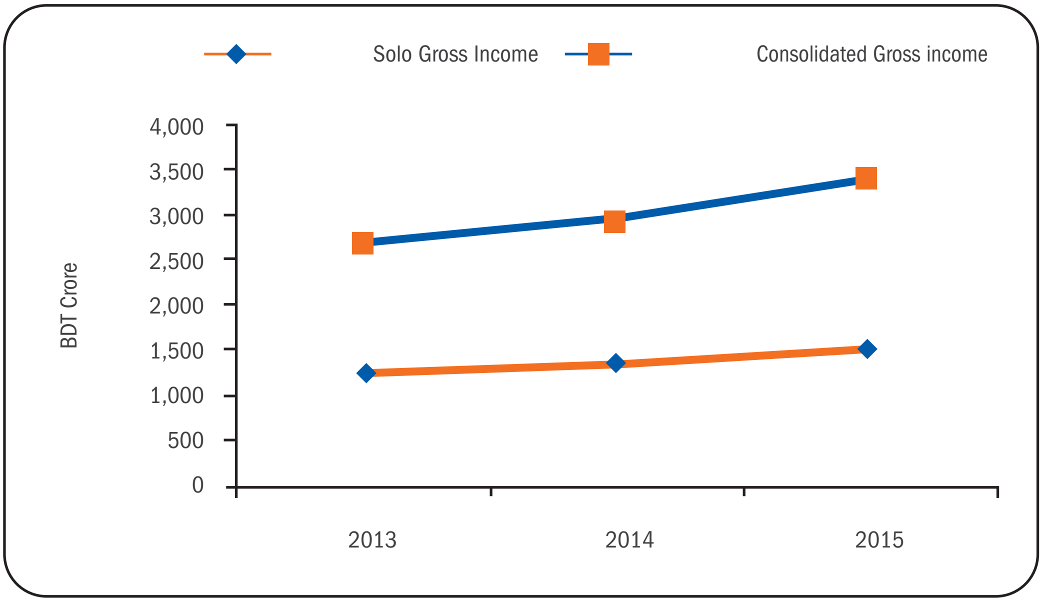
	Operational Risk is defined as the risk of unexpected losses due to physical catastrophe, technical failure, and human error in the operation of a bank, including fraud, failure of management, internal process errors and unforeseeable external events excluding legal and strategic risk. We have a separate Operational Risk Management (ORM) team to monitor and control operational lapses.
a) Views of BOD on system to reduce Operational Risk	Operation risk is defined as the risk of losses resulting from inadequate or failed internal processes, people and system or from external events. This definition includes legal risk, but excludes strategic or reputation risk. The Board of Directors (BOD) of BRAC Bank Limited and its Management firmly believe that efficient management of operational risks always contribute to the earnings of the Bank and at the same time secure the interest of its customers and shareholders. To materialize this understanding into reality, there are dedicated risk management associates across the Bank that consistently work for managing the Operational Risks using effective tools and techniques implemented through polices and processes.
b) Performance Gap of Executive and Staff	BBL is an equal opportunity employer. At BBL we recognize the importance of having the right people at right places & positions to achieve organizational goal. Our recruitment and selection procedure is governed by the Philosophies of equality, transparency and assortment. To reduce knowledge gap and assist in the development of our personnel, user friendly Operations Manual have been developed and enclosed with functional processes for all employees who are the end users of these processes. This is a critical initiative for the Bank because having a mapped out process enables users to operate more efficiently, enhances knowledge amongst staff and fills in the holes in operations. All the policies and processes address clear responsibilities and accountabilities of all employees.
c) Potential external events	There are non diversifiable external factors that can affect operations of the business directly or indirectly. BBL understand that business operates in an umbrella of inter connected socio-economic and political environment where macro economic conditions, regulatory changes, change in demand, status of infrastructure have significant influence on bank's performance.
d) Policies and processes for mitigating operational risk	In BRAC Bank, a dedicated department under the Risk Management Division (RMD) consistently works in Operational Risk identification, assessment and implementing appropriate risk mitigation strategies across the Bank. It helps to create awareness about various types of risks in pan bank and enhances management of significant risk exposures by escalating all risk issues timely and concisely to the MANCOM and Enterprise Risk Management Committee (ERMC). The team works in collaboration with all the departments in the Bank for

	minimizing the Operational Risk exposures by collating information from key stakeholders of processes across all functions of the bank, Incident Reports, Potential Loss Reports, Internal Audit Reports, External Audit Reports and various other sources to identify gaps, risks, compliance and control failures to ensure reporting of significant risks and corporate governance issues. Such maintenance of a bank-wide risk management framework enables every department to independently identify, assess and respond to changes in the operating environment. Enterprise Risk Management Committee (ERMC) meeting, which takes place in every month to ensure Bank's risk governance and compliance with Bangladesh Bank directives for minimizing the Bank's enterprise level risk issues, is one of the core initiatives in pursuit of eliminating operational risk. ERMC is an independent body composed of Bank's Management Committee (MANCOM) Members which is also an extended supervisory management of the Board of Directors of BRAC Bank and works in strategy setting across the enterprise for the matters of risk management. Wherein, issues escalated in ERMC is also place at the Board level in the Risk Management Committee of the bank. Via this bi-monthly meeting, the board members get acquainted with the risk issues, provide directives and help strengthen the risk mitigation process. To set up the Key Risk Indicators (KRI) and to monitor these KRIs pan bank are also one of our key focus. The Business Continuity Plan (BCP) is another initiative that is being performed to combat unforeseen situations. To make the bank more robust and resilient to any type of sudden disaster; be it the natural disaster or network problem or even be it a human error, we prepare the BCP in such a way that the bank can resist all these types of disaster and can run smoothly with very minimum loss. The Subsidiary Risk Management is a new inclusion in our scope of work. We strive to ensure adequate risk management for all the subsidiaries. This includes development of risk management framework, risks profiling, formulation of process and policy and overall assistance to adapt the best practices. BRAC Bank's ORM team drives the Enterprise Risk Associates Forum (ERAF) meeting which is common platform for connecting employees from diverse location to raise risk issues. This meeting takes place once in a month. The employees of pan bank can report the risk through "Risk Register" (risk reporting and storage tool), Outlook mail, etc.
e) Approach for Calculating Capital Charges for Operational Risk	Basic Indicator Approach (BIA) is followed to calculate the capital charges for Operational Risk as per the guidelines of Bangladesh Bank. As per BIA, the capital charge for Operations Risk is a fixed percentage denoted by α (alpha) of average positive gross annual income of the bank over the past three years.

Quantitative Disclosure

Amount (BDT)

Year	Consolidated			Solo		
	Gross Income (GI)	Weight @15%	15% of Average GI	Gross Income (GI)	Weight @15%	15% of Average GI
2015	18,482,501,554	15%	2,772,375,233.13	15,128,312,277	15%	2,269,246,841.55
2014	15,893,460,259	15%	2,384,019,038.92	13,408,280,802	15%	2,011,242,120.24
2013	14,407,028,852	15%	2,161,054,327.77	12,655,360,651	15%	1,898,304,097.65
	Avearge Gross Income of three years			Average Gross Income of three years		
	48,782,990,665	15%	2,439,149,533.27	41,191,953,730	15%	2,059,597,686.48



9. Liquidity Risk

Qualitative Disclosure

a) Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons:	Liquidity risk is the risk that a given security or asset cannot be traded quickly enough in the market to prevent a loss (or make the required profit) or when a bank is unable to fulfill its commitments in time when payment falls due. Thus, liquidity risk can be of two types: a) Funding liquidity risk: the risk that a firm will be unable to meet its current and future cash flow and collateral needs without affecting its daily operations or its financial condition b) Market liquidity risk: the risk that a firm cannot easily offset or sell a position without incurring a loss because of inadequate depth in the market. **Liquidity Coverage ratio:** The liquidity coverage ratio (LCR) refers to highly liquid assets held by financial institutions in order to meet short-term obligations. The Liquidity coverage ratio is designed to ensure that financial institutions have the necessary assets on hand to ride out short-term liquidity disruptions. Banks are required to hold an amount of highly-liquid assets, such as cash or Treasury bonds, equal to or greater than their net cash over a 30 day period (having at least 100% coverage). **Net stable funding ratio (NSFR):** The NSFR presents the proportion of long term assets funded by stable funding and is calculated as the amount of Available Stable Funding (ASF) divided by the amount of Required Stable Funding (RSF) over a one-year horizon. This ratio must equal or exceed 100%.
a) Methods used to measure Liquidity risk	We follow Bangladesh Bank's Risk Based Capital Adequacy guideline in line with Basel III. We also started following DOS circular no. 1, dated 1st January, 2015, on Implementation of Basel III liquidity ratio. The calculation methodology is illustrated in detail in the guideline provided by Bangladesh Bank.
b) Liquidity risk management system	Liquidity is the ability of a bank to generate fund for increasing assets and meet obligations as they come due, without incurring unacceptable cost. The fundamental role of banks in the maturity transformation of short-term deposits into long-term loans makes bank inherently vulnerable to liquidity risk. Effective liquidity risk management helps ensure a bank's ability to meet cash flow obligations, which are uncertain as they are affected by external events and other agents' behavior. Liquidity risk management is of paramount importance because a liquidity shortfall at single institution can have system-wide repercussions. Liquidity risk is a low probability but high impact event. The essence of liquidity management is buying time to absorb liquidity shock.

c) Policies and processes for mitigating liquidity risk	The Board of Directors approve the LRM Policy. Asset Liability Committee (ALCO) reviews the policy at least annually or as and when required by taking into consideration of any changes in the market dynamics and appropriateness and put recommendation for changes in policy to the Board for approval. The LRM Policy is guided by international best banking practices, local banking & regulatory environment and prudent guidelines of the central bank.

Quantitative Disclosure

Particular	As on December 31, 2015
Liquidity Coverage Ratio	112.45%
Net Stable Funding Ratio (NSFR)	110.56%
Stock of High quality liquid assets	30,218,842
Available amount of stable funding	152,259,515
Required amount of stable funding	137,712,887

10. Leverage Ratio

Qualitative Disclosure

	The Tier 1 leverage ratio is the relationship between a banking organization's core capital and total assets. In order to avoid building-up excessive on- and off-balance sheet leverage in the banking system, a simple, transparent, non-risk based leverage ratio has been introduced. The leverage ratio is intended to achieve the following objectives: a) Constrain the build-up of leverage in the banking sector which can damage the broader financial system and the economy b) Reinforce the risk based requirements with an easy to understand and a non-risk based measure
a) Policies and processes for managing excessive on and off-balance sheet leverage	We followed Bangladesh Bank's Risk Based Capital Adequacy guideline in line with Basel III.
b) Approach for calculating exposure	The bank will maintain leverage ratio on quarterly basis. The calculation at the end of each calendar quarter is submitted to BB showing the average of the month end leverage ratios based on the following definition of capital and total exposure. Items which are deducted completely from capital do not contribute to leverage and will therefore also be deducted from the measure of exposure. The exposure measure for the leverage ratio will generally follow the accounting measure of exposure. Leverage ratio= Tier 1 Capital (after related deductions)/Total Exposure (after related deductions)

Quantitative Disclosure

Particular	Solo	Consolidated
Leverage ratio	7.08%	7.42%
On balance sheet exposure	217,679,716,514	225,009,117,645
Off balance sheet exposure	24,924,336,585	24,924,336,585
Total exposure	241,640,165,870	247,557,368,290

11. Remuneration

Qualitative Disclosure

a) Information relating to the bodies that oversee remuneration:	
■ Name, composition and mandate of the main body overseeing remuneration;	**Remuneration during Joining:** This is overseen by the three senior executives in Human Resources Division: 1) Head of Recruitment 2) Head of Payroll & Benefits 3) Head of Human Resource The above three members along with the concern functional head fixes the remuneration based on fitment analysis of the incoming employee. **Remuneration after Joining:** Head of Human Resources along with concern Function head and Management Committee reviews the Remuneration of the Bank from time to time and adjust it based on Performance, Cost of Living Adjustment and market benchmark.
■ External consultants whose advice has been sought	The Management of the Bank has appointed "Cerebrus" "consultant firm to do a full fledge Remuneration and Benefit survey for salary adjustment. The consultant firm was commissioned with the recommendation from Head of HR along with the consent of MD & CEO
■ A description of the scope of the bank's remuneration policy e.g. by regions, business lines), including the extent to which it is applicable to foreign subsidiaries and branches.	The remuneration policy of the bank covers all persons engaged in service of the bank. The Salary structure of the Bank is based on Job Grades. Job grades are decided on the basis of an analytic assessment of the position based on the size, responsibilities, decision-making authorities and the nature of the job.
■ A description of the types of employees considered as material risk takers and as senior managers including the number of persons in each group.	We have considered high officials like Chief Executives Officer, Chief Financial Officer, Head of Retail Banking, Head of Operation, Head of HR, Head of Technology, Internal control & Compliance s are material risk takers.

b) Information relating to the design and structure of remuneration processes:	
■ An overview of the key features and objectives of remuneration policy;	The Bank is committed to follow a fair, competitive and flexible remuneration policy. The Board is the final authority for approval and any amendment to this policy with upon recommendation from the Management Committee. The remuneration policy of the bank cover all persons engaged in permanent service of the bank. Bank has different Job Grades for various levels of employee. Job grade is decided on the basis of an analytic assessment of the position based on the size, responsibilities, decision-making authorities and the nature of the job. **The following are the job grades of BRAC bank limited:** ▶ Deputy Managing Director ▶ Senior Executive Vice President ▶ Executive Vice President ▶ Senior Vice President ▶ Vice President ▶ Senior Assistant Vice President ▶ First Assistant Vice President ▶ Assistant Vice President ▶ Senior Principal Officer ▶ Principal Officer ▶ Senior Officer ▶ Management Trainee Officer ▶ Officer Grade II ▶ Officer Grade I Managing Director & CEO is not a permanent position. It is a fixed term contractual position. The remuneration of an employee have the following components: ▶ Basic salary ▶ House rent ▶ Medical allowance ▶ Conveyance ▶ Utility ▶ Entertainment ▶ Festival Bonus ▶ Leave Fair Allowance Salaries are confidential between the employees concerned and the Management. The salary ranges for these job grade is reviewed from time to time by the management committee.

	In addition to this, an employee receives 2 guaranteed festival bonuses in two festivals each equal to one basic. S/he also receives Leave Fair Allowance equal to one Basic salary at the time of his Annual Mandatory Leave. He may also receive performance bonus/awards/grants etc as decided by the Board/Management of the bank from time to time.
A discussion of how the bank ensures that risk and compliance employees are remunerated independently of the businesses they oversee	The structure of the performance-based component of the Risk Manager's remuneration is referred to the Human Resources Committee for approval. Any qualitative performance metrics are based on the quality and integrity of risk and control functions
c) Description of the ways in which current and future risks are taken into account in the remuneration processes.	
■ An overview of the key risks that the bank takes into account when implementing remuneration measures;	BRAC Bank has developed a risk management framework identifying the following core risks 1. Credit risk 2. Liquidity risk 3. Market risk 4. Capital Adequacy risk 5. Operational risk 6. Regulatory risk 7. Reputational risk 8. Strategic risk The Board's risk appetite for these risks significantly affects the application of the balanced scorecard methodology and performance appraisal approach to remuneration.
■ An overview of the nature and type of the key measures used to take account of these risks, including risks difficult to measure (values need not be disclosed);	A balanced scorecard approach has been adopted by the Board with the five (5) criteria being; Growth or Projects, Profitability or Cost Control, Risk Management, Compliance and Service.
■ A discussion of the ways in which these measures affect remuneration;	The way in which each individual contributes to or impacts on the key criteria differs depending on the area of the business in which they operate and their level of seniority. These differences are reflected in the expected outcomes and performance indicators developed for each individual employee/role and satisfactory performance against these indicators is required to qualify for change in remuneration.

■ A discussion of how the nature and type of these measures has changed over the past year and reasons for the change, as well as the impact of changes on remuneration.	All measures remain unchanged during the past year.
d) Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration :	
■ An overview of the main performance metrics for the bank, top-level business lines and individuals;	▶ Certain percentage of the pre-tax profit as Performance Bonus. ▶ The method of distribution is based at Management discretion. ▶ No bonus will be applicable to the employees rating marginal & unsatisfactory performance. ▶ Bonus is declared as per individual employee performance. The ratings and associated bonus amount is decided by the Management committee ▶ Performance is measured as per pre defined criteria and set targets at the beginning of the year. Assessment is divided in two categories: A) Business Objective B) Value based objective. BRAC Bank believes in Value based performance assessment which not only expects desired performance from the employee but also ensure that his/her value system towards organization and his/her job is also up to the mark. **Eligibility criteria are as follows:** ▶ Confirmed Employees joined within 31st December of the year before the performing year. ▶ Employees joined in the performing year but confirmed within 31st October of that year. However, bonus will be calculated on Pro Rata Basis based on confirmation date for the rest of the calendar year.
■ A discussion of how amounts of individual remuneration are linked to institution-wide and individual performance;	A bonus pool does not arise unless a predetermined level of profit is achieved as detailed in the Profit Performance Matrix in the Remuneration Policy.
■ A discussion of the measures in general implement to adjust remuneration in the event that performance metrics are weak.	Variable remuneration is determined by the outcome of the balanced scorecard where each of the 5 criteria is weighted according to the individual role.

e) Description of the ways in which the Bank seeks to adjust remuneration to take account of longer-term performance.	
■ A discussion of the bank's policy on deferral and vesting of variable remuneration and, if the fraction of variable remuneration that is deferred differs across persons or groups of persons, a description of the factors that determine the fraction and their relative importance;	BRAC Bank does not currently offer deferred variable remuneration.
■ A discussion of the bank's policy and criteria for adjusting deferred remuneration before vesting and after vesting through claw back arrangements.	BRAC Bank does not currently offer deferred variable remuneration.
f) Description of the different forms of variable remuneration that the BRAC bank utilizes and the rationale for using these different forms.	
■ An overview of the forms of variable remuneration offered (i.e., cash, shares and share-linked instruments and other forms)	BRAC Bank only offers cash based remuneration.
■ a discussion of the use of the different forms of variable remuneration and, if the mix of different forms of variable remuneration differs across persons or groups of persons), a description the factors that determine the mix and their relative importance.	Not applicable as BRAC Bank only offers cash based remuneration.

Quantitative Disclosure	
a) Number of meetings held by the main body overseeing remuneration during the financial year and the remuneration paid to its members.	The Management Committee meets three (3) times during the year ended 31 December 2015. No payment is made to Committee members for their membership of the Committee.
b)	
■ The number of persons having received a variable remuneration award during the financial year.	Employee No. 2668 Total Amount : BDT 151,241,537
■ Number and total amount of guaranteed bonuses awarded during the financial year.	Employee No. 5256 Total Festival Bonus : BDT 165,302,889
■ Number and total amount of sign-on awards made during the financial year.	Nil
■ Number and total amount of termination payments made during the financial year.	Employee No. – 51 Termination Benefits : BDT 1,181,843
c)	
■ Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms.	Nil
■ Total amount of deferred remuneration paid out in the financial year.	Nil

d) Breakdown of the amount of remuneration awards for the financial year to show	
■ Fixed and variable;	Fixed (Gross+LFA+ Festival) : BDT 2,249,174,556 Variable: (Performance Bonus+Incentive) : BDT 167,625,223
■ Deferred and non-deferred; and	N/A
■ The different forms used (cash, shares and share-linked instruments and other forms).	N/A
e) Quantitative information about persons' exposure to implicit and explicit adjustments of deferred remuneration and retained remuneration:	
■ Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments.	Nil
■ Total amount of reductions during the financial year due to ex post explicit adjustments.	Nil
■ Total amount of reductions during the financial year due to ex post implicit adjustments.	Nil